

**NOTICE OF REGULAR MEETING  
OF THE CAREFREE TOWN COUNCIL**

**WHEN:** TUESDAY, JANUARY 4, 2022

**WHERE:** ZOOM WEB <https://us02web.zoom.us/join/3229729660>  
MEETING ID: 322 972 9660\*

**TIME:** 5:00 P.M.

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town Council of the Town of Carefree, Arizona and to the general public that the members of the Town Council will hold a meeting open to the public. For any item listed on the agenda, the Council may vote to go into Executive Session for advice of counsel and/or to discuss records and information exempt by law or rule from public inspection, pursuant to Arizona Revised Statutes §38-431.03.

The agenda for the meeting is as follows:

**CALL TO ORDER**

**ROLL CALL**

*A members of the Council may participate by technological means or methods pursuant to A.R.S. §38-431(4).*

**PLEDGE OF ALLEGIANCE**

**CONSENT AGENDA**

All items listed hereunder are considered to be routine by the Town Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member so requests, in which event the item will be removed from the consent agenda and will be discussed separately:

**ITEM #1** Approval of the December 7, 2021 Town Council Regular Meeting Minutes.

**ITEM #2** Approval of the December 14, 2021 Town Council Special Meeting Minutes.

**ITEM #3** Acceptance into the public record of the December, 2021 paid bills.

**ITEM #4** Acceptance of the cash receipts and disbursements report for October, 2021.

**CALL TO THE PUBLIC**

**ITEM #5** Call to the Public: Consideration of comments from the public. Pursuant to Section 2-4-7(G) of the Town Code and A.R.S. 38-431.01(H), those wishing to address the

Council need not request permission in advance. The public may address the Council on matters not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, direct staff to study the matter, reschedule the matter for further consideration and decision at a later date, or may ask that a matter be put on a future agenda. However, the Council may not discuss or take legal action at this time. Please limit your comments to not more than 3 minutes.

**REGULAR AGENDA:**

**ITEM #6** Current Events.

**ITEM #7** Review, discussion and possible action to accept the accrual reversals for the Fiscal Year '20 -'21 audit.

**ITEM #8** First Reading of Ordinance #2022-01; an amendment to the Carefree Town Code to address conflicting Class 1 misdemeanor penalties in *Chapter 10 Building* and general inconsistencies throughout Town Code regarding penalties.

**ITEM #9** Review, discussion, and possible action to consider approval of Resolution 2022-01 Update to the Economic Development Plan.

**ITEM #10** Adjournment.

DATED this 30<sup>th</sup> day of December, 2021.

TOWN OF CAREFREE

BY: Kandace French Contreras  
Kandace French Contreras, Town Clerk/Treasurer

Items may be taken out of sequence

\*Due to the risks to public health caused by the possible spread of the COVID-19 virus at public gatherings, it has determined that public meetings will be indefinitely held through technological means. Meetings will be also open to the public through technological means. In reliance on, and compliance with, the March 13, 2020, Opinion issued by Attorney General Mark Brnovich, the Carefree Water Company provides this special advance notice of the technological means through which public meetings may be accessed. While this special notice is in effect, public comment at meetings will only be accepted through written submissions, which may or may not be read aloud during meetings.

**Join Zoom Meeting:**

**Click on the following link or cut and paste it into your browser:**

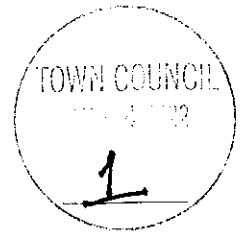
**<https://us02web.zoom.us/j/3229729660>**

**Or go to <https://www.zoom.us/join> Meeting ID: 322 972 9660**

**A password is not required.**

**By phone:**

**Please call 1-253-215-8782**



**MINUTES OF THE REGULAR MEETING  
OF THE CAREFREE TOWN COUNCIL**

**WHEN:** TUESDAY, DECEMBER 07, 2021

**WHERE:** ZOOM WEB

**TIME:** 5:00 P.M.

**Town Council Attending:**

Mayor Les Peterson  
Vice Mayor John Crane  
Vince D'Aliesio  
Tony Geiger  
Stephen Hatcher  
Cheryl Kroyer

**Town Council Absent:**

Michael Johnson

**Staff Present:**

Gary Neiss, Town Administrator; Stacey Bridge-Denzak, Planning and Zoning Director; Steve Prokopek, Economic Development Director; Town Engineer, Mark Milstone; Kandace French, Town Clerk/Treasurer.

Mayor Peterson called the meeting to order at 5:10 p.m.

Mayor Peterson led the Council in the Pledge of Allegiance.

**CONSENT AGENDA**

All items listed hereunder are considered to be routine by the Town Council and will be enacted by one motion. There will be no separate discussion of these items unless a council member so requests, in which event the item will be removed from the consent agenda and will be discussed separately:

**ITEM #1** Approval of the October 05, 2021, Town Council Regular Meeting Minutes.

This item has been deferred.

**ITEM #2** Acceptance into the public record of the November 2021 paid bills.

**ITEM #3** Acceptance of the cash receipts and disbursements report for September 2021.

Vice Mayor Crane **MOVED TO APPROVE** items 2 and 3 of the consent agenda. **SECONDED** by Councilperson Kroyer. **CARRIED**, 6-0, with 1 absent.

## CALL TO THE PUBLIC

### ITEM #4      **Call to the Public.**

There was no submission for Call to the Public.

## REGULAR AGENDA

### ITEM #5      **Current Events.**

Councilperson D'Aliesio announced the Hannukah lighting was well attended, and it received a lot of positive feedback from the community and attendees.

### ITEM #6      **Presentation by Les Hardy regarding the Wheels and Wings event in April 2022.**

Mayor Peterson advised that the street closure of the event will be addressed at the December 14, 2021, Special Town Council meeting. Organizer, Les Hardy appeared and provided details of the Wheels and Wings event to be held April 2, 2022, at SkyRanch Airport. Mr. Hardy thanked Town Council for their continual support with this event.

### ITEM #7      **Review, discussion, and possible action to Approve Resolution 2021-12 updating the multi-Jurisdictional Hazard Mitigation Plan.**

Town of Carefree Code Enforcement Officer, Dennis Randolph, provided a summary of the updates to the Multi-Jurisdictional Hazard Mitigation Plan. Town Administrator Neiss further clarified, collectively, every 5 years, 27 municipalities and Indian tribes within Maricopa County go through this Hazard Mitigation Plan update process. Concluding that the Town of Carefree had no significant changes to the Plan.

Vice Mayor Crane inquired, if this resolution is approved, will the Town incur any costs? Mr. Neiss responded, there is an annual fee associated with the Plan based off per capita, but no direct fees beyond that. Adding, this plan deals with natural disasters or manmade events. This is a regional planning approach to evacuate and deal with those respective emergencies.

Councilperson Geiger **MOVED TO APPROVE** resolution 2021-12 updating the multi-Jurisdictional Hazard Mitigation Plan. **SECONDED** by Vice Mayor Crane. **CARRIED**, 6-0, with 1 absent.

### ITEM #8      **Review, discussion, and possible action to consider approval of Resolution 2021-17 for a major General Plan Amendment of approximately 21 acres from Very Low Density Residential (VLDR) to Special planning Area (SPA) to allow for a future hospitality use with possible ancillary retail. The property is generally located at and adjacent to the Northwest Corner of Carefree Highway and Tom Darlington Drive.**

Planning and Zoning Director, Stacey Bridge-Denzak, provided via PowerPoint, a summary of the Major General Plan Amendment, demonstrating how the application fits with the Planning and Zoning and General Plan Amendment criteria and how the amendment goes through the Planning and Zoning process. She explained how the subject parcels relate to properties generally located at the Northwest corner of Carefree Highway and Tom Darlington Road.

Director Bridge-Denzak presented the General Plan Goals that the proposed amendment meets. She explained that these goals are in place for a check and balance measure as to whether the proposed change is appropriate.

In summary, the Major General Plan Amendment constitutes an overall improvement to the Town's General Plan and benefits the community with no intended adverse impacts.

Town Administrator Gary Neiss reviewed at a high level the Town's Economic Development goal to help diversify and sustain the Town's sales taxes to ensure a solvent financial future for the Town. Administrator Neiss emphasized that the dye has already been cast on the fabric of Carefree, stating Carefree is mainly a residential community. However, there remain only a few properties located at high traffic intersections and adjacent to nonresidential uses in neighboring communities that create an opportunity to complement the nearby existing land uses while providing an opportunity to diversify the town's sales tax base. Administrator Neiss estimated that with every million dollars in sales tax revenue it could offset a property tax of \$300 to \$400 per residence.

Town of Carefree Economic Development Director, Steve Prokopek presented via PowerPoint. Mr. Prokopek provided a timeline of the engagement process and an overview of the outcomes from discussions held at each neighborhood meeting. Conversations addressed building heights, adequate buffers to the adjacent neighborhood, architectural context and quality, view sheds, access nuisances such as light and noise, allowed uses and the magnitude of commercial uses in association with the overall development. From these discussions, Mr. Prokopek explained that he revised the proposed land use to accommodate, to the extent possible, the neighbors' concerns without compromising the Town's goals. He added that it comes down to the idea of execution at this point and making sure that when we go through the zoning process that we follow through on the items discussed.

Mayor Peterson thanked Town Administrator, Neiss, Planning and Zoning Director, Bridge-Denzak and Economic Development Director, Steve Prokopek, for their in-depth presentations and asked for questions and/or comments from Town Council.

Councilperson Hatcher had questions regarding lighting if or when a development moves forth on the subject property. Planning and Zoning Director, Stacey Bridge-Denzak responded and explained that lighting in Carefree is night sky friendly. Furthermore, any development that occurs on this property would need to comply with current zoning requirements.

Council Member Geiger asked staff if the amendment was "tight" so as to protect neighbors and others concerned about the changes in the event new staff were onboard at the time of the

development. Staff assured Council Member Geiger that the amendment was clear and concise and held to standards that could not be interpreted loosely.

***This is a public hearing and public comments will be taken.***

Mayor Peterson opened public hearing.

Town Clerk, Kandace French Contreras, read public comment submitted by Maureen Benedetto, a Carefree resident. Ms. Benedetto wrote of her concerns for the urbanization of Carefree similar to the City of Scottsdale and her desire to keep Carefree relaxed and rural in character. She also asked why “more than \$20,000,000+” was being spent on a water project with extremely vague objectives. She asserted that it was not necessary to provide western Carefree with improved water service. She asserted a conflict of interest between Mayor Peterson and property owner John Lassen and stated that such conflicts should be disclosed. She further stated that the issues deserve to be investigated by the Town Council members before they vote. Ms. Benedetto’s letter was entered into the record.

Mr. Prokopek responded to Ms. Benedetto’s criticism.

Mayor Peterson responded to the personal criticism and baseless accusations that there is any relationship between himself and Mr. Lassen.

The following individuals spoke regarding the agenda item:

Janet Veves spoke regarding her concerns about the potential size of the resort. She differentiated it from the Hermosa Inn, which had been a comparison. She asked why so much is being “crammed into such a small space”.

Mr. Prokopek responded.

Jerry Wetta appeared and asked who would provide the water to the commercial development at Carefree Highway and Tom Darlington eventually.

Mr. Neiss responded, stating water service would be provided by the Carefree Water Company. He clarified it as to size and water allocation for the Town of Carefree as well as the aquifer which has been recharging in partnership with the City of Scottsdale and an additional 378-acre feet from the Town of Cave Creek with the recent acquisition of the Carefree customers on Cave Creek water for a total of over 1600 acre feet.

Mr. Wetta then asked about lots on While Away and asked if, at a future time, those lots could be considered for rezoning based on the Plan Amendment.

Mr. Prokopek responded that those properties were not part of the current amendment.

Sue Hardy appeared and spoke as well as Stephanie Barbour

Bernie Pistillo appeared and spoke against the rezoning as did Abby Renfro. Janet Veves appeared and provided additional comment regarding her concerns and Kim Graves appeared and spoke.

The comments raised by the residents included traffic, water, massing, density and intensity of potential uses, open space, a property tax and public involvement. Economic Development Director, Steve Prokopez responded to these comments.

Mr. Prokopez explained that this is the very first step in outlining a use for the particular site to provide a future vision for the development of this property.

Councilperson Kroyer asked for confirmation that what is being approved is only a plan amendment and not changing the zoning. If and when an applicant comes forth, they will still need to go through all the planning processes, requiring accordance with the Town's development standards. Town Administrator Neiss responded, yes, that is correct.

Councilperson Kroyer **MOVED TO APPROVE** Resolution 2021-17 for a major General Plan Amendment of approximately 21 acres from Very Low Density Residential (VLDR) to Special planning Area (SPA) to allow for a future hospitality use with possible ancillary retail. **SECONDED** by Councilperson D'Aliesio.

Councilpersons Geiger, D'Aliesio and Vice Mayor Crane responded to comments heard during public comment.

**THE MOTION CARRIED**, 6-0, with one absent.

**ITEM #9**      **Review, discussion, and possible action authorizing the Mayor to enter in to contract with Copper State Pavement Inc. and authorization of Capital Improvement Project Funds for the Street Maintenance Project.**

Carefree Town Engineer, Mark Milstone provided information regarding the ongoing pavement management cycle noting the section of Cave Creek Road between Carefree Drive and Pima Road as well as a smaller section of Cave Creek Road just to the east of Desert Mountain to be milled and overlaid as well as a portion of this roadway to be slurry and crack sealed.

Mr. Milstone explained that two pedestrian crosswalks on Hum Rd. and Cave Creek Rd. as well a Carefree Drive and Cave Creek Rd, will be upgraded and refitted with enhanced pedestrian safety equipment. Additionally, addressing resident's noise concerns, the decision was made to remove a proposed four-way stop and associated crosswalk at Tranquil Trail and look for a solution at that location in the future. The nearby neighbors have suggested a round-about at this location which would require a higher level of design and capital funding. Mr. Milstone will continue to work with this neighbor to find a more immediate solution for their desire for a new crosswalk at this location.



Mr. Milstone provided an information summary regarding the authorization of the contract and Capital Improvement Project Funds for the street maintenance project and responded to questions and comments from Town Council.

Councilperson Geiger **MOVED TO APPROVE** to award the contract to Copper State with the proviso that the contract still needs to be negotiated to change order number 1 and the 20% contingency. **SECONDED** by Councilperson Kroyer. **CARRIED**, 6-0, with 1 absent.

**ITEM #10**     **Review, discussion, and possible action to approve temporary improvements for the existing crosswalk located at Ridgeview Place/Ho Road.**

Carefree Town Engineer, Mark Milstone presented via PowerPoint, details regarding interim crosswalk improvements at Ridgeway Place/Ho Road and responded to questions and comments from Town Council.

Town Administrator Neiss and Council agreed that in order to present this agenda item to the Town and local residents, it warrants more of an evaluation and better solution. Most importantly, the Town wants the crosswalks safe as well keeping with the aesthetics of the Town.

It was determined that Mr. Milstone would bring the matter back to the Council for review and consideration at a later meeting.

**ITEM #11**     **Approval of street closures for Thunderbird Artists 29th Winter Carefree Fine Art & Wine Festival from 5:00 p.m. Thursday January 13, 2022, through 6:00 p.m. Sunday, January 16, 2022, and the 27th Annual Spring Carefree Fine Art & Wine Festival 5:00 p.m. Thursday, March 17, 2022, through 6:00 p.m. Sunday, March 20, 2021. Road closures include Hum and Ho Hum Road, Easy Street, and Sundial Circle as shown in the attached map. Council approval tentative based upon COVID-19 state guidelines.**

Economic Development Director, Steve Prokopek presented via PowerPoint, details of the proposed Thunderbird Artists Street closures and barrier set up. The 2022 Thunderbird Artist's Fine Art and Wine Festivals are scheduled for January 13, 2022, thru January 16, 2022, and March 17, 2022, through March 20, 2022. Mr. Prokopek responded to questions and comments from Town Council.

Vice Mayor Crane expressed concern regarding the timeframe of the March festival and the opening of the new Hampton Inn and asked that the Town ask Thunderbird Artist's to install signage along Tom Darlington for guests of the Hotel, to help them find their way.

Councilperson Kroyer **MOVED TO APPROVE** street closures for Thunderbird Artists 29th Winter Carefree Fine Art & Wine Festival from 5:00 p.m. Thursday January 13, 2022, through 6:00 p.m. Sunday, January 16, 2022, and the 27th Annual Spring Carefree Fine Art & Wine Festival 5:00 p.m. Thursday, March 17, 2022, through 6:00 p.m. Sunday, March 20, 2021.

**WITH THE ADDED CONDITION**, to ask Thunderbird Artists to install signage along Tom Darlington for guests of the Hampton Inn to find their way to the hotel. **SECONDED** by Vice Mayor Crane. **CARRIED**, 6-0, with 1 absent.

**ITEM #12** Discussion and possible action to go into Executive Session in accordance with A.R.S. 38-431.03 (A)(3) for discussion or consultation for legal advice with the Town Attorney.

This item has been deferred to a later meeting.

**ITEM #13** Adjournment.

The meeting adjourned by unanimous consent at 8:40 p.m.

DATED this 14th day of December 2021.

TOWN OF CAREFREE

BY:

\_\_\_\_\_  
Samantha J. Gesell, Planning Clerk

TOWN OF CAREFREE

\_\_\_\_\_  
Les Peterson, Mayor

Attest:

\_\_\_\_\_  
Kandace French Contreras, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Regular Meeting of the Town of Carefree held December 7, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

\_\_\_\_\_  
Kandace French Contreras, Town Clerk

**MINUTES OF THE SPECIAL MEETING  
OF THE CAREFREE TOWN COUNCIL**



**WHEN:** TUESDAY, DECEMBER 14, 2021

**WHERE:** ZOOM WEB <https://us02web.zoom.us/j/3229729660>

MEETING ID: 322 972 9660

**TIME:** 5:00 P.M.

**Town Council Attending:**

Mayor Les Peterson  
Vice Mayor John Crane  
Vince D'Aliesio  
Tony Geiger  
Stephen Hatcher  
Mike Johnson  
Cheryl Kroyer

**Town Council Absent:**

None

**Staff Present:**

Gary Neiss, Town Administrator; Michael Wright, Town Attorney; Jennifer Shields, CPA, Heinfeld Meech; Jared Young, Heinfeld Meech; Jim Keen, Town Accountant; Mark Milstone, Town Engineer; Kandace French, Town Clerk/Treasurer.

Mayor Peterson called the meeting to order at 5:00 p.m.

Judge Tara Parascandola led the Council in the Pledge of Allegiance.

**CONSENT AGENDA**

**ITEM #1      **Review, discussion and possible action to accept the findings of the 2020-2021 Fiscal Year audit.****

*Representatives from the firm of Heinfeld Meech attended electronically.*

Presenting via PowerPoint, Town Administrator Neiss provided introductory remarks and background information regarding the 2020-2021 Fiscal Year audit for both the Town of Carefree and the Carefree/Cave Creek Consolidated Court. Mr. Neiss was pleased to announce, the Town of Carefree and Consolidated Court have clean audits and are compliant with GASB requirements. Emphasizing there are very transparent financial procedures in place within the Town of Carefree. Mr. Neiss commended Town of Carefree Accountant/Deputy Clerk, Jim Keen, for establishing the many checks and balances, working with auditors very closely, year in and year out, reviewing the towns respective receipts to ensure the required principals are met.

Due to onetime construction sales tax receipts and COVID relief funds earmarked for water infrastructure, reserves have significantly increased this past year.

Mr. Neiss provided a table exhibiting, 10-year revenue vs. expenditures 2012 through 2021, expressing the importance of going over these capital reserves, as the funds are allocated to aging infrastructure that in the future, the town needs to invest in.

Town of Carefree Accountant/Deputy Clerk, Jim Keen provided additional information to clarify specific documents on the Town's clean audit. Judge Parascandola addressed the Consolidated Court's clean audit and was pleased to announce that there were no findings acknowledging that this reflects the careful and detailed work of Court Administrator, Marilyn Dodge. The clean audit results reflect the strict compliance with minimum accounting standards and all of the protections and procedures that are in place at the court.

Town Administrator Neiss and Mr. Keen responded to questions and comments from Town Council.

Councilperson Hatcher **MOVED TO APPROVE AND ACCEPT** the findings of the FY 2020-2021 annual audit for the Town of Carefree Arizona and the Carefree/Cave Creek Consolidated Court and the annual expenditure limitation report for the Town of Carefree Arizona for the year ending June 30, 2021. **SECONDED** by Councilperson Geiger. **CARRIED** 6-0, with Councilperson Kroyer abstaining because she was unable to hear the presentation during the Zoom meeting.

**ITEM #2**      **Review, discussion, and possible action to approve temporary improvements for the existing crosswalk located at Ridgeview Place/Ho Road.**

Carefree Town Engineer, Mark Milstone presented via PowerPoint, updated drawings from Rick Engineering exhibiting 3 different methods of crosswalk improvements for the Ridgeview Place crossing at Tom Darlington Drive - Ho Road intersection. Mr. Milstone presented the following are the three options:

1. Striping, Chevrons/Diagonals and DAGMARS (traffic buttons) in the paint stripes.
2. Rubber curbing to narrow down the lanes, raised pavement markers on top of curb or post mounted reflectors and rock filled islands.
3. Modular medians. (A large, raised platform)

Mr. Millstone provided comparative costs associated with the 3 options and responded to questions from Town Council. Town Engineer Milstone informed the group that for two years in a row the Town of Carefree has not been granted MAG funding, concluding, this is a low-cost scenario that addresses the safety improvements at one of the intersections. Town Administrator Neiss added that a step approach like this, allows citizens to adjust. If the Town receives criticism or concerns it will be easier to make any necessary changes. This temporary lane configuration allows the Town to introduce this concept and have the community acclimate to these changes while we move toward a more permanent solution and make the associated changes. Mr. Millstone addressed questions regarding timeframe to complete the improvements.

Councilperson Kroyer **MOVED TO APPROVE** Option #1, for temporary improvements for the existing crosswalk located at Ridgeview Place/Ho Road with an estimated total cost of 20,000.00. **SECONDED** by Councilperson Geiger. **CARRIED**, 7-0.

**ITEM #3 Approval of the temporary, partial street closure of Cave Creek Road to one lane from Mule Train to Pima to accommodate parking for the Wheels and Wings event at SkyRanch at Carefree for on April 2, 2022, from 8:00 a.m. to 3:00 p.m.**

Mayor Peterson introduced the item. Explaining that this is the same parking configuration as it was a year ago and there were no known issues. The event hosts were very conscientious about directing traffic. Mayor Peterson remarked that this was a wonderful event with tremendous participation.

Vice Mayor Crane announced, this year is the 60<sup>th</sup> Anniversary of the SkyRanch Airport. Vice Mayor Crane also summarized the event details and responded to questions.

Vice Mayor Crane **MOVED TO APPROVE** the temporary, partial street closure of Cave Creek Road to one lane from Mule Train to Pima to accommodate parking for the Wheels and Wings event at SkyRanch at Carefree for on April 2, 2022, from 8:00 a.m. to 3:00 p.m. **SECONDED** Councilperson Kroyer. **CARRIED**, 7-0.

**ITEM #4 Discussion and possible action to go into Executive Session in accordance with A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney.**

Vice Mayor Crane **MOVED** to go into Executive Session. The motion was **SECONDED** Councilperson Kroyer. **CARRIED**, 7-0.

Executive Session began at 6:04 p.m.

Executive Session ended at 7:00 p.m.

**ITEM #5 Adjournment.**

Councilperson Kroyer **MOVED** to adjourn the meeting. The motion was **SECONDED** by Councilperson D'Aliesio. **CARRIED**, 7-0.

The meeting was adjourned at 7:01 p.m.

DATED this 14<sup>th</sup> day of December, 2021.

TOWN OF CAREFREE

BY:

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Samantha J. Gesell, Planning Clerk

TOWN OF CAREFREE

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Les Peterson, Mayor

Attest:

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Kandace French Contreras, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Special Meeting of the Town of Carefree held December 14, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

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Kandace French Contreras, Town Clerk

# Check Register Report



ALL CHECKS DECEMBER 2021

Date: 12/30/2021  
Time: 12:14 pm  
Page: 1

Town Of Carefree

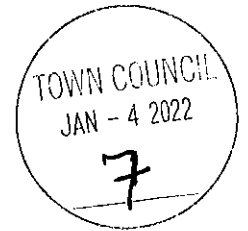
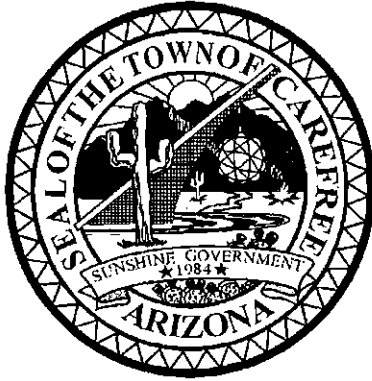
BANK: NATIONAL BANK OF ARIZONA

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
<b>NATIONAL BANK OF ARIZONA Checks</b>							
47872	12/10/2021	Printed		3595	AMAZON CAPITAL SERVICES	Computer Cable+ Credit Memo	6.55
47873	12/10/2021	Printed		0414	AZ MUN. RISK RETENTION POOL	Town Ins 2nd Qtr FY22	8,213.00
47874	12/10/2021	Printed		1470	BROWN & ASSOCIATES	Nov 21 Bilding Insp 106 Hrs	7,480.00
47875	12/10/2021	Printed		3463	BUSTAMANTE & KUFFNER PC	Nov 21 Town Prosecutor Service	3,120.00
47876	12/10/2021	Printed		0389	CAREFREE WATER COMPANY, INC	Dec 21 Water All	3,095.79
47877	12/10/2021	Printed		3299	CIRCLE K UNIVERSAL	Nov 21 Gas All Dept	486.88
47878	12/10/2021	Printed		1460	COX COMMUNICATIONS	Dec 21 Town Internet & Phones	1,013.98
47879	12/10/2021	Printed		3174	DESERT DIGITAL IMAGING, INC.	Bus Cards Shumaker, Gessell	121.80
47880	12/10/2021	Printed		2059	DESERT FOOTHILLS LANDSCAPE	Dec 21 Gardens Maint	2,000.00
47881	12/10/2021	Printed		2059	DESERT FOOTHILLS LANDSCAPE	Dec 21 Medians Maint	4,955.00
47882	12/10/2021	Printed		3606	DYNAMITE SIGNS	General Plan Amend Signs	1,010.27
47883	12/10/2021	Printed		3210	ECOBLU ENTERPRISES. INC.	Dec 21 Gardens Fountains Serv	742.07
47884	12/10/2021	Printed		3304	FESTIVE LIGHTING AZ LLC	Install Remove Xmas Lights	1,725.00
47885	12/10/2021	Printed		3594	FINN, ELIZABETH R	Dec 21 Inv 1	675.00
47886	12/10/2021	Printed		3520	JENNINGS STROUSS & SALMON, PLC	Legal CC CF Through 11/30/21	3,242.50
47887	12/10/2021	Printed		1320	KARSTEN'S ACE HARDWARE	Nov 21 Pub Wrks Matl	144.61
47888	12/10/2021	Printed		3397	LANGUAGE LINE SERVICES, INC.	Nov 21 Court Interpreting Serv	16.52
47889	12/10/2021	Printed		1876	LOWE'S	Nov 21 Pub Wrks Supplies	611.66
47890	12/10/2021	Printed		0010	MARICOPA COUNTY	Nov 21 MCSO Jail Service	758.98
47891	12/10/2021	Printed		3579	MUNICIPAL EMERGENCY SERVICES	Fire- Repair SCBA regulator	65.43
47892	12/10/2021	Printed		3221	NATIONAL BANK OF ARIZONA	Lift Rentl CameraSweeper Tires	911.09
47893	12/10/2021	Printed		3015	NOTHING BUT NET	Dec 21 Additional Computer Ser	1,113.75
47894	12/10/2021	Printed		3015	NOTHING BUT NET	Dec 21 Comp Maint Agreements	1,530.87
47895	12/10/2021	Printed		2081	O'REILLY AUTO PARTS, INC	Pub Wrks Veh Maint.	26.63
47896	12/10/2021	Printed		949	TARA. PARASCANDOLA	Dec 21 Town Magistrate Serv	4,255.00
47897	12/10/2021	Printed		3105	PETERSON, LES	Mag Meeting Miles	46.25
47898	12/10/2021	Printed		3549	PROKOPEK, STEVE	Reimb Holiday Expenses	78.37
47899	12/10/2021	Printed		3403	PROSKILL PLUMBING, HEATING	Replace Sloan Diaphr Gardens	265.00
47900	12/10/2021	Printed		3403	PROSKILL PLUMBING, HEATING	Repair 3 toilets Fire Station	940.00
47901	12/10/2021	Printed		3010	REPUBLIC SERVICES #753	Dec 21 Trash PU 33 Easy St	462.97
47902	12/10/2021	Printed		3527	RICK ENGINEERING CO - ARIZONA	Pedestrian Crosswalk to 11/30	6,750.50
47903	12/10/2021	Printed		3527	RICK ENGINEERING CO - ARIZONA	Street System and Inv to 11/30	5,394.00
47904	12/10/2021	Printed		3425	RURAL ARIZ GROUP HEALTH	Dec 21 Health,Dental, Vision	13,309.72
47905	12/10/2021	Printed		3569	SHERWOOD, MARIAH	Court Interpreting	180.00
47906	12/10/2021	Printed		1691	SPARKLETTS	Nov 21 Bottled Water All	198.56
47907	12/10/2021	Printed		1794	STAPLES ADVANTAGE	Town Office Supplies	16.92
47908	12/10/2021	Printed		3226	TECH 4 LIFE COMPUTERS	Visitcarefree.com Services	973.00
47909	12/10/2021	Printed		3042	TECH INTEGRATED	Work on Pavilion Audio	632.56
47910	12/10/2021	Printed		3287	TOSHIBA BUSINESS SOLUTIONS	Town Copier Maint & Lease	349.76
47911	12/10/2021	Printed		3451	VERIZON CONNECT NWF, INC.	Prorated Pub Wrks Mobile	10.13
47912	12/10/2021	Printed		352	WESTERN STATES PETROLEUM INC.	Nov 21 Pub Wrks Diesel	774.92
47913	12/10/2021	Printed		3430	WS DARLEY & CO	5 Yellow Fire Hoses	1,668.07
47914	12/10/2021	Printed		3051	ZUMAR INDUSTRIES, INC. ARIZONA	200 Street Sign Rivets	187.99
47915	12/16/2021	Printed		1326	ARIZONA REPUBLIC - SUBSCRIBE	January 22 Newspaper Subscr	62.53
47916	12/16/2021	Printed		1472	CENTERLINE SUPPLY, INC.	139 Ceramic Road Markers	2,442.06
47917	12/16/2021	Printed		1460	COX COMMUNICATIONS	Dec 21 Internet 33 Easy St	129.00
47918	12/16/2021	Printed		3542	GAMMAGE & BURNHAM	Valuation CAP Water CC	330.00
47919	12/16/2021	Printed		1575	GRAINGER	Safety Equip Pub Works	251.56
47920	12/16/2021	Printed		3584	KIMLEY-HORN AND ASSOCIATES,INC	Eng CF Sign Plan thru 11/30/21	24,250.00
47921	12/16/2021	Printed		3578	LIBERTY UTILITIES	Nov 21 Sewer Gardens	963.26





# Agenda Item #4



TOWN OF CAREFREE  
P.O. Box 740  
Carefree, AZ 85377  
(480) 488-3686 FAX (480) 488-3845

TO: Town Council

FROM: Kandace French Contreras, Jim Keen

DATE: January 4, 2022

RE: Fiscal Year 2021-22 Reverse Previous Year Accruals and  
the restated Financial Reports

The restated Town Financial Statements for June 2021 through September 2021 reflecting the reversal of the previous year revenue accruals which were:

Local Sales Tax	\$587,721
State Sales Tax	\$ 22,943
County Lieu Tax	\$ 7,779
HURF	\$ 24,682
Utility Franchise Fees	\$ 78,010
Fill the GAP Court	\$ 281
<u>Deferred Revenue</u>	<u>\$ 79,913</u>
Total	\$801,329

**Combined Trial Balance - All Funds**  
**July 31, 2021**  
**After Reverse Accruals**

**Assets**

Checking - National Bank of AZ	1,627,243
Local Gov't Investment Pool - AZ	11,521,090
Petty Cash	700
Advances to the Water Company	3,221,883
<b>Total Assets</b>	<b>\$ 16,370,917</b>

**Liabilities**

Accounts Payable	35,110
Bonds	38,510
Long Term Deferred Revenue	3,221,883
<b>Total Liabilities</b>	<b>\$3,295,504</b>

**Fund Balance**

Fund Balance-Beginning of Year	13,767,123
Year-to-date change in Fund Balance	<u>(691,710)</u>
<b>Total Fund Balance</b>	<b><u>13,075,413</u></b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 16,370,917</b>

Contingency Reserve Fund	\$2,500,000
Capital Fund	\$10,403,248
<b>Total</b>	<b>\$12,903,248</b>

Town of Carefree Reconciled Cash Receipts and Cash Disbursements as of July 31, 2021

After Reverse Accruals

Revenues	FY2020	FY2021	FY2022	2021 vs 2022	Budget	July 21	% of Budget
	YTD July	YTD July	Y-T-D	% (+/-)			
Local Sales Taxes (1 month lag)	\$107,925	\$67,462	\$ (135,720)	0.0%	2,500,000	(135,720)	0.0%
State Sales Taxes (1 month lag)	14,834	20,774	24,876	19.7%	461,000	24,876	5.4%
Building Fees	12,917	31,797	46,915	47.5%	400,000	46,915	11.7%
State Income Tax	41,769	46,769	42,698	-8.7%	512,000	42,698	8.3%
Fines	4,170	4,918	25,647	421.5%	130,100	25,647	19.7%
Court Service Fees	27,681	14,394	14,842	3.1%	178,106	14,842	8.3%
Town Clerk-Misc. Sales	120	48	0	0.0%	500	0	0.0%
Town Clerk-Permits & Sol Fees	300	0	25	0.0%	700	25	3.6%
Water Company Reimbursements	57,550	57,675	23,147	-59.9%	692,105	23,147	3.3%
33 Easy St Rent	1,166	1,300	1,300	0.0%	15,600	1,300	8.3%
Miscellaneous Income & Donations	25,000	25,020	13	-99.9%	51,000	13	0.0%
Interest Income	14,334	821	94	-88.6%	21,419	94	0.4%
Utility Franchise Fees (1 month lag)	50,333	58,057	60,957	5.0%	350,000	60,957	17.4%
County Lieu Tax (1 month lag)	9,414	8,675	7,382	-14.9%	182,000	7,382	4.1%
General Fund & All Funds Reserve Contribution(Below)	0	0	0	0.0%	4,108,945	0	0.0%
Special Events	28,720	19,360	16,608	-14.2%	40,000	16,608	41.5%
County & State Grants	0	0	0	0.0%	209,798	0	0.0%
Court Enhancement, GAP, MJCEF	446	623	996	60.0%	22,400	996	4.4%
HURF (1 month lag)	0	0	0	0.0%	261,000	0	0.0%
Cemetery	0	0	0	0.0%	600	0	0.0%
CPR Ed Fund	668	0	0	0.0%	200	0	0.0%
CARES Fund Grants	0	450,846	0	0.0%	468,521	0	0.0%
Utility Capital Improvement Fund	0	0	0	0.0%	22,400	0	0.0%
Fire Reimb Income & Ins Reimb	19,849	20,013	16,597	0.0%	53,600	16,597	31.0%
Fire Fund-L Sales Tax (1 month lag)	53,962	33,732	(67,860)	0.0%	1,250,000	(67,860)	0.0%
<b>Total Revenues</b>	<b>471,158</b>	<b>862,284</b>	<b>78,519</b>	<b>-90.9%</b>	<b>11,931,994</b>	<b>78,519</b>	<b>0.7%</b>
<b>Expenses</b>							
Mayor & Council	221	101	1,509	1390.7%	214,375	1,509	0.7%
Town Clerk	23,062	18,950	29,202	54.1%	330,534	29,202	8.8%
Court	21,343	21,340	34,879	63.4%	285,532	34,879	12.2%
Administration	49,459	47,418	55,941	18.0%	571,832	55,941	9.8%
Claims & Losses	0	400	0	0.0%	10,000	0	0.0%
Legal	1,783	34,506	36,219	5.0%	160,000	36,219	22.6%
Risk Management	33,353	8,041	36,031	348.1%	120,000	36,031	30.0%
Planning & Development	14,308	16,617	19,132	15.1%	304,622	19,132	6.3%
Building Safety	15,928	16,516	19,714	19.4%	275,177	19,714	7.2%
Law Enforcement	38,938	42,209	42,767	1.3%	539,392	42,767	7.9%
Code Enforcement	3,636	3,655	4,436	21.3%	81,895	4,436	5.4%
Engineering	2,437	2,477	9,728	292.8%	269,684	9,728	3.6%
Public Works - Streets & Gardens	64,265	44,527	51,933	16.6%	898,723	51,933	5.8%
Debt Service WIFA	227,509	231,385	235,406	1.7%	244,226	235,406	96.4%
33 Easy St	2,159	2,496	2,286	0.0%	27,750	2,286	8.2%
Capital Improvement Program (See Below)	0	0	0	0.0%	-	0	0.0%
Public Safety Fire General Fund	0	0	0	0.0%	279,733	0	0.0%
Economic Development	58,285	12,215	12,824	5.0%	320,003	12,824	4.0%
Contingencies	0	0	0	0.0%	200,000	0	0.0%
Court Enhancement, GAP, MJCEF	0	0	695	0.0%	1,437	695	48.4%
HURF (See Below)	0	0	0	0.0%	-	0	0.0%
Cemetery	0	0	0	0.0%	600	0	0.0%
CPR - Education Fund	0	0	0	0.0%	202	0	0.0%
AZ CARES Fund Expense	0	126,294	0	0.0%	468,621	0	0.0%
Utility Capital Improvement Fund (See Below)	0	0	0	0.0%	-	0	0.0%
Transfers Out	0	0	0	0.0%	-	0	0.0%
Fire Fund	126,396	3,920	133,715	3310.8%	1,304,300	133,715	10.3%
<b>Total Expenses without Capital Expense</b>	<b>683,082</b>	<b>633,069</b>	<b>726,418</b>	<b>14.7%</b>	<b>6,908,638</b>	<b>726,418</b>	<b>10.5%</b>
<b>Net without Capital Expense</b>	<b>\$ (211,924)</b>	<b>\$ 229,216</b>	<b>\$ (647,899)</b>		<b>\$ 5,023,356</b>	<b>\$ (647,899)</b>	<b>0.0%</b>
<b>All Capital Projects</b>	<b>0</b>	<b>49,556</b>	<b>43,811</b>	<b>0.0%</b>	<b>5,000,000</b>	<b>43,811</b>	<b>0.9%</b>
<b>Total Expenses with Capital Expense</b>	<b>683,082</b>	<b>682,625</b>	<b>770,229</b>	<b>12.8%</b>	<b>\$11,908,638</b>	<b>\$770,229</b>	<b>6.5%</b>
<b>Net with Capital Expense</b>	<b>(211,924)</b>	<b>179,660</b>	<b>(691,710)</b>	<b>0.0%</b>	<b>23,356</b>	<b>(691,710)</b>	<b>0.0%</b>

**Combined Trial Balance - All Funds  
August 31, 2021  
After Reverse Accruals**

**Assets**

Checking - National Bank of AZ	2,269,251
Local Gov't Investment Pool - AZ	11,896,759
Petty Cash	700
Advances to the Water Company	3,170,967
Total Assets	\$ 17,337,676

**Liabilities**

Accounts Payable	30,974
Bonds	38,510
Long Term Deferred Revenue	3,170,967
Total Liabilities	\$3,240,450

**Fund Balance**

Fund Balance-Beginning of Year	13,767,123
Year-to-date change in Fund Balance	330,103
Total Fund Balance	14,097,226
Total Liabilities and Fund Balance	\$ 17,337,676

Contingency Reserve Fund	\$2,500,000
Capital Fund	\$10,766,857
Total	\$13,266,857

**Town of Carefree Reconciled Cash Receipts and Cash Disbursements as of August 31, 2021**

**After Reverse Accruals**

Revenues		FY2020	FY2021	FY2022	2021 vs 2022	Budget	Aug 21	% of Budget
		YTD Aug	YTD Aug	Y-T-D	% (+/-)			
Local Sales Taxes	(1 month lag)	\$253,017	\$233,215	\$ 195,614	-16.1%	2,500,000	(60,480)	7.8%
State Sales Taxes	(1 month lag)	50,574	56,053	68,337	21.9%	461,000	20,517	14.8%
Building Fees		43,825	61,120	78,625	28.6%	400,000	31,710	19.7%
State Income Tax		83,537	93,537	85,397	-8.7%	512,000	42,698	16.7%
Fines		7,139	9,964	33,251	233.7%	130,100	7,605	25.6%
Court Service Fees		41,522	28,789	29,684	3.1%	178,106	29,684	16.7%
Town Clerk-Misc. Sales		140	48	0	0.0%	500	0	0.0%
Town Clerk-Permits & Sol Fees		350	0	25	0.0%	700	0	3.6%
Water Company Reimbursements		115,101	115,351	80,822	-29.9%	692,105	23,147	11.7%
33 Easy St Rent		2,466	2,600	2,600	0.0%	15,600	1,300	16.7%
Miscellaneous Income & Donations		25,000	25,020	25,209	0.8%	51,000	25,196	49.4%
Interest Income		27,991	1,473	206	-86.0%	21,419	112	1.0%
Utility Franchise Fees	(1 month lag)	50,333	58,057	60,957	5.0%	350,000	(69,075)	17.4%
County Lieu Tax	(1 month lag)	23,860	27,377	21,255	-22.4%	182,000	6,094	11.7%
General Fund & All Funds Reserve Contribution(Be		0	0	0	0.0%	4,108,945	0	0.0%
Special Events		37,708	20,100	20,006	-0.5%	40,000	17,046	50.0%
County & State Grants		1,233	0	0	0.0%	209,798	0	0.0%
Court Enhancement, GAP, MJCEF		1,325	1,891	2,657	40.5%	22,400	1,380	11.9%
HURF	(1 month lag)	220,177	21,515	23,579	9.6%	261,000	(1,104)	9.0%
Cemetery		0	0	250	0.0%	600	250	41.7%
CPR Ed Fund		668	0	0	0.0%	200	0	0.0%
CARES Fund Grants		0	450,846	655,770	0.0%	468,521	655,770	140.0%
Utility Capital Improvement Fund		0	0	0	0.0%	22,400	(8,934)	0.0%
Fire Reimb Income & Ins Reimb		19,990	20,013	28,379	0.0%	53,600	28,379	52.9%
Fire Fund-L Sales Tax	(1 month lag)	126,508	116,609	97,807	-16.1%	1,250,000	(30,240)	7.8%
<b>Total Revenues</b>		<b>1,132,464</b>	<b>1,343,576</b>	<b>1,510,431</b>	<b>12.4%</b>	<b>11,931,994</b>	<b>721,055</b>	<b>12.7%</b>
<b>Expenses</b>								
Mayor & Council		2,848	167	2,370	1317.0%	214,375	860	1.1%
Town Clerk		51,097	39,815	51,403	29.1%	330,534	22,023	15.6%
Court		45,614	48,559	53,771	10.7%	285,532	18,892	18.8%
Administration		83,360	78,918	97,138	23.1%	571,832	41,198	17.0%
Claims & Losses		0	400	0	0.0%	10,000	0	0.0%
Legal		24,470	34,506	39,996	15.9%	160,000	3,776	25.0%
Risk Management		33,353	8,131	36,031	343.1%	120,000	0	30.0%
Planning & Development		33,871	31,670	36,266	14.5%	304,622	17,135	11.9%
Building Safety		31,343	32,208	39,266	21.9%	275,177	19,552	14.3%
Law Enforcement		76,929	85,846	84,594	-1.5%	539,392	41,827	15.7%
Code Enforcement		8,620	7,639	8,270	8.3%	81,895	3,835	10.1%
Engineering		4,874	4,954	19,456	292.8%	269,684	9,728	7.2%
Public Works - Streets & Gardens		108,364	139,522	101,514	-27.2%	898,723	49,581	11.3%
Debt Service WIFA		227,509	231,385	235,406	1.7%	244,226	0	96.4%
33 Easy St		2,969	4,811	4,540	0.0%	27,750	2,254	16.4%
Capital Improvement Program	(See Below)	0	0	0	0.0%	-	0	0.0%
Public Safety Fire General Fund		0	0	0	0.0%	279,733	0	0.0%
Economic Development		91,752	24,161	25,872	7.1%	320,003	13,048	8.1%
Contingencies		0	0	0	0.0%	200,000	0	0.0%
Court Enhancement, GAP, MJCEF		0	0	173	0.0%	1,437	(522)	12.1%
HURF	(See Below)	0	0	0	0.0%	-	0	0.0%
Cemetery		0	0	0	0.0%	600	0	0.0%
CPR - Education Fund		0	0	0	0.0%	202	0	0.0%
AZ CARES Fund Expense		0	252,589	0	0.0%	468,621	0	0.0%
Utility Capital Improvement Fund	(See Below)	0	0	0	0.0%	-	0	0.0%
Transfers Out		0	100	0	0.0%	-	0	0.0%
Fire Fund		257,714	10,448	268,812	2472.8%	1,304,300	134,978	20.6%
<b>Total Expenses without Capital Expense</b>		<b>1,084,687</b>	<b>1,035,830</b>	<b>1,104,880</b>	<b>6.7%</b>	<b>6,908,638</b>	<b>378,164</b>	<b>16.0%</b>
<b>Net without Capital Expense</b>		<b>\$ 47,777</b>	<b>\$ 307,746</b>	<b>\$ 405,552</b>		<b>\$ 5,023,356</b>	<b>\$ 342,891</b>	<b>8.1%</b>
<b>All Capital Projects</b>		<b>49,080</b>	<b>85,126</b>	<b>75,449</b>	<b>0.0%</b>	<b>5,000,000</b>	<b>31,638</b>	<b>1.5%</b>
<b>Total Expenses with Capital Expense</b>		<b>1,133,767</b>	<b>1,120,956</b>	<b>1,180,328</b>	<b>5.3%</b>	<b>\$11,908,638</b>	<b>\$409,802</b>	<b>9.9%</b>
<b>Net with Capital Expense</b>		<b>(1,303)</b>	<b>222,620</b>	<b>330,103</b>	<b>48.3%</b>	<b>23,356</b>	<b>311,253</b>	<b>1413.4%</b>

Town of Carefree Reconciled Cash Receipts and Cash Disbursements as of September 30, 2021

After Reverse Accruals

Revenues	FY2020	FY2021	FY2022	2021 vs 2022	Budget	Sep21	% of Budget
	YTD Sep	YTD Sep	Y-T-D	% (+/-)			
Local Sales Taxes (1 month lag)	\$493,626	\$418,865	\$ 346,745	-17.2%	2,500,000	(240,684)	13.9%
State Sales Taxes (1 month lag)	77,403	86,308	104,774	21.4%	461,000	13,494	22.7%
Building Fees	68,087	102,188	108,171	5.9%	400,000	29,545	27.0%
State Income Tax	125,306	140,306	125,951	-10.2%	512,000	40,554	24.6%
Fines	13,710	20,290	58,771	189.7%	130,100	25,519	45.2%
Court Service Fees	41,522	57,578	29,684	-48.4%	178,106	14,842	16.7%
Town Clerk-Misc. Sales	140	56	0	0.0%	500	0	0.0%
Town Clerk-Permits & Sol Fees	375	25	175	0.0%	700	150	25.0%
Water Company Reimbursements	172,651	173,026	138,498	-20.0%	692,105	23,147	20.0%
33 Easy St Rent	3,766	3,900	3,900	0.0%	15,600	1,300	25.0%
Miscellaneous Income & Donations	41,530	41,660	25,209	-39.5%	51,000	0	49.4%
Interest Income	56,152	9,568	802	-91.6%	21,419	596	3.7%
Utility Franchise Fees (1 month lag)	57,567	58,057	60,957	5.0%	350,000	(69,075)	17.4%
County Lieu Tax (1 month lag)	36,663	42,822	37,253	-13.0%	182,000	8,219	20.5%
General Fund & All Funds Reserve Contribution(Below)	0	0	0	0.0%	4,108,945	0	0.0%
Special Events	44,425	21,020	24,806	18.0%	40,000	18,448	62.0%
County & State Grants	1,233	0	0	0.0%	209,798	0	0.0%
Court Enhancement, GAP, MJCEF	1,864	2,751	2,657	-3.4%	22,400	(281)	11.9%
HURF (1 month lag)	239,694	44,367	47,601	7.3%	261,000	(660)	18.2%
Cemetery	0	100	550	0.0%	600	300	91.7%
CPR Ed Fund	668	0	0	0.0%	200	0	0.0%
CARES Fund Grants	0	450,846	655,770	0.0%	468,521	0	140.0%
Utility Capital Improvement Fund	0	0	0	0.0%	22,400	(8,934)	0.0%
Fire Reimb Income & Ins Reimb	25,431	25,638	31,285	0.0%	53,600	19,503	58.4%
Fire Fund-L Sales Tax (1 month lag)	246,813	209,434	173,372	-17.2%	1,250,000	(120,342)	13.9%
<b>Total Revenues</b>	<b>1,748,626</b>	<b>1,908,806</b>	<b>1,976,930</b>	<b>3.6%</b>	<b>11,931,994</b>	<b>(244,359)</b>	<b>16.6%</b>
<b>Expenses</b>							
Mayor & Council	3,137	2,188	3,170	44.9%	214,375	800	1.5%
Town Clerk	79,802	61,202	83,108	35.8%	330,534	31,527	25.1%
Court	67,314	68,727	77,627	12.9%	285,532	23,856	27.2%
Administration	115,943	103,397	159,418	54.2%	571,832	62,280	27.9%
Claims & Losses	0	400	0	0.0%	10,000	0	0.0%
Legal	54,763	51,666	60,285	16.7%	160,000	20,289	37.7%
Risk Management	33,403	16,169	44,244	173.6%	120,000	8,213	36.9%
Planning & Development	48,630	48,593	62,051	27.7%	304,622	25,785	20.4%
Building Safety	45,993	47,670	65,927	38.3%	275,177	26,661	24.0%
Law Enforcement	120,134	128,180	128,912	0.6%	539,392	44,318	23.9%
Code Enforcement	12,930	11,409	14,082	23.4%	81,895	5,811	17.2%
Engineering	15,010	7,430	34,376	362.6%	269,684	14,921	12.7%
Public Works - Streets & Gardens	161,070	190,321	182,906	-3.9%	898,723	81,392	20.4%
Debt Service WIFA	227,509	231,385	235,406	1.7%	244,226	0	96.4%
33 Easy St	6,756	7,073	6,698	0.0%	27,750	2,158	24.1%
Capital Improvement Program (See Below)	0	0	0	0.0%	-	0	0.0%
Public Safety Fire General Fund	0	0	0	0.0%	279,733	0	0.0%
Economic Development	260,180	37,218	44,463	19.5%	320,003	18,591	13.9%
Contingencies	0	0	0	0.0%	200,000	0	0.0%
Court Enhancement, GAP, MJCEF	0	0	173	0.0%	1,437	0	12.1%
HURF (See Below)	0	0	0	0.0%	-	0	0.0%
Cemetery	0	0	0	0.0%	600	0	0.0%
CPR - Education Fund	0	0	0	0.0%	202	0	0.0%
AZ CARES Fund Expense	0	378,883	0	0.0%	468,621	0	0.0%
Utility Capital Improvement Fund (See Below)	0	0	0	0.0%	-	0	0.0%
Transfers Out	0	100	0	0.0%	0	0	0.0%
Fire Fund	380,656	15,161	403,902	2564.0%	1,304,300	134,971	31.0%
<b>Total Expenses without Capital Expense</b>	<b>1,633,230</b>	<b>1,407,171</b>	<b>1,606,748</b>	<b>14.2%</b>	<b>6,908,638</b>	<b>501,572</b>	<b>23.3%</b>
<b>Net without Capital Expense</b>	<b>\$ 115,396</b>	<b>\$ 501,634</b>	<b>\$ 370,182</b>		<b>\$ 5,023,356</b>	<b>\$ (745,930)</b>	<b>7.4%</b>
<b>All Capital Projects</b>	<b>120,789</b>	<b>180,797</b>	<b>124,275</b>	<b>0.0%</b>	<b>5,000,000</b>	<b>48,827</b>	<b>2.5%</b>
<b>Total Expenses with Capital Expense</b>	<b>1,754,019</b>	<b>1,587,969</b>	<b>1,731,023</b>	<b>9.0%</b>	<b>\$11,908,638</b>	<b>\$550,398</b>	<b>14.5%</b>
<b>Net with Capital Expense</b>	<b>(5,393)</b>	<b>320,837</b>	<b>245,907</b>	<b>-23.4%</b>	<b>23,356</b>	<b>(794,757)</b>	<b>1052.9%</b>

**Combined Trial Balance - All Funds  
September 30, 2021  
After Reverse Accruals**

**Assets**

Checking - National Bank of AZ	1,856,509
Local Gov't Investment Pool - AZ	12,325,053
Petty Cash	700
Advances to the Water Company	3,119,999
Total Assets	\$ 17,302,261

**Liabilities**

Accounts Payable	130,722
Bonds	38,510
Long Term Deferred Revenue	3,119,999
Total Liabilities	\$3,289,231

**Fund Balance**

Fund Balance-Beginning of Year	13,767,123
Year-to-date change in Fund Balance	245,907
Total Fund Balance	14,013,029
Total Liabilities and Fund Balance	\$ 17,302,261

Contingency Reserve Fund	\$2,500,000
Capital Fund	\$10,682,352
Total	\$13,182,352





TOWN OF CAREFREE

INFORMATION SUMMARY

MEETING DATE: January 4, 2022

SUBJECT: **Carefree Town Code Amendment, Penalties**

Discussion and solicitation of public comment regarding a proposed amendment to the *Carefree, Arizona Town Code*. This amendment seeks to protect the health, safety, and welfare of Carefree by properly and consistently defining enforceable penalties as defined throughout *Town Code*, in particular as it pertains to construction work without a building permit. This is the first of two required Ordinance readings.

SUMMARY:

Throughout Carefree's *Town Code*, penalties exist in the event violations occur. These offenses are defined as either civil or criminal and are designated as such depending upon the nature of the violation and its impact to the health safety and welfare of the community. Criminal offenses in Carefree's *Town Code* are identified as Class 1 Misdemeanors. The penalty for this type of criminal act shall mirror the language as defined in Arizona Revised Statutes (ARS) Title 13, Criminal Code. The penalty is as follows: "A fine of not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation."

The court's prosecutor, Manny Bustamonte pointed out to staff that under Carefree's *Town Code, Chapter 10 Building* (which requires all construction to obtain a building permit), the penalty does not align with current ARS language per above. Therefore, the Town cannot issue a citation for work without a permit thereby holding a person accountable for this offense. The proposed amendment corrects this language and allows for the issuance of a citation acceptable to the Carefree/Cave Creek Consolidated Court. This proposed text amendment also provides for consistency throughout the *Carefree, Arizona Town Code* as it pertains to Class 1 Misdemeanors so there is no question what category of offense is being assigned.

This is a public hearing and the first reading of the proposed amendment as required by *Town Code*. Public comments will be taken; however, no action is required at this time.

ATTACHMENTS:

- Proposed Ordinance 2022-01

ORDINANCE NO. 2022-01

AN ORDINANCE OF THE COMMON COUNCIL OF THE TOWN OF CAREFREE, MARICOPA COUNTY, ARIZONA, ADOPTING AMENDMENTS TO CHAPTERS 1, 5, 6, 10 AND 11, OF THE CAREFREE, ARIZONA TOWN CODE; PROVIDING FOR SEPARABILITY; ADOPTION AND APPROVAL BY THE MAYOR AND COMMON COUNCIL OF THE TOWN AS REQUIRED BY LAW AND DIRECTING THE TOWN CLERK OF THE TOWN OF CAREFREE TO INCORPORATE THIS AMENDMENT INTO THE CAREFREE, ARIZONA TOWN CODE.

BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAREFREE, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Section 1: The Mayor and Common Council deem it necessary, in order to conserve, promote, and protect the public health, safety and welfare, to amend that certain document known as the Carefree, Arizona Town Code.

Section 2: All ordinances and portions of ordinances in conflict with the provisions of this Ordinance, or inconsistent with the regulations of this Ordinance, are hereby repealed to the extent necessary to give this Ordinance full force and effect.

Section 3: The Amendments are made to Chapter 1 General, Chapter 5 Health And Safety, Chapter 6 Offenses, Chapter 10 Building, and Chapter 11 Streets And Public Ways amended as follows:

**CHAPTER 1 GENERAL, Article 1-8 PENALTY**

A. Any person found guilty of violating any provisions of this code or amendments thereto, except as otherwise provided in this code, shall be guilty of a Class 1 misdemeanor and upon conviction thereof shall be punished by a fine of not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation. Each day that a violation continues shall be a separate offense punishable as hereinabove described.

B. Notwithstanding any other provision of this code, any person found to have violated any provision of this code, or amendments thereto, which by its terms is classified as a civil offense, and who has been twice previously found to have violated such provision within the preceding twenty four months, shall, in addition to any penalty prescribed for such civil offense, be guilty of a Class 1 misdemeanor and shall be punished by a fine of not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by

a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation.

**CHAPTER 5 HEALTH AND SAFETY, Article 5-3 PRIVATE POOLS BARRIER CODE, Section 5-3-4 Violations and Penalties**

Any person who admits or is convicted of violating any provision of this article shall be guilty of a Class 1 misdemeanor and shall be punished by a fine not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment or probation. Each day the violation continues shall be a separate offense punishable as described herein.

**CHAPTER 6 OFFENSES, Article 6-2 NUISANCES ; ALL TERRAIN VEHICLE, Section 6-2-2 Abatement**

C. Any person who violates, disobeys, refuses to comply with, or who resists the enforcement of, subsection a of this section is guilty of a Class 1 misdemeanor, punishable by a fine of not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment or probation.

**CHAPTER 6 OFFENSES, Article 6-3 NO SHOOTING, Section 6-3-3 Violations and Penalties**

Any person who violates, disobeys, omits, neglects or refuses to comply with or who resists the enforcement of any of the provisions of this article shall, upon admission or conviction thereof, be guilty of a Class 1 misdemeanor and shall be punished by ~~imposition of~~ a fine of up to two thousand five hundred dollars by imprisonment for a period not to exceed six months jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment or probation ~~for such violation.~~

**CHAPTER 6 OFFENSES, Article 6-8 SHORT-TERM RENTALS RESPONSIBLE PARTY REQUIREMENTS AND OTHER VIOLATIONS, Section 6-8-5 Violations and Penalties**

A. 3. A third offense committed within twelve (12) months shall be deemed a Class 1 misdemeanor, and shall be punished by a fine of not more than two thousand five hundred dollars (\$2,500.00), imprisonment for up to one hundred eighty (180) days, probation for up to three (3) years, or any combination up to two thousand five hundred dollars, by imprisonment for a period not to exceed six months jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment or probation.

**CHAPTER 10 BUILDING, Article 10-1 COMPREHENSIVE BUILDING SAFETY CODE, Section 10-1-5 Violations and Penalties**

Any person, firm or corporation upon admission or conviction of violating any provision of this article, and the codes and public records adopted herein by

reference, shall be guilty of a Class 1 misdemeanor and shall be punished by a fine not to exceed ~~one thousand two hundred fifty dollars~~ or by imprisonment for ~~not more than ninety days~~, or by both such fine and imprisonment two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation. Each day that a violation continues shall be a separate offense punishable as described herein.

**CHAPTER 11 STREETS AND PUBLIC WAYS, Article 11-1 STREET EXCAVATION AND CONSTRUCTION IN PUBLIC RIGHTS-OF-WAY, Section 11-1-14 Violations and Penalties**

Any person upon admission or conviction of violating any provision of this article shall be guilty of a Class 1 misdemeanor and shall be punished by a fine not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation ~~one thousand two hundred fifty dollars or by imprisonment for a period not to exceed ninety days, or both such fine and imprisonment.~~ Each day that a violation continues shall be a separate offense punishable as hereinbefore prescribed.

**CHAPTER 11 STREETS AND PUBLIC WAYS, Article 11-3 POSTING OF SIGNS IN PUBLIC RIGHTS-OF-WAY; PERMITS, Section 11-3-5 Violations and Penalties**

Any person upon admission or conviction of violating any provision of this article shall be guilty of a Class 1 misdemeanor and shall be punished by a fine not to exceed two thousand five hundred dollars, by imprisonment for a period not to exceed six months in jail, by a term of probation not to exceed three years, or by any combination of such fine, imprisonment and probation. Each day that a violation continues shall be a separate offense punishable as hereinbefore prescribed.

Section 4: If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the amendments of this Ordinance 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 5: The immediate operation of the provision of this Ordinance is necessary for the immediate preservation of the public peace, health, and safety; and emergency is hereby declared to exist; and this ordinance shall be effective immediately and in full force and effect from and after its passage, adoption and approval by the Mayor and the Common Council of the Town of Carefree as required by law.

Section 6: The Town Clerk of the Town of Carefree shall incorporate the Amendment set forth herein into the Carefree Arizona Town Code.

PASSED, ADOPTED AND APPROVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAREFREE, ARIZONA, this \_\_\_ day of \_\_\_\_\_, 2020.

Ayes \_\_\_\_ Noes \_\_\_\_ Abstentions \_\_\_\_ Absent \_\_\_\_

TOWN OF CAREFREE

\_\_\_\_\_  
Les Peterson, Mayor

Attest:

\_\_\_\_\_  
Kandace French Contreras, Town Clerk

Approved as to Form:

\_\_\_\_\_  
Mike Wright, Town Attorney



**TOWN OF CAREFREE  
INFORMATION SUMMARY**

**MEETING**

**DATE:** January 4, 2022

**SUBJECT:** Review and Amendment of Economic Development Element to the Council Strategic Work Plan 2020-2022

**ATTACHMENT:** Resolution # with the Revised 24-Month Economic Development Work Plan

**SUMMARY:**

In 2020, Town Council conducted a series of three public workshops to vet out a comprehensive strategic work plan that to guide Council decisions and policies during the Council term. The videos of these meetings were made available on the Town's website and updates were provided through COINS. The Town Council, on December 1, 2020, further approved Resolution 2020-1, which was approval for the 24-month Economic Development Element of the Council Strategic Work Plan.

As part of this Economic Development Work Plan, periodic updates were required. This report provides a 12-month update, as well as recommendations for amending such plan for the remaining 12-month period. The following outlines the Specific Tasks outlined in the plan, and the progress towards those tasks.

**Create Economic Development Advisory Board – The Economic Development Advisory Board is Town Council appointed Board, with Board Members having a two-year term. After the initial Board is created, Board Members will be selected the December after in the year of a Town Council general election, with terms running starting and ending on January 2. The Commission will meet monthly, and provide staff guidance on the economic development, land development, disposition and acquisition and financial strategies approved by the Town Council.**

The Economic Development Advisory Board was anticipated to be created January 2022. Upon evaluation of the necessity and future economic development decisions to be made, the predominance of these items will be focused on Town Center and the future of the 45-acre State Land Parcel (which is being recommended for evaluation under the General Plan Update). Both of these, statutorily, fall under the Planning and Zoning Commission. The current membership of the Planning and Zoning Commission has a diverse makeup including development, redevelopment, economic development and finance. Furthermore, Town Council approved a Redevelopment Area Boundary August 3, 2021. This approval, in turn, started a sequence of events required by Arizona Revised Statute, including the creation of a Redevelopment Plan. This Redevelopment Plan, by statute, is to be recommended to Council by the Planning and Zoning Commission. Therefore, Staff recommends that, at this time, Council appoint the Planning and Zoning Commission as Economic Development Advisory Board. Arizona Revised Statutes further allows a Council to defer oversight of redevelopment activities to a Redevelopment Commission. The duties, appointments and terms of this

commission are spelled out by state law, and conflicts with the and appointments and terms of the Economic Development Advisory Board as originally outlined in this plan. The Planning and Zoning Commission and Town Council, during the Redevelopment Planning process, can then further vet the necessity of a sole and separate Redevelopment Commission, to enact the duties originally assigned to a possible Council appointed Economic Development Advisory Board.

**Evaluate Town Signage and Pedestrian Access – Town will look to engage a consultant to evaluate and provide advice on a comprehensive Town Signage, walkway and crosswalk plan. This may occur part and parcel to any refinements to the Town Center Master Plan.**

Town Hired Kimley Horn to prepare a Signage, Circulation and Parking Plan. On December 8, Kimley Horn delivered the first technical memo and alternatives for the plan. This information will be reviewed by the stakeholder group, and public engagement plan is in process to seek business, property owner and resident engagement. The plan is expected to be completed by May 2022.

**Prepare options for potential Town Hall relocation and development of current Town Hall site – Town Hall currently sits on a valuable piece of commercial property with direct frontage to Cave Creek Road and the Sundial. Staff will examine multiple options to see how a future, 5,000 square foot Town Hall can be completed, while enabling other Council objectives.**

As part of an eventual Redevelopment Plan, staff has been evaluating several locations for a future Town Hall, as the current site would be a key redevelopment opportunity. These sites include the expansion of the current Carefree Water and Public Works Campus, an addition to existing Town Council Chambers, and 2 other vacant parcels in Town Center.

**With owner consent, initiate, March 2021, and process general plan amendments as special commercial planning areas in an effort to meet future revenue needs of the Town. It is anticipated these will be provided for P&Z consideration November 2021 and Town Council December 2021.**

- 45 acre State Land Parcel south of Sky Ranch
- 21 acre NWC of Carefree Highway and Tom Darlington

Staff completed the General Plan Amendment for the 21-acre site at NWC of Carefree Highway and Tom Darlington. The Special Planning Area Designation was approved by Council December 7, 2021, and will target a resort use.

Due to the size of site, and a growing list of potential needs and community uses, staff recommends that the 45-acre State Land parcel be considered along with the General Plan Update. Further evaluation for public amenities, open space, residential and commercial uses should be considered with additional public input. Therefore, the attached Resolution would amend this Work plan as described in Attachment A.

**Initiate retail development, tourism and absorption study to better understand the capacity and nature of retail and destination venues, such as resorts, to build a better timeline and probability of reaching future revenue goals. Absorption analysis should be done in concert with general plan amendments and Town Center master plan.**

As part of the Redevelopment Plan, Town Council approved the hiring of ESI, through the Kimley Horn Contract. ESI provided the original market analysis for the Village Center Master Plan in 2015. They will update this information in January 2022, as a baseline for the Redevelopment Plan process, and further evaluate the expected Redevelopment Plan impacts on the commercial sector. This will also take into account the new Hilton Hotel, and projected resort at Carefree Highway and Tom Darlington.

**Engage Town Center property owners, starting January 2021, and begin master plan discussions. This Master plan will further expand upon the initial concepts of the Baker Study, and along with the retail absorption analysis, refresh the economic and demographic data**

- **Examine “Main Street” Concept for Cave Creek Rd and Tom Darlington Drive to provide commercial street frontage, sidewalks and on-street parking, which could improve pedestrian connectivity, slow traffic and create a better sense of arrival, as well as enable the viability of vacant commercial properties.**
- **Examine parking, signage and pedestrian access in concert with a comprehensive Carefree signage and pedestrian study**
- **Recommend zoning changes that allow for a more functional and efficient development and use of space consistent with the values of Carefree and financial goals to increase revenue. Specifically, mixed**



**use should be encouraged with a focus on adding more diversified residential opportunities to the Town Center**

- **Charrette key corridors to develop better auto and pedestrian linkage between commercial subgroups, for example, the roadway/sidewalks connecting 100 Easy Street to Spanish Village.**
- **Identify costs and funding solutions. This is critical, as any solutions may require some level of property assessment. The key is to work with property owners on these solutions so that public improvements made increase the viability and value of impacted commercial properties**

Staff has been in contact with the majority of Town Center landowners and businesses. The following outlines activities to date:

- Planning Staff prepared an initial Main Street concept for Cave Creek Road, which Economic development staff shared with several key Town Center landowners.
- Kimley Horn is in process on the Signage, Circulation and Parking Plan. This plan will also include options for creating parking, pathways and safer intersections on Tom Darlington Drive and Cave Creek Road. When completed this will also provide a high-level infrastructure plan, with engineering details and costs for Tom Darlington and Cave Creek Road improvements. The plan will provide the overall vision and backbone for a Town Center capital improvement and financing program
- All landowners were contacted and included in the creation of the Redevelopment Area boundary, and will be included in the Redevelopment Area Plan process to be spearheaded by Michael Baker International
- ESI in process on market update.

### **Examine options to add additional residential within the Town Center**

This will be done in conjunction with the Redevelopment Area Plan Process

**Continue to work with developers on NEC Cave Creek Rd and Carefree Highway. Property is already zoned, and we are actively engaged with developers for the site.**

New owners/developers to be announced in the near future.

**Create wellness and destination strategy to build upon the vast number of wellness business in Carefree, Civana, Spirit in the Desert, Hampton Inn, as well as outdoor amenities including Bartlett Lake, Tonto National Forest, desert preserves, horseback riding and off-roading. Proposal to be completed by June 2021.**

- Staff has added a wellness component to the Sanderson Lincoln Pavilion with Zumba, Yoga and Tai Chi.
- Staff has been working with Civana, Hilton and Spirit in the Desert to build a destination brand, and has created a component dedicated to the destination brand on the Town website.
- Staff has met with Bartlett Lake Marina, and will work with the Marina operator to identify opportunities for partnership
- A new Visitor Center is almost set to open in the Sanderson Lincoln Pavilion, to enhance the visitor experience and support the local business community

**Implement Marketing strategy (see below)**

**Work with businesses to coordinate sector associations. The idea is to create retail business sector associations, such as restaurants, art, wellness, home and fashion, and develop marketing, PR and event strategies with each to generate more traffic. The leaders of each organization can share information from group to group and can routinely provide advice to the Economic Development Commission. Complete all associations by May 2021.**

Pandemic made this endeavor a little more difficult. Currently, there is a Restaurant Association, and staff is in contact with them on Restaurant Week, as well as coordinating events. Staff is currently working with all the art galleries, and have continued with Art Walk nights. The galleries, while not formally organized have participated in a joint advertising campaign, promoting the galleries, Art Walk and the Town of Carefree.

**Develop strategies to maximize gardens and Sanderson Lincoln pavilion to bring in the best possible events, that are complementary to Carefree, as well as, create a slate of community events and activities that benefit Carefree residents and businesses. Staff will consider options for professionally managed services. Bring recommendations to Council by June 2021.**

Have continued with Farmer's Market every Friday, and utilizing the Sanderson Lincoln Pavilion for community based events including Live Theatre performances with Foothills Theatre, a local artist concert series, Earth Day celebration, Carefree Lights Up Christmas, Multiple wellness classes, Chanukah in Carefree, and concerts with the Foothills Presbyterian Church. Staff is still exploring options for managing and promoting the Sanderson Lincoln Pavilion.

**Work with property owners on redevelopment and adaptive reuse strategies including Los Portales, Mariachi Plaza, 100 Easy Street 11 Sundial Plaza and Town Hall. Engage during Town Center master plan discussions.**

Met directly with, and in discussion with each of these property owners.

**ACTION NEEDED:**

Approval of Resolution 2022-01.

REPORT PREPARED BY:

\_\_\_\_\_  
Steve Prokopek, Economic Development Director

**TOWN OF CAREFREE  
RESOLUTION 2022-01**

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF  
THE TOWN OF CAREFREE, ARIZONA, AMENDING THE ECONOMIC  
DEVELOPMENT COMPONENT OF THE 2020-2022 TOWN COUNCIL STRATEGIC  
WORK PLAN**

**WHEREAS**, the Town Council has conducted a series of public workshops on September 29, October 13, and November 18, 2020;

**WHEREAS**, the purpose of these public workshops were to develop a strategic work plan for the Council;

**WHEREAS**, one of the elements of this strategic work plan specifically focused on the implementation of an Economic Development Plan;

**WHEREAS**, the Economic Development Plan was approved by resolution #2020-11 On December 1, 2020

**WHEREAS**, the attached document (Exhibit A) outlines the principle objectives for the Economic Development Plan;

**WHEREAS**, staff will incrementally present to Council updates on the status of the Economic Development Plan;

**WHEREAS**, staff is now providing a 12-month update;

**WHEREAS**, staff recommends that the plan further be revised per Exhibit A for the 12-month period from January 2022 to December 2022.

**WHEREAS**, this Resolution will formally adopt this publicly available and vetted work plan;

**NOW, THEREFORE, IT IS RESOLVED** by the Mayor and Town Council of the Town of Carefree, Arizona that the attached document will be a component of the Council Strategic Work Plan 2020-2022, and will act as the Town Council approved goals, objectives and tasks, pertaining to the Economic Development and Financial Stability component.

**PASSED AND ADOPTED BY** the Mayor and Town Council of the Town of Carefree, Arizona, this 4th day of January, 2022.

AYES \_\_\_\_\_ NOES \_\_\_\_\_ ABSTENTIONS \_\_\_\_\_ ABSENT \_\_\_\_\_

FOR THE TOWN OF CAREFREE

ATTESTED TO:

**Les Peterson, Mayor**

**Kandace French-Contreras,  
Town Clerk**

APPROVED AS TO FORM:

**Michael Wright, Town Attorney**

**EXHIBIT A**  
**Economic Development and Financial Stability**  
**2021-2022 Workplan Objective**

As the Town of Carefree examines future services requirements and costs, under the current revenue models, we project the need for approximately \$3.0-3.5 MM in additional annual revenue by 2030. The contributing factors to this budget gap include: Inflationary increases (est. \$1.8MM); Loss in revenues (est. \$400K); Replacement of depreciated assets (est. \$1.0MM). Additionally, as the Town nears build-out, the Town can rely less on one-time revenue sources, such as construction sales tax, as well as, reductions to state shared revenues.

In order to meet the future gap, and future expanded community service needs, the Town needs to create a sustainable source of recurring annual revenue. In lieu of an ad valorem tax, the Town will need to implement other sources, including retail sales tax, hospitality tax, and rental tax.

Overall, to meet this primary goal, the Town has the following Economic Development Objectives:

1. Develop the NEC of Cave Creek Road and Carefree Highway
  - a. Anticipated Use – Regional Commercial
  - b. Estimated Annual Revenue - \$1,200,000
  - c. Estimated Time Frame – 60% by 2024; 90% by 2026; 100% by 2028
2. Develop the NWC of Carefree Highway and Tom Darlington Drive
  - a. Anticipated Use – Hospitality and neighborhood retail/restaurant
  - b. Estimated Annual Revenue - \$1,000,000
  - c. Estimated Time Frame – 80% by 2025; 100% by 2027
3. Develop State land Parcel on Cave Creek Road south of Sky Ranch Airport
  - a. Anticipated Use – Mixed Use with at 50% commercial/hospitality
  - b. Estimated Annual Revenue - \$1,300,000
  - c. Estimated Time Frame – 50% by 2026; 100% by 2028
4. Maximize Town Center
  - a. Anticipated Use – Neighborhood Retail, Hotel and Rental Housing
  - b. Estimated Revenue - \$550,000
  - c. Estimated Time Frame – 40% by 2021; 80% by 2024; 100% by 2027

In order to meet these objectives, the Town will engage in the following strategic initiatives over the 24-month period (2021-2022 calendar).

- ~~• Create Economic Development Advisory Board—The Economic Development Advisory Board is Town Council appointed Board, with Board Members having a two-year term. After the initial Board is created, Board Members will be selected the December after in the year of a Town Council general election, with terms running starting and ending on January 2. The Commission will meet monthly, and provide staff guidance on the economic development, land development,~~

~~disposition and acquisition and financial strategies approved by the Town Council.~~ The Planning and Zoning Commission will be assuming the role of Economic Development Advisory Board given their overlapping expertise in land use and development related issues (see below discussion).

- Evaluate Town Signage and Pedestrian Access – Town will look to engage a consultant to evaluate and provide advice on a comprehensive Town Signage, walkway and crosswalk plan. This may occur part and parcel to any refinements to the Town Center Master Plan.
- Prepare options for potential Town Hall relocation and development of current Town Hall site – Town Hall currently sits on a valuable piece of commercial property with direct frontage to Caver Creek Road and the Sundial. Staff will examine multiple options to see how a future, 5,000 square foot Town Hall can be completed, while enabling other Council objectives.
- With owner consent, initiate, March 2021, and process general plan amendments as special commercial planning areas in an effort to meet future revenue needs of the Town. It is anticipated these will be provided for P&Z consideration November 2021 and Town Council December 2021.
  - ~~45 acre State Land Parcel south of Sky Ranch~~
  - 21 acre NWC of Carefree Highway and Tom Darlington
- Work with Planning to incorporate the 45 acre state land parcel into the General Plan Update to establish future land use designation.
- Initiate retail development, tourism and absorption study to better understand the capacity and nature of retail and destination venues, such as resorts, to build a better timeline and probability of reaching future revenue goals. Absorption analysis should be done in concert with general plan amendments and Town Center master plan.
- Engage Town Center property owners, starting January 2021, and begin master plan discussions. This Master plan will further expand upon the initial concepts of the Baker Study, and along with the retail absorption analysis, refresh the economic and demographic data
  - Examine “Main Street” Concept for Cave Creek Rd and Tom Darlington Drive to provide commercial street frontage, sidewalks and on-street parking, which could improve pedestrian connectivity, slow traffic and create a better sense of arrival, as well as enable the viability of vacant commercial properties.
  - Examine parking, signage and pedestrian access in concert with a comprehensive Carefree signage and pedestrian study
  - Recommend zoning changes that allow for a more functional and efficient development and use of space consistent with the values of Carefree and financial goals to increase revenue. Specifically, mixed use should be encouraged with a focus on adding more diversified residential opportunities to the Town Center
  - Charrette key corridors to develop better auto and pedestrian linkage between commercial subgroups, for example, the roadway/sidewalks connecting 100 Easy Street to Spanish Village.

- Identify costs and funding solutions. This is critical, as any solutions may require some level of property assessment. The key is to work with property owners on these solutions so that public improvements made increase the viability and value of impacted commercial properties
- Examine options to add additional residential within the Town Center
- While staff evaluated the master plan concept for Town Center (above), including an evaluation if the physical environment, review of previous calls for revitalization in previous master plans, the inability to implement many of the items in the Village Center Master Plan, and conversations with property owners, businesses, residents and outside experts, it became evident that the Town consider a Redevelopment Area. This concept was presented to Council March 2021, and Council authorized staff to pursue a Redevelopment Area through the outreach to property owners, businesses and the Planning and Zoning Commission
  - Public Workshop was held with Planning and Zoning May 2021.
  - Staff reached out directly to property owners discussing the need and potential boundary for a Redevelopment Area.
  - Based upon property owner input and Planning and Zoning input, staff presented the necessity of finding and Redevelopment Area Boundary to Town Council, which approved by resolution the Finding of Necessity as well as the boundary.
  - With the approval of the Redevelopment Area Boundary, State Law requires the creation of a Redevelopment Plan, and creates the potential for an official Redevelopment Commission, per state statute. The Redevelopment Plan requires the recommendation of the Planning and Zoning Commission. Being that the Planning and Zoning Commission is the official recommending authority per state law, and is comprised of a diverse membership, it minimizes the immediate necessity of an additional Council level advisory committee. Therefore, as the Planning and Zoning Commission is required to review and recommend the creation of a Redevelopment Plan, the Planning and Zoning Commission, at this point is should be appointed, in the role and responsibilities of the Economic Development Advisory Board, this being the primary focus on the creation and recommendation of the Redevelopment Plan, and the future of the 45-Acre State land parcel. Additionally, the Planning and Zoning Commission, along with Town Council will further vet the need for a sole and separate Redevelopment Commission, as allowed and prescribed by state statute, to further take on the original tasks of what was anticipated by the Economic Development Advisory Board
  - Michael Baker (MBI) International has been hired as a sub consultant to Kimley Horn (KH). MBI will work on the specific requirements of the Redevelopment Area Plan, and will incorporate the KH signage, circulation and parking plan. All information will be included in an updated Village Ceter Master Plan.
  - Next Steps:



- Work with KH Study Stakeholder Group to prepare initial public package for review.
- Prepare a public engagement plan and series of Planning and Zoning workshops. Public engagement will include property owners, businesses and residents
- Complete signage, circulation and parking plan
- Complete redevelopment plan
- Update capital improvement plan financing strategy
- Planning and Zoning Commission Recommendation
- Town Council approval
- Continue to work with developers on NEC Cave Creek Rd and Carefree Highway. Property is already zoned, and we are actively engaged with developers for the site.
- Create wellness and destination strategy to build upon the vast number of wellness business in Carefree, Civana, Spirit in the Desert, Hampton Inn, as well as outdoor amenities including Bartlett Lake, Tonto National Forest, desert preserves, horseback riding and off-roading. Proposal to be completed by June 2021.
- Implement Marketing strategy (see below)
- Work with businesses to coordinate sector associations. The idea is to create retail business sector associations, such as restaurants, art, wellness, home and fashion, and develop marketing, PR and event strategies with each to generate more traffic. The leaders of each organization can share information from group to group and can routinely provide advice to the Economic Development Commission. Complete all associations by May 2021.
- Develop strategies to maximize gardens and Sanderson Lincoln pavilion to bring in the best possible events, that are complementary to Carefree, as well as, create a slate of community events and activities that benefit Carefree residents and businesses. Staff will consider options for professionally managed services. Bring recommendations to Council by June 2021.
- Work with property owners on redevelopment and adaptive reuse strategies including Los Portales, Mariachi Plaza, 100 Easy Street 11 Sundial Plaza and Town Hall. Engage during Town Center master plan discussions.

### **Marketing Plan Outline**

- Hire communications and marketing coordinator
- Develop strategies for
  - Local trade area
  - Greater phoenix destination
  - National program in conjunction with resort
- Create relationships with Bartlett Lake, National forest and DFLT

- Develop comprehensive social media and electronic platform
- Update Economic Development Website with market information and site opportunities
- Implement business development strategies with developers and brokers
- Develop cluster retail associations
  - Restaurants
  - Art Galleries
  - Health, beauty and wellness
- Work closely with businesses and local associations to identify customer bases and develop targeted marketing strategies, for example art consumers
- Maximize the value of Sanderson Lincoln Pavilion, Thunderbird Artist shows, sundial and gardens

Combined Trial Balance - All Funds  
October 31, 2021



**Assets**

Checking - National Bank of AZ	1,844,255
Local Gov't Investment Pool - AZ	12,390,046
Petty Cash	700
Advances to the Water Company	3,068,979
<b>Total Assets</b>	<b>\$ 17,303,980</b>

**Liabilities**

Accounts Payable	121,149
Bonds	38,510
Sales Tax Remittance	
Long Term Deferred Revenue	3,068,979
<b>Total Liabilities</b>	<b>\$3,228,639</b>

**Fund Balance**

Fund Balance-Beginning of Year	13,767,123
Year-to-date change in Fund Balance	308,223
<b>Total Fund Balance</b>	<b>14,075,346</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 17,303,980</b>

Contingency Reserve Fund	\$2,500,000
Capital Fund	\$10,737,133
<b>Total</b>	<b>\$13,237,133</b>

**Town of Carefree Reconciled Cash Receipts and Cash Disbursements as of October 31, 2021**

Revenues	FY2020	FY2021	FY2022	2021 vs 2022		Budget	Oct21	% of Budget
	YTD Oct	YTD Oct	Y-T-D	% (+/-)				
Local Sales Taxes (1 month lag)	\$577,918	\$601,871	\$ 582,219	-3.3%		2,500,000	(156,340)	23.3%
State Sales Taxes (1 month lag)	109,965	128,131	146,999	14.7%		461,000	19,282	31.9%
Building Fees	120,886	119,712	126,671	5.8%		400,000	18,501	31.7%
State Income Tax	167,074	187,074	166,505	-11.0%		512,000	40,554	32.5%
Fines	23,943	29,135	68,160	133.9%		130,100	9,389	52.4%
Court Service Fees	69,203	57,578	29,684	-48.4%		178,106	14,842	16.7%
Town Clerk-Misc. Sales	140	56	0	0.0%		500	0	0.0%
Town Clerk-Permits & Sol Fees	450	100	175	75.0%		700	0	25.0%
Water Company Reimbursements	230,201	230,701	144,061	-37.6%		692,105	(28,965)	20.8%
33 Easy St Rent	4,934	5,067	5,067	0.0%		15,600	1,167	32.5%
Miscellaneous Income & Donations	41,530	41,760	25,209	-39.6%		51,000	0	49.4%
Interest Income	68,678	10,025	958	-90.4%		21,419	156	4.5%
Utility Franchise Fees (1 month lag)	136,556	142,598	83,941	-41.1%		350,000	(46,092)	24.0%
County Lieu Tax (1 month lag)	50,541	58,981	52,115	-11.6%		182,000	7,083	28.6%
General Fund & All Funds Reserve Contribution(Belc)	0	0	0	0.0%		4,108,945	0	0.0%
Special Events	58,074	21,580	25,406	17.7%		40,000	14,248	63.5%
County & State Grants	1,233	10,000	0	0.0%		209,798	0	0.0%
Court Enhancement, GAP, MJCEF	2,489	3,633	5,305	46.0%		22,400	2,368	23.7%
HURF (1 month lag)	261,852	66,860	71,293	6.6%		261,000	(991)	27.3%
Cemetery	100	100	750	0.0%		600	200	125.0%
CPR Ed Fund	668	0	0	0.0%		200	0	0.0%
CARES Fund Grants	0	450,846	655,770	0.0%		468,521	0	140.0%
Utility Capital Improvement Fund	3,352	3,314	4,252	28.3%		22,400	(4,682)	19.0%
Fire Reimb Income & Ins Reimb	27,941	25,360	31,007	0.0%		53,600	16,319	57.8%
Fire Fund-L Sales Tax (1 month lag)	288,959	300,937	291,110	-3.3%		1,250,000	(78,170)	23.3%
<b>Total Revenues</b>	<b>2,246,687</b>	<b>2,495,419</b>	<b>2,516,657</b>	<b>0.9%</b>		<b>11,931,994</b>	<b>(171,130)</b>	<b>21.1%</b>
<b>Expenses</b>								
Mayor & Council	3,469	2,672	4,231	58.3%		214,375	1,061	2.0%
Town Clerk	115,184	102,622	106,125	3.4%		330,534	22,838	32.1%
Court	94,556	97,223	95,172	-2.1%		285,532	17,545	33.3%
Administration	163,167	144,291	199,506	38.3%		571,832	40,088	34.9%
Claims & Losses	0	400	0	0.0%		10,000	0	0.0%
Legal	58,666	112,843	73,191	-35.1%		160,000	12,906	45.7%
Risk Management	33,503	16,169	44,244	173.6%		120,000	0	36.9%
Planning & Development	69,116	70,567	80,461	14.0%		304,622	18,410	26.4%
Building Safety	64,837	67,982	87,391	28.6%		275,177	21,465	31.8%
Law Enforcement	159,762	171,414	169,336	-1.2%		539,392	40,425	31.4%
Code Enforcement	17,610	16,072	17,830	10.9%		81,895	3,749	21.8%
Engineering	17,447	9,907	43,711	341.2%		269,684	9,335	16.2%
Public Works - Streets & Gardens	217,677	253,798	239,120	-5.8%		898,723	56,214	26.6%
Debt Service WIFA	227,509	231,385	235,406	1.7%		244,226	0	96.4%
33 Easy St	8,703	9,621	8,851	0.0%		27,750	2,153	31.9%
Capital Improvement Program (See Below)	0	0	0	0.0%		-	0	0.0%
Public Safety Fire General Fund	0	0	0	0.0%		279,733	0	0.0%
Economic Development	430,227	58,219	59,614	2.4%		320,003	15,151	18.6%
Contingencies	0	0	0	0.0%		200,000	0	0.0%
Court Enhancement, GAP, MJCEF	0	0	(252)	0.0%		1,437	(425)	0.0%
HURF (See Below)	0	0	0	0.0%		-	0	0.0%
Cemetery	0	0	0	0.0%		600	0	0.0%
CPR - Education Fund	0	0	0	0.0%		202	0	0.0%
AZ CARES Fund Expense	0	450,908	0	0.0%		468,621	0	0.0%
Utility Capital Improvement Fund (See Below)	0	0	0	0.0%		-	0	0.0%
Transfers Out	0	100	0	0.0%		0	0	0.0%
Fire Fund	506,516	70,897	535,531	655.4%		1,304,300	131,511	41.1%
<b>Total Expenses without Capital Expense</b>	<b>2,187,949</b>	<b>1,887,090</b>	<b>1,999,471</b>	<b>6.0%</b>		<b>6,908,638</b>	<b>392,426</b>	<b>28.9%</b>
<b>Net without Capital Expense</b>	<b>\$ 58,738</b>	<b>\$ 608,330</b>	<b>\$ 517,186</b>			<b>\$ 5,023,356</b>	<b>\$ (563,556)</b>	<b>10.3%</b>
<b>All Capital Projects</b>	<b>264,847</b>	<b>256,035</b>	<b>208,963</b>	<b>-18.4%</b>		<b>5,000,000</b>	<b>84,688</b>	<b>4.2%</b>
<b>Total Expenses with Capital Expense</b>	<b>2,452,796</b>	<b>2,143,125</b>	<b>2,208,434</b>	<b>3.0%</b>		<b>\$11,908,638</b>	<b>\$477,113</b>	<b>18.5%</b>
<b>Net with Capital Expense</b>	<b>(206,109)</b>	<b>352,294</b>	<b>308,223</b>	<b>-12.5%</b>		<b>23,356</b>	<b>(648,244)</b>	<b>1319.7%</b>