

COUNCIL MEETING AGENDA

TUESDAY, FEBRUARY 24, 2015

Members may attend in person or by telephone

Ed Foster, Mayor
Norm Simpson, Vice Mayor

Carol Kelley
Loretta Warner
Hal Davidson

Mark Orgeron
Gunny St. Germain

**Quartzsite Town Hall
Council Chambers
465 North Plymouth Avenue
Quartzsite, Arizona**

**Regular Meeting
7:00 p.m.**

SPEAKING TO THE COUNCIL

If you are interested in speaking to the Council during Public Hearings, Communications from Citizens, or other designated agenda items, you must fill out a speaker card (located on the table inside the front entrance to the Council Chambers) and deliver it to the Town Clerk prior to the convening of the meeting. Each individual will be limited to three (3) minutes for their remarks.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council Rules, as well as the rules of politeness, propriety, decorum and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly, will be asked to leave.

CELL PHONES AND RECORDING DEVICES

As a courtesy to others please turn off or silence all cell phones or pagers. Reporters or others with recording devices are requested to be staged at the back of the public seating area in order not to interfere with the meeting.

***Items may be discussed earlier or in a different sequence.
Headphones are available upon request for the hearing impaired.***

AGENDA ITEM	COUNCIL ACTION
CALL TO ORDER OF REGULAR MEETING	
INVOCATION AND PLEDGE OF ALLEGIANCE <i>The invocation may be offered by a person of any religion, faith, belief or non-belief. Interested persons should contact the Clerk for further information.</i>	
ROLL CALL	
ANNOUNCEMENTS	
CALL TO THE PUBLIC AND COMMUNICATIONS FROM CITIZENS - <i>At this time, members of the public may comment on matters within the jurisdiction of the Town but not on the agenda. For the official record, individuals must state their name. There is a 3 minute limit for each speaker. The Council's response is limited to responding to criticism, asking staff to review a matter commented upon, or asking that a matter be put on a future agenda.</i>	

	PRESENTATIONS; PROCLAMATIONS	
1.	PROCLAMATION – Proclamation commemorating the Quartzsite Improvement Association’s fiftieth anniversary.	
2.	FISCAL YEAR 2013-2014 AUDIT PRESENTATION –Scott Graff, CPA, of Colby & Powell, PLC will give a presentation of the Town’s Annual Financial Statements and Independent Auditors’ Report for Fiscal Year 2013-2014.	
	CONSENT AGENDA <i>All items listed below are considered consent calendar items and may be approved by a single motion unless removed at the request of Council for further discussion/action. Other items on the agenda may be added to the consent calendar and approved under a single motion.</i>	
3-a.	LEDGER OF ACCOUNTS PAID – Consider approval of check series 38543 - 38598, totaling \$42,527.24.	Discussion; possible action by MOTION; may be acted upon with single motion.
3-b.	MINUTES – Consider approval of the minutes of the Regular Meeting of February 10, 2015.	Discussion; possible action by MOTION; may be acted upon with single motion.
	PUBLIC HEARING <i>If no requests to speak have been submitted, Items will be heard at one Public Hearing. Items may be heard separately if requested by a member of the Council or if a request to speak has been submitted. Comments will be heard from those in support of or in opposition to an item. Hearings may be held prior to the estimated time indicated on the Agenda.</i> <i>In order to comment on a Public Hearing Item, you must fill out a public comment form, indicating the Item Number on which you wish to be heard. There is a 3 minute limit for each speaker.</i> <i>Once the hearing is closed, there will be no further public comment unless requested by a member of the Council. After the Public Hearing, the Council may act on all items not requiring additional staff, public or Council Member comment with a single vote.</i>	

4.	LIQUOR LICENSE PUBLIC HEARING - Conduct hearing and consider recommending approval of a Club Liquor License for the Veterans of Foreign Wars Organization's VFW Post 769 located at 305 N. Central Blvd., Quartzsite, AZ 85346.	Hearing; discussion; possible action by MOTION.
5.	EXTENSION OF PREMISES/PATIO PERMIT PUBLIC HEARING - Discussion and possible action to recommend approval of a permanent Extension of Premises/Patio Permit for the VFW Post 769 located at 305 N. Central Blvd., Quartzsite, AZ, to the Arizona Department of Liquor Licenses and Control.	Hearing; discussion; possible action by MOTION.
6.	SPECIAL EVENT LIQUOR LICENSE PUBLIC HEARING - Conduct hearing and consider recommending approval of a Special Event Liquor License for the VFW Post 769, located at 305 N. Central Blvd., Quartzsite, AZ, with the special event set to occur on April 4, 2015.	Hearing; discussion; possible action by MOTION.
<p>ADMINISTRATIVE ITEMS</p> <p><i>Administrative items are for Council discussion and action. It is at the discretion of the majority of the Council regarding public input requests on any Administrative Item. Persons wishing to speak on an Administrative Item should complete a Request to Speak Form and indicate the Item they wish to address. Council may or may not accept public comment.</i></p>		
7.	ANNUAL FINANCIAL STATEMENTS - Consider acceptance of the Annual Financial Statements and Independent Auditors' Report for Fiscal Year 2013-2014.	Discussion; possible action by MOTION.
8.	TOWN CODE AMENDMENT – MAYOR'S POWERS – Consideration, discussion and possible adoption of an ordinance amending Chapter 2, Article 2-2 Mayor, of the Town Code restoring certain powers of the Mayor and failure to perform duties.	Discussion; possible action by MOTION.
9.	TOWN COUNCIL PROCEDURE AMENDMENT – Consideration, discussion and possible adoption of an ordinance amending the Quartzsite Town Council Procedure and Legal and Ethical Standards of Conduct Manual related to the Mayor's duties and powers to make and second motions per request of the Town Council and conforming changes relating to the Mayor's powers.	Discussion; possible action by MOTION.

10.	TOWN CODE AMENDMENT - AGGRESSIVE SOLICITATION – Consideration, discussion and possible adoption of an ordinance amending Chapter 11 Offenses of the Town Code regulating aggressive solicitation in specified locations and manners.	Discussion; possible action by MOTION.
11.	EXECUTIVE SESSION - An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding amendments to a Power Purchase Agreement for Wastewater Project with SunEdison Origination1, LLC that is the subject of negotiations.	
	RETURN TO OPEN SESSION	
12.	CONTRACT AMENDMENT - SUNEDISON ORIGINATIION1, LLC - Consideration, discussion and possible approval of an amendment to the Power Purchase Agreement for Wastewater Project with SunEdison Origination1, LLC.	Discussion; possible action by MOTION.
	COMMUNICATIONS	
13.	Reports from the MAYOR on current events.	
14.	Reports from the COUNCIL on current events.	
15.	Reports from the TOWN MANAGER to the Council.	
	ADJOURN	MOTION to adjourn.

Certification of Posting

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following locations: Quartzsite Town Hall, 465 N. Plymouth Ave, Quartzsite, AZ, U.S. Post Office, 80 W. Main Street, Quartzsite, AZ and The Senior Center, 40 Moon Mountain Ave, Quartzsite, AZ, on the _____ day of _____, 2015, at _____ a.m./p.m. in accordance with the statement filed by the Town of Quartzsite with the Town Clerk, Town of Quartzsite.

By: _____, Town Clerk's Office.

TOWN OF QUARTZSITE
MONTHLY FEE BOOK TOTALS
MAGISTRATE COURT

MONTH: JANUARY 2015

ACCOUNT #	ACCOUNT DESCRIPTION	TOTAL
01-2211	BONDS PAYABLE	
01-2212	MAGISTRATE PAYABLE	6,845.53
01-4410	MUNICIPAL FINES REVENUE	5,802.52
21-4420	LOCAL JCEF REVENUE	66.50
42-4044	COURT ENHANCEMENT	521.97
39-4027	LAW ENFORCEMENT REVENUE	119.55
01-4105	PUBLIC SAFETY RECOVERY	170.38
TOTAL		\$13,526.45

SIGNATURE *G. Kelly*
 Prepared by: *Lori Callan*

MAGISTRATE ACTIVITY REPORT

MONTH OF JANUARY 2015

	Prior Month	Current Month
Civil Traffic Action Filed	23	18
Criminal Traffic Action Filed	11	8
Misdemeanor Cases Filed	22	16
Initial Appearances Handled	25	26
Trials and Pre-Trials Held	15	25
Civil Traffic Closings	25	36
Criminal Traffic Closings	10	12
Misdemeanor Cases Closed	12	12
Warrants Issued	11	5
Warrants Closed	13	9
Harassment or Orders of Protection	4	5
Revenue generated by Court	\$2,833.63	\$6,845.53
Total Collected	\$6,578.78	\$13,526.45

Amanda Lilly, Magistrate

Signature

Preparer: LOK. Callan

**TOWN OF QUARTZSITE
COMMON COUNCIL
A PROCLAMATION COMMEMORATING**

**THE QUARTZSITE IMPROVEMENT ASSOCIATION
(QIA)
FIFTIETH ANNIVERSARY
1965 - 2015**

WHEREAS, the QIA was incorporated April 27, 1965; and

WHEREAS, the QIA is a non-profit organization dedicated to the betterment of the Quartzsite Community; and

WHEREAS, the QIA provides a hall for music, dances, classes, crafts, weekly pancake suppers, fund raising dinners, and many more activities, and;

WHEREAS, several local organizations hold their meetings in the QIA facility and;

WHEREAS, the QIA is the gathering place of the annual Grand Gathering, a tribute to all grandparents with the help of Proud Neighbors of Quartzsite, the Town of Quartzsite and the QIA; and

WHEREAS, beginning in 1967, the QIA is the host of the world famous Pow Wow, an annual Rock and Gem Show with minerals, held each January, with free admission, free parking and great low-cost meals available to all, which brings many winter visitors to Quartzsite; and

WHEREAS, the QIA operates with all volunteer help; and

WHEREAS, the QIA is an excellent example of the Town of Quartzsite's volunteers uniting in support of the betterment of the community;

NOW, THEREFORE, the COMMON COUNCIL of the Town of Quartzsite, La Paz County, Arizona, does hereby take great pleasure in commemorating the year 2015 as the Quartzsite Improvement Association Fiftieth Anniversary, in Quartzsite, Arizona, and calls upon the people of the Town of Quartzsite to visit one of the Town's greatest hallmarks, the Q.I.A.

Given under my hand in these free United States in the Town of Quartzsite, Arizona, on the 24th day of February in the year Two Thousand and Fifteen; and to which I have caused the Seal of the Town of Quartzsite to be affixed and have made this proclamation public.

Ed Foster, Mayor

ATTEST:

Tina M. Abriani, Town Clerk



TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

Agenda Item #3-a. Consider approval of check series 38543 - 38598, totaling \$42,527.24.

Summary: The Quartzsite Town Council Procedure Policy states that at least once each month the Council shall review a list of all the bills paid, and may ask for clarification at any time.

The Procedure Policy also states the Council should designate the check numbers being approved.

Responsible Person: Skylor Miller, Town Manager

Attachment: Ledger of Accounts Paid: check series 38543 - 38598.

Action Requested: Motion to approve the Ledger of Accounts Paid; check series 38543 - 38598.

**Quartzsite Town Council Meeting of
FEBRUARY 24, 2015
Check Register/ Revenue/ Consent Agenda**

Horizon Community Bank- Begin Check #38543 - 38598

Balances on all cash accounts as of February 20, 2015

Checking Account	\$	2,782,221.22
LGIP Account	\$	697,277.61
WIFA Debt Reserve Account	\$	162,883.17

Total Expensed Dollar Amount for Consent Agenda	\$	102,837.28
Total Payroll for Pay Period Ending 2/14/15	\$	60,310.04
YTD Total Revenue Dollar Amount for Consent Agenda	\$	1,216,214.94
YTD Total Sewer Cap Revenue as of 2/20/15	\$	7,100.00
YTD Total Sewer Sales Revenue as of 2/20/15	\$	648,822.17
YTD Total Water Cap Revenue as of 2/20/15	\$	12,200.00
YTD Total Water Sales Revenue as of 2/20/15	\$	548,092.77

Report Criteria:

Report type: GL detail

Check Check Number = 38543-38598

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
38557						
02/19/15	38557	Amazon	3.80	Phone Battery - Water	16-550-5022	3.80
02/19/15	38557	Amazon	21.88	Office Supplies - Admin	01-130-5022	21.88
Total 38557:			25.68			
38558						
02/19/15	38558	American Water Works As	162.50	AWWA Membership Dues	15-500-5051	162.50
02/19/15	38558	American Water Works As	162.50	AWWA Membership Dues	16-550-5051	162.50
Total 38558:			325.00			
38559						
02/19/15	38559	APS	2,521.98	Electric Service	03-220-5049	2,521.98
02/19/15	38559	APS	26.67	Electric Service	03-220-5049	26.67
Total 38559:			2,548.65			
38560						
02/19/15	38560	Arizona State Treasurer	6,801.37	Fees Collected: January 2015	01-000-2212	6,801.37
Total 38560:			6,801.37			
38561						
02/19/15	38561	C&D Disposal	103.90	4Yd Commercial Bin Fee (Parks)	01-180-5035	103.90
Total 38561:			103.90			
38562						
02/19/15	38562	Chevron Usa	61.38	Fuel - Police	01-140-5024	61.38
02/19/15	38562	Chevron Usa	25.98	Fuel - WW	15-500-5024	25.98
02/19/15	38562	Chevron Usa	25.98	Fuel - Water Dept	16-550-5024	25.98
Total 38562:			113.34			
38563						
02/19/15	38563	Colorado River Sand & Ro	503.00	PSI Mix & Delivery - PW	03-220-5105	503.00
Total 38563:			503.00			
38564						
02/19/15	38564	Davis Building Supply	653.14	Supplies for Scott Lane Project	03-220-5105	653.14
Total 38564:			653.14			
38565						
02/19/15	38565	DCFS USA, LLC	104.97	Processing Fees	03-220-5057	104.97
Total 38565:			104.97			
38566						
02/19/15	38566	Employers Direct Health	6.18	Aggregate Employer Insurance	01-110-5016	6.18

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
02/19/15	38566	Employers Direct Health	28.04	Aggregate Employer Insurance	01-130-5016	28.04
02/19/15	38566	Employers Direct Health	78.46	Aggregate Employer Insurance	01-140-5016	78.46
02/19/15	38566	Employers Direct Health	30.91	Aggregate Employer Insurance	01-150-5016	30.91
02/19/15	38566	Employers Direct Health	11.89	Aggregate Employer Insurance	01-160-5016	11.89
02/19/15	38566	Employers Direct Health	21.40	Aggregate Employer Insurance	01-170-5016	21.40
02/19/15	38566	Employers Direct Health	11.41	Aggregate Employer Insurance	01-180-5016	11.41
02/19/15	38566	Employers Direct Health	9.51	Aggregate Employer Insurance	01-185-5016	9.51
02/19/15	38566	Employers Direct Health	63.25	Aggregate Employer Insurance	03-220-5016	63.25
02/19/15	38566	Employers Direct Health	4.76	Aggregate Employer Insurance	01-230-5016	4.76
02/19/15	38566	Employers Direct Health	6.18	Aggregate Employer Insurance	01-181-5016	6.18
02/19/15	38566	Employers Direct Health	20.93	Aggregate Employer Insurance	15-500-5016	20.93
02/19/15	38566	Employers Direct Health	30.42	Aggregate Employer Insurance	16-550-5016	30.42
Total 38566:			323.34			
38567						
02/19/15	38567	Flint Trading Inc.	1,035.07	Pavement Markers - PW Dept	03-220-5029	1,035.07
Total 38567:			1,035.07			
38568						
02/19/15	38568	Flowpoint Environmental S	875.30	Annual Software Renewal for Mini-General	16-550-5050	875.30
Total 38568:			875.30			
38569						
02/19/15	38569	Galeton	162.66	12 Med Rough Rider Gloves - WW	15-500-5050	162.66
02/19/15	38569	Galeton	162.66	Dozen Lg Rough Rider Gloves - Water	16-550-5050	162.66
Total 38569:			325.32			
38570						
02/19/15	38570	Heinfeld, Meech & Co., P.	5.00	Difference Owed - Payroll Training	01-130-5043	5.00
Total 38570:			5.00			
38571						
02/19/15	38571	Inland Builders Supply, Inc.	141.96	Battery for Trimming Tool - Parks	01-180-5060	141.96
02/19/15	38571	Inland Builders Supply, Inc.	163.64	Parts for Tree Nameplates	01-180-5060	163.64
Total 38571:			305.60			
38572						
02/19/15	38572	International Society of Arb	130.00	Professional Membership-D. Andersen	01-180-5051	130.00
Total 38572:			130.00			
38573						
02/19/15	38573	La Paz County Landfill	603.25	12/15/14 - SW - Sludge - WWTP - Municipal	15-500-5050	603.25
02/19/15	38573	La Paz County Landfill	203.25	12/31/14 - SW - Sludge - WWTP - Municipal	15-500-5050	203.25
02/19/15	38573	La Paz County Landfill	429.00	12/28/14-SW-Sludge-WWTP-Municipal	15-500-5050	429.00
Total 38573:			1,235.50			
38574						
02/19/15	38574	La Paz County Sheriff's De	20.00	Fees Collected: January 2015	01-000-2212	20.00

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
Total 38574:			20.00			
38575						
02/19/15	38575	La Paz County Treasurer	24.16	Fees Collected: January 2015	01-000-2212	24.16
Total 38575:			24.16			
38576						
02/19/15	38576	Lawson Products, Inc.	133.26	Easy-Cut Bandsaw Blades	03-220-5060	133.26
Total 38576:			133.26			
38577						
02/19/15	38577	Legend Technical Services	209.70	Lab Serves - WW	15-500-5039	209.70
Total 38577:			209.70			
38578						
02/19/15	38578	Litchfield Tactical, LLC	259.00	AZPOST Physical - M. Ewald	01-140-5035	259.00
Total 38578:			259.00			
38579						
02/19/15	38579	Lowes	393.76	Tree Pruning Supplies	01-180-5060	393.76
Total 38579:			393.76			
38580						
02/19/15	38580	Margaret G. Fega	115.00	Polygraph Test - M. Lancaster	01-140-5082	115.00
Total 38580:			115.00			
38581						
02/19/15	38581	Open Range Pest Control	25.00	Pest Control 02/05/15	15-500-5035	25.00
02/19/15	38581	Open Range Pest Control	37.00	Pest Control 02/05/15	01-130-5035	37.00
02/19/15	38581	Open Range Pest Control	33.00	Pest Control 02/05/15	03-220-5035	33.00
02/19/15	38581	Open Range Pest Control	30.00	Pest Control 02/05/15	01-140-5035	30.00
02/19/15	38581	Open Range Pest Control	60.00	Pest Control 02/05/15	01-185-5035	60.00
Total 38581:			185.00			
38582						
02/19/15	38582	Paul Menefee	134.65	Utility Refund - Property Sold	99-000-1075	134.65
Total 38582:			134.65			
38583						
02/19/15	38583	REDW LLC	30.48	Mileage - Meeting in Quartzsite	01-130-5032	30.48
Total 38583:			30.48			
38584						
02/19/15	38584	Road Runner Sanitary Sup	25.30	Janitorial Supplies - Admin	01-130-5034	25.30
02/19/15	38584	Road Runner Sanitary Sup	40.00	Janitorial Supplies - Police	01-140-5034	40.00
02/19/15	38584	Road Runner Sanitary Sup	25.30	Janitorial Supplies - Magistrate	01-150-5034	25.30

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
02/19/15	38584	Road Runner Sanitary Sup	25.31	Janitorial Supplies - P&Z	01-160-5034	25.31
02/19/15	38584	Road Runner Sanitary Sup	25.30	Janitorial Supplies - Library	01-170-5034	25.30
02/19/15	38584	Road Runner Sanitary Sup	9.51	Janitorial Supplies - PW	03-220-5034	9.51
02/19/15	38584	Road Runner Sanitary Sup	25.31	Janitorial Supplies - WWTP	15-500-5034	25.31
02/19/15	38584	Road Runner Sanitary Sup	25.30	Janitorial Supplies - Water	16-550-5034	25.30
02/19/15	38584	Road Runner Sanitary Sup	89.00	Janitorial Supplies - REC	01-185-5034	89.00
02/19/15	38584	Road Runner Sanitary Sup	99.03	Janitorial Supplies - Park	01-160-5034	99.03
02/19/15	38584	Road Runner Sanitary Sup	7.17	Janitorial Supplies - Transit	01-230-5034	7.17
Total 38584:			396.53			
38585						
02/19/15	38585	Tamco Capital Corp.	115.80	Phone Services - M&C	01-110-5048	115.80
02/19/15	38585	Tamco Capital Corp.	592.66	Phone Services - Admin	01-130-5048	592.66
02/19/15	38585	Tamco Capital Corp.	276.20	Phone Services - Magistrate	01-150-5048	276.20
02/19/15	38585	Tamco Capital Corp.	223.38	Phone Services - P&Z	01-160-5048	223.38
02/19/15	38585	Tamco Capital Corp.	223.38	Phone Services - Library	01-170-5048	223.38
02/19/15	38585	Tamco Capital Corp.	170.57	Phone Services - Rec	01-185-5048	170.57
02/19/15	38585	Tamco Capital Corp.	223.38	Phone Services - PW	03-220-5048	223.38
02/19/15	38585	Tamco Capital Corp.	170.58	Phone Services - WWTP	15-500-5048	170.58
02/19/15	38585	Tamco Capital Corp.	168.62	Phone Services - Water	16-550-5048	168.62
Total 38585:			2,164.57			
38586						
02/19/15	38586	TDS Telecom	292.74	Telephone Service - Library	01-170-5048	292.74
02/19/15	38586	TDS Telecom	178.52	Telephone Service - PW	03-220-5048	178.52
02/19/15	38586	TDS Telecom	172.64	Telephone Service - WW	15-500-5048	172.64
02/19/15	38586	TDS Telecom	158.23	Telephone Service - Water	16-550-5048	158.23
Total 38586:			802.13			
38587						
02/19/15	38587	Universal Police Supply Co	81.08	Uniform Allowance - E. Renfro	01-140-5019	81.08
02/19/15	38587	Universal Police Supply Co	185.66	Uniform Allowance - S. Panuco	01-140-5019	185.66
02/19/15	38587	Universal Police Supply Co	322.50	Uniform Allowance - R. Villafana	01-140-5019	322.50
02/19/15	38587	Universal Police Supply Co	274.67	Uniform Allowance - H. Tanakeyoma	01-140-5019	274.67
Total 38587:			863.91			
38588						
02/19/15	38588	Usa Blue Book	1,037.83	Tools: Wrenches, Shovels - Water	16-550-5060	1,037.83
02/19/15	38588	Usa Blue Book	1,037.83	Tools: Wrenches, Shovels - WW	15-500-5060	1,037.83
Total 38588:			2,075.66			
38589						
02/19/15	38589	Verizon Wireless	146.04	Cell Phone Services - P&Z	01-160-5048	146.04
02/19/15	38589	Verizon Wireless	61.14	Cell Phone Services - Transit	01-230-5048	61.14
02/19/15	38589	Verizon Wireless	120.86	Cell Phone Services - Admin	01-130-5048	120.86
02/19/15	38589	Verizon Wireless	91.71	Cell Phone Services - Park	01-180-5048	91.71
02/19/15	38589	Verizon Wireless	117.41	Cell Phone Services - Rec	01-185-5048	117.41
02/19/15	38589	Verizon Wireless	39.16	Cell Phone Services - PW	03-220-5048	39.16
02/19/15	38589	Verizon Wireless	59.61	Cell Phone Services - WWTP	15-500-5048	59.61
02/19/15	38589	Verizon Wireless	164.55	Cell Phone Services - Water	16-550-5048	164.55

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
Total 38589:			800.48			
38590						
02/19/15	38590	West Payment Center	452.19	West Law Info Charges	01-150-5051	452.19
Total 38590:			452.19			
38591						
02/19/15	38591	Xavier Frausto	90.32	Watch & Flashlight - Police	01-140-5019	90.32
02/19/15	38591	Xavier Frausto	72.93	Cuff Case & Rechargeable batteries - Police	01-140-5019	72.93
Total 38591:			163.25			
38592						
02/19/15	38592	Foothills Walk-in Medical	45.00	Police Physical - S. Panuco	01-140-5082	45.00
Total 38592:			45.00			
38593						
02/19/15	38593	Heinfeld, Meech & Co., P.	5,208.26	FY Management Svcs: 06/30/14-01/31/15	01-130-5031	5,208.26
Total 38593:			5,208.26			
38594						
02/19/15	38594	Pioneer Landscaping Mate	729.62	Rip Rap - Riggles Rd	03-220-5029	729.62
Total 38594:			729.62			
38595						
02/19/15	38595	Quartzsite WIFI, LLC	27.50	Computer Tech Svcs - Front Desk	01-160-5035	27.50
02/19/15	38595	Quartzsite WIFI, LLC	27.50	Computer Tech Svcs - Chamber Laptop	01-130-5035	27.50
02/19/15	38595	Quartzsite WIFI, LLC	27.50	Computer Tech Svcs - Town Clerk	01-130-5035	27.50
Total 38595:			82.50			
38596						
02/19/15	38596	Tolmasoff Insurance Agenc	48.00	Premium: 2 disabled air force jets	01-185-5046	48.00
02/19/15	38596	Tolmasoff Insurance Agenc	96.00	Premium: 2 disabled air force jets	01-130-5046	96.00
02/19/15	38596	Tolmasoff Insurance Agenc	228.00	Premium: 2 disabled air force jets	01-140-5046	228.00
02/19/15	38596	Tolmasoff Insurance Agenc	36.00	Premium: 2 disabled air force jets	01-150-5046	36.00
02/19/15	38596	Tolmasoff Insurance Agenc	36.00	Premium: 2 disabled air force jets	01-170-5046	36.00
02/19/15	38596	Tolmasoff Insurance Agenc	444.00	Premium: 2 disabled air force jets	03-220-5046	444.00
02/19/15	38596	Tolmasoff Insurance Agenc	60.00	Premium: 2 disabled air force jets	01-230-5046	60.00
02/19/15	38596	Tolmasoff Insurance Agenc	144.00	Premium: 2 disabled air force jets	15-500-5046	144.00
02/19/15	38596	Tolmasoff Insurance Agenc	108.00	Premium: 2 disabled air force jets	16-550-5046	108.00
Total 38596:			1,200.00			
38597						
02/19/15	38597	V & V Manufacturing, Inc	126.95	Retirement Badge for F. Garcia	01-140-5019	126.95
Total 38597:			126.95			
38598						
02/19/15	38598	DCFS USA, LLC	385.58	Capital Lease Interest-Water Truck	03-220-5057	385.58

Check Issue Date	Check Number	Payee	Invoice Amount	Description	Invoice GL Account	Amount
02/19/15	38598	DCFS USA, LLC	10,111.42	Capital Lease Principal-Water Truck	03-220-5058	10,111.42
Total 38598:			10,497.00			
Grand Totals:			42,527.24			
Grand Totals:			42,527.24	42,527.24-		.00

Report Criteria:

Report type: GL detail

Check.Check Number = 38543-38598



TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

Agenda Item #3-b Consider approval of the minutes of the Regular Meeting of February 10, 2015.

Summary: The Town Clerk shall keep the minutes of all meetings of the Common Council. Upon approval by the Council, the Clerk shall enter the approved minutes in a book constituting the official record of the Council.

Responsible Person: Tina Abriani, Town Clerk

Attachment: Minutes of the Regular Meeting of February 10, 2015.

Action Requested: Motion to approve the minutes of the Regular Meeting of February 10, 2015.

MINUTES
TOWN OF QUARTZSITE
REGULAR MEETING OF THE COMMON COUNCIL
TUESDAY, FEBRUARY 10, 2015, 7:00 PM

CALL TO ORDER: 7:00 p.m.

INVOCATION: The Mayor called for a moment of silence as no one answered to the call for a prayer.

PLEDGE OF ALLEGIANCE: Council Member Kelley led the pledge.

ROLL CALL:

Present: Mayor Foster, Vice Mayor Simpson, Council Member Kelley, Council Member Warner, Council Member Orgeron, Council Member Davidson, Council Member St. Germain.

STAFF PRESENT: Skylor Miller, Town Manager; Susan Goodwin, Town Attorney; and Tina Abriani, Town Clerk

ANNOUNCEMENTS: None

CALL TO THE PUBLIC AND COMMUNICATIONS FROM CITIZENS:

Jennifer Jones spoke regarding a Town Engineer's statutory responsibilities and the Council's fiduciary responsibilities. She suggested the Council instruct staff to put out a Request for Qualifications for a Town Engineer. She thanked the Council for appointing Patricia Ronan to the newest case Jennifer Jones has in Superior Court.

Terry Frausto suggested the Council look to making improvements to the Town, in the way of visual improvements and in the way of attracting more jobs to the community.

Janet Collier stated the free bus pass program is still going on and if anyone is interested in getting free bus passes to medical appointments, the pharmacy or the Senior Lunch Program, they should contact Town Hall (928-927-4333).

CONSENT AGENDA:

- 1-a. LEDGER OF ACCOUNTS PAID – Consider approval of check series 38482 – 38542, totaling \$108,680.29.**
- 1-b. MINUTES – Consider approval of the minutes of the Work Session of January 27, 2015; the Special Meeting of January 27, 2015; and the Regular Meeting of January 27, 2015.**

Council Member Orgeron moved to approve the agenda as presented and Council Member Kelley seconded the motion.

Council Member Davidson pulled check numbers 38500, 38501, 38502, 38516, and 38535.

Council Member St. Germain pulled check numbers 38507, 38519, 38522, and 38529.

The Mayor stated a motion was made and called for a second to the motion.

Vice Mayor Simpson seconded the motion. The vote was unanimous. Motion Passed.

Each pulled check was reviewed with Town Manager Miller.

Council Member St. Germain requested a list of how many vehicles the Town owns and leases. Regarding check number 38501 for Rotella Oil, Council Member St. Germain asked to be provided with the number of gallons purchased.

Mayor Foster asked Town Manager Miller to provide the Council with a memorandum confirming that the unleaded fuel represented in the breakdown for check number 38516, payment to Western States Petroleum, in the amount of \$3,572.70, went into the large tank at Public Works.

Council Member Davidson asked for a monthly report of liability insurance, indicating the cost for each department.

Council Member St. Germain spoke regarding check number 38507, in the amount of \$390.19, for mechanic supplies and services. He also spoke regarding small tools and equipment. He asked for an accounting and an inventory of the Town's tools.

Council Member St. Germain spoke regarding check number 38519, in the amount of \$1,115.59, for vehicle parts and supplies. He asked for a breakdown of what was purchased with this check and for which department.

Council Member Kelley advised that before she signs Town checks, she reads the invoices and if she has questions, she asks questions of the finance department.

Council Member St. Germain stated he does not like to spend the money without knowing what is bought.

The Mayor explained that the citizens benefit from the questions posed by the Council.

The question regarding check number Check 38529 for constable services was answered when Town Manager Miller explained the Police Department could not provide the service because of a potential conflict.

There was discussion regarding check number 38535 made out to pay REDW, LLC for sales tax consulting for the date range of 11/26/14 – 12/22/14, in the amount of \$2,314.75.

Town Manager Miller stated he will get clarification of the charges on the REDW, LLC invoice for check number 38535.

Council Member Orgeron moved to approve check numbers 38500, 38501, 38502, 38507, 38516, 38519, 38522 and 38529. Council Member St. Germain seconded the motion. The vote was unanimous. Motion Passed.

Town Manager Miller asked Council, in the future, to provide him with a couple of hours of lead time to pull all the information regarding any line items or invoices about which the Council may have questions. Town Manager Miller will bring the information to the Council meeting to answer the questions in public.

The Mayor called for Agenda Item 6 to be next on the agenda. The Mayor read the item aloud.

MAYOR'S AUTHORITY - Discussion and possible action to immediately restore the authority to make and second motions, before the Council, to the Mayor; and to direct staff to prepare changes to the Town Code and Town Council Procedure Policy in support of this action for approval at the next meeting of the Council. Item requested by Mayor Foster.

Council Member Davidson moved to approve what was read and Vice Mayor Simpson seconded the motion. The vote was six ayes and one nay by Council Member Orgeron. Motion Passed.

ADMINISTRATIVE ITEMS:

- 2. POLICE DEPARTMENT PRESENTATION AND DISCUSSION – Chief Renfro will make a presentation on current status of the Police Department and facilitate any discussion.**

Chief Renfro gave a PowerPoint presentation comparing statistics of 2013, 2014 and 2015 (to current). The review covered staffing; calls for service; citations and warnings; police reports generated and records requested; and types of calls for service – proactive and re-active.

The statistics for the types of calls for service were provided by the La Paz County Dispatch, stated Chief Renfro.

Chief Renfro spoke regarding the issue of overtime.

Chief Renfro spoke regarding the 2015 hiring process. He hopes that by the beginning of March, the Town will have two new officers.

Chief Renfro gave an outline of the current plan for the Quartzsite Police Department's future. He discussed reorganizing the department; outside services used by the QPD for standardization and fairness to make the department better; and making the department more efficient for the citizens.

Vice Mayor Simpson asked for a breakdown by month of when the calls come in; how many are during the busy season; how many are during the slow season; and what the calls represent. He also asked for an accounting of the percentage of time involved with those calls and the paperwork involved with each call.

Chief Renfro advised that fifty percent of a law enforcement officer's time is used to write police reports. The Chief explained the importance of those reports.

Chief Renfro spoke of more training for the officers in the future, when there are more officers to cover for those in training. There was discussion of assistance from the Sheriff's Department and DPS. The Chief advised that he meets with representatives from both of these law enforcement agencies on a regular basis and a relationship is being cultivated.

3. REAPPOINTMENT TO THE PLANNING & ZONING COMMISSION - Consider the reappointment of David Collier of the Planning & Zoning Commission whose term expires March 1, 2015. Mr. Collier was appointed to the Commission by Council on November 25, 2014 and the position's new term would expire March 1, 2018.

Mr. David Collier stated he had not yet attended a meeting (no meeting had been held since his appointment by Council in November of 2014).

Council Member Orgeron stated he thought that at the last meeting it was decided that these appointments were not to be made until there was a viable list of volunteers established.

There was discussion regarding Mr. Collier's seat on the Commission, one vacancy on the Commission, two applicants for that vacant seat on the Commission and an upcoming meeting with a public hearing regarding a zone change.

The Mayor asked Mr. Collier if he wished to make any statements. Mr. Collier said he would like to be on the Commission.

Council Member Orgeron moved to reappoint Mr. Collier to the Planning & Zoning Commission. Council Member Kelley seconded the motion. The vote was unanimous. Motion Passed.

4. RESOLUTION 15-01 REGARDING HI JOLLY CEMETERY BOARD MEMBERS
Discussion and possible action to adopt Resolution No. 15-01 setting an 'at-large' membership of the Hi Jolly Cemetery Board for the Town of Quartzsite.

Discussion was held regarding the very specific and very hard to fill membership requirements of the original Hi Jolly Cemetery Board resolution (Resolution No. 06-08).

Mayor Foster asked that the resolution be modified to give preference to members of the organizations stated in the original resolution.

Mayor Foster moved to approve the resolution with referenced amendment. Council Member Davidson seconded the motion. The vote was unanimous. **Motion Passed.**

5. REDUCTION IN TOWN STAFF – Discussion and possible action to direct the Town Manager to prepare a plan to reduce the number of employees by 10% by April 1, 2015. Item requested by Council Member Davidson.

Council Member Davidson moved to approve the agenda item as read.

Council Member St. Germain stated work on the budget is needed.

Discussion ensued regarding summer staff reductions; current staffing of the Parks Department, the Utilities Department, the Police Department and the Public works Department. The goal of reducing the budget without losing the level of quality in the services that the Town provides was reviewed.

The Mayor stated the Council will ask for a reduction in force and a reduction of the budget.

Town Manager Miller stated budget discussions will begin in March.

Town Manager Miller asked the Council not to pass any motion regarding this item at the current meeting because these considerations should be part of the budget process that is beginning.

Council Member Davidson withdrew his motion for now.

Council Member Warner moved to adjourn Item 5 of the agenda and **Council Member Kelley seconded** the motion. The vote was unanimous. **Motion Passed.**

6. MAYOR'S AUTHORITY - Discussion and possible action to immediately restore the authority to make and second motions, before the Council, to the Mayor; and to direct staff to prepare changes to the Town Code and Town Council Procedure Policy in support of this action for approval at the next meeting of the Council. Item requested by Mayor Foster.

The Mayor called for this Agenda Item to be held immediately after the Consent Agenda.

7. TOWN CODE AMENDMENTS – Discussion regarding updating the Town Code, recommendations of the Town Attorney and direction to staff regarding preparation of proposed amendments for future Council consideration.

Town Attorney Goodwin discussed her memorandum dated February 10, 2015 that described the status of ordinances requested by the Council. She said that by the memorandum dated January 2, 2015, she provided recommendations for amendments to the Town Code. She said the existing Town Code is similar to the codes of other small communities but there are some updates that should be made. She described the ordinances that she has provided to the Town, including a panhandling ordinance among others. Town Attorney Goodwin requested guidance regarding the draft agenda format ordinance requested by the Council. She recommended a revision to the existing language related to public comment. The Council directed her to revise the draft ordinance to address the issues she raised.

8. AMERICAN LANDS ACT – Discussion regarding the American Lands Act regarding transfer of public lands from the federal government.

The Mayor explained the American Lands Act.

Proposed closing of the trails was discussed.

The Mayor directed Town staff to schedule a public hearing prior to the next Council meeting and to prepare a resolution for consideration by the Council to support the American Lands Act.

9. EXECUTIVE SESSION

- **An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding amendments to a Power Purchase Agreement for Wastewater Project with SunEdison Origination1, LLC that is the subject of negotiations.**
- **An executive session pursuant to A.R.S. § 38-431.03(A)(7) for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the sale or lease of real property located at 560 Coyote Street, Quartzsite, AZ (APN 306-18-001A).**
- **An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney and in order to**

consider its position and instruct the Town Attorney regarding the Town's position in pending litigation in the matter of Foster v. Town of Quartzsite.

Vice Mayor Simpson moved to adjourn the regular meeting to executive session and Council Member Davidson seconded the motion. The vote was unanimous. Motion Passed.

ADJOURN TO EXECUTIVE SESSION: 8:32 p.m.

RETURN TO OPEN SESSION: 9:54 p.m.

ROLL CALL:

Present: Mayor Foster, Vice Mayor Simpson, Council Member Kelley, Council Member Warner, Council Member Orgeron, Council Member Davidson, Council Member St. Germain.

10. TOWN ATTORNEYS' PERFORMANCE EVALUATION AND FEE REVIEW – Discussion and possible action regarding the Town Attorneys' performance and fees.

The Mayor spoke regarding his prior requests to remove the politics from the Town Code. He spoke of a resolution passed in 2010, created in just two days, taking away his powers as Mayor. The Mayor asked why his requested updates seem to take longer.

Town Attorney Goodwin explained she had not clearly understood the direction of Council with respect to restoration of the Mayor's powers and she apologized. It was her understanding that the Council was going to review the Town Code at study sessions and would provide direction at that time for amendments. She said that in her January 2, 2015 memorandum, she pointed out some sections that need to be discussed and amended. She said she understands the Mayor's concerns and reviewed the issues, and she will prepare ordinances to amend the code regarding the Mayor's powers for consideration at the next meeting.

Town Manager Miller advised that due to a mishap in email communications, a memorandum providing a Town Code update, from the Town Attorneys dated January 2, 2015 was not received until February 10, 2015. This memorandum explains the need for further review. As Town Attorney Goodwin recommended during a previous agenda item, work sessions will aid in a consensus of policy.

COMMUNICATIONS:

Reports from the MAYOR on current events.

The Mayor spoke of his attendance of a BLM meeting with the trail riders. He plans to have a press conference regarding the economic impact to Quartzsite if the trails close.

Reports from the COUNCIL on current events.

Council Member St. Germain announced an upcoming Sock Hop. It will be a fund-raising event for the Quartzsite Food Bank, held on Friday, February 13, 2015 at 6:30 p.m.

Reports from the TOWN MANAGER to the Council.

Town Manager Miller updated the Council on the preparation of a new USDA Loan and getting new information to Council in short order.

ADJOURNMENT: 10:12 p.m.

The Mayor moved to adjourn and Council Member Orgeron seconded the motion. The vote was unanimous. Motion Passed.

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of February 10, 2015, of the Town Council of Quartzsite, Arizona, held on February 10, 2015.

I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 24th day of February 2015

Tina M. Abriani, Town Clerk

On behalf of the Common Council

Approved:

Ed Foster, Mayor



TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

- Agenda Item #4** Conduct hearing and consider recommending approval of a Club Liquor License for the Veterans of Foreign Wars Organization's VFW Post 769 located at 305 N. Central Blvd., Quartzsite, AZ 85346.
- Summary:** Applicant Michael Davis of the VFW Post #769, located at 305 N. Central Blvd., Quartzsite, AZ 85346, is applying for a Club Liquor License.
- Responsible Person:** Skylor Miller, Town Manager
- Attachment:** Arizona Department of Liquor Licenses and Control Application for a Liquor License from applicant Michael Davis of the VFW.
- Action Requested:** Motion to recommend approval of a Club Liquor License for the VFW Post 769 at 305 N. Central Blvd., Quartzsite, AZ, to the Arizona Department of Liquor Licenses and Control.

15 JAN 12 Liq. Dept PM 1 20

RECEIVED

DEC 12 2014

TOWN OF QUARTZSITE

Arizona Department of Liquor Licenses and Control

104 West Washington Street
Phoenix, Arizona 85007

www.azliquor.gov

RECEIVED

JAN 23 2015

TOWN OF QUARTZSITE

REDACTED
APPLICATION FOR LIQUOR LICENSE
TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, all Arizona permits, licenses, and licenses to sell in the day to day operations of the business must attend a Department approved liquor law training course prior to renewal of the license. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- MORE THAN ONE LICENSE
- INTERIM PERMIT *Complete Section 5*
- NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16*
- PERSON TRANSFER (Bars & Liquor Stores ONLY)
Complete Sections 2, 3, 4, 11, 13, 15, 16
- LOCATION TRANSFER (Bars and Liquor Stores ONLY)
Complete Sections 2, 3, 4, 12, 13, 15, 16
- PROBATE/WILL ASSIGNMENT/DIVORCE DECREE
Complete Sections 2, 3, 4, 9, 13, 16 (fee not required)
- GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16*

SECTION 2 Type of ownership:

- J.T.W.R.O.S. *Complete Section 6*
- INDIVIDUAL *Complete Section 6*
- PARTNERSHIP *Complete Section 6*
- CORPORATION *Complete Section 7*
- LIMITED LIABILITY CO. *Complete Section 7*
- CLUB *Complete Section 8*
- GOVERNMENT *Complete Section 10*
- TRUST *Complete Section 6*
- OTHER (Explain) _____

SECTION 3 Type of license and fees LICENSE #(s): 14153001

14153004

1. Type of License(s): Club

2. Total fees attached:

\$ 744.

Department Use Only

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant

- 1. Owner/Agent's Name: Mr. Davis, Michael
(Insert one name ONLY to appear on license) Last First Middle
- 2. Corp./Partnership/L.L.C.: Corporal Ben Scott Post 769 Veterans of Foreign Wars of the United States VFW POST 769
(Exactly as it appears on Articles of Inc. or Articles of Org.)
- 3. Business Name: VFW Post 769 131026650
(Exactly as it appears on the exterior of premises)
- 4. Principal Street Location 305 N. Central Blvd LaPaz 85346
(Do not use PO Box Number) City County Zip
- 5. Business Phone: 928-927-7697 Daytime Phone: 928-927-7697 420 Email: _____
- 6. Is the business located within the incorporated limits of the above city or town? YES NO
- 7. Mailing Address: PO Box 2592, Quartzsite, AZ 85346
City State Zip
- 8. Price paid for license only bar, beer and wine, or liquor store: Type 14 \$ _____ Type \$ _____

DEPARTMENT USE ONLY

Fees: 100 Application Interim Permit Site Inspection 44 Finger Prints \$ 144.
TOTAL OF ALL FEES

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? YES NO

Accepted by: M.S. Date: 01/15/2015 Lic. # 14158004

SECTION 5 Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? YES NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the **CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE** (circle the title which applies) of the stated license and location.

(Print full name)

State of _____ County of _____

X _____
(Signature)

The foregoing instrument was acknowledged before me this

My commission expires on: _____

_____ day of _____
Day Month Year

(Signature of NOTARY PUBLIC)

15 JAN 15 Lic. PM 3 34

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Mailing Address	City State Zip
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						

) Y R A S S E C E N F I T

2. Is any person, other than the above, going to share in the profits/losses of the business? YES NO
If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City, State, Zip	Telephone#

SECTION 7 Corporation/Limited Liability Co.:

15 JAN 12 Lic. Dept PM 1 20

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

- CORPORATION Complete questions 1, 2, 3, 5, 6, 7, and 8.
- L.L.C. Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.: Corporal Ben Scott Post #769 Veterans of Foreign Wars of the United States
(Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 02/05/2001 State where Incorporated/Organized: Arizona
3. AZ Corporation Commission File No.: 0978280-3 Date authorized to do business in AZ: 3/23/2001
4. AZ L.L.C. File No: _____ Date authorized to do business in AZ: _____
5. Is Corp./L.L.C. Non-profit? YES NO

6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip
Davis, Michael			Controlling	PO Box [redacted] Quartzsite, AZ [redacted]	
Dole, Dennis			Controlling	PO box [redacted] Quartzsite, AZ [redacted]	
Ochinerro, William			Controlling	PO Box [redacted] Quartzsite, AZ [redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip
N/A					

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Name of Club: VFW Post 769 Date Chartered: 08/14/2001
(Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit? YES NO
3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip
Davis, Michael			Controlling	PO Box [redacted] Quartzsite, AZ [redacted]	
Dole, Dennis			Controlling	PO Box [redacted] Quartzsite AZ [redacted]	
Ochinerro, William			Controlling	PO Box [redacted] Quartzsite AZ [redacted]	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

15 JAN 12 Lic. Dept PM 3 34

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:

- 1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle
- 2. Assignee's Name: _____
Last First Middle
- 3. License Type: _____ License Number: _____ Date of Last Renewal: _____
- 4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

- 1. Governmental Entity: _____
- 2. Person/designee: _____
Last First Middle Contact Phone Number

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

- 1. Current Licensee's Name: _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)
- 2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)
- 3. Current Business Name: _____
(Exactly as it appears on license)
- 4. Physical Street Location of Business: Street _____
City, State, Zip _____
- 5. License Type: _____ License Number: _____
- 6. If more than one license to be transferred: License Type: _____ License Number: _____
- 7. Current Mailing Address: Street _____
(Other than business) City, State, Zip _____
- 8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? YES NO
- 9. Does the applicant intend to operate the business while this application is pending? YES NO If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, _____, hereby authorize the department to process this application to transfer the privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, _____, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ Day _____ Month _____ Year

My commission expires on: _____

15 JAN 15 Lic. Dept PM 3 34

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

- 1. Current Business: Name _____
(Exactly as it appears on license) Address _____
- 2. New Business: Name _____
(Physical Street Location) Address _____
- 3. License Type: _____ License Number: _____
- 4. If more than one license to be transferred: License Type: _____ License Number: _____
- 5. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

- a) Restaurant license (§ 4-205.02)
- b) Hotel/motel license (§ 4-205.01)
- c) Government license (§ 4-205.03)
- d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: .5 Miles ft. Name of school The Learning Center
Address 695 N. Kofa Avenue
City, State, Zip _____

2. Distance to nearest church: .36 Mi ft. Name of church Covenant Lutheran Church
Address 270 East Cowell Quartzsite, AZ 85346
City, State, Zip _____

3. I am the: Lessee Sublessee Owner Purchaser (of premises)

4. If the premises is leased give lessors: Name _____
Address _____
City, State, Zip _____

4a. Monthly rental/lease rate \$ _____ What is the remaining length of the lease ___ yrs. ___ mos.

4b. What is the penalty if the lease is not fulfilled? \$ _____ or other _____
(give details - attach additional sheet if necessary)

5. What is the total business indebtedness for this license/location excluding the lease? \$ _____
Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip
Horizon Community Bank			\$ _____	225 N Lake Havasu Ave.	Lake Havasu City, AZ	86403

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? club

15 JAN 15 Lic. Dept PH 3 34

SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?
 YES NO If yes, attach explanation.

8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? YES NO

9. Is the premises currently licensed with a liquor license? YES NO If yes, give license number and licensee's name:

License # _____ (exactly as it appears on license) Name _____

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? YES NO
If yes, give the name of licensee, Agent or a company name:

_____ and license #: _____
Last First Middle

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this hotel/motel restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your business:

- Entrances/Exits Liquor storage areas Patio: Contiguous
- Service windows Drive-in windows Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign? YES NO
if yes, what is your estimated opening date? February 1, 2015
month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

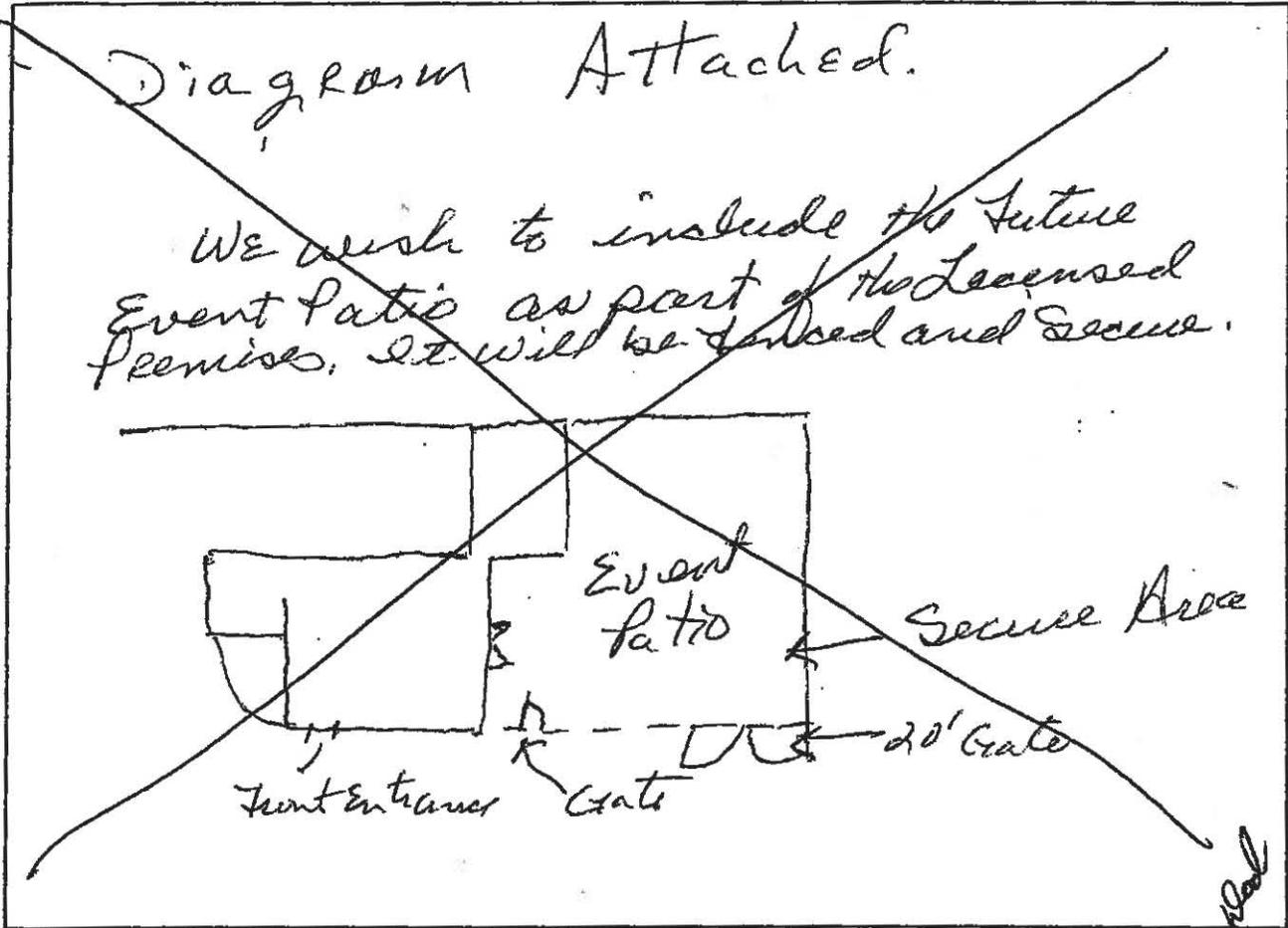
15 JAN 15 Lic. # 304

Handwritten signature

SECTION 15 Diagram of Premises

4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.



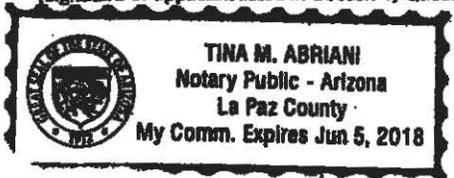
15 JAN 12 11:49 AM 1 20

15 JAN 15 11:49 AM 2015

SECTION 16 Signature Block

I, MICHAEL [REDACTED] DAVIS, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

x Michael L. Davis
(signature of applicant listed in Section 4, Question 1)



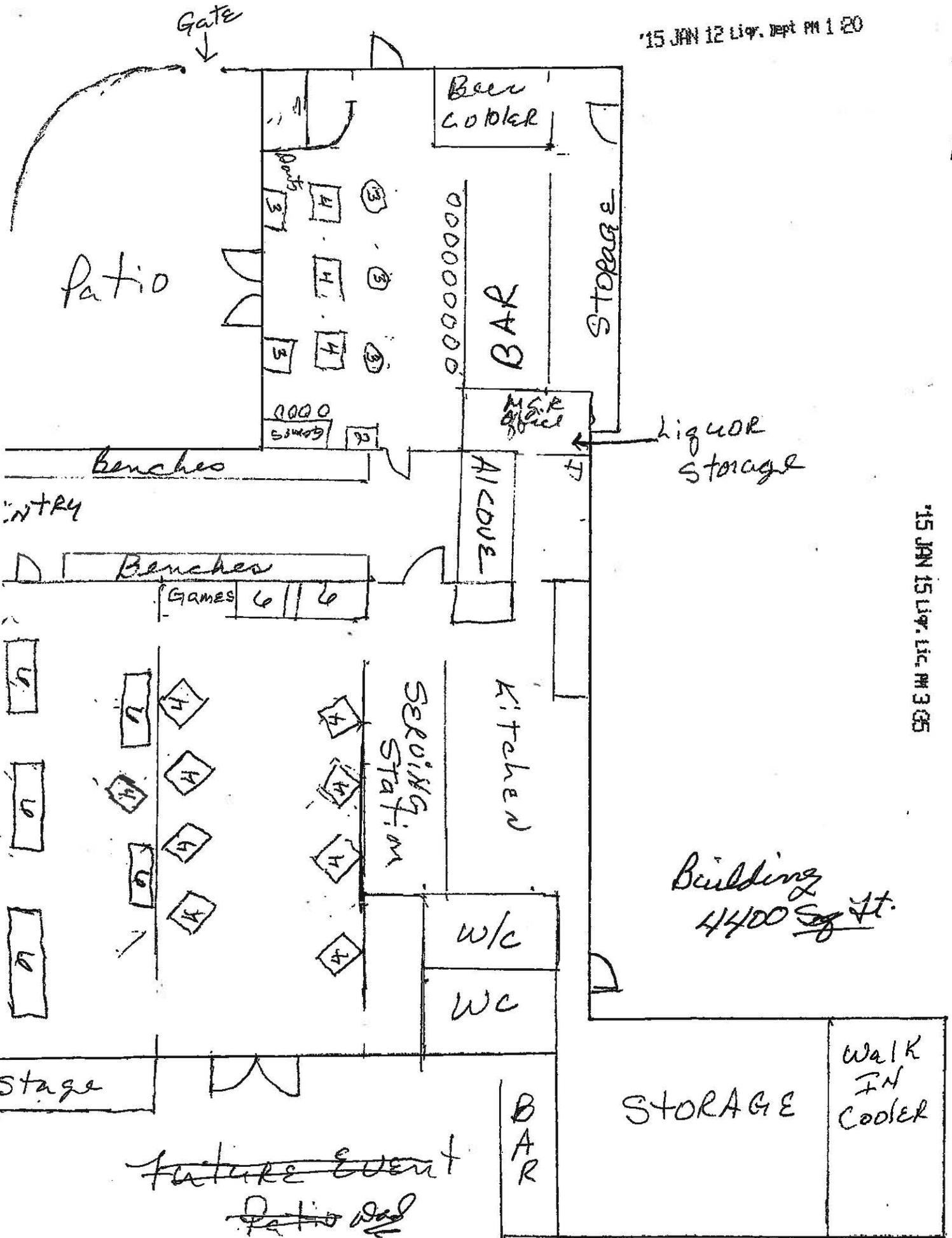
State of ARIZONA County of LA PAZ

The foregoing instrument was acknowledged before me this 12TH of DECEMBER, 2014
Day Month Year

Tina M. Abriani
signature of NOTARY PUBLIC

My commission expires on: 05 06 2018
Day Month Year

15 JAN 12 Lic. Dept PH 120



15 JAN 15 Lic. PH 305

Building 4400 sq ft.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

P1071915
FP Current 17/23/2014

15 13 11 44 PM '14

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A \$13 FEE.

In addition to other fingerprint fees, a \$22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License #
14153004
(If the location is currently licensed)

1. Check appropriate box →

<input checked="" type="checkbox"/> Controlling Person (Complete Questions 1-19) Controlling Person or Agent must complete #21 for a Manager	<input checked="" type="checkbox"/> Agent (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete # 21	<input type="checkbox"/> Manager (Only) (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete # 21
--	---	---

2. Name: DAVIS MICHAEL [REDACTED] Date of Birth: [REDACTED]
Last First Middle (NOT a Public Record)

3. Social Security Number: [REDACTED] Drivers License #: [REDACTED] State: [REDACTED]
(NOT a public record) (NOT a public record)

4. Place of Birth: [REDACTED] [REDACTED] USA Height: [REDACTED] Weight: [REDACTED] Eyes: [REDACTED] Hair: [REDACTED]
City State Country (not county)

5. Marital Status: [REDACTED]

6. Name of Current or Most Recent Spouse: [REDACTED] [REDACTED] [REDACTED] [REDACTED] Date of Birth: [REDACTED]
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden (NOT a public record)

7. You are a bona fide resident of what state? AZ If Arizona, date of residency: [REDACTED]

8. Telephone number to contact you during business hours for any questions regarding this document. [REDACTED]

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises: CPT BEN SCOTT NEW POST 769 Premises Phone: 928 927 7697
MLO

11. Physical Location of Licensed Premises Address: 305 N CENTRAL BLVD QUARTZSITE AZ 85346
Street Address (Do not use PO Box #) City County LAPAZ Zip

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state & zip)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↓

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENTIAL Street Address If rented, attach additional sheet with name, address and phone number of landlord	City	State	Zip
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

#19 I AM CURRENT ON A LICENSE FOR THE UFW
POST 769 LICENSE # 14153001

Michael D. Jones

15 JAN 15 11:47. LIC. PM 3 05

**ARIZONA STATEMENT OF CITIZENSHIP
OR ALIEN STATUS FOR STATE PUBLIC BENEFITS**

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrant, and certain aliens paroled into the United States are eligible to receive state, or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 41-1080 requires, in general, that a person applying for a license must submit documentation to the license agency that satisfactorily demonstrates the applicant's presence in the United States is authorized under federal law.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III.

Submit this completed form and a copy of one or more document(s) from the attached "Evidence of U.S. Citizenship, U.S. National Status, or Alien Status" with your application for license or renewal. If the document you submit does not contain a photograph, you must also provide a government issued document that contains your photograph. You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

SECTION I – APPLICANT INFORMATION

APPLICANT'S NAME (Print or type) MICHAEL [REDACTED] PAVIS

TYPE OF APPLICATION (Check one) INITIAL APPLICATION RENEWAL

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Are you a citizen or national of the United States? Yes No

If Yes, indicate place of birth:

City [REDACTED] State (or equivalent) [REDACTED] Country or Territory USA

If you answered Yes, 1) Attach a legible copy of a document from the attached list.

Name of document: [REDACTED] [REDACTED] [REDACTED]

2) Go to Section IV.

If you answered No, you must complete Section III and IV.

15 JAN 15 11:47 AM '14 3 05

13. A foreign national not physically present in the United States.

Otherwise Lawfully Present

14. A person not described in categories 1-13 who is otherwise lawfully present in the United States. **PLEASE NOTE: The federal Personal Responsibility and Work Opportunity Reconciliation Act may make persons who fall into this category ineligible for licensure. See 8 U.S.C. § 1621(a).**

SECTION IV - DECLARATION

All applicants must complete this section.

I declare under penalty of perjury under the laws of the state of Arizona that the answers and evidence I have given are true and correct to the best of my knowledge.

MICHAEL [REDACTED] DAVIS
Applicant's printed name

1-15-2015
Today's date


Applicant's signature

EVIDENCE OF U.S. CITIZENSHIP, U.S. NATIONAL STATUS, OR ALIEN STATUS

You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

Evidence showing authorized presence in the United State includes the following:

1. An Arizona driver license issued after 1996 or an Arizona non-operating identification card.
2. A driver license issued by a state that verifies lawful presence in the United States.
3. A birth certificate or delayed birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time)
4. A United States certificate of birth abroad.
5. A United States passport. ***Passport must be signed***
6. A foreign passport with a United States visa.
7. An I-94 form with a photograph.
8. A United States citizenship and immigration services employment authorization document or refugee travel document.
9. A United States certificate of naturalization.
10. A United States certificate of citizenship.
11. A tribal certificate of Indian blood.
12. A tribal or bureau of Indian affairs affidavit of birth.
13. Any other license that is issued by the federal government, any other state government, an agency of this state or a political subdivision of this state that requires proof of citizenship or lawful alien status before issuing the license.

15 JAN 15 19:14 M 333

14 JUL 2 11:41 AM 1000 Certificate of Completion

For Title 4 BASIC Liquor Law Training

<input type="checkbox"/>	On-sale
<input type="checkbox"/>	Off-sale
<input checked="" type="checkbox"/>	On and off-sale

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

The State requires BASIC Title 4 training only as a prerequisite for MANAGEMENT Title 4 training or as a result of a liquor law violation. Persons required to have BASIC Title 4 training are listed on the face of this Certificate. Licensees sometimes require BASIC Title 4 Training a condition of employment.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

MICHAEL [REDACTED] DAVIS
 Full Name (please print)

Michael Davis
 Signature

4-14-14
Training Completion Date

4-14-17
Certificate Expiration Date
(17 years from completion date)

Training Provider Information

ABC - Arizona Business Council for Alcohol Education

Company Name

77 East Columbus, Suite 102, Phoenix, Arizona 85012

Mailing Address

(602) 285-1396

Daytime Contact Phone Number

I, Dariny Thomas, certify that the above named individual did successfully complete
Instructor Name (please print)

Title 4 BASIC Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 Using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

[Signature]

Instructor Signature

14 4 2014
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3)
Conveyance (series 8)
Restaurant (series 12)

Government (series 5)
Liquor Store (series 9)
In-state Farm Winery (series 13)

Bar (series 6)
Private Club (series 14)

Beer & Wine Bar (series 7)
Hotel/Motel w/restaurant (series 11)
Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

14 APR 21 11:49 AM '15
14 MAY 6 11:49 AM '15
15 JAN 19 11:49 AM '15

15 JAN 15 Liq. Lic. PH 3 47

14 JUL 2 Liq. Lic. PH 1030

Certificate of Completion For Title 4 MANAGEMENT Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

Basic Title 4 training is a prerequisite for MANAGEMENT Title 4 training. A valid Certificate of Completion for BASIC Title 4 training must be on file at the Department of Liquor and satisfactory completion of a State-approved BASIC Title 4 course must be verified by the training provider prior to issuing a Certificate of Completion for MANAGEMENT Title 4 training.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

MICHAEL [REDACTED] PAULS

Full Name (please print)

Michael B. [REDACTED]

Signature

4-14-14

Training Completion Date

4-14-17

Certificate Expiration Date
(three years from completion date)

Training Provider Information

ABC - Arizona Business Council for Alcohol Education

Company Name

77 East Columbus, Suite 102, Phoenix, Arizona 85012

Mailing Address

(602) 285-1396

Daytime Contact Phone Number

Danny Thomas

Instructor Name (please print)

I, Danny Thomas, certify that the above named individual did successfully complete

Title 4 MANAGEMENT Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

[Signature]

Instructor Signature

14 / 4 / 2014

Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensee, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

- | | | | |
|----------------------------------|----------------------------------|--------------------------|--------------------------------------|
| In-state Microbrewery (series 3) | Government (series 5) | Bar (series 6) | Beer & Wine Bar (series 7) |
| Conveyance (series 8) | Liquor Store (series 9) | Private Club (series 14) | Hotel/Motel w/restaurant (series 11) |
| Restaurant (series 12) | In-state Farm Winery (series 13) | | Beer & Wine Store (series 10) |

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

14 FEB 21 Liq. Lic. PH 1035

14 MAY 6 Liq. Lic. PH 1035

15 JAN 12 Lic. Dept PM 1 20

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

P1041768
804,127

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A \$13 FEE. In addition to other fingerprint fees, a \$22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License #

14153004

(If the location is currently licensed)

1. Check appropriate box → Controlling Person (Complete Questions 1-19) Controlling Person or Agent must complete #21 for a Manager
 Agent
 Manager (Only) (Complete All Questions except # 14, 14a & 21) Controlling Person or Agent must complete # 21

2. Name: Dole, Dennis Last First Middle Date of Birth: (NOT a Public Record)

3. Social Security Number: Drivers License #: State: (NOT a public record)

4. Place of Birth: City State Country (not county) USA Height: Weight: Eyes: Hair:

5. Marital Status Single Married Divorced Widowed

6. Name of Current or Most Recent Spouse: Dole Last First Middle Maiden Date of Birth: (NOT a public record)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency:

8. Telephone number to contact you during business hours for any questions regarding this document.

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises: Corporal Ben Scott Post 769 VFW Premises Phone: 928-927-7697

11. Physical Location of Licensed Premises Address: 305 N Central Blvd. Quartzsite LaPaz 85346
Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state & zip)
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENTIAL Street Address (if rented, attach additional sheet with name, address and phone number of landlord)	City	State	Zip
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15 JAN 12 Lic. Dept PM 3 35

If you checked the Manager box on the front of this form skip to # 15

- 14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises?
If you answered YES, how many hrs/day? _____, and answer #14a below. If NO, skip to #15. YES NO
- 14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof)
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license. YES NO
- 15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years?
In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in a warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related. YES NO
- 16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal traffic tickets and complaints. YES NO
- 17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? YES NO
- 18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? YES NO
- 19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 19 is "YES" YOU MUST attach a signed statement.
Give complete details including dates, agencies involved, and dispositions.
SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

20. I, DENNIS [REDACTED] Dale hereby declare that I am the APPLICANT/REPRESENTATIVE
(print full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

X Dennis Dale
(Signature of Applicant)

State of Arizona County of LaPaz

The foregoing instrument was acknowledged before me this
8 day of January, 2014
Month Year

Rachael Buckley
(Signature of NOTARY PUBLIC)



20 Feb 2018
Day Month Year

15 JAN 15 Lic. Dept PH 3 05

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license.
The manager named must be at least 21 years of age.

State of _____ County of _____

The foregoing instrument was acknowledged before me this

X _____ day of _____
Signature of Controlling Person or Agent (circle one) Month Year

(Signature of NOTARY PUBLIC)

Print Name

My commission expires on: _____
Day Month Year

*15 JAN 12 Lic. Dept PM 1 20

January 7, 2015

AZ DLLC Questionnaire for New License Application to relocate Corporal Ben Scott Post 769, VFW to a new location.

Response to question #19.

I am currently listed as a controlling person on the current License #14153001 since, I believe, 2007 or earlier. I am currently the Quartermaster/Adjutant of VFW Post 769 in Quartzsite, AZ.



Dennis Dole

Quartermaster/Adjutant

VFW Post 769

*15 JAN 15 Lic. Lic. PM 3 35

If you checked the Manager box on the front of this form skip to # 15

- 14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises?
If you answered YES, how many hrs/day? _____, and answer #14a below. YES NO
- 14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof)
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license. YES NO
- 15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years?
In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in a warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related. YES NO
- 16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal traffic tickets and complaints. YES NO
- 17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? YES NO
- 18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? YES NO
- 19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 19 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved, and dispositions.
SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

'15 JAN 15 Licr. Dept PM 3:05

20. I, William [redacted] Oltiner, hereby declare that I am the APPLICANT/REPRESENTATIVE
(print full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

x William M Oltiner
(Signature of Applicant)

State of Arizona County of La Paz

The foregoing instrument was acknowledged before me this
8 day of January, 2014
Month Year
Rachael Buckley
(Signature of NOTARY PUBLIC)



16 Feb 2018
Day Month Year

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

State of _____ County of _____

The foregoing instrument was acknowledged before me this

X _____
Signature of Controlling Person or Agent (circle one)

_____ day of _____, _____
Month Year

(Signature of NOTARY PUBLIC)

Print Name

My commission expires on: _____
Day Month Year



TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

- Agenda Item #5** Discussion and possible action to recommend approval of a permanent Extension of Premises/Patio Permit for the VFW Post 769 located at 305 N. Central Blvd., Quartzsite, AZ, to the Arizona Department of Liquor Licenses and Control.
- Summary:** The VFW Post 769 property is located at 305 N. Central Blvd., Quartzsite, AZ.
- The extended area will be fenced with a 6 foot high privacy fence, including a 4 foot wide pedestrian gate and a 16 foot service gate.
- Responsible Person:** Skylor Miller, Town Manager
- Attachment:** Arizona Department of Liquor Licenses & Control Application for a permanent Extension of Premises/Patio Permit from the VFW Post 769.
- Action Requested:** Motion to recommend approval of an application for a permanent Extension of Premises/Patio Permit from the VFW Post 769, located at 305 N. Central Blvd., AZ.

RECEIVED

FEB 12 2015

TOWN OF QUARTZSITE

Arizona Department of Liquor Licenses and Control
 800 W Washington 8th Floor
 Phoenix AZ 85007-2934
 www.azliquor.gov
 (602) 542-6141

FOR DLLC USE ONLY
 Date payment received: _____
 CSR initials: _____

APPLICATION FOR EXTENSION OF PREMISES/PATIO PERMIT
 This application must be returned to the Department of Liquor
 (Notice: Allow 30-45 days to process permanent change of premises)

Permanent change of area of service. A NON-REFUNDABLE \$50 FEE WILL APPLY. Specific purpose for change:
Event Area

Temporary change for date(s) of: ___/___/___ through ___/___/___ List specific purpose for change:

1. Licensee's Name: Davis Michael
Last First Middle
2. Mailing Address: Po Box Quartzsite AZ
Street City State Zip
3. Business Name: VFW Post 769 License # 14153004
4. Business Address: 305 N Central Blvd
Street City State Zip
5. Contact phone: [redacted] Business phone: (928) 927-7697
6. Email: vfwdad1011@hotmail.com
7. Is extension of premises/patio complete?
 N/A Yes No If no, what is your estimated completion date? 03/20/15
8. Do you understand Arizona Liquor Laws and Regulations?
 Yes No
9. Does this extension bring your premises within 300 feet of a church or school?
 Yes No
10. Have you received approved Liquor Law Training?
 Yes No If yes, when does your Certificate expire? Date: 1/14/2017
11. What security precautions will be taken to prevent liquor violations in the extended area?
The extended area will be fenced with a 6' high privacy fence and 4' man gate with a 16 foot 4 rail gate.
12. **IMPORTANT:** ATTACH THE REVISED FLOOR PLAN CLEARLY DEPICTING YOUR LICENSED PREMISES AND WHAT YOU PROPOSE TO ADD.

Barrier Exemption: an exception to the requirement of barriers surrounding a patio/outdoor serving area may be requested. Barrier exemptions are granted based on public safety, pedestrian traffic, and other factors unique to a licensed premise. List specific reasons for exemption:

Investigation Recommendation: Approval Disapproval by: _____ Date: ___/___/___

➤ OBTAIN APPROVAL FROM LOCAL GOVERNING BODY BEFORE SUBMITTING TO THE DEPARTMENT ➤

➤ After completing the application, please take this application to your local Board of Supervisors, City Council or Designate for their recommendation. This recommendation is not binding on the Department of Liquor.

This change in premises is RECOMMENDED by the local Board of Supervisors, City Council or Designate:

(Authorized Signature) (Title) (Agency) Date

I, MICHAEL [REDACTED] DAVIS, declare that I am the APPLICANT and, under penalty of perjury, making the foregoing application. I have read this application and the contents and all statements are true, correct and complete.

x [Signature] [REDACTED] AGENT 2-12-15 [REDACTED]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledged before me this 12 February 2015
Day Month Year

State Arizona County of La Paz

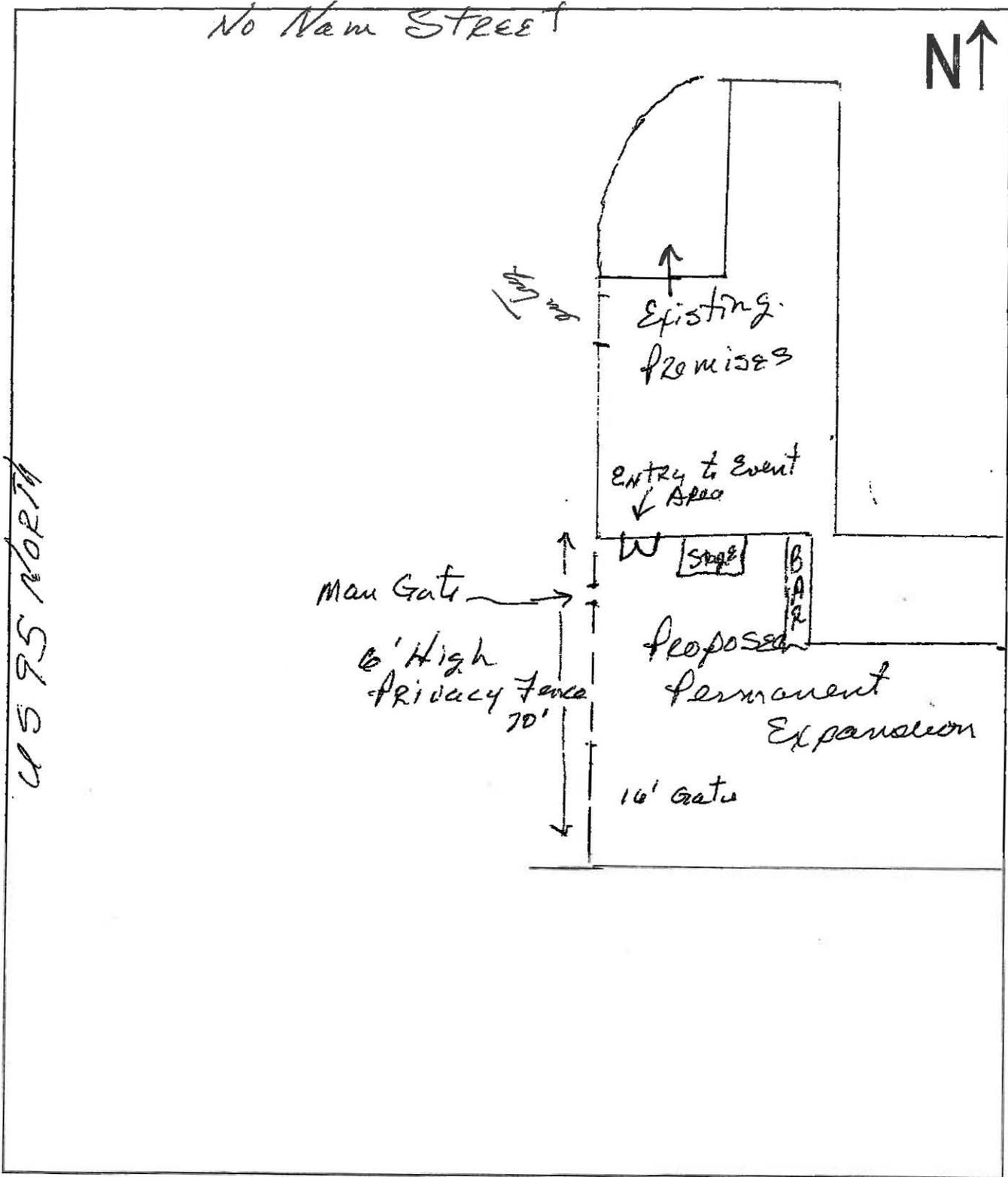
My Commission Expires on: December 16, 2018 Miguel A. Castellanos
Date Signature of Notary Public



Investigation Recommendation: Approval Disapproval by: _____ Date: ___/___/___

Director Signature required for Disapprovals _____ Date: ___/___/___

SECTION 12 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. The following space is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.





Google earth

feet
meters





TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

- Agenda Item #6** Conduct hearing and consider recommending approval of a Special Event Liquor License for the VFW Post 769, located at 305 N. Central Blvd., Quartzsite, AZ, with the special event set to occur on April 4, 2015.
- Summary:** The VFW Post 769, located at 305 N. Central Blvd., Quartzsite, AZ, has scheduled a special event for April 4, 2015, from 8:00 a.m. to 12:00 p.m. The event will include the addition of an event trailer for the purpose of selling alcoholic beverages within the specified area.
- Responsible Person:** Skylor Miller, Town Manager
- Attachment:** Arizona Department of Liquor Licenses & Control Application dated February 12, 2015 for a Special Event License from the VFW Post 769.
- Action Requested:** Motion to recommend approval of a Special Event Liquor License for the VFW Post 769, located at 305 N. Central Blvd., Quartzsite, AZ.

TOWN OF QUARTZSITE

FEB 12 2015

RECEIVED

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
Event date(s): _____
Event time start/end: _____

APPLICATION FOR SPECIAL EVENT LICENSE
 Fee= \$25.00 per day for 1-10 days (consecutive)
 A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. §44-6852)

IMPORTANT INFORMATION: This document must be fully completed or it will be returned.

The Department of Liquor Licenses and Control must receive this application ten (10) business days prior to the event. If the special 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 Section 15).

SECTION 1 Name of Organization: Corporal Ben Scott VFW Post 769

SECTION 2 Non-Profit/IRS Tax Exempt Number: 86-1001243

SECTION 3 The organization is a: (check one box only)

- Charitable (501.C) Fraternal (must have regular membership and have been in existence for over five (5) years)
- Religious Civic (Rotary, College Scholarship) Political Party, Ballot Measure or Campaign Committee

SECTION 4 Will this event be held on a currently licensed premise and within the already approved premises?
 Yes No

<u>VFW Post 769</u>	<u>14153004</u>	<u>928-827-7486</u>
Name of Business	License Number	Phone (include Area Code)

SECTION 5 How is this special event going to conduct all dispensing, serving, and selling of spirituous liquors? Please read R-19-318 for explanation (look in special event planning guide) and check one of the following boxes.

- Place license in non-use
- Dispense and serve all spirituous liquors under retailer's license
- Dispense and serve all spirituous liquors under special event
- Split premise between special event and retail location

(If not using retail license, submit a letter of agreement from the agent/owner of the licensed premise to suspend the license during the event. If the special event is only using a portion of premise, agent/owner will need to suspend that portion of the premise.)

SECTION 6 What is the purpose of this event? On-site consumption Off-site (auction) Both

SECTION 7 Location of the Event: VFW Post 769

Address of Location: 305 N Central Blvd. Quartzsite, La Paz, AZ 85346

Street	City	County/State	Zip
--------	------	--------------	-----

SECTION 8 Will this be stacked with a wine festival/craft distiller festival? Yes No

SECTION 9 Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Section 1. (Authorizing signature is required in Section 13.)

1. Applicant: Dole, Dennis _____
Last First Middle Date of Birth

2. Applicant's mailing address: PO Box _____ Quartzsite, AZ _____
Street City State Zip

3. Applicant's home/cell phone: (____) _____ Applicant's business phone: (____) _____

4. Applicant's email address: _____

SECTION 10

1. Has the applicant been convicted of a felony, or had a liquor license revoked within the last five (5) years?
 Yes No (If yes, attach explanation.)

2. How many special event licenses have been issued to this location this year? 0
 (The number cannot exceed 12 events per year; exceptions under A.R.S. §4-203.02(D).)

3. Is the organization using the services of a promoter or other person to manage the event? Yes No
 (If yes, attach a copy of the agreement.)

4. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds. The organization applying must receive 25% of the gross revenues of the special event liquor sales. Attach an additional page if necessary.

Name VFW Post 769 Percentage 100%
 Address 305 N. Central Blvd Quartzsite AZ 85346
Street City State Zip

Name _____ Percentage _____
 Address _____
Street City State Zip

5. Please read A.R.S. §4-203.02 Special event license; rules and R19-1-205 Requirements for a Special Event License.

Note: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.

"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT UNLESS THEY ARE IN AUCTION SEALED CONTAINERS OR THE SPECIAL EVENT LICENSE IS STACKED WITH WINE /CRAFT DISTILLERY FESTIVAL LICENSE"

6. What type of security and control measures will you take to prevent violations of liquor laws at this event?
 (List type and number of police/security personnel and type of fencing or control barriers, if applicable.)

0 Number of Police 4 Number of Security Personnel Fencing Barriers

Explanation: In the Plot Plan your will see the expansion of the licensed premises to included a vacant area to the South of the building. This area will have a permanent fence on the western boundary to define it as a secure area. With this application is an application to expand the area permanently.

SECTION 11 Date(s) and Hours of Event. May not exceed 10 consecutive days.
 See A.R.S. §4-244(15) and (17) for legal hours of service.

	Date	Day of Week	Event Start Time AM/PM	License End Time AM/PM
DAY 1:	<u>April 4</u>	<u>Saturday</u>	<u>8 AM</u>	<u>12 PM</u>
DAY 2:	_____	_____	_____	_____
DAY 3:	_____	_____	_____	_____
DAY 4:	_____	_____	_____	_____
DAY 5:	_____	_____	_____	_____
DAY 6:	_____	_____	_____	_____
DAY 7:	_____	_____	_____	_____
DAY 8:	_____	_____	_____	_____
DAY 9:	_____	_____	_____	_____
DAY 10:	_____	_____	_____	_____

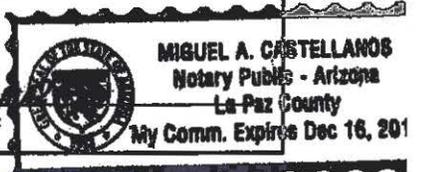
SECTION 13 This section is to be completed only by an Officer, Director or Chairperson of the organization named in Section 1.

I, Robert J. Bruno declare that I am an OFFICER, DIRECTOR, or CHAIRPERSON
(Print full name)
appointing the applicant listed in Section 9, to apply on behalf of the foregoing organization for a Special Event
Liquor License.

x [Signature] Commander 2/12/2015 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledged before me this 12 February 2015
Day Month Year
State Arizona County of La Paz

My Commission Expires on: December 16, 2018 Miguel A. Castellanos
Date Signature of Notary Public



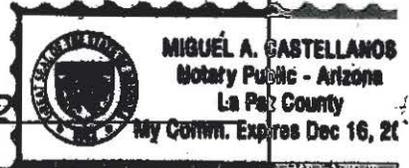
SECTION 14 This section is to be completed only by the applicant named in Section 9.

I, Dennis Dole declare that I am the APPLICANT filing this application as
(Print full name)
listed in Section 9. I have read the application and the contents and all statements are true, correct and
complete.

x [Signature] Master 2/12/15 [Redacted]
(Signature) Title/ Position Date Phone #

The foregoing instrument was acknowledged before me this 12 February 2015
Day Month Year
State Arizona County of La Paz

My Commission Expires on: December 16, 2018 Miguel A. Castellanos
Date Signature of Notary Public



The local governing body 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. For more information, please contact your local jurisdiction: http://www.azliquor.gov/assets/documents/homepage_docs/spec_event_links.pdf.

SECTION 15 Local Governing Body Approval Section

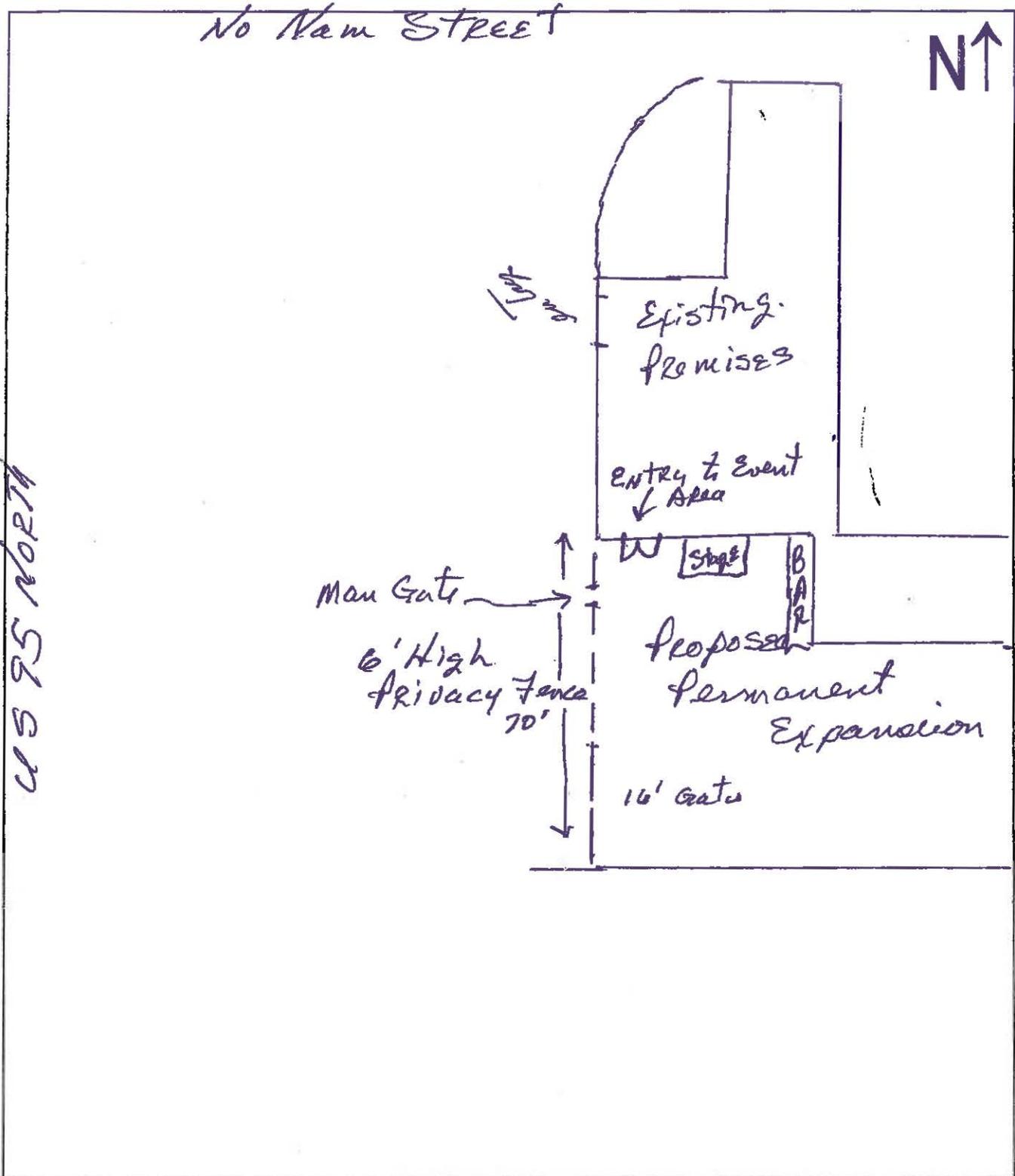
I, _____ recommend APPROVAL DISAPPROVAL
(government official) (Title)

on behalf of _____
(City, Town, County) Signature Date Phone

FOR DEPARTMENT OF LIQUOR LICENSES AND CONTROL USE ONLY

APPROVAL DISAPPROVAL BY: _____ DATE: _____

SECTION 12 License premises diagram. The licensed premises for your special event is the area in which you are authorized to sell, dispense or serve alcoholic beverages under the provisions of your license. The following space is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades, or other control measures and security position.





Google earth

feet
meters





TOWN OF QUARTZSITE

REGULAR COUNCIL MEETING

Tuesday, February 24, 2015

Agenda Item #7 Consider acceptance of the Annual Financial Statements and Independent Auditors' Report for Fiscal Year 2013-2014.

Summary: As a governmental municipality within the State of Arizona, the Town is required to undergo an annual audit of its financial statements. These audits, performed by certified public accountants, must be conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The independent auditors are required to obtain reasonable assurance about whether the financial statements are free of material misstatement; and evaluating the overall financial statement presentation.

It is the independent auditors' opinion that the Town's financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

Responsible Persons: Skylor Miller, Town Manager
Scott Graff, CPA, Colby & Powell, PLC

Attachment: 1) Annual Financial Statements and Independent Auditors' Report, June 30, 2014.
2) Annual Expenditure Limitation Report, June 30, 2014.

Action Requested: Motion to accept the Annual Financial Statements and Independent Auditors' Report for Fiscal Year 2013-2014.

TOWN OF QUARTZSITE, ARIZONA

**Annual Financial Statements
and
Independent Auditors' Report
June 30, 2014**



Quartzsite, Arizona

"The Eye's Capital of the World"

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Quartzsite, Arizona

"The Rock Capital of the World"



**COLBY &
POWELL, PLC**

CERTIFIED PUBLIC ACCOUNTANTS

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

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

INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Quartzsite, Arizona

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Quartzsite, Arizona, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The Town of Quartzsite, Arizona has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedule of funding progress on pages 34 to 37 and 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

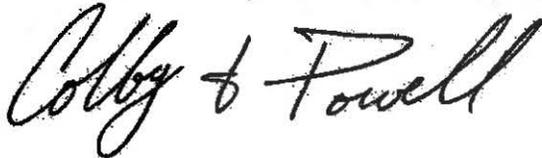
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2015, on our consideration of the Town of Quartzsite, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Quartzsite, Arizona's internal control over financial reporting and compliance.

Other Reporting Required by Arizona Revised Statutes

In connection with our audit, we noted that over time, the Town had loaned \$2,628,628 of highway user revenue fund monies to other Town funds. The loan proceeds were expended in the other funds for various purposes which were not related to highways and streets. We do not consider such a loan in compliance with Arizona Revised Statutes Title 28, Chapter 18, Article 2 and any other dedicated state transportation revenues received by the Town solely for the authorized transportation purposes. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

A handwritten signature in cursive script that reads "Colby & Powell". The signature is written in black ink and is positioned to the left of the date.

January 30, 2015



Quartzsite, Arizona

"The Eye's Capital of the World"

TOWN OF QUARTZSITE, ARIZONA
Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,845,255	\$ -	\$ 2,845,255
Restricted cash	299,631	405,314	704,945
Receivables - net	17,459	199,207	216,666
Due from other governments	221,979	-	221,979
Prepaid expenses	58,248	16,841	75,089
Interfund balances	4,326,556	(4,326,556)	-
Capital assets, not being depreciated	211,001	741,145	952,146
Capital assets, being depreciated, net	9,015,122	12,846,103	21,861,225
Total assets	16,995,251	9,882,054	26,877,305
LIABILITIES			
Accounts payable	89,575	59,582	149,157
Accrued expenses	55,847	17,728	73,575
Unearned revenue	6,097	-	6,097
Accrued interest	23,632	126,905	150,537
Claims and settlements payable	207,500	-	207,500
Refundable deposits	-	1,600	1,600
Noncurrent liabilities			
Due within 1 year	217,806	304,177	521,983
Due in more than 1 year	647,595	8,301,857	8,949,452
Total liabilities	1,248,052	8,811,849	10,059,901
NET POSITION			
Net investment in capital assets	8,438,737	4,992,898	13,431,635
Restricted for:			
Debt service	299,631	-	299,631
Public safety	39,617	-	39,617
Highways and streets	2,875,804	-	2,875,804
Culture and recreation	8,315	-	8,315
Unrestricted (deficit)	4,085,095	(3,922,693)	162,402
Total net position	\$ 15,747,199	\$ 1,070,205	\$ 16,817,404

See accompanying notes to financial statements



Quartzsite, Arizona
"The Eye's Capital of the World"

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

Functions / Programs	Expenses	Program Revenue			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities							
General government	\$ 1,109,027	\$ 110,976	\$ 18,147	\$ -	\$ (979,904)	\$ -	\$ (979,904)
Public safety	1,344,813	129,510	47,655	-	(1,167,648)	-	(1,167,648)
Public works and streets	1,489,000	600	1,181,495	-	(306,905)	-	(306,905)
Culture and recreation	408,930	13,511	3,845	-	(391,574)	-	(391,574)
Debt service - interest	<u>57,222</u>	-	-	-	<u>(57,222)</u>	-	<u>(57,222)</u>
Total governmental activities	<u>4,408,992</u>	<u>254,597</u>	<u>1,251,142</u>	<u>-</u>	<u>(2,903,253)</u>	<u>-</u>	<u>(2,903,253)</u>
Business-type activities							
Water	1,097,291	723,488	-	11,673	-	(362,130)	(362,130)
Sewer	874,625	940,490	-	-	-	65,865	65,865
Total business-type activities	<u>1,971,916</u>	<u>1,663,978</u>	<u>-</u>	<u>11,673</u>	<u>-</u>	<u>(296,265)</u>	<u>(296,265)</u>
Total primary government	<u>\$ 6,380,908</u>	<u>\$ 1,918,575</u>	<u>\$ 1,251,142</u>	<u>\$ 11,673</u>	<u>(2,903,253)</u>	<u>(296,265)</u>	<u>(3,199,518)</u>
General revenue:							
Taxes:							
Sales					1,294,719	-	1,294,719
Franchise					77,989	-	77,989
State revenue sharing					409,848	-	409,848
Auto lieu tax revenue sharing					296,891	-	296,891
State sales tax revenue sharing					320,056	-	320,056
Miscellaneous					108,008	-	108,008
Lease income					16,820	-	16,820
Gain on sale of assets					8,164	-	8,164
Interest income					11,616	-	11,616
Total general revenue					<u>2,544,111</u>	<u>-</u>	<u>2,544,111</u>
Transfers							
Change in net position					<u>(326,611)</u>	<u>(328,796)</u>	<u>(655,407)</u>
Net position, beginning of year, as restated					<u>16,073,810</u>	<u>1,399,001</u>	<u>17,472,811</u>
Net position, end of year					<u>\$ 15,747,199</u>	<u>\$ 1,070,205</u>	<u>\$ 16,817,404</u>

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	HURF Fund	Grants Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ 2,794,739	\$ 50,516	\$ 2,845,255
Restricted cash	299,631	-	-	299,631
Accounts receivable - net	17,459	-	-	17,459
Due from other governments	110,293	108,173	3,513	221,979
Prepaid expenses	35,906	22,342	-	58,248
Due from other funds	1,697,928	2,628,628	-	4,326,556
Total assets	\$ 2,161,217	\$ 5,553,882	\$ 54,029	\$ 7,769,128
LIABILITIES				
Accounts payable	\$ 70,519	\$ 19,056	\$ -	\$ 89,575
Accrued expenses	47,795	8,052	-	55,847
Unearned revenue	-	-	6,097	6,097
Claims and settlements payable	200,000	-	-	200,000
Total liabilities	318,314	27,108	6,097	351,519
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	46,544	-	3,513	50,057
FUND BALANCES				
Unspendable	1,733,834	2,650,970	-	4,384,804
Restricted for:				
Debt service	299,631	-	-	299,631
Public safety	-	-	36,104	36,104
Highways and streets	-	2,875,804	-	2,875,804
Culture and recreation	-	-	8,315	8,315
Unassigned	(237,106)	-	-	(237,106)
Total fund balances	1,796,359	5,526,774	44,419	7,367,552
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,161,217	\$ 5,553,882	\$ 54,029	\$ 7,769,128

See accompanying notes to financial statements

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

Fund balances--total governmental funds	\$ 7,367,552
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
 Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	 9,226,123
 Some receivables are not available to pay for current-period expenditures and therefore, are deferred in the funds.	 50,057
 Some liabilities, including bonds payable and claims payable, are not due and payable in the current period and therefore, are not reported in the funds.	 <u>(896,533)</u>
 Net position of governmental activities	 <u>\$ 15,747,199</u>

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Statement of Revenue, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2014

	General Fund	HURF Fund	Grants Fund	Total Governmental Fund
Revenues				
Intergovernmental	\$ 1,026,796	\$ 1,180,022	\$ 57,700	\$ 2,264,518
Taxes	1,248,175	-	-	1,248,175
Other revenue	123,145	1,472	-	124,617
Fines	122,807	-	-	122,807
Licenses and permits	105,539	600	-	106,139
Franchise fees	77,989	-	-	77,989
Charges for services	35,768	-	-	35,768
Interest	11,616	-	-	11,616
Total revenues	<u>2,751,835</u>	<u>1,182,094</u>	<u>57,700</u>	<u>3,991,629</u>
Expenditures				
Current				
General government	1,050,588	-	-	1,050,588
Public safety	1,561,597	-	38,001	1,599,598
Highways and streets	6,961	844,479	-	851,440
Culture and recreation	358,529	-	13,758	372,287
Capital outlay	70,509	158,724	-	229,233
Debt service				
Principal	105,654	39,884	-	145,538
Interest	55,096	2,104	-	57,200
Total expenditures	<u>3,208,934</u>	<u>1,045,191</u>	<u>51,759</u>	<u>4,305,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(457,099)</u>	<u>136,903</u>	<u>5,941</u>	<u>(314,255)</u>
Other financing sources (uses)				
Sale of capital assets	1,132	7,032	-	8,164
Transfers	49,101	-	(16,570)	32,531
Capital lease agreement	10,374	-	-	10,374
Total other financing sources (uses)	<u>60,607</u>	<u>7,032</u>	<u>(16,570)</u>	<u>51,069</u>
Net change in fund balances	(396,492)	143,935	(10,629)	(263,186)
Fund balances, beginning of year	<u>2,192,851</u>	<u>5,382,839</u>	<u>55,048</u>	<u>7,630,738</u>
Fund balances, end of year	<u>\$ 1,796,359</u>	<u>\$ 5,526,774</u>	<u>\$ 44,419</u>	<u>\$ 7,367,552</u>

See accompanying notes to financial statements

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

Net change in fund balances—total governmental funds \$ (263,186)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities the cost of
those assets is allocated over their estimated useful
lives and reported as depreciation expense.

Capital outlay-type expenditures	195,829	
Depreciation expense	<u>(766,582)</u>	(570,753)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		50,057
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Debt proceeds provide current financial resources to
governmental funds, but issuing debt increases long-term
liabilities in the Statement of Net Position. Repayment of
debt principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the
Statement of Net Position.

Capital lease incurred	(10,374)	
Decrease in claims payable	312,500	
Decrease in compensated absences	9,629	
Decrease in accrued interest	3,018	
Principal repaid	<u>142,498</u>	<u>457,271</u>

Change in net position of governmental activities		<u>\$ (326,611)</u>
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See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Statement of Net Position
Proprietary Funds
June 30, 2014

	<u>Business-type Activities—Enterprise Funds</u>		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
ASSETS			
Current assets			
Restricted cash	\$ 277,789	\$ 127,525	\$ 405,314
Accounts receivable - net	82,166	117,041	199,207
Prepaid expenses	7,642	9,199	16,841
Total current assets	<u>367,597</u>	<u>253,765</u>	<u>621,362</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation, where applicable:			
Land	14,047	19,500	33,547
Construction in progress	-	707,598	707,598
Equipment, net	54,290	112,474	166,764
Systems, net	8,518,926	4,158,002	12,676,928
Vehicles, net	2,411	-	2,411
Total noncurrent assets	<u>8,589,674</u>	<u>4,997,574</u>	<u>13,587,248</u>
Total assets	<u>8,957,271</u>	<u>5,251,339</u>	<u>14,208,610</u>
LIABILITIES			
Current liabilities			
Accounts payable	35,410	24,172	59,582
Accrued expenses	14,618	3,110	17,728
Accrued interest	73,816	53,089	126,905
Compensated absences	8,866	2,818	11,684
Refundable deposits	1,600	-	1,600
Notes payable, current portion	163,427	129,066	292,493
Total current liabilities	<u>297,737</u>	<u>212,255</u>	<u>509,992</u>
Noncurrent liabilities			
Due to other funds	2,327,442	1,999,114	4,326,556
Notes payable, net of current portion	4,757,651	3,544,206	8,301,857
Total noncurrent liabilities	<u>7,085,093</u>	<u>5,543,320</u>	<u>12,628,413</u>
Total liabilities	<u>7,382,830</u>	<u>5,755,575</u>	<u>13,138,405</u>
Net position			
Net investment in capital assets	3,668,596	1,324,302	4,992,898
Unrestricted (deficit)	(2,094,155)	(1,828,538)	(3,922,693)
Total net position	<u>\$ 1,574,441</u>	<u>\$ (504,236)</u>	<u>\$ 1,070,205</u>

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Statement of Revenue, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2014

	<u>Business-type Activities—Enterprise Funds</u>		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating revenues			
Water charges (net of bad debts of \$3,548)	\$ 723,488	\$ -	\$ 723,488
Sewer charges (net of bad debts of \$7,212)	-	933,169	933,169
Rental revenue	-	7,321	7,321
Total operating revenues	<u>723,488</u>	<u>940,490</u>	<u>1,663,978</u>
Operating expenses			
Personnel	240,848	163,674	404,522
Insurance	32,041	42,721	74,762
Professional services	110,359	132,017	242,376
Utilities	111,166	75,392	186,558
Repairs and maintenance	61,653	38,525	100,178
Materials and supplies	25,343	43,310	68,653
Other	13,055	14,358	27,413
Depreciation	309,690	222,508	532,198
Total operating expenses	<u>904,155</u>	<u>732,505</u>	<u>1,636,660</u>
Operating income (loss)	<u>(180,667)</u>	<u>207,985</u>	<u>27,318</u>
Nonoperating revenues (expenses)			
Meter and cap fees	11,673	-	11,673
Interest expense	(193,136)	(142,120)	(335,256)
Total nonoperating revenues (expenses)	<u>(181,463)</u>	<u>(142,120)</u>	<u>(323,583)</u>
Income (loss) before transfers	<u>(362,130)</u>	<u>65,865</u>	<u>(296,265)</u>
Transfers	(15,154)	(17,377)	(32,531)
Increase (decrease) in net position	<u>(377,284)</u>	<u>48,488</u>	<u>(328,796)</u>
Total net position, beginning of year	<u>1,951,725</u>	<u>(552,724)</u>	<u>1,399,001</u>
Total net position, end of year	<u>\$ 1,574,441</u>	<u>\$ (504,236)</u>	<u>\$ 1,070,205</u>

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2014

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers	\$ 693,085	\$ 885,739	\$ 1,578,824
Payments to suppliers and providers of goods and services	(374,044)	(378,201)	(752,245)
Payments to employees	(184,797)	(125,785)	(310,582)
Net cash provided (used) by operating activities	<u>134,244</u>	<u>381,753</u>	<u>515,997</u>
Cash flows from noncapital financing activities:			
Transfers (to) from other funds	(15,154)	(17,377)	(32,531)
Loans (to) from other funds	379,320	(90,649)	288,671
Net cash provided (used) by noncapital financing activities	<u>364,166</u>	<u>(108,026)</u>	<u>256,140</u>
Cash flows from capital and related financing activities:			
Proceeds from issuance of note payable	-	1,110,225	1,110,225
Receipts from meter and cap fees	28,823	21,185	50,008
Purchase of capital assets	-	(70,120)	(70,120)
Interest paid	(195,704)	(143,997)	(339,701)
Principal payments on notes payable	(157,819)	(1,063,495)	(1,221,314)
Net cash provided (used) by capital and related financing activities	<u>(324,700)</u>	<u>(146,202)</u>	<u>(470,902)</u>
Net increase (decrease) in cash and cash equivalents	173,710	127,525	301,235
Cash and cash equivalents, beginning of year	<u>104,079</u>	<u>-</u>	<u>397,258</u>
Cash and cash equivalents, end of year	<u>\$ 277,789</u>	<u>\$ 127,525</u>	<u>\$ 405,314</u>

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2014
(Continued)

	<u>Business-type Activities—Enterprise Funds</u>		
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (180,667)	\$ 207,985	\$ 27,318
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	309,690	222,508	532,198
Bad debts	3,548	7,212	10,760
(Increase) decrease:			
Accounts receivable	(33,951)	(61,963)	(95,914)
Prepaid expenses	(2,823)	(2,773)	(5,596)
Inventory	7,439	2,536	9,975
Increase (decrease):			
Accounts payable	33,901	9,222	43,123
Accrued expenses	1,209	699	1,908
Compensated absences payable	(4,102)	(3,673)	(7,775)
Net cash provided (used) by operating activities	<u>\$ 134,244</u>	<u>\$ 381,753</u>	<u>\$ 515,997</u>

NONCASH CAPITAL FINANCING ACTIVITIES: Loan premiums in the Water and Sewer Funds were amortized to interest expense at \$791 and \$573, respectively.

See accompanying notes to financial statements

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Quartzsite, Arizona, conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the Town's significant accounting policies are as follows:

A. Reporting Entity

The Town is a general purpose local government that is governed by a separately elected Town Council. The accompanying financial statements present the activities of the Town (the primary government) and its component units.

Component units are legally separate entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. Therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the Town. Each blended component unit discussed below has a June 30 year-end. The Town has no discretely presented component units.

The Town of Quartzsite Municipal Property Corporation is an Arizona nonprofit corporation incorporated under the laws of the State of Arizona. The principal objective of the Corporation is to assist the Town of Quartzsite, Arizona, in acquiring, constructing, financing, operating, improving or modifying public facilities for the benefit of all Town of Quartzsite, Arizona, residents. The Corporation's board of directors consists of three members appointed by the Quartzsite Town Council.

Separate financial statements of the blended component unit are not prepared.

B. Basis of Presentation

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

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include:

- charges to customers or applicants for goods, services, or privileges provided,
- operating grants and contributions, and
- capital grants and contributions.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

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

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

Proprietary fund operating revenues, such as charges for services, result from transactions associated with the fund's principal activity in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from transactions in which the parties do not exchange equal values. Revenues generated by ancillary activities are also reported as non-operating revenues.

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Town reports the following major governmental funds:

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

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

The ***Grants Fund*** accounts for specific revenue sources that are restricted to expenditures for specified purposes as defined by the grantor.

The Town reports the following major enterprise funds:

The ***Water Fund*** and ***Sewer Fund*** account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the Town Council is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or for which the Town Council has decided that periodic determination of revenue earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Basis of Accounting

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

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

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Cash and Investments

For purposes of its statement of cash flows, the Town considers only those highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

E. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts receivable in the proprietary funds are estimated by the Town. The amount recorded as uncollectible at June 30, 2014, for the Water and Sewer Funds was \$27,384 and \$52,616, respectively.

F. Inventories

Inventories of the business type activities are recorded at cost using the first-in, first-out basis of accounting.

G. Capital Assets

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

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$ 5,000	n/a	n/a
Construction in progress	5,000	n/a	n/a
Vehicles	5,000	Straight-line	5-10
Furniture and fixtures	5,000	Straight-line	5-15
Equipment	5,000	Straight-line	5-15
Land Improvements	5,000	Straight-line	15-20
Buildings	5,000	Straight-line	25-50
Utility systems	5,000	Straight-line	25-50
Infrastructure	5,000	Straight-line	25-50

H. Investment Income

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

I. Compensated Absences

Compensated absences consist of vacation leave earned by employees based on services already rendered. Employees may accumulate up to 320 hours of vacation depending on years of service. Upon termination of employment, all unused vacation benefits are paid to employees. Accordingly, vacation benefits are accrued as a liability in the financial statements.

Employees may accumulate an unlimited amount of sick leave hours. Because sick leave benefits do not vest with employees, a liability for sick leave benefits is not accrued in the financial statements.

J. Subsequent Events

Management has evaluated subsequent events through the date of issuance of the financial statements, and has determined that there are no significant subsequent events requiring disclosure.

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Fund Balance Reporting

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

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

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

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

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

L. Impact of Recently Issued Accounting Principles

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

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

NOTE 2 – DEPOSITS AND INVESTMENTS

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

Deposits—At June 30, 2014, the carrying amount of the Town’s total pooled cash in bank was \$2,747,593, and the bank balance was \$2,810,554. The bank balance is covered by federal depository insurance and collateral held by the pledging financial institution’s trust department or agent in the Town’s name.

Investments—At June 30, 2014, the investments consisted of the following:

<u>Investment</u>	<u>Rating Organization</u>	<u>Credit Rating</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Arizona LGIP Pool 5	S&P	AAA	<u>\$ 696,866</u>	<u>\$ 696,866</u>

The State Board of Investment provides oversight for the State Treasurer’s pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant’s position in the pool approximates the value of that participant’s pool shares. Those shares are not identified with specific investments and are not subject to custodial credit risk. All other investments were insured or registered in the Town’s name, or were held by the Town or its agent in the Town’s name.

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 2 – DEPOSITS AND INVESTMENTS – Continued

Restricted cash – Restricted cash consisted of cash held by trustee for debt service and for certain property and equipment improvements and expenditures. Total restricted cash at June 30, 2014 totaled \$704,945.

NOTE 3 – CAPITAL ASSETS

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

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 115,974	-	-	\$ 115,974
Construction in progress	-	95,027	-	95,027
Total capital assets not being depreciated	115,974	95,027	-	211,001
Capital assets being depreciated:				
Buildings	1,255,899	-	-	1,255,899
Land improvements	245,617	10,112	-	255,729
Furniture and fixtures	450,132	-	-	450,132
Equipment	1,466,131	41,750	-	1,507,881
Vehicles	984,855	48,940	-	1,033,795
Street lights	55,471	-	-	55,471
Streets and curbs	11,238,913	-	-	11,238,913
Total	15,697,018	100,802	-	15,797,820
Less accumulated depreciation for:				
Buildings	(358,052)	(39,082)	-	(397,134)
Land improvements	(120,718)	(12,674)	-	(133,392)
Furniture and fixtures	(450,132)	-	-	(450,132)
Equipment	(1,236,631)	(67,754)	-	(1,304,385)
Vehicles	(794,428)	(72,043)	-	(866,471)
Street lights	(24,501)	(2,774)	-	(27,275)
Streets and curbs	(3,031,654)	(572,255)	-	(3,603,909)
Total	(6,016,116)	(766,582)	-	(6,782,698)
Total capital assets being depreciated, net	9,680,902	(665,780)	-	9,015,122
Governmental activities capital assets, net	\$ 9,796,876	\$ (570,753)	\$ -	\$ 9,226,123

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 3 – CAPITAL ASSETS – Continued

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 33,547	\$ -	\$ -	\$ 33,547
Construction in progress	637,478	70,120	-	707,598
Total capital assets not being depreciated	671,025	70,120	-	741,145
Capital assets being depreciated:				
Utility systems	18,369,087	-	-	18,369,087
Equipment	756,622	-	-	756,622
Vehicles	57,356	-	-	57,356
Total	19,183,065	-	-	19,183,065
Less accumulated depreciation for:				
Utility systems	(5,192,662)	(499,497)	-	(5,692,159)
Equipment	(561,270)	(28,588)	-	(589,858)
Vehicles	(50,832)	(4,113)	-	(54,945)
Total	(5,804,764)	(532,198)	-	(6,336,962)
Total capital assets being depreciated, net	13,378,301	(532,198)	-	12,846,103
Business-type activities capital assets, net	\$ 14,049,326	\$ (462,078)	\$ -	\$ 13,587,248

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 49,910
Public safety	50,559
Highways and streets	628,544
Culture and recreation	37,569
Total governmental activities depreciation expense	\$ 766,582
Business-type activities:	
Water	\$ 309,690
Sewer	222,508
Total business-type activities depreciation expense	\$ 532,198

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 4 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments consisted of the following:

	Due from State of Arizona
City sales tax	\$ 70,688
State sales tax	27,175
Vehicle license tax	12,430
Highway user shared revenue	108,173
Grants	3,513
	\$ 221,979

NOTE 5 – LONG-TERM LIABILITIES

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

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due within 1 year
Governmental activities:					
Compensated absences	\$ 87,644	\$ -	\$ (9,629)	\$ 78,015	\$ 78,015
Capital leases payable	70,790	10,374	(40,538)	40,626	32,831
Bonds payable - net	848,720	3,040	(105,000)	746,760	106,960
Governmental activities long-term liabilities	\$ 1,515,917	\$ 13,414	\$ (155,167)	\$ 865,401	\$ 217,806
Business-type activities:					
Compensated absences	\$ 19,459	\$ -	\$ (7,775)	\$ 11,684	\$ 11,684
Notes payable	8,706,803	1,110,225	(1,222,678)	8,594,350	292,493
Business-type activities long-term liabilities	\$ 8,663,100	\$ 1,110,225	\$ (1,230,453)	\$ 8,606,034	\$ 304,177

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 5 – LONG-TERM LIABILITIES – Continued

Bonds payable—The Town’s bonded debt consists of a 2004 revenue bond issuance of \$1,520,000. The revenue bond requires repayments of principal and interest payments due annually on July 1st of each year with the final payment due July 1, 2019. Bonds outstanding at June 30, 2014, were as follows:

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal
Revenue bonds	<u>\$ 1,520,000</u>	2004 -2019	5.0% - 6.25%	\$ 765,000
		Amortized bond discount		<u>(18,240)</u>
		Revenue bonds-net		<u>746,760</u>

Notes payable—The Town’s notes payable consisted of the following:

	<u>Business-type Activities</u>		<u>Total</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	
Note payable to Greater Arizona Development Authority (GADA) requiring repayments of an interest only payment on February 1st of each year beginning February 1, 2007 and principal and interest payments due annually on August 1 of each year with final payment due August 1, 2036. Interest rates follow a GADA bond issue rate that varies between 4% and 5%. Note payable is net of an amortized note premium of \$50,450.	\$ 3,640,949	\$ 2,672,243	\$ 6,313,192
Note payable to Water Infrastructure Finance Authority of Arizona in monthly installments of \$8,636 including interest at 2.45%, final payment due June 2031.	1,280,129	-	1,280,129
Note payable to Water Infrastructure Finance Authority of Arizona with interest at 2.805% and due January 1st and July 1st of each year beginning January 1, 2014, with final payment due July 1, 2033.	-	1,001,029	1,001,029
	<u>\$ 4,921,078</u>	<u>\$ 3,673,272</u>	<u>\$ 8,594,350</u>

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 5 – LONG-TERM LIABILITIES – Continued

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

Year Ending June 30	Governmental Activities		Business-type Activities	
	Revenue Bonds Payable		Notes Payable	
	Principal	Interest	Principal	Interest
2015	\$ 106,960	\$ 43,978	\$ 292,493	\$ 346,040
2016	111,960	36,790	306,063	335,001
2017	121,960	28,978	314,729	323,547
2018	126,960	20,853	328,490	312,071
2019	136,960	12,103	337,352	299,480
2019-23	141,960	3,040	1,903,339	1,282,339
2024-28	-	-	2,138,595	868,548
2029-33	-	-	1,733,305	476,795
2034-38	-	-	1,239,983	75,263
Total	\$ 746,760	\$ 145,742	\$ 8,594,350	\$ 4,319,084

Capital leases—The Town has acquired equipment under long-term lease agreements classified as capital leases because it provides for a bargain purchase option or a transfer of ownership by the end of the lease term. The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 130,080
Less: accumulated depreciation	(26,016)
Carrying value	<u>\$ 104,064</u>

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 5 – LONG-TERM LIABILITIES – Continued

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

Year Ending June 30	Governmental Activities
2015	\$ 33,941
2016	2,450
2017	2,450
2018	2,246
Total minimum lease payments	41,087
Less amount representing interest	(462)
Present value of net minimum lease payments	\$ 40,625

NOTE 6 – RISK MANAGEMENT, SETTLEMENTS, AND PENDING LITIGATION

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

Settled Claims

Having weighed the costs associated with multiple appeals against the overall chance of success, decisions were made by the Town and its insurance carrier to settle various claims. The largest of the settlements relates to an August 2011 complaint filed against the Town in relation to the termination of employees of the Town’s police department. Although the Town’s insurance carrier has covered most of the settlement, the Town’s portion of the settlement totals \$302,500, of which the Town had paid \$102,500 and \$200,000 was still payable at June 30, 2014.

Pending Litigation

The Town is subject to a number of lawsuits, investigations, and other claims. The Town has recorded a liability for lawsuits, investigations, and other claims where the possibility of an unfavorable outcome is probable and whereas the amount of loss is reasonably estimable. The liability for the Town’s deductible for such lawsuits and claims totaled \$7,500. The total claims payable liability for settled and pending litigation as of June 30, 2014 totaled \$207,500.

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 7 – RETIREMENT PLANS

Agent Plan Description – The Town contributes to the plan described below. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. The retirement benefits are generally paid at a percentage, based on years of service, of the retirees' average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are generally paid as a flat dollar amount per month towards the retiree's health care insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and dependents.

The *Public Safety Personnel Retirement System (PSPRS)* administers agent multiple-employer defined benefit pension and health insurance premium plans that cover public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as The Fund Manager, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Public Safety Personnel Retirement System, 3010 East Camelback Road, Suite 200, Phoenix, Arizona 85016-4416, or by calling (602) 255-5575.

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

For the year ended June 30, 2014, active PSPRS members were required by statute to contribute 10.35 percent of the members' annual covered payroll, and the Town was required to contribute at the actuarially determined rate of 13.55 percent, of which 1.48 percent was the health insurance premium portion.

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

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

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 7 – RETIREMENT PLANS – Continued

Projections of benefits are based on 1) the plans as understood by the Town of Quartzsite, Arizona and plan members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the Town and plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used to establish the fiscal year 2014 contribution requirements are as follows:

Actuarial valuation date	June 30, 2012
Actuarial cost method	Entry Age Normal
Amortization method	Level percent-of-pay closed
Remaining amortization period	24 years for underfunded actuarial liability, 20 years for overfunded
Asset valuation method	7-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	5.00% - 9.00%
Payroll growth	5.00%

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

Plan	Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PSPRS				
Pension	2014	\$ 57,967	100 %	\$ -
	2013	70,015	100	-
	2012	59,246	100	-
Health Insurance	2014	\$ 9,282	100 %	\$ -
	2013	12,545	100	-
	2012	12,190	100	-

Schedule of Funded Status – Following is the schedule of funded status for PSPRS as of the most recent valuation date, June 30, 2014, and the previous two fiscal years. The fiscal year 2014 actuarial methods and assumptions used for the schedules are not significantly different than the fiscal year 2013 actuarial methods and assumptions as described on page above.

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 7 – RETIREMENT PLANS – Continued

Pension

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ((a-b)/c)
6/30/2014	\$ 2,874,609	\$ 2,786,036	\$ (88,573)	103.2 %	\$ 410,633	0.0 %
6/30/2013	2,908,065	2,454,270	(453,795)	118.5	582,504	0.0
6/30/2012	2,821,166	2,275,505	(545,661)	124.0	568,865	0.0

Health Insurance

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ((a-b)/c)
6/30/2014	\$ 107,267	\$ 41,187	\$ (66,080)	260.4 %	\$ 410,633	0.0 %
6/30/2013	-	79,420	79,420	0.0	582,504	13.6
6/30/2012	-	90,552	90,552	0.0	568,865	15.9

Defined contribution plan – The Town maintains a defined contribution plan. Employees are eligible to participate after one year of service and may elect to contribute up to the lesser of 100% of their earnings or \$17,500. The Town will match up to 6% of the earnings. Pension expense amounted to \$54,255 for the year ended June 30, 2014.

NOTE 8 – INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables for the year ended June 30, 2014, were as follows:

Payable to	Payable from		Total
	Water Fund	Sewer Fund	
General Fund	\$ -	\$ 1,697,928	\$ 1,697,928
HURF/LTAF Fund	2,327,442	301,186	2,628,628
	<u>\$ 2,327,442</u>	<u>\$ 1,999,114</u>	<u>\$ 4,326,556</u>

TOWN OF QUARTZSITE, ARIZONA
Notes to Financial Statements
June 30, 2014

NOTE 8 – INTERFUND BALANCES AND ACTIVITY – Continued

The interfund receivables and payables were necessary in order to fund the ongoing activities of the Water and Sewer Funds. The balances owed from the Water and Sewer Funds is not expected to be repaid within one year.

NOTE 9 – RESTATEMENT OF BEGINNING NET POSITION

The Town had to restate net position of the Governmental Activities to adjust for deferred costs which are no longer considered assets under GASB 65 (see Note 1). The effects of the restatement are a reduction of beginning net position of the Governmental Activities in the amount of \$34,557.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF QUARTZSITE, ARIZONA
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,041,124	\$ 1,041,124	\$ 1,026,796	\$ (14,328)
Taxes	1,345,000	1,345,000	1,248,175	(96,825)
Other revenue	45,500	45,500	123,145	77,645
Fines	131,000	131,000	122,807	(8,193)
Licenses and permits	132,800	132,800	105,539	(27,261)
Franchise fees	70,000	70,000	77,989	7,989
Charges for services	37,820	37,820	35,768	(2,052)
Interest	5,000	5,000	11,616	6,616
Total revenues	<u>2,808,244</u>	<u>2,808,244</u>	<u>2,751,835</u>	<u>(56,409)</u>
Expenditures				
Current				
General government	954,958	954,958	1,050,588	(95,630)
Public safety	1,307,615	1,307,615	1,561,597	(253,982)
Highways and streets	103,863	103,863	6,961	96,902
Culture and recreation	427,949	427,949	358,529	69,420
Capital outlay	312,600	312,600	70,509	242,091
Debt service				
Principal	81,042	81,042	105,654	(24,612)
Interest	55,096	55,096	55,096	-
Total expenditures	<u>3,243,123</u>	<u>3,243,123</u>	<u>3,208,934</u>	<u>34,189</u>
Excess (deficiency) of revenues over expenditures	<u>(434,879)</u>	<u>(434,879)</u>	<u>(457,099)</u>	<u>(22,220)</u>
Other financing sources (uses)				
Sale of capital assets	-	-	1,132	1,132
Transfers	-	-	49,101	49,101
Capital lease agreement	-	-	10,374	10,374
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>60,607</u>	<u>60,607</u>
Net changes in fund balances	<u>(434,879)</u>	<u>(434,879)</u>	<u>(396,492)</u>	<u>38,387</u>
Fund balances, beginning of year	<u>2,192,851</u>	<u>2,192,851</u>	<u>2,192,851</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,757,972</u>	<u>\$ 1,757,972</u>	<u>\$ 1,796,359</u>	<u>\$ 38,387</u>

See accompanying notes to budgetary comparison schedule.

TOWN OF QUARTZSITE, ARIZONA
Required Supplementary Information
Budgetary Comparison Schedule
HURF/LTAF Fund
Year Ended June 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,190,677	\$ 1,190,677	\$ 1,180,022	\$ (10,655)
Other revenue	5,000	5,000	1,472	(3,528)
Licenses and permits	-	-	600	600
Total revenues	<u>1,195,677</u>	<u>1,195,677</u>	<u>1,182,094</u>	<u>(13,583)</u>
Expenditures				
Current				
Highways and streets	1,398,990	1,398,990	844,479	554,511
Capital outlay	-	-	158,724	(158,724)
Debt service				
Principal	-	-	39,884	(39,884)
Interest	-	-	2,104	(2,104)
Total expenditures	<u>1,398,990</u>	<u>1,398,990</u>	<u>1,045,191</u>	<u>353,799</u>
Excess (deficiency) of revenues over expenditures	<u>(203,313)</u>	<u>(203,313)</u>	<u>136,903</u>	<u>340,216</u>
Other financing sources (uses)				
Sale of capital assets	<u>15,000</u>	<u>15,000</u>	<u>7,032</u>	<u>(7,968)</u>
Net changes in fund balances	<u>(188,313)</u>	<u>(188,313)</u>	<u>143,935</u>	<u>332,248</u>
Fund balances, beginning of year	<u>5,382,839</u>	<u>5,382,839</u>	<u>5,382,839</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,194,526</u>	<u>\$ 5,194,526</u>	<u>\$ 5,526,774</u>	<u>\$ 332,248</u>

See accompanying notes to budgetary comparison schedule.

TOWN OF QUARTZSITE, ARIZONA
Required Supplementary Information
Budgetary Comparison Schedule
Grants Fund
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,501,440	\$ 1,501,440	\$ 57,700	\$ (1,443,740)
Expenditures				
Current				
General government	200,705	200,705	-	200,705
Public safety	220,137	220,137	38,001	182,136
Highways and streets	1,066,303	1,066,303	-	1,066,303
Culture and recreation	20,000	20,000	13,758	6,242
Total expenditures	<u>1,507,145</u>	<u>1,507,145</u>	<u>51,759</u>	<u>1,455,386</u>
Excess (deficiency) of revenues over expenditures	<u>(5,705)</u>	<u>(5,705)</u>	<u>5,941</u>	<u>11,646</u>
Other financing sources (uses)				
Transfers	<u>-</u>	<u>-</u>	<u>(16,570)</u>	<u>(16,570)</u>
Net changes in fund balances	<u>(5,705)</u>	<u>(5,705)</u>	<u>(10,629)</u>	<u>(4,924)</u>
Fund balances, beginning of year	<u>55,048</u>	<u>55,048</u>	<u>55,048</u>	<u>-</u>
Fund balances, end of year	<u>\$ 49,343</u>	<u>\$ 49,343</u>	<u>\$ 44,419</u>	<u>\$ (4,924)</u>

See accompanying notes to budgetary comparison schedule.

TOWN OF QUARTZSITE, ARIZONA
Required Supplementary Information
Schedule of Funding Progress
June 30, 2014

NOTE 1 – BUDGETING AND BUDGETARY CONTROL

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

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

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

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

TOWN OF QUARTZSITE, ARIZONA
Required Supplementary Information
Schedule of Funding Progress
June 30, 2014

Pension

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
6/30/2014	\$ 2,874,609	\$ 2,786,036	\$ (88,573)	103.2 %	\$ 410,633	0.0 %
6/30/2013	2,908,065	2,454,270	(453,795)	118.5	582,504	0.0
6/30/2012	2,821,166	2,275,505	(545,661)	124.0	568,865	0.0

Health Insurance

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
6/30/2014	\$ 107,267	\$ 41,187	\$ (66,080)	260.4 %	\$ 410,633	0.0 %
6/30/2013	-	79,420	79,420	0.0	582,504	13.6
6/30/2012	-	90,552	90,552	0.0	568,865	15.9



**COLBY &
POWELL, PLC**

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Town Council
Town of Quartzsite, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Quartzsite, Arizona, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Quartzsite, Arizona's basic financial statements and have issued our report thereon dated January 30, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we

consider to be material weaknesses. We consider the deficiencies with reference numbers 11-02 and 12-03 described in the accompanying schedule of findings and responses to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Quartzsite, Arizona's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 11-03.

Town of Quartzsite, Arizona's Response to Findings

The Town of Quartzsite, Arizona's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Town of Quartzsite, Arizona's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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



January 30, 2015

TOWN OF QUARTZSITE, ARIZONA
Schedule of Findings and Responses
June 30, 2014

Financial Statement Findings

Item: 11-02

Subject: Accounting policies and procedures manual

Criteria/Specific Requirements: Written policies and procedures may prevent or reduce misunderstandings and errors that can result in inaccurate accounting records.

Condition: The Town has completed a draft version of written policies and procedures but yet has to receive final approval for implementation.

Cause and Effect: Over the years, the Town has incorporated policies and procedures in maintaining internal controls and effective procedures over the accounting processes. However, current internal controls and procedures have not been documented in formal written procedures. The lack of written procedures may result in inefficiencies through common usage and during times of employee turnover.

Recommendation: We recommend that policies and procedures be in writing, to avoid the acceptance of weak procedures established through common usage and to assist in maintaining procedures at times of employee turnover.

Management's Response: Management agrees with the audit finding and has already completed a draft version of a written policies and procedures manual which is expected to be adopted in the current fiscal year.

Item: 11-03

Subject: Highway User Revenue Fund (HURF) spending

Criteria/Specific Requirements: Article IX, § 14 of the Arizona Constitution specifies that the use of HURF monies is restricted to "highway and street purposes."

Condition: As of June 30, 2014, the Town had borrowed \$2,628,628 of HURF revenue to fund operations of the Town's other funds.

Cause and Effect: The Town pools cash resources from all areas of unrestricted and restricted sources to pay for the Town's operating and debt service expenditures. Although restricted monies are pooled with unrestricted monies, restricted monies are accounted for through the restriction of fund balances. Due to cash shortages in the Town's unrestricted funds, cash resources from restricted HURF monies have been borrowed. The loan of HURF monies constitutes "spending" which is not allowable under the Arizona Revised Statutes.

Recommendation: Management should implement a formal plan to pay back the HURF Fund.

TOWN OF QUARTZSITE, ARIZONA
Schedule of Findings and Responses
June 30, 2014

Item: 11-03 - Continued

Management's Response: The operations and capital improvement of the Town's enterprise systems are intended to be paid from charges to customers that directly benefit from such services. The Town's enterprise fund operations and capital improvements have been supported partially by charges to customers and grants; however cash shortages have required the Town use unrestricted governmental funds to the extent available and lastly restricted funds such as HURF. The Town has increased rates for sewer and water service in the enterprise funds in an effort to pay back amounts borrowed over the years.

Item: 12-03

Subject: Accounting for cap fees receivables in the proprietary funds

Criteria/Specific Requirements: Cap fee receivables records should be reconciled to the general ledger on a routine basis.

Condition: The accounting department had not kept a record of the total receivable for cap fees. No reconciliation of the cap fee was made to the general ledger account balance.

Cause and Effect: Due to a change in accounting software for cap fees receivables in the proprietary funds, no record of total cap receivable was available from the new accounting software. The accounting department had not been reconciling the cap fee balance to the general ledger causing the balance of the cap receivable and revenue to be misstated.

Recommendation: We suggest management improve the accounting over cap fee by reconciling the cap fee receivable general ledger account to subsidiary ledgers on a routine basis.

Management's Response: Management agrees with this finding and has implemented a reconciliation process that will reconcile the cap fee receivables to the general ledger on a monthly or quarterly basis.

TOWN OF QUARTZSITE, ARIZONA

Annual Expenditure Limitation Report

June 30, 2014

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**COLBY &
POWELL, PLC**

CERTIFIED PUBLIC ACCOUNTANTS

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

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

INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona and
the Honorable Mayor and Town Council of the
Town of Quartzsite, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Town of Quartzsite, Arizona for the year ended June 30, 2014. This report is the responsibility of the Town's management. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of Town of Quartzsite, Arizona referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

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

January 30, 2015

TOWN OF QUARTZSITE, ARIZONA
Annual Expenditure Limitation Report - Part I
Year Ended June 30, 2014

1. Economic Estimates Commission expenditure limitation	\$ 4,960,834	
2. Voter-approved alternative expenditure limitation	<u> -</u>	
3. Enter applicable amount from Line 1 or Line 2		\$ 4,960,834
4. Amount subject to the expenditure limitation (total amount from Part II, Line C	4,960,834	
5. Board-authorized expenditures necessitated by a disaster declared by the Governor (Art. IX, Sec. 20[2][a], Arizona Constitution)	-	
6. Board-authorized expenditures necessitated by a disaster not declared by the Governor (Art. IX, Sec. 20[2][b], Arizona Constitution)	-	
7. Prior-year voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year (Art. IX, Sec. 20[2][c], Arizona Constitution)	<u> -</u>	
8. Subtotal	4,960,834	
9. Board-authorized excess expenditures for the previous fiscal year not declared by the Governor and not approved by the voters (Article IX, Sec.20[2][b], Arizona Constitution)	<u> -</u>	
10. Total adjusted amount subject to the expenditure limitation		<u> 4,960,834</u>
11. Amount under (in excess of) the expenditure limitation (if excess expenditures are reported, provide an explanation)		<u> \$ -</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: _____

Name and Title: _____

Telephone No.: _____ Date: _____

See accompanying notes.

TOWN OF QUARTZSITE, ARIZONA
Annual Expenditure Limitation Report - Part II
Year Ended June 30, 2014

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the Reconciliation, Line D	\$4,295,510	\$ 2,731,152	\$ 7,026,662
B. Less exclusions claimed:			
1. Bond proceeds	-	-	-
Debt service requirements on bonded indebtedness	158,300	-	158,300
Proceeds from other long-term obligations	-	1,110,225	1,110,225
Debt service requirements on other long-term obligations	44,438	561,015	605,453
2. Dividends, interest and gains on the sale or redemption of investment securities	11,616	-	11,616
3. Trustee or custodian	-	-	-
4. Grants and aid from the federal government	8,695	-	8,695
5. Grants, aid, contributions or gifts from a private agency, organization, or individual except amounts received in lieu of taxes	15,136	-	15,136
6. Amounts received from the State of Arizona	4,430	-	4,430
7. Quasi-external interfund transactions	-	-	-
8. Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-	-	-
9. Highway user revenue in excess of those received in fiscal year 1979-1980	118,607	-	118,607
10. Contracts with other political subdivisions	33,366	-	33,366
11. Refunds, reimbursements and other recoveries	-	-	-
12. Voter-approved exclusions not identified above (attach resolution)	-	-	-
13. Prior years carryforward	-	-	-
14. Total exclusions claimed	<u>394,588</u>	<u>1,671,240</u>	<u>2,065,828</u>
C. Amount subject to expenditure limitation	<u>\$3,900,922</u>	<u>\$ 1,059,912</u>	<u>\$ 4,960,834</u>

See accompanying notes.

TOWN OF QUARTZSITE, ARIZONA
Annual Expenditure Limitation Report - Reconciliation
Year Ended June 30, 2014

Description	Governmental Funds	Enterprise Funds	Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$ 4,305,884	\$ 1,971,916	\$ 6,277,800
B. Subtractions:			
1. Items not requiring the use of working capital:			
Depreciation and amortization	-	532,198	532,198
Loss on disposal of capital assets	-	-	-
Bad debt expense	-	-	-
Claims incurred but not reported	-	-	-
Landfill closure costs	-	-	-
2. Expenditures of separate legal entities established under Arizona Revised Statutes	-	-	-
3. Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at inception of the agreements	10,374	-	10,374
4. Charges to other funds in excess of Internal Service Fund expenses	-	-	-
5. Involuntary court judgments	-	-	-
6. Total subtractions	<u>10,374</u>	<u>532,198</u>	<u>542,572</u>
C. Additions:			
1. Principal payments on long-term debt	-	1,221,314	1,221,314
2. Acquisition of capital assets	-	70,120	70,120
3. Claims paid in the current year but reported as expenses incurred but not reported in previous year	-	-	-
4. Landfill closure and postclosure care costs recorded as expended in previous years	-	-	-
5. Total additions	<u>-</u>	<u>1,291,434</u>	<u>1,291,434</u>
D. Amounts reported on Part II, Line A	<u>\$ 4,295,510</u>	<u>\$ 2,731,152</u>	<u>\$ 7,026,662</u>

See accompanying notes.

TOWN OF QUARTZSITE, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Expenditure Limitation Report (AELR) is presented on the basis of accounting prescribed by the *Uniform Expenditure Reporting System* (UERS), as required by Arizona Revised Statutes §41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, §20 from the total expenditures, expenses, or deductions reported in the fund financial statements.

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on Part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund balances for the Governmental Funds; Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary Funds; Statement of Cash Flows for the Proprietary Funds; and the Statement of Changes in Fiduciary Net Position for the Fiduciary Funds.

NOTE 2 – DEBT SERVICE REQUIREMENTS

The exclusion claimed for debt service requirements on bond indebtedness in the Governmental Funds and other long-term obligations in the Governmental Funds and the Enterprise Funds consist of principal retirement and interest expense.

NOTE 3 – DIVIDENDS INTEREST AND GAINS ON THE SALE OR REDEMPTION OF INVESTMENT SECURITIES

The exclusion claimed for dividends, interest, and gains on the sale or redemption of investment securities totaled \$11,616. The total carryforward available for future years totaled \$65,462 at June 30, 2014.

NOTE 4 – CONTRIBUTIONS FROM PRIVATE ORGANIZATION, OR INDIVIDUAL

The exclusion claimed for contributions from private organizations or individuals consisted of parks and recreation donations, transit van donations, and various grant contributions totaling \$15,136.

TOWN OF QUARTZSITE, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2014

NOTE 5 – INTERGOVERNMENTAL

The following schedule presents revenues from which exclusions have been claimed for federal grants and aid, amounts received from the State of Arizona, amounts received from political subdivisions, and highway user revenues in the Governmental Funds.

Grants and aid from the federal government	\$ 8,695
Amounts received from the State of Arizona	4,430
Amounts received from political subdivisions	33,366
Other revenues (non-excludable)	1,198,600
Amount carried forward (HURF)	<u>1,019,427</u>
Total intergovernmental revenues as reported in the in the fund financial statements	<u>\$ 2,264,518</u>

ORDINANCE NO. 15-01

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUARTZSITE, ARIZONA, AMENDING THE CODE OF QUARTZSITE, ARIZONA, CHAPTER 2 MAYOR AND COUNCIL, ARTICLE 2-2 MAYOR BY AMENDING SECTION 2-2-4 POWERS AND DUTIES OF THE MAYOR; AMENDING SECTION 2-2-6 FAILURE TO SIGN DOCUMENTS; AMENDING SECTION 2-2-7 LOCAL EMERGENCIES, RELATED TO RESTORING CERTAIN POWERS OF THE MAYOR AND FAILURE TO PERFORM DUTIES; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING FOR SEVERABILITY.

WHEREAS, by Ordinance No. 11-10 adopted on August 23, 2011, the Town Council of the Town of Quartzsite eliminated certain powers of the Mayor as previously set forth in the Town Code; and

WHEREAS, the Town Council believes it is in the best interest of the Town to restore those powers.

NOW THEREFORE, BE IT ORDAINED by the Common Council of the Town of Quartzsite, Arizona, as follows:

Section I. In General.

The Code of the Town of Quartzsite, Arizona, Chapter 2 Mayor and Council, Article 2-2 Mayor by amending Section 2-2-4 Powers and Duties of the Mayor to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

Section 2-2-4 Powers and Duties of the Mayor

~~A. Preamble.~~

~~Pursuant to Arizona Revised Statutes, in addition to being a member of the Common Council, the Mayor is the Town's Chief Executive Officer. All authority in Town government ultimately resides with the Common Council of which the Mayor comprises one seventh of its membership. Except as set forth in the Arizona Constitution and the Arizona Revised Statutes, the Mayor has no duties, responsibility or authority not delegated by the Council. This section sets forth the duties, responsibility and authority delegated by the Common Council to the Mayor.~~

~~B. Prior Delegations Withdrawn.~~

~~Any delegation of duties, responsibility or authority expressed or implied by any section of the Town of Quartzsite Code, the Zoning Ordinance or the Town of~~

~~Quartzsite, Arizona, the Quartzsite Town Council Procedure Policy, the Town of Quartzsite Personnel Policy or any other resolution or ordinance passed before August 23, 2011 is hereby withdrawn.~~

~~C. Duties and Responsibility.~~

- ~~1. — The Mayor shall execute the legislative agenda of the Common Council.~~
- ~~2. — The Mayor shall sign all ordinances, resolutions and other enactments passed by a majority of the Common Council. The Mayor may note his non-concurrence with the majority, but may not refuse to sign any ordinance, resolution or enactment passed by a majority of the Common Council.~~
- ~~3. — The Mayor shall perform any other duty specifically imposed by Arizona Revised Statutes.~~
- ~~4. — The Mayor shall perform any other duty specifically imposed by any ordinance, resolution or other enactment passed by a majority of the Common Council after October 1, 2011.~~

~~D. — Authority.~~

- ~~1. — The Mayor shall have only such authority as expressed or implied by Arizona Revised Statutes.~~
- ~~2. — The Mayor shall not have the authority to declare any emergency or to take unilateral action not specifically permitted or required by Arizona Revised Statutes on behalf of the Town or the Common Council.~~
- ~~3. — The Mayor shall not make any statement in his or her capacity as Mayor without the express approval of a majority of the Common Council.~~
- ~~4. — The Mayor shall not use Town letterhead in any correspondence without the express approval of a majority of the Common Council.~~
- ~~5. — The Mayor shall not represent the Town before any other town, city, county, state or federal government or agency without the express approval of a majority of the Common Council.~~

~~E. — Action in Excess of Delegation.~~

~~In addition to being subject to censure as set forth in Quartzsite Town Council Procedure Policy Section IX, if a majority of the Common Council determine that the Mayor has acted in excess the Common Council's delegation of duties, responsibilities or authority, the Common Council shall direct the Town Prosecutor to consider charging the Mayor with a civil violation under this section, or the Town Prosecutor may, of his or her own volition, charge the Mayor~~

~~with a civil violation under this section. If the Town Prosecutor brings such a charge and if the Town Magistrate determines by a preponderance of evidence that the Mayor has exceeded his or her delegated authority, the Magistrate shall impose a fine of not less than twenty (20) and not more than two thousand (2,000) dollars.~~

~~F. — Failure to Perform.~~

~~In addition to being subject to censure as set forth in Quartzsite Town Council Procedure Policy Section IX, if a majority of the Common Council determine that the Mayor has failed to perform any duty or responsibility imposed on him or her by this section, any other ordinance, statute or law, the Common Council shall direct the Town Prosecutor to consider charging the Mayor with a civil violation under this section or a criminal charge of Nonfeasance in Public Office as defined by Arizona Revised Statutes, or the Town Prosecutor may, of his or her own volition, charge the Mayor with a civil violation under this section or a criminal charge of Nonfeasance in Public Office as defined by Arizona Revised Statutes. If the Town Prosecutor brings a civil charge and if the Town Magistrate determines by a preponderance of evidence that the Mayor has failed to perform as required by this section, the Magistrate shall impose a fine of not less than twenty (20) and not more than two thousand (2,000) dollars. If the Town Prosecutor brings a criminal charge of Nonfeasance in Public Office and the Town Magistrate finds the Mayor guilty, the Mayor shall be subject to the maximum criminal penalty available for such a violation. If the Town Prosecutor brings both a civil and a criminal charge and the Mayor is found responsible for the civil charge and guilty of the criminal charge, the Mayor shall be subject to both the criminal penalties and the civil fine, but if fines are imposed for the criminal offense, they shall offset any fines imposed for the civil offense.~~

THE POWERS AND DUTIES OF THE MAYOR SHALL INCLUDE THE FOLLOWING:

- A. HE SHALL BE THE CHAIRMAN OF THE COUNCIL AND PRESIDE OVER ITS MEETINGS. HE MAY MAKE AND SECOND MOTIONS AND SHALL HAVE A VOICE AND A VOTE IN ALL ITS PROCEEDINGS.
- B. HE SHALL BE RECOGNIZED AS HEAD OF THE TOWN GOVERNMENT FOR ALL OFFICIAL AND CEREMONIAL PURPOSES.
- C. HE SHALL, ON BEHALF OF THE COUNCIL, CONFER WITH AND ADVISE THE TOWN MANAGER TO ENSURE THAT COUNCIL PROGRAMS AND POLICIES ARE BEING FULLY IMPLEMENTED.

D. HE SHALL EXECUTE AND AUTHENTICATE BY HIS SIGNATURE SUCH INSTRUMENTS AS THE COUNCIL SHALL APPROVE OR THAT STATUTES, ORDINANCES OR THIS CODE SHALL REQUIRE.

E. HE SHALL MAKE SUCH RECOMMENDATIONS AND SUGGESTIONS TO THE COUNCIL AS HE MAY CONSIDER PROPER.

F. HE SHALL PERFORM SUCH OTHER DUTIES REQUIRED BY STATE STATUTE AND THIS CODE AS WELL AS THOSE DUTIES REQUIRED AS CHIEF EXECUTIVE OFFICER OF THE TOWN.

The Code of the Town of Quartzsite, Arizona, Chapter 2 Mayor and Council, Article 2-2 Mayor by amending Section 2-2-6 Failure to Sign Documents to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

Section 2-2-6 Failure to Sign Documents

The Mayor shall sign any ordinance, resolution, contract, warrant, demand or other document or instrument requiring the Mayor's signature within five calendar days from the date the Common Council took action requiring the Mayor's signature or from notification by the Town Manager or the Town Manager's designee that such document requires the Mayor's signature. ~~Failure to sign any ordinance, resolution, contract, warrant, demand or other document or instrument requiring the Mayor's signature within five calendar days from the date the Common Council took action requiring the Mayor's signature or from notification by the Town Manager or the Town Manager's designee that such document requires the Mayor's signature shall constitute nonfeasance and shall be referred to the Town Prosecutor for possible criminal or civil prosecution or both criminal and civil prosecution.~~ If any ordinance, resolution, contract, warrant, demand or other document or instrument requiring the Mayor's signature remains unsigned after five calendar days from the date the Common Council took action requiring the Mayor's signature or from notification by the Town Manager or the Town Manager's designee that such document requires the Mayor's signature, the Vice-Mayor or if the Vice -Mayor is unavailable, any council member may sign such ordinance, resolution, contract warrant, demand or other document which when so signed shall have the same force and effect as if signed by the Mayor.

The Code of the Town of Quartzsite, Arizona, Chapter 2 Mayor and Council, Article 2-2 Mayor by amending Section 2-2-7 Local Emergencies to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

Section 2-2-7 Local Emergencies

A. The MAYOR OR ANY FIVE MEMBERS OF THE Common Council, ~~by concurrence of any four of its members,~~ may by proclamation declare an

emergency or a local emergency to exist due to fire, conflagration, flood, earthquake, explosion, war, bombing, acts of the enemy or any other natural or man-made calamity or disaster or by reason of threats or occurrences of riots, routs, affrays or other acts of civil disobedience which endanger life or property within the Town.

B. After an emergency is declared pursuant to subsection A, the ~~Common Council~~ MAYOR shall, during such emergency, govern by proclamation and shall have the authority to impose all necessary regulations to preserve, the peace and order of the Town, including but not limited to:

1. Imposition of curfews in all or portions of the Town.
2. Ordering the closing of any business.
3. Closing to public access any public building, street, or other public place.
4. Calling upon regular or auxiliary law enforcement agencies and organizations within or without the Town for assistance.
5. Requiring that Town offices remain open or remain closed.

Section II. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section III. Providing for Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Common Council of the Town of Quartzsite, Arizona, this ____ day of _____, 2015, by the following vote:

AYES: _____
NAYES: _____ ABSENT: _____
EXCUSED: _____ ABSTAINED: _____

APPROVED this ____ day of _____, 2015.

Ed Foster, Mayor

ATTEST:

Tina Abriani, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys
By: Susan D. Goodwin

I, TINA ABRIANI, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. _____ ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF QUARTZSITE ON THE ____ DAY OF _____, 2015, WAS POSTED IN THREE PLACES ON THE ____ DAY OF _____, 2015.

Tina Abriani, Town Clerk

ORDINANCE NO. 15-02

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUARTZSITE, ARIZONA, AMENDING ORDINANCE NO. 09-29 AMENDING THE QUARTZSITE TOWN COUNCIL PROCEDURE AND LEGAL AND ETHICAL STANDARDS OF CONDUCT MANUAL TO REPEAL SECTION 1, PARAGRAPH 9 RELATED TO THE MAYOR'S DUTIES AND RESPONSIBILITIES; FURTHER REPEALING SECTION IV, PARAGRAPH 1 RELATED TO THE SELECTION OF A CHAIR FOR COUNCIL MEETINGS AND POWER TO MAKE AND SECOND MOTIONS AND TO PARTICIPATE IN DEBATE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING FOR SEVERABILITY.

WHEREAS, by Ordinance No. 09-29 adopted on August 25, 2009, the Town Council of the Town of Quartzsite adopted that document entitled Quartzsite Town Council Procedure and Legal and Ethical Standards of Conduct Manual ("Manual"); and

WHEREAS, Ordinance No. 09-29 was amended in 2011 by Ordinance No. 11-10 to restrict the powers of the Mayor; and

WHEREAS, on _____, 2015 the Town Council adopted Ordinance No. ____ to restore certain powers of the Mayor and it is necessary to amend the Manual to conform it to Ordinance No. ____ and further to restore the power of the Presiding Officer at a Council meeting to move and second motions and to participate in debate of the Council.

NOW THEREFORE, BE IT ORDAINED by the Common Council of the Town of Quartzsite, Arizona, as follows:

Section I. In General.

Ordinance No. 09-29 is hereby amended as follows: Section 1, Paragraph 9 and Section IV, Paragraph 1 are repealed.

Section II. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section III. Providing for Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Common Council of the Town of Quartzsite,
Arizona, this ____ day of _____, 2015, by the following vote:

AYES: _____
NAYES: _____ ABSENT: _____
EXCUSED: _____ ABSTAINED: _____

APPROVED this ____ day of _____, 2015.

Ed Foster, Mayor

ATTEST:

Tina Abriani, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys
By: Susan D. Goodwin

I, TINA ABRIANI, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND
CORRECT COPY OF THE ORDINANCE NO. _____ ADOPTED BY THE COMMON
COUNCIL OF THE TOWN OF QUARTZSITE ON THE ____ DAY OF _____, 2015,
WAS POSTED IN THREE PLACES ON THE ____ DAY OF _____, 2015.

Tina Abriani, Town Clerk

ORDINANCE NO. 15-03

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUARTZSITE, ARIZONA, AMENDING THE CODE OF QUARTZSITE, ARIZONA, CHAPTER 11 OFFENSES, BY ADDING NEW ARTICLE 11-7 AGGRESSIVE SOLICITATION RELATED TO REGULATING AGGRESSIVE SOLICITATION IN SPECIFIED LOCATIONS AND MANNERS; SETTING FORTH DEFINITIONS; SETTING FORTH PROHIBITED ACTS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING FOR SEVERABILITY; AND PROVIDING PENALTIES.

WHEREAS, persons who approach and follow pedestrians, repeat solicitations despite refusals, use obscene or abusive language or gestures to cause fear and intimidation, cause unwanted physical contact, or intentionally block pedestrian and vehicular traffic engage in forms of aggressive solicitation that are extremely disturbing and disruptive to residents and businesses;

WHEREAS, aggressive solicitation contributes not only to the loss of access to, and enjoyment of, public places, but also to an increased sense of fear and intimidation; and

WHEREAS, the presence of individuals who solicit money from persons at or near banks, automated teller machines, or in public transportation vehicles is especially troublesome because of the enhanced fear of crime in those confined environments and such solicitation carries with it an implicit threat to both persons and property; and

WHEREAS, the mayor and council desire to protect citizens from fear and intimidation accompanying aggressive solicitation in the Town; and

WHEREAS, the mayor and council do not intend to limit any person from exercising the constitutional right to solicit funds, picket, protest, or engage in other constitutional activity, but to impose specific place and manner restrictions on solicitation and associated conduct under circumstances deemed particularly threatening or dangerous; and

WHEREAS, in approving this Ordinance, the mayor and council seek to impose regulations that are narrowly tailored to serve the aforementioned significant government interests;

NOW THEREFORE, BE IT ORDAINED by the Common Council of the Town of Quartzsite, Arizona, as follows:

Section I. In General.

The Code of the Town of Quartzsite, Arizona, Chapter 11 Offenses, is hereby amended by adding a new Article 11-7, Aggressive Solicitations to read as follows (additions in ALL CAPS; deletions in ~~strikeout~~):

SEC. 11-7-1 DEFINITIONS

SEC. 11-7-2 PROHIBITED ACTS

SEC. 11-7-1 DEFINITIONS

IN THIS ARTICLE, UNLESS THE CONTEXT REQUIRES OTHERWISE:

A. "AGGRESSIVE MANNER" MEANS AND INCLUDES EITHER INDIVIDUALLY OR AS A GROUP:

1. INTENTIONALLY OR RECKLESSLY MAKING ANY PHYSICAL CONTACT WITH OR TOUCHING ANOTHER PERSON IN THE COURSE OF THE SOLICITATION WITHOUT THE PERSON'S CONSENT; OR

2. APPROACHING OR FOLLOWING THE PERSON BEING SOLICITED, IF THE CONDUCT IS:

A. INTENDED TO OR IS LIKELY TO CAUSE A REASONABLE PERSON TO FEAR IMMINENT BODILY HARM TO ONESELF OR ANOTHER, OR DAMAGE TO OR LOSS OF PROPERTY, OR THE COMMISSION OF A CRIMINAL ACT UPON THE PERSON OR PROPERTY IN THE PERSON'S POSSESSION; OR

B. INTENDED TO OR IS REASONABLY LIKELY TO INTIMIDATE A REASONABLE PERSON BEING SOLICITED INTO RESPONDING AFFIRMATIVELY TO THE SOLICITATION; OR

C. CONTINUING TO SOLICIT WITHIN FIVE (5) FEET OF THE PERSON BEING SOLICITED AFTER THE PERSON HAS MADE A NEGATIVE RESPONSE TO SUCH SOLICITATION; OR

D. INTENTIONALLY, KNOWINGLY, OR RECKLESSLY OBSTRUCTING THE SAFE OR FREE PASSAGE OF THE PERSON BEING SOLICITED, OR

REQUIRING THE PERSON, OR THE DRIVER OF A VEHICLE, TO TAKE EVASIVE ACTION TO AVOID PHYSICAL CONTACT WITH THE PERSON MAKING THE SOLICITATION. ACTS AUTHORIZED AS AN EXERCISE OF ONE'S CONSTITUTIONAL RIGHT TO PICKET OR LEGALLY PROTEST, AND ACTS AUTHORIZED BY A PERMIT ISSUED BY THE TOWN, SHALL NOT CONSTITUTE OBSTRUCTION OF PEDESTRIAN OR VEHICULAR TRAFFIC; OR

E. INTENTIONALLY OR RECKLESSLY USING OBSCENE OR ABUSIVE LANGUAGE OR GESTURES:

(1) INTENDED TO OR LIKELY TO CAUSE A REASONABLE PERSON TO FEAR IMMINENT BODILY HARM OR THE COMMISSION OF A CRIMINAL ACT UPON THE PERSON OR PROPERTY IN THE PERSON'S POSSESSION; OR

(2) INTENDED TO OR IS REASONABLY LIKELY TO INTIMIDATE A REASONABLE PERSON INTO RESPONDING AFFIRMATIVELY TO THE SOLICITATION.

B. "AUTOMATED TELLER MACHINE" MEANS A DEVICE, LINKED TO A FINANCIAL INSTITUTION'S ACCOUNT RECORDS, WHICH IS ABLE TO CARRY OUT TRANSACTIONS INCLUDING, BUT NOT LIMITED TO: ACCOUNT TRANSFERS, DEPOSITS, CASH WITHDRAWALS, BALANCE INQUIRIES, AND MORTGAGE AND LOAN PAYMENTS.

C. "AUTOMATED TELLER MACHINE FACILITY" MEANS THE AREA COMPRISED OF ONE OR MORE AUTOMATED TELLER MACHINES AND ANY ADJACENT SPACE WHICH IS MADE AVAILABLE TO BANKING CUSTOMERS AFTER REGULAR BANKING HOURS. IT SHALL BE PRESUMED THAT ANY AUTOMOBILE PARKING SPACE WITHIN TWENTY-FIVE (25) FEET OF AN AUTOMATED TELLER MACHINE IS PART OF THE AUTOMATED TELLER MACHINE FACILITY TO PROVIDE ACCESS TO BANK CUSTOMERS.

D. "BANK" MEANS A BANK, CREDIT UNION, OR OTHER SIMILAR FINANCIAL INSTITUTION.

E. "PUBLIC AREA" MEANS AN AREA TO WHICH THE PUBLIC OR A SUBSTANTIAL GROUP OF PERSONS HAS ACCESS AND INCLUDES, BUT IS NOT LIMITED TO, ALLEYS, BRIDGES,

BUILDINGS, DRIVEWAYS, PARKING LOTS, PARKS, PLAYGROUNDS, PLAZAS, SIDEWALKS, AND STREETS OPEN TO THE GENERAL PUBLIC, AND THE DOORWAYS AND ENTRANCES TO BUILDINGS AND DWELLINGS, AND THE GROUNDS ENCLOSING THEM.

F. "PUBLIC TRANSPORTATION VEHICLE" MEANS ANY VEHICLE USED FOR THE TRANSPORTATION OF PASSENGERS ON SCHEDULED ROUTES ON AN INDIVIDUAL PASSENGER FARE-PAYING BASIS.

G. "SOLICIT" MEANS TO REQUEST AN IMMEDIATE DONATION OF MONEY OR OTHER THING OF VALUE FROM ANOTHER PERSON, REGARDLESS OF THE SOLICITOR'S PURPOSE OR INTENDED USE OF THE MONEY OR OTHER THING OF VALUE. THE SOLICITATION MAY BE, WITHOUT LIMITATION, BY THE SPOKEN, WRITTEN OR PRINTED WORD, OR BY OTHER MEANS OF COMMUNICATION.

SEC. 11-7-2 PROHIBITED ACTS

IT SHALL BE UNLAWFUL FOR ANY PERSON OR GROUP TO SOLICIT MONEY OR OTHER THINGS OF VALUE, OR TO SOLICIT THE SALE OF GOODS OR SERVICES:

A. IN AN AGGRESSIVE MANNER IN A PUBLIC AREA; OR

B. IN ANY PUBLIC TRANSPORTATION VEHICLE OR FROM ANY PERSONS WITHIN FIFTEEN (15) FEET OF ANY TRANSIT STOP, BUS STOP, TAXI STAND, TRAIN STATION PLATFORM OR THE INSIDE OF THE TRAIN STATION, EXCEPT THAT THE OPERATOR OF A PUBLIC TRANSPORTATION VEHICLE MAY REQUEST OR ACCEPT PAYMENT OF A FARE; OR

C. WITHIN FIFTEEN (15) FEET OF ANY ENTRANCE OR EXIT OF ANY BANK OR AUTOMATED TELLER MACHINE FACILITY, WITHOUT THE CONSENT OF THE OWNER OR OTHER PERSON LEGALLY IN POSSESSION OF SUCH FACILITY; OR

D. IMMEDIATELY ADJACENT TO THE ENTRANCE OF A BUSINESS IN A MANNER THAT PHYSICALLY INTERFERES WITH INGRESS OR EGRESS TO THAT BUSINESS ENTRANCE.

Section II. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section III. Providing for Severability.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section IV. Providing for Penalties.

Any person found guilty of violating any provision of this Ordinance shall be guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fine not to exceed Two Thousand Five Hundred Dollars (\$2,500) or by imprisonment for a period not to exceed six (6) months, or both such fine and imprisonment. Each day that a violation continues shall be a separate offense punishable as herein described.

PASSED AND ADOPTED by the Common Council of the Town of Quartzsite, Arizona, this ____ day of _____, 2015, by the following vote:

AYES: _____
NAYES: _____ ABSENT: _____
EXCUSED: _____ ABSTAINED: _____

APPROVED this ____ day of _____, 2015.

Ed Foster, Mayor

ATTEST:

Tina Abriani, Town Clerk

APPROVED AS TO FORM:

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys
By: Susan D. Goodwin

I, TINA ABRIANI, TOWN CLERK, DO HEREBY CERTIFY THAT A TRUE AND CORRECT COPY OF THE ORDINANCE NO. _____ ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF QUARTZSITE ON THE ____ DAY OF _____, 2015, WAS POSTED IN THREE PLACES ON THE ____ DAY OF _____, 2015.

Tina Abriani, Town Clerk