

FY 2019 4th Quarter Financial Report



"Inspiring a Vibrant Community"

City of Cottonwood



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City of Cottonwood
Fiscal Year 2019 – 4th Quarter Report
For The Period Ending June30, 2019

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EXECUTIVE SUMMARY

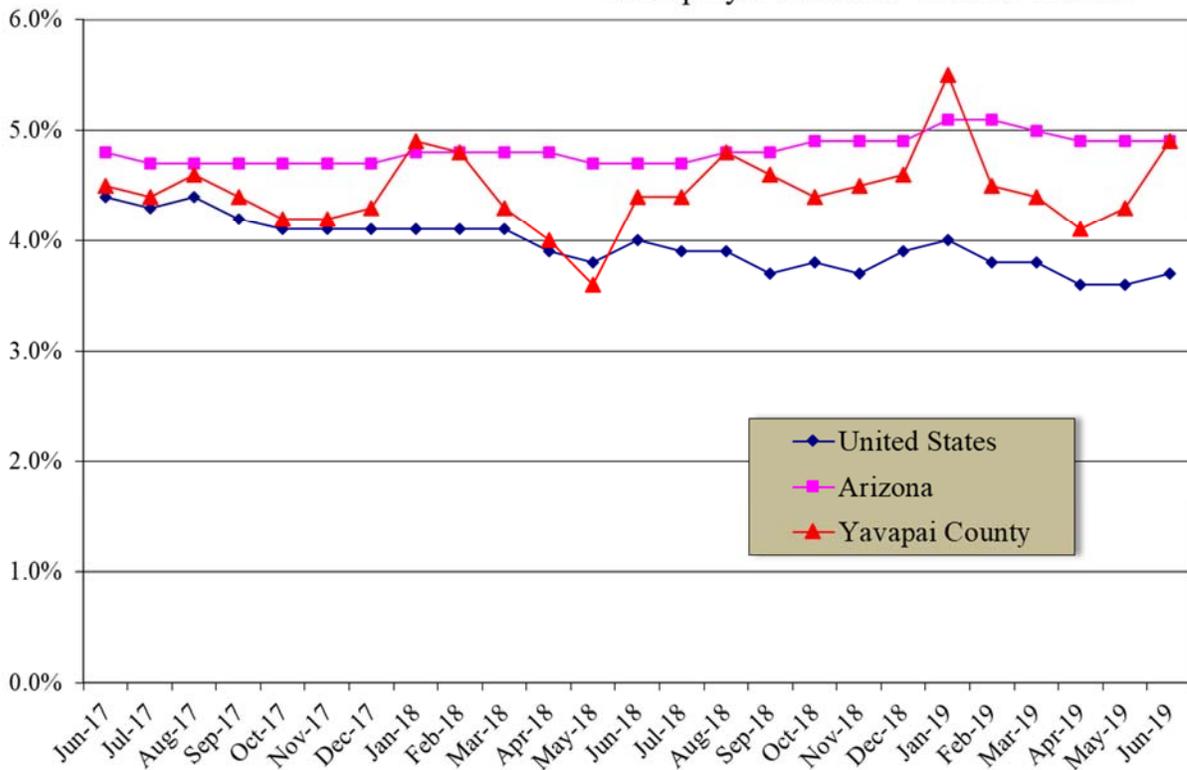
This unaudited quarterly report at year-end highlights notable items and issues impacting the overall City’s financial picture. The report includes Cottonwood’s major funds. Those funds being the General Fund, Highway User Revenue Fund (HURF), the two Enterprise Funds, the Capital Improvement Fund, and the Debt Service Fund. All funds are reflected in the attached printout.

¹Unemployment Information:

Yavapai unemployment numbers were are currently trending the same as the state but weaker compared to the overall national numbers. Even though the current unemployment numbers are good, the lower the unemployment rate the more difficult it is to find reasonable employment or qualified help. These lower numbers also play a big factor in some of our overall cost for services. Unfortunately, most available jobs are still mostly minimum wage jobs. As a reminder, the minimum wage in AZ is \$11.00/hr. as of January 1, 2019 and will be going up to \$12.00/hr. in January 2020.

Monthly	United States	Arizona	Yavapai County
Jun-17	4.4%	4.8%	4.5%
Jul-17	4.3%	4.7%	4.4%
Aug-17	4.4%	4.7%	4.6%
Sep-17	4.2%	4.7%	4.4%
Oct-17	4.1%	4.7%	4.2%
Nov-17	4.1%	4.7%	4.2%
Dec-17	4.1%	4.7%	4.3%
Jan-18	4.1%	4.8%	4.9%
Feb-18	4.1%	4.8%	4.8%
Mar-18	4.1%	4.8%	4.3%
Apr-18	3.9%	4.8%	4.0%
May-18	3.8%	4.7%	3.6%
Jun-18	4.0%	4.7%	4.4%
Jul-18	3.9%	4.7%	4.4%
Aug-18	3.9%	4.8%	4.8%
Sep-18	3.7%	4.8%	4.6%
Oct-18	3.8%	4.9%	4.4%
Nov-18	3.7%	4.9%	4.5%
Dec-18	3.9%	4.9%	4.6%
Jan-19	4.0%	5.1%	5.5%
Feb-19	3.8%	5.1%	4.5%
Mar-19	3.8%	5.0%	4.4%
Apr-19	3.6%	4.9%	4.1%
May-19	3.6%	4.9%	4.3%
Jun-19	3.7%	4.9%	4.9%

Unemployment Rates - Past 24 months



¹ United States <http://data.bls.gov/timeseries/LNS14000000>
 Arizona <http://data.bls.gov/timeseries/LASST0400000000000003>
 Yavapai County <https://research.stlouisfed.org/fred2/series/AZYAVA0URN>

GENERAL FUND

The following tables and graphs reflect the General Fund major revenue sources. All of the information compares monthly collections for similar periods from prior years. The major revenues consist of local sales tax as well as state shared resources.

Local Transaction Privilege Tax (TPT - also known as Sales Tax)

Our local sales tax makes up over 50% of the overall General Fund revenues and is the backstop for all other funds. At year end we are at 15.05% or \$2.1M over the same period last year. This growth is partially due to the sales tax increase of .5% that was enacted in November 2018.

Local Sales Tax

	FY 2017		FY 2018		FY 2019		
					3% Sales Tax	.5% Tax	3.5% Total TPT Tax
Jul	\$1,191,580	7.73%	\$1,133,465	-4.88%	\$1,227,250		\$1,227,250 8.27%
Aug	885,969	-8.90%	998,247	12.67%	1,192,257		1,192,257 19.44%
Sep	993,048	-1.65%	1,544,902	55.57%	1,199,596		1,199,596 -22.35%
Oct	1,265,041	15.45%	810,950	-35.90%	1,229,803		1,229,803 51.65%
Nov	1,037,756	-0.63%	1,168,716	12.62%	1,273,289		1,273,289 8.95%
Dec	1,568,633	34.40%	1,326,537	-15.43%	1,225,661	205,350	1,431,011 7.88%
Jan	1,015,661	12.29%	1,211,473	19.28%	1,384,825	232,017	1,616,842 33.46%
Feb	874,551	-17.99%	1,123,546	28.47%	1,169,491	195,939	1,365,431 21.53%
Mar	945,395	-19.86%	1,844,340	95.09%	1,162,709	194,803	1,357,511 -26.40%
Apr	1,579,624	41.66%	654,573	-58.56%	1,411,805	236,537	1,648,342 151.82%
May	965,193	-13.61%	1,285,684	33.20%	1,316,551	220,578	1,537,129 19.56%
Jun	1,225,499	9.88%	1,445,179	17.93%	1,420,085	237,924	1,658,009 14.73%
	\$13,547,950	5.07%	\$14,547,612	7.38%	\$15,213,321	\$1,523,148	\$16,736,469 15.05%

The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved an additional two tenths percent increase to construct a new city library. The current tax rate is three & one half percent (3.5%) after an increase of .5% this fiscal year to help fund the many needs through to the community.



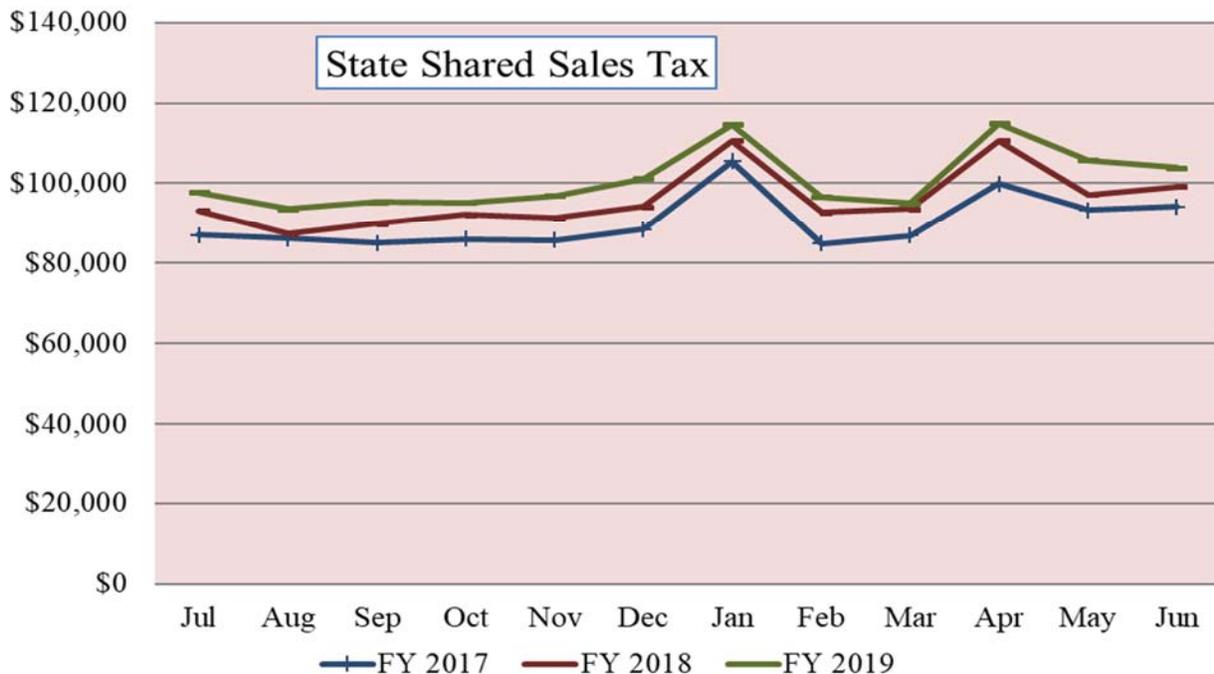
State Shared Sales Tax

This revenue is one of several state shared revenues that the City receives from the state. FY 2018 was a relatively strong year for this state shared revenue. FY 2019 is anticipated to continue that trend.

	FY 2017		FY 2018		FY 2019	
Jul	\$87,090	2.67%	\$93,165	6.98%	\$97,708	4.88%
Aug	86,133	1.40%	87,338	1.40%	93,595	7.16%
Sep	84,988	1.81%	89,857	5.73%	95,331	6.09%
Oct	85,977	0.69%	92,151	7.18%	95,196	3.30%
Nov	85,674	-1.73%	91,265	6.53%	96,964	6.24%
Dec	88,436	0.69%	94,223	6.54%	101,166	7.37%
Jan	105,505	20.13%	110,597	4.83%	114,576	3.60%
Feb	84,848	-17.12%	92,819	9.39%	96,599	4.07%
Mar	86,921	2.76%	93,622	7.71%	95,064	1.54%
Apr	99,950	12.07%	110,581	10.64%	114,954	3.95%
May	93,328	-5.24%	97,208	4.16%	105,722	8.76%
Jun	94,197	4.75%	99,161	5.27%	103,955	4.83%
	\$1,083,047	1.60%	\$1,151,987	6.37%	\$1,210,830	5.11%

As a reminder, it took over nine years to recover and surpass our 2007 State Shared Sales Tax numbers. Our FY 2007 was our high point of collections for state shared source before the “Great Recession.” This revenue is 5.11 % or \$58,843 over last year at this same time.

Description - Arizona cities and towns share a portion of the total amount collected from the State Sales Tax. A city's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state. The State has a separate tax code that differs from the City. For example, the State does not tax food whereas the City does. There is no direct correlation between City sales tax and State Shared Sales Tax.



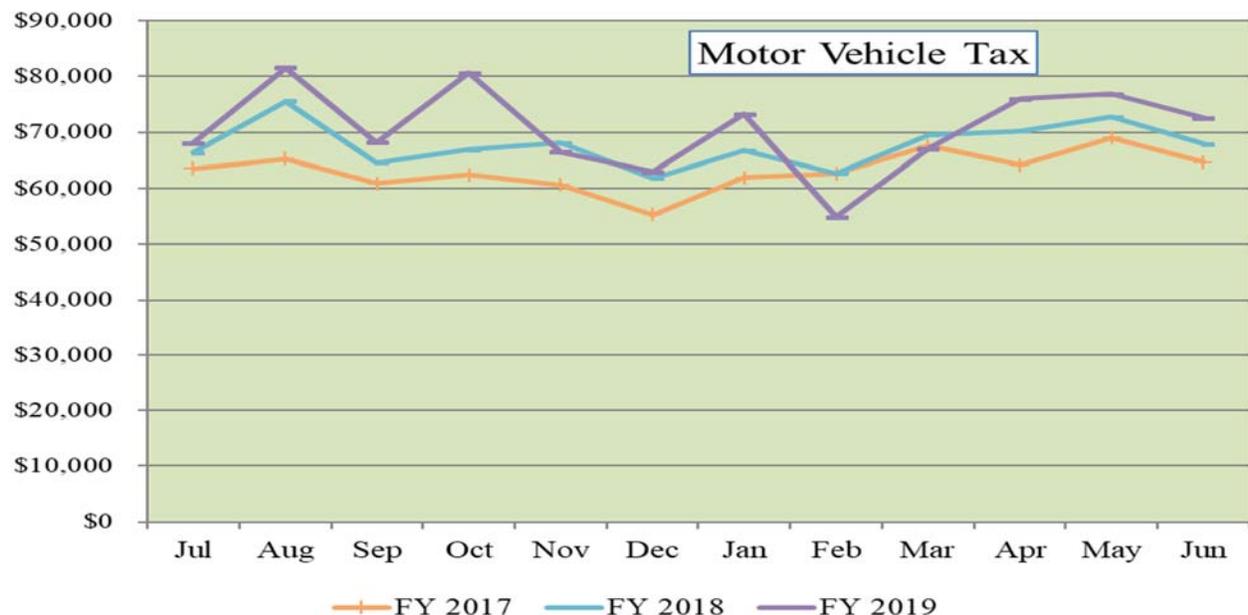
Motor Vehicle Tax

The Motor Vehicle Tax seems to have settled down from FY 2015 where every month was a wild guess where that number would end up. This revenue source has seen some improvements over the past three years with a steady 6%+ growth from year to year.

At year end we are at 4.33% or \$35,215 over last fiscal year at the same time period. Our local dealerships have strongly supported our local economy, particularly during the long and deep economic downturn.

Arizona cities receive a 25% share of the net revenues collected for the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to the county as a whole. These revenues are distributed by the State Treasurer.

	FY 2017		FY 2018		FY 2019	
Jul	\$63,603	7.62%	\$66,387	4.38%	\$68,098	2.58%
Aug	65,283	16.89%	75,539	15.71%	81,549	7.96%
Sep	60,894	0.76%	64,625	6.13%	68,232	5.58%
Oct	62,471	13.78%	66,875	7.05%	80,647	20.59%
Nov	60,684	8.43%	68,117	12.25%	66,448	-2.45%
Dec	55,292	-2.90%	61,815	11.80%	62,936	1.81%
Jan	61,963	13.66%	66,733	7.70%	73,273	9.80%
Feb	62,586	4.43%	62,666	0.13%	54,901	-12.39%
Mar	67,629	7.91%	69,586	2.89%	67,093	-3.58%
Apr	64,186	5.57%	70,281	9.50%	76,000	8.14%
May	69,029	3.45%	72,776	5.43%	76,872	5.63%
Jun	64,651	3.75%	67,963	5.12%	72,529	6.72%
	\$758,271	6.78%	\$813,363	7.27%	\$848,578	4.33%



General Fund – Revenues vs Expenditures

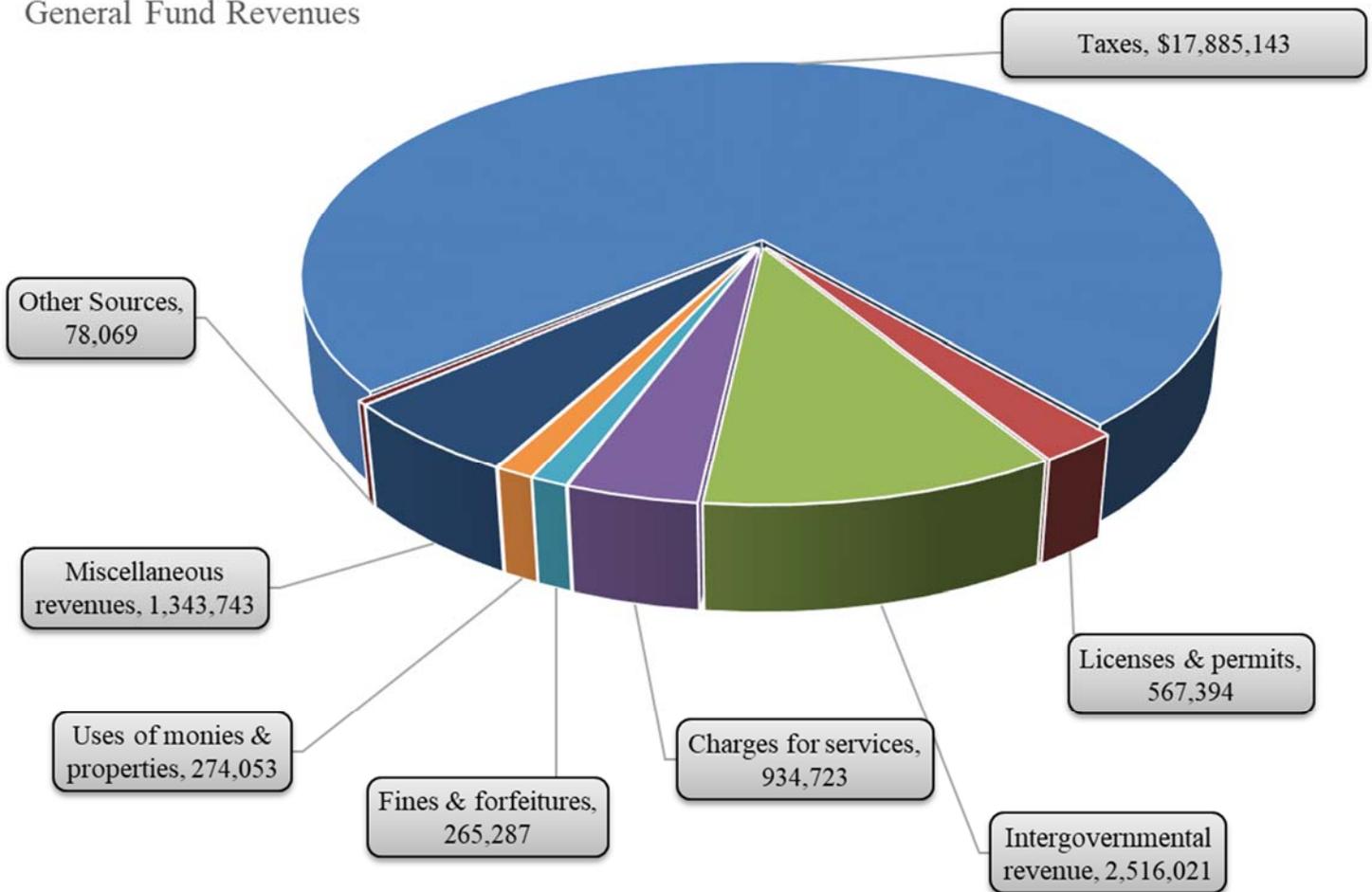
We are pleased that our General Fund operating revenues are currently trending better than our expenditures. At the end of the fiscal year we had an increase in our fund balance of \$1,561,180. A factor contributing to the increase was projects that were not started and an increase in the amounts allocated to reserves. Some of the projects were carried over to be completed in the next fiscal year.

Another factor is that staff is committed to help reduce costs wherever possible.

Regardless of finishing the 4th quarter in relatively good shape, we continue to look for savings wherever possible to help our fund balance. The 0.5% increase in Transaction Privilege Tax (TPT also called “Sales Tax”) initiated in November will help.

<u>Revenues & Other Sources</u>	
Taxes	\$17,885,143
Licenses & permits	567,394
Intergovernmental revenue	2,516,021
Charges for services	934,723
Fines & forfeitures	265,287
Uses of monies & properties	274,053
Miscellaneous revenues	1,343,743
Other Sources	78,069
Revenues & Other Sources	\$23,864,433

General Fund Revenues



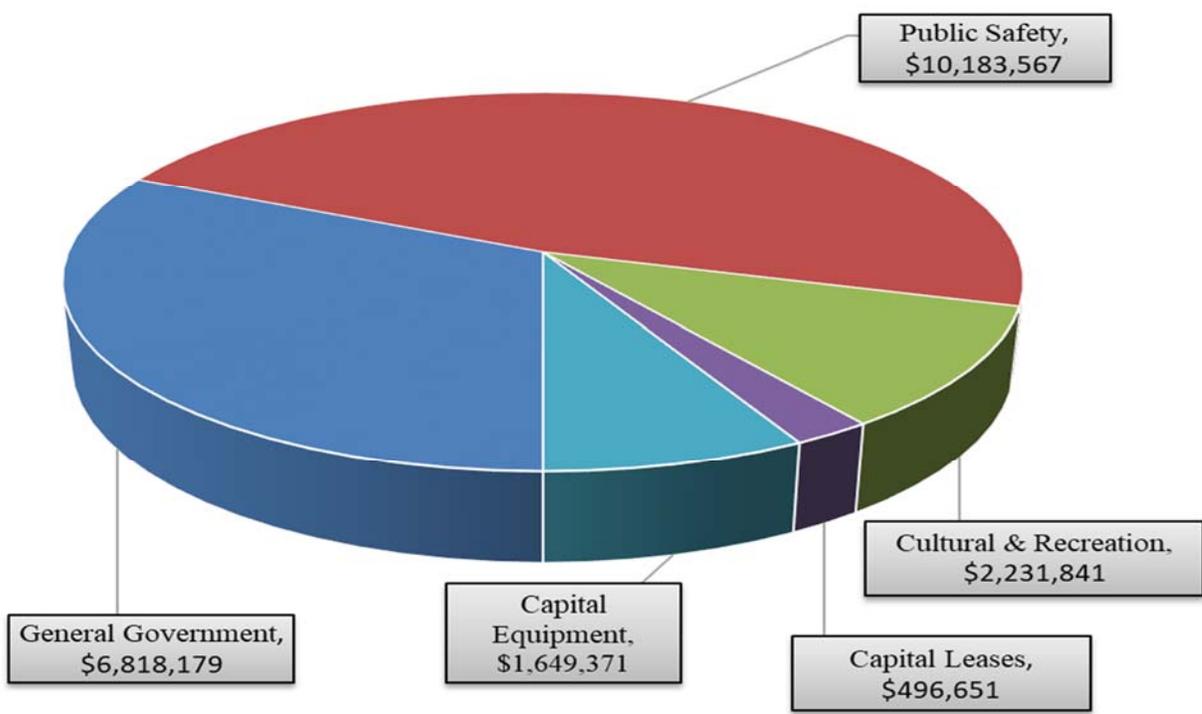
Despite the slowly improving economy, the General Fund is still in a good financial position. Our current unaudited General Fund balance increased during the year and is currently at \$4.7M , which is an increase of \$1.5M during the year.

Moving forward, we need to keep in mind the concerns caused by Governmental Accounting Standards Board (GASB) Statement #68 – Accounting and Financial Reporting for Pension Plans. This ruling, now several years old impacts all municipal entities using Arizona State Retirement System (ASRS) and / or Public Safety Personnel Retirement System (PSPRS). All entities are now reflecting any pension plan underfunded liability on their respective financials. Current Comprehensive Annual Financial Reports (CAFRs) show a significant decline in net position. The concern as to how our city will deal with it in future years. Currently we are on track to fully eliminate our unfunded pension liabilities in the next 17 years.

Unfortunately, the City of Cottonwood does not have control over the two retirement systems. Their actuaries perform the actuarial calculations and provide the City with the percentage of contribution that needs to be submitted to provide the pension with sufficient revenues to stay solvent. During the “Great Recession” the markets did not provide sufficient returns to keep them fully funded causing much of the liability we are seeing today. Our overall fund balance continues to be fully funded in the General Fund. Other funds do not meet the established Fund Balance Policy due to weak revenue generation. This weakness is something that will continue and we will continue to discuss revenue generation options

<u>Expenditures & Other Uses</u>	
General Government	\$6,818,179
Public Safety	10,183,567
Cultural & Recreation	2,231,841
Capital Leases	496,651
Capital Equipment	1,649,371
<u>Expenditures & Other Uses</u>	<u>\$21,379,609</u>

General Fund Expenditures



SPECIAL REVENUE FUNDS

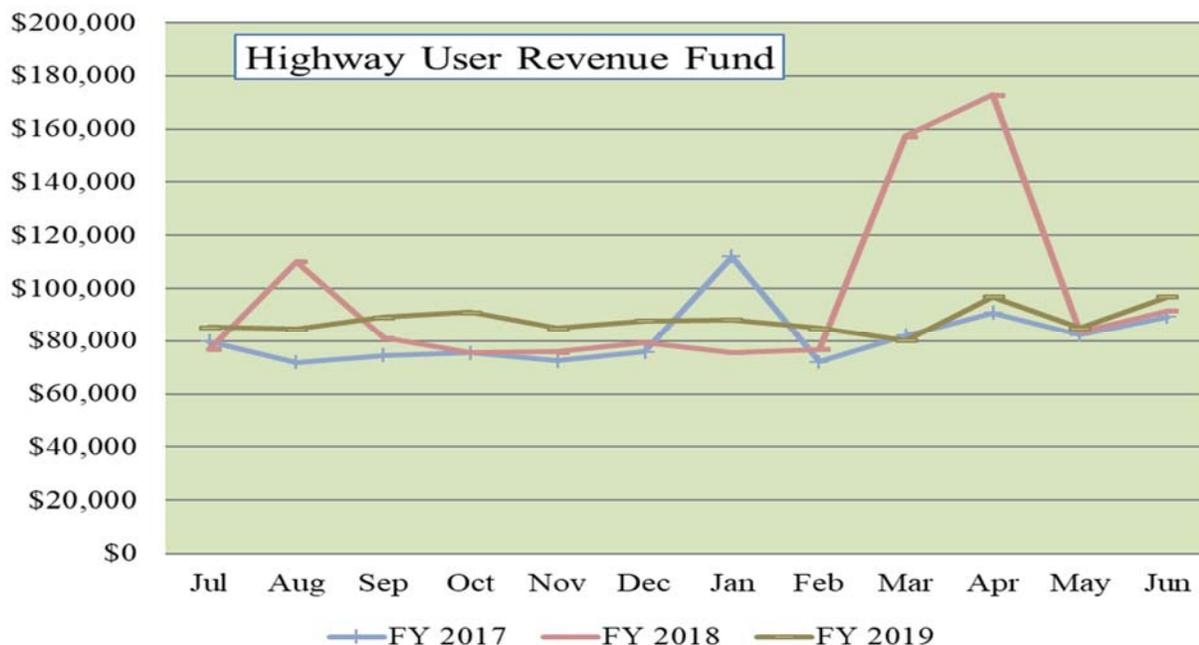
Special Revenue Funds consist of the Highway User Revenue Fund (HURF) and several other smaller funds, including CAT/LYNX, Library, Cemetery, Airport, and Grants.

Highway User Revenue Funds - HURF

This state shared revenue source is commonly called the Fuel Tax. It has had some improvement over the years. For FY 2019, the State continues to use a portion of the HURF that is designated for cities and towns to assist with cost to the Department of Public Safety. At the end of the 4th quarter, we are down by 8.84% or (\$102,209) over last year at this time.

	FY 2017		FY 2018		FY 2019	
Jul	\$79,891	8.05%	\$76,735	-3.95%	\$85,233	11.07%
Aug	71,771	-1.18%	110,067	53.36%	84,599	-23.14%
Sep	74,612	1.97%	81,121	8.72%	89,068	9.80%
Oct	75,381	4.47%	75,723	0.45%	91,057	20.25%
Nov	72,477	3.53%	75,933	4.77%	84,968	11.90%
Dec	75,781	4.76%	79,242	4.57%	87,841	10.85%
Jan	112,090	60.11%	75,691	-32.47%	88,124	16.43%
Feb	72,084	-0.35%	76,849	6.61%	84,865	10.43%
Mar	82,147	12.74%	157,367	91.57%	80,196	-49.04%
Apr	90,781	26.98%	172,899	90.46%	96,806	-44.01%
May	82,364	-4.29%	83,589	1.49%	84,926	1.60%
Jun	89,360	10.43%	91,480	2.37%	96,804	5.82%
	█ \$978,739	10.23%	█ \$1,156,696	18.18%	█ \$1,054,487	-8.84%

Description - Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. These funds must be utilized for the construction and maintenance of streets and highways.



Special Revenues Funds - continued

The following tables depict the other funds that make up the Special Revenue Funds group in the City of Cottonwood budget. All of these funds have the General Fund as a backstop which covers any shortages in their bottom line. Most of the negative numbers are grants, transfers, or receivables that are currently outstanding and are anticipated to be received within the next 60 – 90 days. HURF will be using General Fund transfers in FY 2020 as it continues work on the Mingus Avenue project, as well as monies from the City of Cottonwood 2015 bond issue.

	Special Revenue Funds					
	HURF		CAT		Library	
	Budget	4th Qtr Actual	Budget	4th Qtr Actual	Budget	4th Qtr Actual
Revenues	1,771,585	1,820,101	\$1,447,260	\$1,792,511	\$175,805	\$181,632
Operating Expenditures	913,045	905,107	1,803,280	1,789,161	1,054,660	1,027,615
Capital Outlay	2,860,000	326,745	135,000	28,860	0	75
Debt Service	432,950	432,944	0	0	0	0
Revenues over (under) Expenditures	(2,434,410)	155,305	(491,020)	(25,510)	(878,855)	(846,058)
Other Funding Sources & Uses	207,520	0	492,480	25,092	878,855	846,294
Revenues & other funding sources & uses over (under) Expenditures	(2,226,890)	155,305	1,460	(418)	0	236
Beginning Fund Balance	1,965,848	1,965,848	0	0	0	0
Ending Fund Balance	(\$261,042)	\$2,121,153	\$1,460	(\$418)	\$0	\$236

	Special Revenue Funds					
	Cemetery		Airport		Grants	
	Budget	4th Qtr Actual	Budget	4th Qtr Actual	Budget	4th Qtr Actual
Revenues	\$700	\$450	\$117,890	\$278,190	\$709,225	\$165,761
Operating Expenditures	56,050	43,223	118,400	260,883	0	0
Capital Outlay	0	0	0	0	854,005	164,501
Debt Service	0	0	0	0	0	0
Revenues over (under) Expenditures	(55,350)	(42,773)	(510)	17,308	(144,780)	1,261
Other Funding Sources & Uses	55,350	43,223	510	8,618	0	164,501
Revenues & other funding sources & uses over (under) Expenditures	0	450	0	25,926	(144,780)	165,761
Beginning Fund Balance	0	0	72,150	72,150	9,483	9,483
Ending Fund Balance	\$0	\$450	\$72,150	\$98,076	(\$135,297)	\$175,244

CAPITAL IMPROVEMENTS FUND

	Capital Improvements	
	Budget	4th Qtr Actual
Revenues	\$144,500	\$26,015
Operating Expenditures	0	0
Capital Outlay	152,000	5,991
Debt Service	0	
Revenues over (under) Expenditures	(7,500)	20,024
Other Funding Sources & Uses	(1,878,510)	0
Revenues & other funding sources & uses over (under) Expenditures	(1,886,010)	20,024
Beginning Fund Balance	537,964	537,964
Ending Fund Balance	(\$1,348,046)	\$557,988

This fund is traditionally in good fiscal shape. With the Riverfront Water Reclamation facility completed and awaiting final permitting, this fund's budget numbers show a large transfer to the Wastewater Treatment Facility for the last of the costs for the Riverfront Reclamation Facility in FY 2018. There is, however, monies available from an excise tax bond for street construction.

The Riverfront Water Reclamation Facility is expected to treat approximately 300k gallons of wastewater daily. It will provide reclaimed water to the area's sport complex green areas and to replenish our aquifers using injection wells. The initial injection wells were not successful at

Riverfront Park. We will continue to use the Mingus Injection well sites until a more suitable location is found.

Some of the fund balance from the issue of the excise tax bond is to take care of much needed street improvements. Another project funded by the bond was the Regional Communications Center that has been fully operational and is providing services to area fire services and our police department.

Below are capital outlay items funded through Yavapai Flood Control District Tax. These projects that were not fully completed in FY 2018 are rolled over into this fiscal year for completion.

	Adopted Budget	Y-T-D	% Used
Expenditures:			
Capital outlay:			
Investment Expenses	9,000	5,991	66.57%
Railroad Wash Improvements	143,000	0	0.00%
Total Expenditures	152,000	5,991	3.94%
Excess (deficiency) of revenues over (under) expenditures	(7,500)	20,024	

Over the past couple of years slightly over \$11,500,000 has been transfer from this fund to the Wastewater Enterprise Fund to pay for the construction of the Riverfront Water Reclamation Facility. That amount is not shown on the schedule below since it is a capital expense reflected in an Enterprise Fund. As a clarification, the Riverfront Water Reclamation Facility has not used any water revenue to fund its construction. Approximately \$1.5M of wastewater utility operational and General Fund monies are expected to be used to complete the Riverfront Water Reclamation Facility.

ENTERPRISE FUNDS

Water & Wastewater

The Water Enterprise Fund has been operating in the black since the City Council approved the last rate increases. FY 2013 was a turning point for the Water Enterprise Fund. There has been little improvement in our revenue generation for the Wastewater Enterprise Fund. Though the rates cover the operational and administrative portion of the department, many capital improvements need to be made.

	Enterprise Funds			
	Wastewater		Water	
	Budget	4th Qtr Actual	Budget	4th Qtr Actual
Revenues	2,684,980	3,018,093	\$8,272,890	\$8,122,604
Operating Expenditures	2,508,975	1,870,944	8,797,145	3,394,239
Capital Outlay	2,054,515	1,101,670	11,596,185	1,326,112
Debt Service	0	0	1,808,345	437,799
Revenues over (under) Expenditures	(1,878,510)	45,479	(13,928,785)	2,964,454
Other Funding Sources & Uses	1,878,510	0	0	0
Revenues & other funding sources & uses over (under) Expenditures	\$0	\$45,479	(\$13,928,785)	\$2,964,454

The Water Utility refinanced their Municipal Property Corporation (MPC) Water Revenue Bonds, Series 2004 and 2006 a few years ago. There were substantial savings to utility customers over the life of the new Water Infrastructure Finance Authority (WIFA) loans.

The 2015 WIFA refinancing of the 2004 MPC Water Revenue Bonds will save approximately \$1.7M in interest expense, and there was \$550k in forgivable principle included in that refinance package, totaling over \$2.2M in savings. The WIFA loan required less debt service reserves, allowing an additional \$111,000 transferred from debt service reserves to the water utility's unrestricted fund reserves.

The completed refinancing of the 2006 MPC Water Revenue Bonds using a WIFA Loan included a \$1.9M waterline that WIFA granted along with \$800K in forgivable principle. The interest rate went from 5.0% to 1.7% and removed about \$5M in liability from the City of Cottonwood books and allocated it to the Town of Clarkdale where it belonged. This refinance package will save our utility customers approximately \$3,619,000 in future interest payments and allowed \$1,461,000 in debt service reserves to be put back into unrestricted fund reserves.

The Wastewater Utility has a different set of issues. Financial resources are needed to accomplish the estimated \$7M worth of repairs needed at both the Mingus treatment facility and the five lift stations. The \$8.7M depicted in the chart is designated for the final payments of the Riverfront Facility.

DEBT SERVICES FUND

This fund starts off the year in good shape; with sales taxes and interest income providing some of the revenue. Fund balance provides the remainder of necessary resources. Expenditures consist of principal and interest on general government loans and bond issues. Also included are any trustee fees assessed for managing the debt service accounts.

	Debt Service	
	Budget	4th Qtr Actual
Revenues	\$1,645,620	\$1,644,899
Operating Expenditures		1,647,917
Capital Outlay		
Debt Service	1,647,070	1,647,917
Revenues over (under) Expenditures	(1,450)	(1,650,935)
Other Funding Sources & Uses	0	0
Revenues & other funding sources & uses over (under) Expenditures	(1,450)	(3,018)
Beginning Fund Balance	159,310	159,310
Ending Fund Balance	\$157,860	\$156,292

The Recreation Center - Greater Arizona Development Authority (GADA) Bonds were refinanced over two years ago and will provide a savings of over \$1M in future interest payments. The debt service for the Recreation Center is solely funded by sales tax revenues, as part of the excise tax pledge on this debt issue. The refinance changed the loan to a bond issue. The sizeable debt service payment in the budget is the payoff of the GADA loan using the excise tax bond proceeds received in FY 2017. As a note, utility debt service is funded through user fees and other operational revenues, and therefore the debt service of the Enterprise Funds.

BRIEF OVERVIEW

As we complete the 4th Quarter of 2019 fiscal year, we are pleased to be in such a good position financially. Our economy is still growing at a slower but steady pace and we continue providing outstanding services to our community. Many projects were completed during the year and many projects are anticipated for Fiscal year 2020.

We do, however, have some uneasiness over our current revenue generation and the ability to sustain the growth of our expenditures. Our lack of reserves is of some concern but the reserve balances are improving with the additional .5% sales tax that was approved in fiscal year 2019. Our local sales tax growth did not meet the 3% increase that were part of our budget projections but still looks positive at 2%. Some of the other revenues are not keeping up with the growth. As we move forward in the new budget year, we are seeing that the increase to our TPT rate will be beneficial with helping our reserves and funding future projects. As always we will continue to look for strategic reductions to services and operations to help maintain a positive outlook for future years.

The City continues to be fiscally conservative in its everyday business. Staff is always looking for ways to reduce costs, while still providing quality essential services. It continues to maintain reasonable reserves in its General Fund for unforeseeable emergencies as is prudent.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

General Fund - 01	Ending FY 2019		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	16,627,135	17,885,143	107.57%
Licenses & permits	309,000	567,394	183.62%
Intergovernmental revenue	2,457,330	2,516,021	102.39%
Charges for services	961,700	934,723	97.19%
Fines & forfeitures	205,700	265,287	128.97%
Uses of monies & properties	222,900	274,053	122.95%
Miscellaneous revenues	6,374,370	1,343,743	21.08%
Total revenues	27,158,135	23,786,365	87.58%
Expenditures:			
Operating:			
Council	270,750	302,302	111.65%
City Clerk	275,690	253,757	92.04%
Administration	769,850	790,665	102.70%
Finance	451,285	411,620	91.21%
Personnel	255,395	210,196	82.30%
IT Services	832,400	866,210	104.06%
Purchasing	106,965	107,108	100.13%
Legal	447,975	363,341	81.11%
Court	536,820	554,025	103.21%
Planning & zoning	643,450	666,747	103.62%
Engineering	330,485	322,293	97.52%
Public Works	409,440	385,740	94.21%
Transfer Station	1,200	1,304	108.67%
Building maintenance	461,495	440,331	95.41%
Custodial	136,000	109,915	80.82%
Natural resources	182,285	189,664	104.05%
Non-departmental	564,010	564,736	100.13%
Police	5,502,925	5,297,547	96.27%
Communications	1,941,070	1,496,743	77.11%
Fire	3,233,415	3,177,660	98.28%
Ordinance Enforcement	209,650	211,616	100.94%
Parks & recreation	710,130	749,433	105.53%
Rec Center Operations	1,334,160	1,246,228	93.41%
Pool	122,700	120,538	98.24%
Youth Center	134,560	115,642	0.00%
Economic Development	269,590	278,224	103.20%
Subtotal maintenance and operations	20,133,695	19,233,586	95.53%
Capital outlay:	183,560	1,649,371	898.55%
Total Expenditures	20,317,255	20,882,957	102.78%
Excess (deficiency) of revenues over (under) expenditures	6,840,880	2,903,408	42.44%
Other financing sources (uses):			
Operating transfers in	0	0	0.00%
Sales of City Equipment	58,000	78,069	134.60%
Capital leases	(838,060)	(496,651)	59.26%
Transfers out	(1,634,715)	(923,647)	56.50%
Total other financing sources (uses)	(2,414,775)	(1,342,228)	55.58%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	4,426,105	1,561,180	
Fund balance, July 1, 2018(audited)		3,183,980	
Estimated fund balance @ June 30, 2019		\$4,745,160	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

Library - 03

	Adopted Budget	Y-T-D	% Used
Revenues:			
Other income	\$18,000	\$22,923	127.35%
Interest income	45	57	127.76%
City Sales Tax	0	0	0.00%
Yavapai county	157,760	158,652	100.57%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	175,805	181,632	103.31%
Expenditures:			
Operating:			
Salaries	404,650	392,462	96.99%
Temp employees	45,000	41,850	93.00%
Overtime	0	315	0.00%
Social security	27,880	26,493	95.02%
Medicare tax	6,520	6,196	95.03%
AZ state retirement	47,750	45,060	94.37%
Health & life insurance	107,600	97,904	90.99%
Worker's compensation	8,180	8,231	100.62%
Book purchases	46,000	46,418	100.91%
Office supplies	4,500	3,645	80.99%
Copier supplies	2,200	2,586	117.54%
Equipment maintenance	5,500	6,080	110.55%
Bldg M&R - Library	30,000	21,224	70.75%
Contractual Services	0	357	0.00%
Collection expenses	1,800	1,548	86.02%
Bank Charges	0	0	0.00%
Recruitment Cost	500	770	154.00%
Computer support	5,000	7,307	146.13%
Legal advertising	0	0	0.00%
Utilities	55,000	45,400	82.55%
Telephone	1,500	1,803	120.22%
Network & technology expenses	35,000	30,289	86.54%
Youth programs	600	806	134.27%
Annual volunteer appreciation	1,000	1,252	125.17%
Travel & training	1,000	664	66.42%
Subscriptions & dues	1,000	453	0.00%
Postage & freight	2,500	2,265	90.60%
Liability Insurance	17,000	12,844	75.55%
Indirect costs to general fund	196,980	223,394	113.41%
District - Materials	0	0	0.00%
Subtotal maintenance and operations	1,054,660	1,027,615	97.44%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 30, 2019

Library - 03 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay:	0	75	0.00%
Total expenditures	1,054,660	1,027,690	97.44%
Excess (deficiency) of revenues over (under) expenditures	(878,855)	(846,058)	
Other financing sources (uses):			
Operating transfers in	878,855	846,294	96.30%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	878,855	846,294	96.30%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	236	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$236	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

Cemetery 04

	Adopted Budget	Y-T-D	% Used
Revenues:			
Interest Income	\$0	\$450	0.00%
Charges for services	700	0	0.00%
Total revenues	<u>700</u>	<u>450</u>	<u>64.29%</u>
Expenditures:			
Utilities	35,000	29,901	85.43%
Telephone	0	0	0.00%
Grave Liners	3,000	1,575	52.50%
Miscellaneous Expense	50	0	0.00%
Indirect Costs	18,000	11,747	65.26%
Subtotal maintenance and operations	<u>56,050</u>	<u>43,223</u>	<u>77.11%</u>
Capital improvements	0	0	0.00%
Total expenditures	<u>56,050</u>	<u>43,223</u>	<u>77.11%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(55,350)</u>	<u>(42,773)</u>	
Other financing sources (uses):			
Operating transfers in	55,350	43,223	78.09%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	<u>55,350</u>	<u>43,223</u>	<u>78.09%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>450</u>	
Fund balance, July 1, 2018 (audited)		<u>0</u>	
Estimated fund balance @ June 30, 2019		<u><u>\$450</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

Airport - 05

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other Income	\$150	\$2,873	0.00%
Late Fees	\$1,040	\$500	48.04%
Tie down rent	23,200	16,951	73.07%
Airpark Rents	0	0	0.00%
FBO building rental income	15,000	0	0.00%
Fuel sales income	0	157,764	0.00%
Oil Sales	0	0	0.00%
Land lease fees	42,500	41,793	98.34%
City hangar lease fees	36,000	58,309	161.97%
Total revenues	117,890	278,190	235.97%
Expenditures:			
Operational Supplies	200	5,656	2827.79%
Fuel Expense	0	134,336	0.00%
Oil Expense	0	65	0.00%
Office Supplies	150	181	120.57%
Vehicle Maintenance	0	342	0.00%
Equipment maintenance	30,700	25,213	82.13%
Building maintenance	18,000	1,821	10.12%
Contractual Services	20,000	278	1.39%
Bank Charges	0	7,143	0.00%
Computer Support	150	219	146.00%
General Counsel	0	0	0.00%
Utilities	16,200	13,413	82.80%
Telephone	1,000	1,277	127.70%
Airport Annual Event	0	0	0.00%
Liability Insurance	12,000	16,320	136.00%
Indirect costs	20,000	54,620	273.10%
Equipment Purchase	0	0	0.00%
Airport Improvements	0	0	0.00%
Subtotal maintenance and operations	118,400	260,883	220.34%
Capital improvements - hangars	0	0	0.00%
Total expenditures	118,400	260,883	220.34%
Excess (deficiency) of revenues over (under) expenditures	(510)	17,308	
Other financing sources (uses):			
Operating transfers in	510	8,618	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	510	8,618	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	25,926	
Fund balance, July 1, 2018 (audited)		72,150	
Estimated fund balance @ June 30, 2019		\$98,076	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

HURF - 10

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,651,585	1,793,151	108.57%
Uses of monies & properties	5,000	26,950	539.00%
Miscellaneous revenues	115,000	0	0.00%
Total revenues	1,771,585	1,820,101	102.74%
Expenditures:			
Operating:			
Salaries	179,670	181,384	100.95%
Temp employees	0	0	0.00%
Overtime	4,250	4,516	106.25%
Social security	11,400	11,102	97.38%
Medicare tax	2,670	2,596	97.24%
AZ state retirement	21,700	21,952	101.16%
Health & life insurance	58,050	56,971	98.14%
Worker's compensation	26,430	30,219	114.34%
Clothing allowance	1,000	538	53.76%
Operational supplies	14,000	9,248	66.06%
Tools	500	379	75.77%
Gas & oil	15,500	18,240	117.68%
Materials	10,000	11,921	119.21%
Street signs	3,000	2,292	76.39%
Street marking	161,010	47,246	29.34%
Office supplies	0	134	0.00%
Vehicle maintenance	4,000	2,288	57.20%
Equipment maintenance	25,000	18,556	74.22%
Building maintenance & repair	0	0	0.00%
Pavement Preservation	0	0	0.00%
Contractual services	7,500	6,741	89.87%
Bank charges	900	0	0.00%
Employee physicals	500	256	51.20%
Computer support	225	248	110.40%
General counsel	0	0	0.00%
Engineering Services	0	0	0.00%
Legal advertising	0	0	0.00%
Utilities	14,335	13,187	91.99%
Street lights	65,000	73,392	112.91%
Telephone	925	609	65.79%
Culverts	500	0	0.00%
Travel & training	5,000	4,085	81.69%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	0	10	0.00%
Liability insurance	21,980	17,126	77.92%
Liability claims deductible	0	0	0.00%
Indirect costs to general fund	256,000	367,942	143.73%
Street light contingency	0	0	0.00%
Equipment purchase	0	0	0.00%
Street Improvements	2,000	1,932	0.00%
Subtotal maintenance and operations	913,045	905,107	99.13%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

HURF - 10 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service:			
Principal	241,100	221,314	91.79%
Interest	191,850	211,630	110.31%
Capital Outlay:			
Street Light Contingency	0	0	0.00%
Pavement Preservation	480,000	273,844	57.05%
2015 Excise Bond - Trustee Fees	0	0	0.00%
6th Street Bridge	120,000	0	0.00%
Mingus/Main Signal	0	0	0.00%
10th St to Main Project	2,100,000	47,881	2.28%
12th ST NACOG 89-A to Fir	0	0	0.00%
Sidewalk Additions	80,000	0	0.00%
Mingus Willard to Main	0	5,020	0.00%
10 th Street	0	0	0.00%
Main St. Road Diet Grant	80,000	0	0.00%
HSIP Street Sign Replacement	0	0	0.00%
Total Expenditures	<u>4,205,995</u>	<u>1,664,796</u>	<u>39.58%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,434,410)</u>	<u>155,305</u>	
Other Financing Sources (Uses):			
Operating Transfers In	207,520	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>207,520</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>4,666,497</u>	<u>155,305</u>	
Fund balance, July 1, 2018 (audited)		<u>1,965,848</u>	
Estimated fund balance @ June 30, 2019		<u><u>\$2,121,153</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 30, 2019

Grants - 11 & 12

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$709,220	\$165,758	23.37%
Other Income	5	3	0.00%
Total revenues	709,225	165,761	23.37%
Expenditures:			
Capital Outlay:	854,005	164,501	19.26%
Total Expenditures	854,005	164,501	19.26%
Excess (deficiency) of revenues over (under) expenditures	(144,780)	1,261	-0.87%
Other Financing Sources (Uses):			
Operating Transfers In	0	420	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	420	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(144,780)	1,681	
Fund balance, July 1, 2018 (audited)		9,483	
Estimated fund balance @ June 30, 2019		<u>\$11,164</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

CATS - 10

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,255,760	1,609,646	128.18%
Charges for services	191,500	182,865	95.49%
Total revenues	1,447,260	1,792,511	123.86%
Expenditures:			
Salaries	548,310	570,153	103.98%
Temporary employee	180,000	158,467	88.04%
Overtime	63,500	62,990	99.20%
Holiday pay	10,850	10,709	98.70%
Social security	49,770	47,892	96.23%
Medicare	11,630	11,201	96.31%
AZ retirement	70,710	83,053	117.46%
Health/life insurance	162,030	165,290	102.01%
State compensation insurance	61,720	49,447	80.12%
Clothing allowance	1,400	1,434	102.40%
Contractual Services	6,820	11,808	173.14%
Gas & oil	128,000	151,386	118.27%
Office supplies	6,000	4,463	74.38%
Copier supplies	1,785	1,350	75.62%
Vehicle maintenance	350,000	305,040	87.15%
Building Maintenance	2,000	2,422	121.08%
Equipment Maintenance	0	233	0.00%
Radio maintenance	8,000	11,481	143.51%
Postage & freight	6,820	199	2.92%
Audit expense	3,500	3,475	99.29%
Employee physicals / drug tests	3,350	3,126	93.31%
Computer Support	40,175	43,355	107.92%
Custodial Contract	5,880	5,712	97.15%
Advertising	12,870	12,917	100.36%
Printing & forms	8,090	10,004	123.66%
Utilities	8,170	7,457	91.27%
Telephone	11,000	13,674	124.31%
Travel/training	6,000	6,132	102.20%
Continuing education	0	0	0.00%
Subscriptions/dues	2,270	2,538	111.80%
Tools & Equipment	1,000	6,064	606.44%
Liability insurance	31,630	25,690	81.22%
Indirect costs to GF	0	0	0.00%
Subtotal maintenance and operations	1,803,280	1,789,161	99.22%
Capital Outlay:	135,000	28,860	0.00%
Fund b Total Expenditures	1,938,280	1,818,021	93.80%
Excess (deficiency) of revenues over (under) expenditures	(491,020)	(25,510)	
Other Financing Sources (Uses):			
Operating Transfers In	492,480	25,092	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	
Total other financing sources (uses)	492,480	25,092	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses			

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 30, 2019

Debt Service - 20

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,645,620	\$1,643,708	99.88%
Uses of monies & properties	0	1,191	0.00%
Total revenues	1,645,620	1,644,899	99.96%
Expenditures:			
Trustee fees	1,850	2,700	145.95%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:			
Interest	497,565	497,562	100.00%
Principal	1,147,655	1,147,655	100.00%
Total Expenditures	1,647,070	1,647,917	100.05%
Excess (deficiency) of revenues over (under) expenditures	(1,450)	(3,018)	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,450)	(3,018)	
Fund balance, July 1, 2018 (audited)		159,310	
Estimated fund balance @ June 30, 2019		\$156,292	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 30, 2019

Capital Projects - 30

	Adopted Budget	Y-T-D	% Used
Expenditures:			
Capital outlay:			
Investment Expenses	9,000	5,991	66.57%
Railroad Wash Improvements	143,000	0	0.00%
Total Expenditures	<u>152,000</u>	<u>5,991</u>	<u>3.94%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,500)</u>	<u>20,024</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	<u>(1,878,510)</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>(1,878,510)</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,886,010)</u>	<u>20,024</u>	
Fund balance, July 1, 2018 (audited)		537,964	
Estimated fund balance @ June 30, 2019		<u><u>\$557,988</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
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Employee Benefit Trust - 60

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	100	2,177	2176.82%
Total revenues	100	2,177	0.00%
Expenditures:			
Premiums	0	0	0.00%
Benefits	0	0	0.00%
Miscellaneous	2,000	0	0.00%
Total Expenditures	2,000	0	0.00%
Excess (deficiency) of revenues over (under) expenditures	(1,900)	2,177	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,900)	2,177	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$2,177	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 30, 2019

Alt. Firefighter's Pension - 70

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions		\$0	0.00%
Uses of monies & properties	40,000	11,052	0.00%
Total revenues	40,000	11,052	0.00%
Expenditures:			
Benefits	3,600	2,400	66.67%
Administration	5,200	3,682	70.80%
Total Expenditures	8,800	6,082	69.11%
Excess (deficiency) of revenues over (under) expenditures	31,200	0 4,970	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	31,200	4,970	
Fund balance, July 1, 2017 (audited)		198,917	
Estimated fund balance @ June 30, 2018		\$203,887	