

FY 2017
2nd Quarter
Financial
Report



City of Cottonwood

Compiled by:
Jesus R. Rodriguez, C.G.F.M.
Administrative Services General
Manager

Kirsten Lennon,
Accounting & Budget Manager



City of Cottonwood
Fiscal Year 2017 – 2nd Quarter Report
For The Period Ending December 31, 2016

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EXECUTIVE SUMMARY

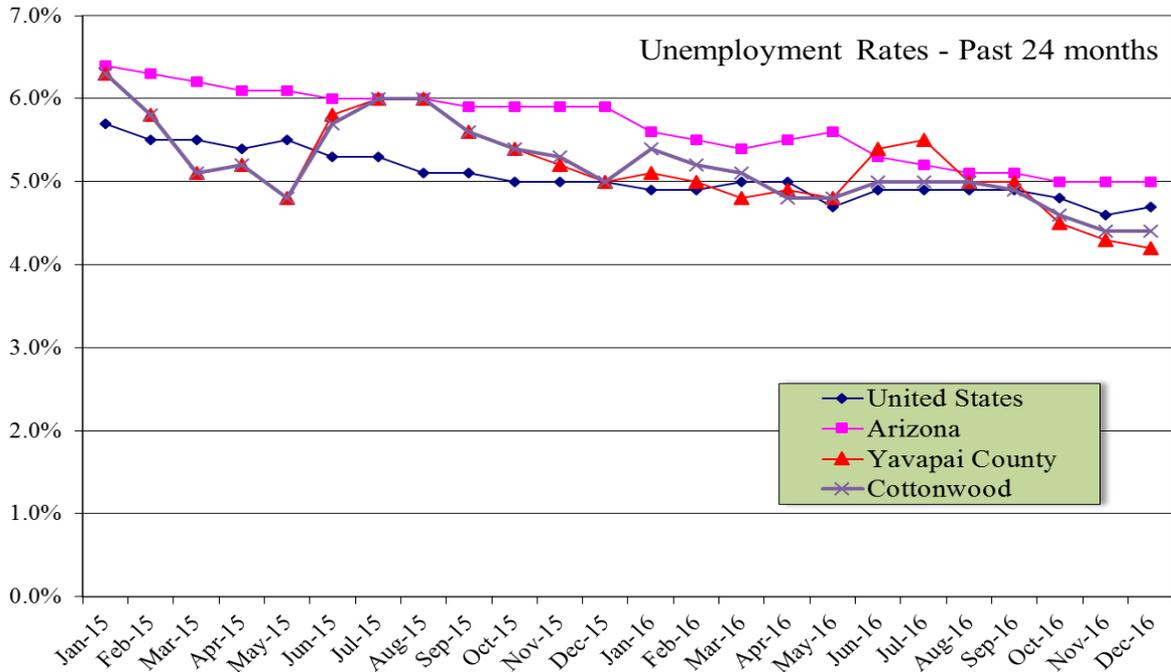
This report is a summary of significant items impacting the overall City as well as highlights of the City’s major revenues affecting the City’s larger funds. Those funds are the General Fund, Highway User Revenue Fund (HURF), the two Enterprise Funds, the Capital Improvement Fund, and the Debt Service Fund. All funds are reflected in the attached printout.

Unemployment & Housing Information:

Overall the City of Cottonwood has a slow but steady increase in its major revenue sources, including the Highway User Revenue Fund, also called the HURF. There continues to be a major issue that is affecting Cottonwood that concern continues to be unemployment

Unemployment has come down dramatically, since its peak of 11.8% back in January 2010. We have declined about 7.4 percentage points. This is an excellent sign for our city, however, there is still a ways to go to be in the 4% unemployment range at the turn of the century.

Monthly	United States	Arizona	Yavapai County	Cottonwood
Jan-15	5.7%	6.4%	6.3%	6.3%
Feb-15	5.5%	6.3%	5.8%	5.8%
Mar-15	5.5%	6.2%	5.1%	5.1%
Apr-15	5.4%	6.1%	5.2%	5.2%
May-15	5.5%	6.1%	4.8%	4.8%
Jun-15	5.3%	6.0%	5.8%	5.7%
Jul-15	5.3%	6.0%	6.0%	6.0%
Aug-15	5.1%	6.0%	6.0%	6.0%
Sep-15	5.1%	5.9%	5.6%	5.6%
Oct-15	5.0%	5.9%	5.4%	5.4%
Nov-15	5.0%	5.9%	5.2%	5.3%
Dec-15	5.0%	5.9%	5.0%	5.0%
Jan-16	4.9%	5.6%	5.1%	5.4%
Feb-16	4.9%	5.5%	5.0%	5.2%
Mar-16	5.0%	5.4%	4.8%	5.1%
Apr-16	5.0%	5.5%	4.9%	4.8%
May-16	4.7%	5.6%	4.8%	4.8%
Jun-16	4.9%	5.3%	5.4%	5.0%
Jul-16	4.9%	5.2%	5.5%	5.0%
Aug-16	4.9%	5.1%	5.0%	5.0%
Sep-16	4.9%	5.1%	5.0%	4.9%
Oct-16	4.8%	5.0%	4.5%	4.6%
Nov-16	4.6%	5.0%	4.3%	4.4%
Dec-16	4.7%	5.0%	4.2%	4.4%



GENERAL FUND

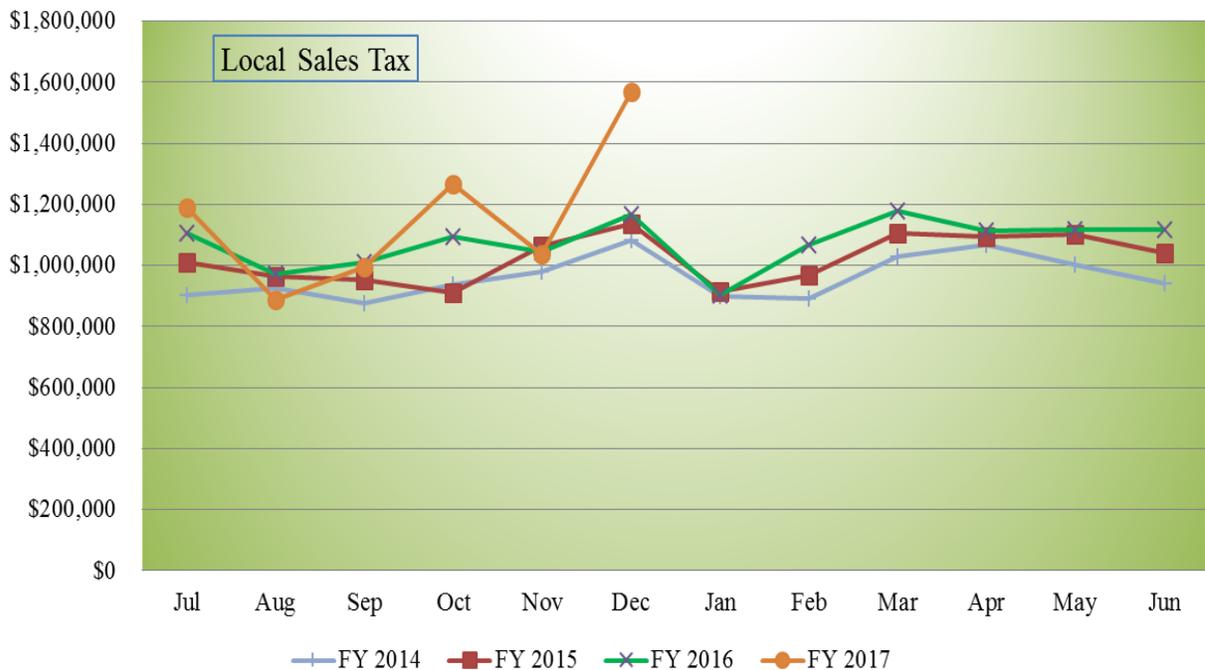
The following tables and graphs reflect the General Fund major revenue sources. All of the information compares monthly collections for similar periods from prior years. The major revenues consist of local sales tax as well as state shared resources.

Local Sales Tax

The local sales tax (3%) comprises over 50% of the overall General Fund revenues. The current trend reflects an increase of over 8.5% over the first half of last year. We are cautiously optimistic and expect that this trend will not hold up and will deteriorate as the fiscal year progresses.

	FY 2014		FY 2015		FY 2016		FY 2017	
Jul	\$902,118	8.38%	\$1,010,689	12.04%	\$1,106,111	9.44%	\$1,191,580	7.73%
Aug	925,936	11.29%	962,616	3.96%	972,558	1.03%	885,969	-8.90%
Sep	876,758	4.73%	953,901	8.80%	1,009,710	5.85%	993,048	-1.65%
Oct	935,859	3.74%	909,990	-2.76%	1,095,712	20.41%	1,265,041	15.45%
Nov	979,277	16.95%	1,064,350	8.69%	1,044,333	-1.88%	1,037,756	-0.63%
Dec	1,080,777	3.61%	1,137,286	5.23%	1,167,113	2.62%	1,568,633	34.40%
Jan	897,108	4.11%	913,590	1.84%	904,463	-1.00%		-100.00%
Feb	889,440	7.88%	967,464	8.77%	1,066,400	10.23%		-100.00%
Mar	1,030,580	8.40%	1,106,094	7.33%	1,179,638	6.65%		-100.00%
Apr	1,067,508	12.19%	1,095,223	2.60%	1,115,079	1.81%		-100.00%
May	1,002,215	2.04%	1,100,716	9.83%	1,117,243	1.50%		-100.00%
Jun	940,480	-5.38%	1,039,657	10.55%	1,115,321	7.28%		-100.00%
	\$11,528,057	6.26%	\$12,261,576	6.36%	\$12,893,681	5.16%	\$6,942,027	-46.16%

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 percent (3%) after an increase of .8% in FY 2009.



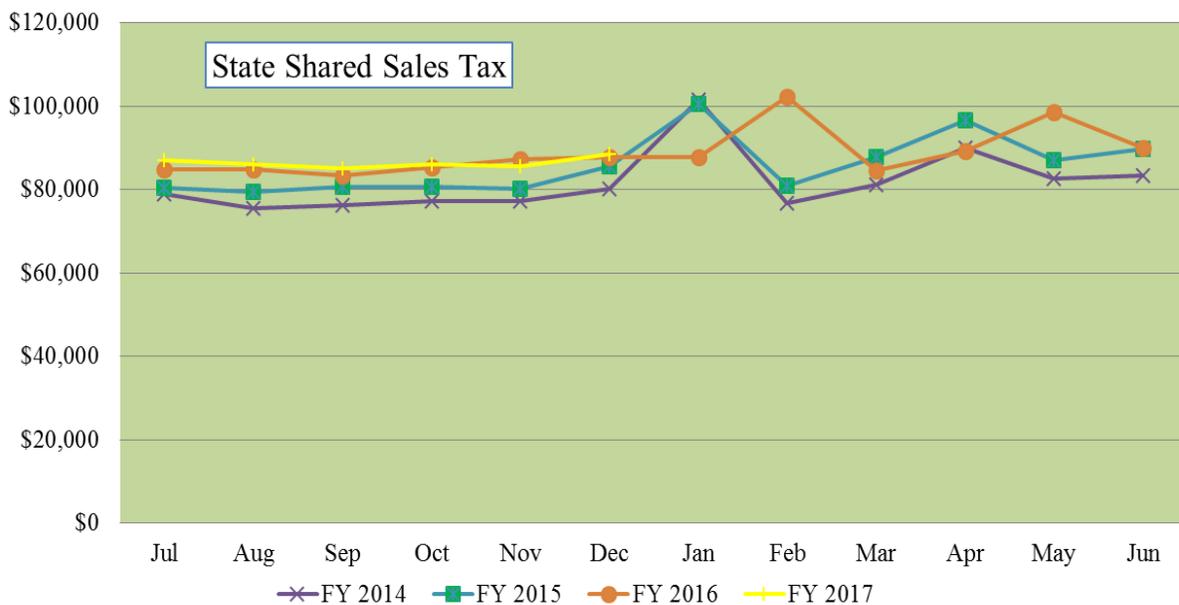
State Shared Sales Tax

This revenue is one of several state shared revenues. For the past three years this revenue stream has shown some steady improvements. Increases have ranged roughly 4 - 6%. Currently this revenue is trending more to the 1.0% range or about \$4,700 above last year.

It has taken over 10 years to surpass our 2007 State Shared Sales Tax numbers. Our FY 2007 was our high point of collections for state shared sales tax before the “Great Recession.” That revenue amount for that year was \$1,032,214. We are estimating to be at the \$1.1M range by year end.

	FY 2014		FY 2015		FY 2016		FY 2017	
Jul	\$78,926	5.34%	\$80,409	1.88%	\$84,828	5.50%	\$87,090	2.67%
Aug	75,616	8.17%	79,552	5.20%	84,941	6.77%	86,133	1.40%
Sep	76,206	5.25%	80,698	5.89%	83,476	3.44%	84,988	1.81%
Oct	77,314	6.50%	80,728	4.42%	85,388	5.77%	85,977	0.69%
Nov	77,348	5.90%	80,131	3.60%	87,178	8.79%	85,674	-1.73%
Dec	80,201	6.32%	85,569	6.69%	87,828	2.64%	88,436	0.69%
Jan	101,466	12.54%	100,481	-0.97%	87,828	-12.59%		-100.00%
Feb	76,669	2.75%	80,866	5.47%	102,375	26.60%		-100.00%
Mar	81,052	8.10%	87,669	8.16%	84,585	-3.52%		-100.00%
Apr	89,870	4.49%	96,493	7.37%	89,187	-7.57%		-100.00%
May	82,615	6.31%	87,147	5.49%	98,486	13.01%		-100.00%
Jun	83,254	3.71%	89,672	7.71%	89,929	0.29%		-100.00%
	✓ \$980,536	6.34%	✓ \$1,029,415	4.98%	✓ \$1,066,029	3.56%	✓ \$518,298	-51.38%

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.



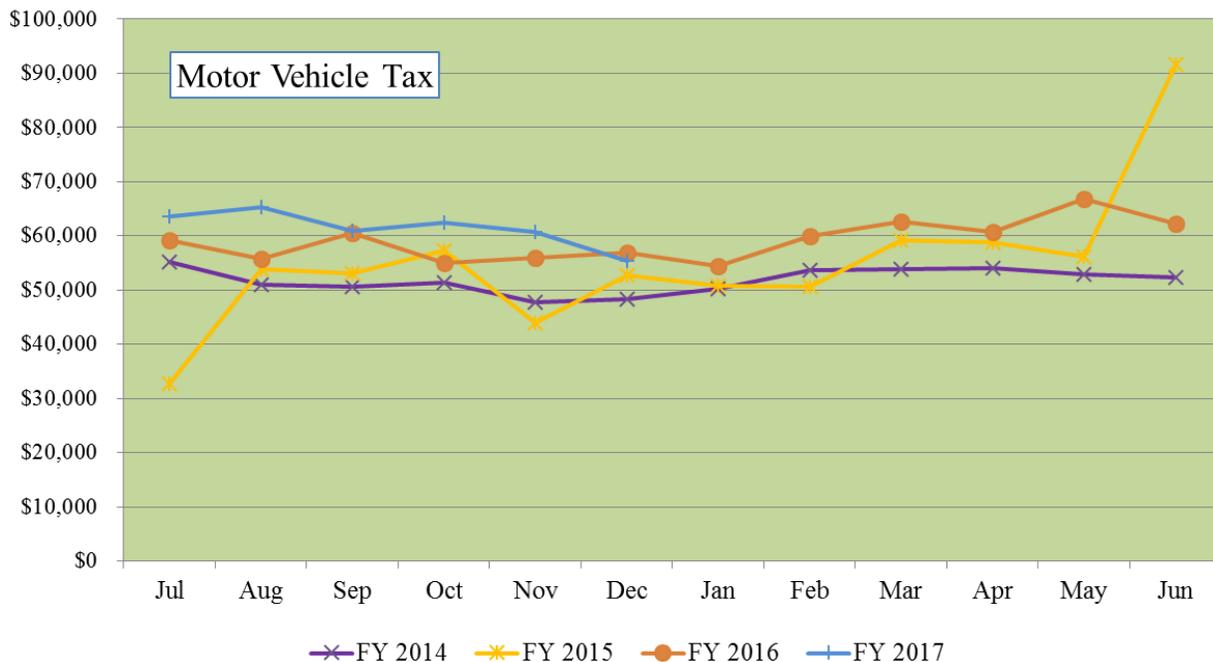
Motor Vehicle Tax

The Motor Vehicle Tax seems to have settled down from past years where every month was a wild guess where that number would end up. This revenue source has not seen any substantial improvements over the past years.

This revenue is currently trending 7.3% above last year at this same time. We do not expect it to stay at that level for the remainder of the year, however, we are optimistic that we will hit the 5% mark.

	FY 2014		FY 2015		FY 2016		FY 2017	
Jul	\$55,274	-2.45%	\$32,681	-40.87%	\$59,097	80.83%	\$63,603	7.62%
Aug	50,992	5.72%	53,909	5.72%	55,848	3.60%	65,283	16.89%
Sep	50,638	6.08%	53,159	4.98%	60,435	13.69%	60,894	0.76%
Oct	51,303	3.92%	57,376	11.84%	54,904	-4.31%	62,471	13.78%
Nov	47,840	124.65%	43,919	-8.20%	55,965	27.43%	60,684	8.43%
Dec	48,271	15.37%	52,788	9.36%	56,941	7.87%	55,292	-2.90%
Jan	50,317	4.43%	50,813	0.99%	54,518	7.29%		-100.00%
Feb	53,701	14.72%	50,593	-5.79%	59,933	18.46%		-100.00%
Mar	53,870	4.45%	59,134	9.77%	62,670	5.98%		-100.00%
Apr	54,125	-30.29%	58,821	8.68%	60,801	3.37%		-100.00%
May	52,877	3.36%	56,080	6.06%	66,727	18.99%		-100.00%
Jun	52,289	124.00%	91,513	75.01%	62,316	-31.90%		-100.00%
	\$621,497	10.22%	\$660,786	6.32%	\$710,155	7.47%	\$368,227	-48.15%

Description - 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.



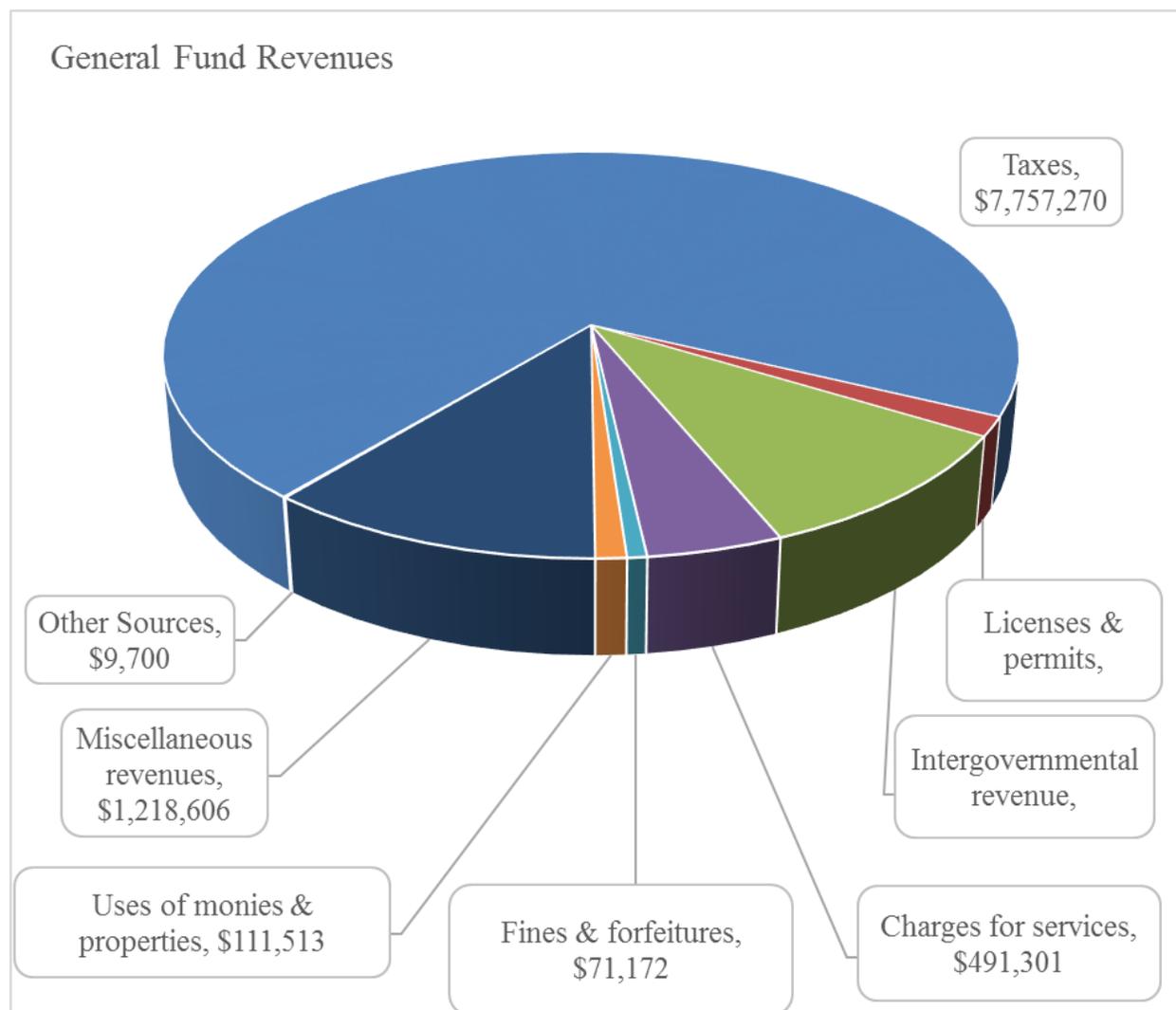
General Fund – Revenues vs Expenditures

Our General Fund operating revenues are still lagging to estimates, however not to our expenditures. This was an anticipated scenario to some degree during the budget process. As of December 31, 2016 we have not yet tapped into our fund balance reserves. We do, however, still have some capital that has not been acquired, however it will be acquired later this fiscal year.

The concern with revenues keeping up with expenditures has been discussed several times in the past and will continue to be an issue in the future. This FY 2018 budget season, as it begins, is still expected to be challenging as in past years. Our costs and demands on services continue to rise and our revenues are not keeping up. Our current General Fund balance is \$6.7M.

Revenues & Other Sources

Taxes	\$7,757,270
Licenses & permits	\$169,044
Intergovernmental revenue	\$1,097,508
Charges for services	\$491,301
Fines & forfeitures	\$71,172
Uses of monies & propertie	\$111,513
Miscellaneous revenues	\$1,218,606
Other Sources	\$9,700
Revenues & Other Sources	\$10,926,114

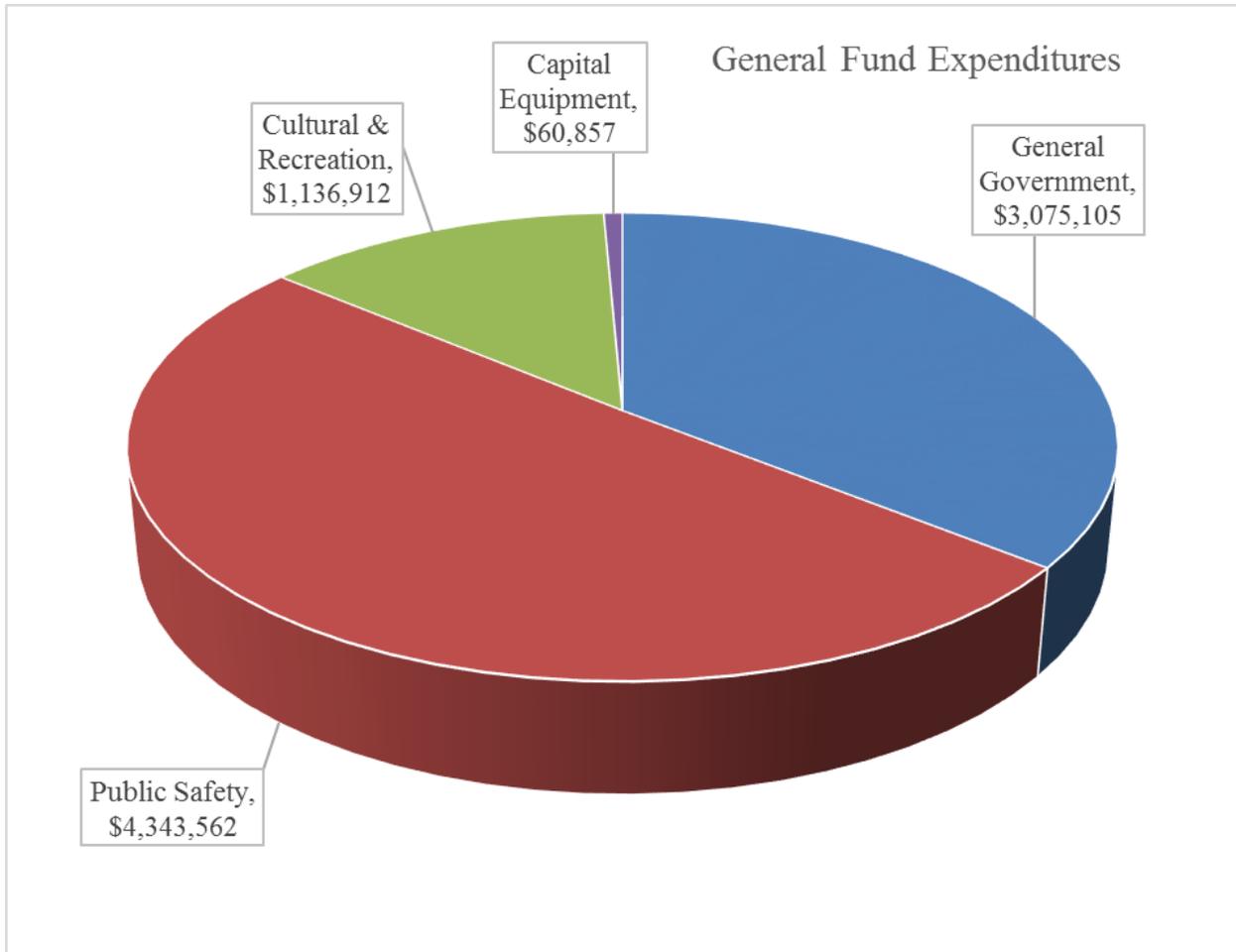


As we move forward into this fiscal year and future planning years, we need to continue to be aware that Governmental Accounting Standards Board (GASB) Statement #68 – Accounting and Financial Reporting for Pension Plans will continue to impact all municipal entities using Arizona State Retirement System (ASRS) or Public Safety Personnel Retirement System (PSPRS). All

<u>Expenditures & Other Uses</u>	
General Government	3,075,105
Public Safety	4,343,562
Cultural & Recreation	1,136,912
Capital Equipment	60,857
Expenditures & Other Uses	<u>9,381,499</u>

entities are now reflecting any pension plan underfunding liability on their respective financials. Future Comprehensive Annual Financial Reports (CAFRs) will show a significant decline in the net position even as to go into a negative position. Though not a grave concern at this time, it is still a concern as to how the city will deal with it in future years. That number will improve as the City pays

down its pension liability in future years. Currently we are on track to fully fund our portion in the next 20 years, if not sooner.



As a note, 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. Unfortunately the markets during the Great Recession did not provide sufficient return to keep them fully funded.

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 need to be corrected in the future. We will be preparing for continued revenue discussions later this fiscal year. At that time options will be presented to the Council for their consideration.

SPECIAL REVENUE FUNDS

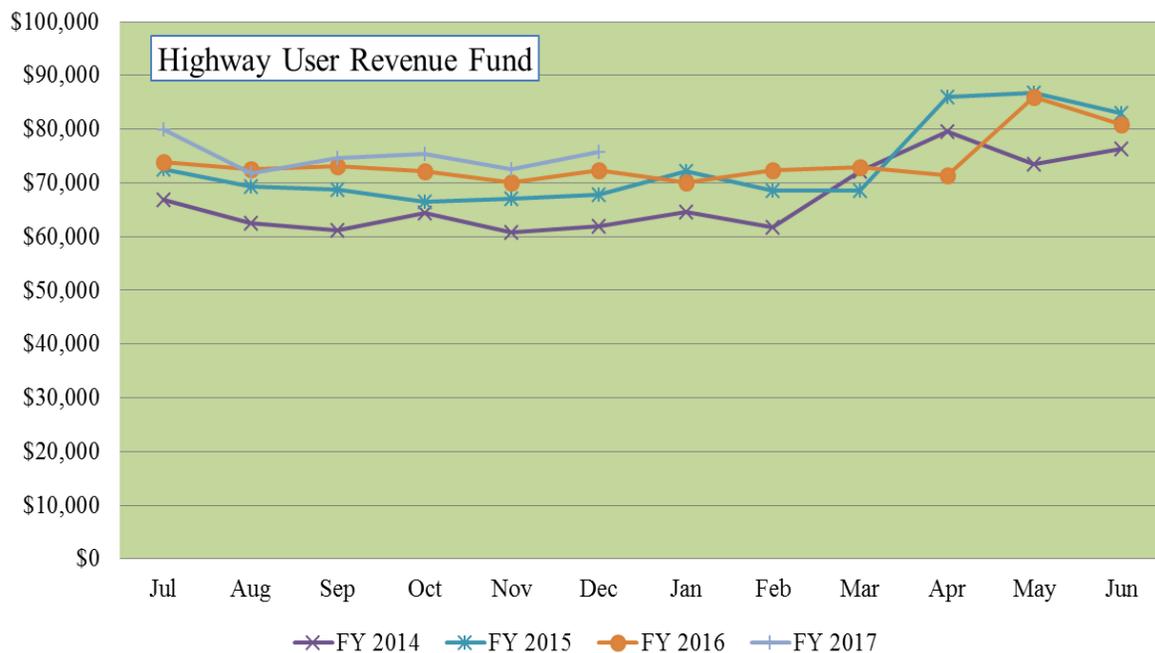
Special Revenue Funds consist of the Highway User Revenue Fund (HURF) and several other smaller funds, including CAT/LYNX, Library, Cemetery, Airport, and Grants.

Highway User Revenue Funds - HURF

This is another state shared revenue source. It is commonly called the Fuel Tax. It has improved slightly over the years. The State is using a portion of the HURF that is designated for cities and towns to assist with cost to the Department of Public Safety.

	FY 2014		FY 2015		FY 2016		FY 2017	
Jul	\$66,861	11.88%	\$72,487	8.41%	\$73,939	2.00%	\$79,891	8.05%
Aug	62,470	-1.22%	69,249	10.85%	72,631	4.88%	71,771	-1.18%
Sep	61,165	-1.64%	68,695	12.31%	73,174	6.52%	74,612	1.97%
Oct	64,485	11.79%	66,391	2.96%	72,153	8.68%	75,381	4.47%
Nov	60,776	3.04%	67,106	10.41%	70,008	4.32%	72,477	3.53%
Dec	62,013	0.39%	67,781	9.30%	72,337	6.72%	75,781	4.76%
Jan	64,643	9.63%	72,211	11.71%	70,008	-3.05%		-100.00%
Feb	61,689	-0.24%	68,542	11.11%	72,337	5.54%		-100.00%
Mar	72,168	3.46%	68,542	-5.02%	72,864	6.31%		-100.00%
Apr	79,481	4.16%	85,957	8.15%	71,495	-16.82%		-100.00%
May	73,414	0.42%	86,824	18.27%	86,054	-0.89%		-100.00%
Jun	76,375	2.27%	83,032	8.72%	80,919	-2.54%		-100.00%
	█ \$805,540	3.50%	█ \$876,817	8.85%	█ \$887,919	1.27%	█ \$449,913	-49.33%

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. We are estimating that we will reach \$974K by the year end making this one of the best year since the "Great recession."



Special Revenues Funds - continued

The following tables depict the other funds that make up the Special Revenue Funds in the City of Cottonwood budget. All of these funds have the continued support of the General Fund which cover any shortages in their bottom line. Most of the negative numbers are grants, transfers or receivables that are outstanding and are expected to be received within the next 30 to 60 days. HURF will be using much of the fund balance it has to complete the Mingus Avenue project that the City of Cottonwood bonded for in 2015 using excise taxes to support the bond.

	Special Revenue Funds					
	HURF		CAT		Library	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	2,392,370	743,687	\$1,829,510	\$668,151	\$173,010	\$14,290
Operating Expenditures	1,251,995	395,202	1,745,335	776,507	999,250	495,244
Capital Outlay	2,131,650	40,239	125,000	19,604	27,000	12,874
Debt Service	392,600	294,938	0	0	0	0
Revenues over (under) Expenditures	(1,383,875)	13,308	(40,825)	(127,960)	(853,240)	(493,828)
Other Funding Sources & Uses	200,000	100,000	0	0	853,240	426,620
Revenues & other funding sources & uses over (under) Expenditures	(1,183,875)	113,308	(40,825)	(127,960)	0	(67,208)
Beginning Fund Balance	3,617,055	3,617,055	0	0	0	0
Ending Fund Balance	\$2,433,180	\$3,730,363	(\$40,825)	(\$127,960)	\$0	(\$67,208)

	Special Revenue Funds					
	Cemetery		Airport		Grants	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	\$900	\$75	\$339,970	\$147,370	\$2,056,105	\$777,779
Operating Expenditures	38,100	30,371	297,660	197,119	0	0
Capital Outlay	0	0	0	0	2,114,155	901,406
Debt Service	0	0	0	0	0	0
Revenues over (under) Expenditures	(37,200)	(30,296)	42,310	(49,749)	(58,050)	(123,627)
Other Funding Sources & Uses	37,200	18,600	(42,310)	7,870	58,050	901,406
Revenues & other funding sources & uses over (under) Expenditures	0	(11,696)	0	(41,879)	0	777,779
Beginning Fund Balance	0	0	0	0	71,503	71,503
Ending Fund Balance	\$0	(\$11,695)	\$0	(\$41,879)	\$71,503	\$849,282

CAPITAL IMPROVEMENTS FUND

This fund has been in relatively good fiscal shape for many years. With the new Riverfront Water Reclamation being constructed, however, the fund balance is estimated to decline over the next 12 months as construction draws are made to the contractor.

The Riverfront Water Reclamation Facility is will provide reclaimed water to the area sport fields and to replenish our aquifers using injection wells. It is also expected to treat approximately 300k gallons of wastewater daily.

As a reminder, during the “great recession,” the city used some of these accumulated funds to support the construction sector by acquiring buildings and rehabilitating them for much needed office space. Another use of these funds was to take care of street improvements while some of the financing was completed. Lastly, this fund also provided some of the financial support for the New Regional Communications Center while the 2015 Excise Tax Bond was completed.

		Capital Improvements	
		Budget	2nd Qtr Actual
Revenues		\$723,960	\$67,728
Operating Expenditures		0	0
Capital Outlay		1,113,190	411,572
Debt Service		0	
Revenues over (under)			
Expenditures		(389,230)	(343,843)
Other Funding Sources & Uses		(8,817,170)	0
Revenues & other funding sources & uses over (under)			
Expenditures		(9,206,400)	(343,843)
Beginning Fund Balance		10,528,437	10,528,437
Ending Fund Balance		\$1,322,037	\$10,184,594

Below are the major projects anticipated to be funded by the 2015 Excise Tax Bond proceeds that will be paid from the escrow account. There is a \$11,500,000 transfer from this fund to the Wastewater Enterprise Fund to pay for the construction of the Riverfront Water Reclamation Facility that is currently underway, and was previously mentioned in this report. That amount is not shown on the schedule below since it is a capital expense reflected in an Enterprise Fund.

Capital outlay:

Investment Expenses	9,000	3,940	43.78%
Kids Park Restroom	240,730	154,564	64.21%
Garrison Park Restroom	240,730	125,785	52.25%
Civic Center HVAC	132,000	4,398	3.33%
Riverfront Park Restroom	140,730	38,230	27.17%
Railroad Wash Improvements	350,000	84,655	24.19%
Total Expenditures	1,113,190	411,572	36.97%

Railroad Wash improvements are funded by Yavapai County’s Flood Improvement Tax.

ENTERPRISE FUNDS

Wastewater and Water

Both the Enterprise Funds have been operating in the black since the City Council has approved annual rate increases. FY 2013 was a turning point for both the Water and Wastewater Enterprise Funds. Though there has been improvement in our revenues generation, the utilities still need quite a bit of future capital investment.

The Water Utility had their Municipal Property Corporation (MPC) Water Revenue Bonds, Series 2004 and 2006 refinanced over the past couple of years. There were substantial savings to utility customers over the life of the new Water Infrastructure Finance Authority (WIFA) loans. These savings are in future interest payments and forgivable interest.

The 2015 WIFA refinancing will save approximately \$1,745,600 in interest expense, and there was \$550,000 in forgivable principle included in that refinance package, totaling over \$2,295,600 in cost savings. The WIFA loan required less debt service reserves, allowing an \$111,000 transferred from debt service reserves to the water utility's unrestricted fund reserves.

	Enterprise Funds			
	Wastewater		Water	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	3,167,465	1,307,195	\$8,347,025	\$4,294,807
Operating Expenditures	1,830,900	960,932	7,568,380	1,783,169
Capital Outlay	11,855,525	2,478,778	5,401,860	459,862
Debt Service	0	0	1,973,920	951,977
Revenues over (under) Expenditures	(10,518,960)	(2,132,515)	(6,597,135)	1,099,800
Other Funding Sources & Uses	11,500,000	0	800,000	0
Revenues & other funding sources & uses over (under) Expenditures	\$981,040	(\$2,132,515)	(\$5,797,135)	\$1,099,800

We completed the refinancing the 2006 MPC Water Revenue Bonds using a WIFA Loan as we did the previous year. Included was \$1.9M waterline that WIFA granted along with \$800K in forgivable principle. The interest rate went from 5% 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.

DEBT SERVICES FUND

This fund starts off the year in good shape; with sales taxes and interest income providing all of the revenues for this fund. Expenditures consist of principal and interest on loans and bond issues. Also included are any trustee fees assessed for managing the debt service accounts.

The Recreation Center - Greater Arizona Development Authority (GADA) Bonds were refinanced earlier this year 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. The refinance changed the loan to a bond issue.

All water debt service is funded through user fees and other operational revenues, and therefore the debt service for the water utility is reflected in the enterprise fund.

	Debt Service	
	Budget	2nd Qtr Actual
Revenues	\$1,540,235	\$926,287
Operating Expenditures		1,122,662
Capital Outlay		
Debt Service	1,540,235	1,122,662
Revenues over (under) Expenditures	0	(1,319,037)
Other Funding Sources & Uses	0	13,874,485
Revenues & other funding sources & uses over (under) Expenditures	0	13,678,110
Beginning Fund Balance	1,211,534	1,211,534
Ending Fund Balance	\$1,211,534	\$14,889,644

BRIEF OVERVIEW

As we finish our first second quarter of fiscal year 2017, we are pleased to see the economy continuing to improving, however, not as robust as we have been hoping for. We are also pleased with being able to continue providing the excellent services that our community is accustomed to getting from the city. Many projects that were not completed last fiscal year have continued into this year.

Despite our past and current success, we continue to express concern over our revenue generation not keeping up with our expenditures. Our local sales tax is coming along nicely, however, other revenues, mostly those related to the construction are still struggling. During this last budget season we struggled balancing the budget due to the need for services. We will be looking to council for direction on some possible revenues opportunities in the near future.

The City is still a keeping a fiscally conservative position in doing their everyday business while looking for ways to reduce costs, reorganize itself, provide quality essential services, and protect its staff. 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 December 31, 2016

General Fund - 01	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	15,035,600	7,757,270	51.59%
Licenses & permits	286,000	169,044	59.11%
Intergovernmental revenue	2,579,545	1,097,508	42.55%
Charges for services	1,159,175	491,301	42.38%
Fines & forfeitures	218,000	71,172	32.65%
Uses of monies & properties	145,200	111,513	76.80%
Miscellaneous revenues	4,750,245	1,218,606	25.65%
Total revenues	24,173,765	10,916,414	45.16%
Expenditures:			
Operating:			
Council	206,940	68,077	32.90%
City Clerk	249,965	134,901	53.97%
Administration	741,910	350,982	47.31%
Finance	445,025	233,500	52.47%
Personnel	301,040	113,826	37.81%
IT Services	570,980	247,700	43.38%
Purchasing	99,680	48,540	48.70%
Legal	586,115	222,681	37.99%
Court	441,465	239,983	54.36%
Planning & zoning	584,065	264,834	45.34%
Engineering	297,200	158,098	53.20%
Public Works	372,760	128,802	34.55%
Transfer Station	255,430	103,958	40.70%
Building maintenance	415,675	204,005	49.08%
Custodial	160,000	64,208	40.13%
Natural resources	167,085	79,051	47.31%
Non-departmental	518,500	308,925	59.58%
Police	4,924,525	2,195,002	44.57%
Communications	1,749,755	707,974	40.46%
Fire	2,940,035	1,340,643	45.60%
Ordinance Enforcement	210,580	99,943	47.46%
Parks & recreation	828,055	432,672	52.25%
Rec Center Operations	1,280,305	595,792	46.54%
Pool	118,310	57,637	48.72%
Youth Center	0	50,811	0.00%
Economic Development	245,330	103,035	42.00%
Subtotal maintenance and operations	18,710,730	8,555,579	45.73%
Capital outlay:	1,309,065	60,857	4.65%
Total Expenditures	20,019,795	8,616,437	43.04%
Excess (deficiency) of revenues over (under) expenditures	4,153,970	2,299,977	
Other financing sources (uses):			
Operating transfers in	0	0	0.00%
Sales of City Equipment	20,000	9,700	48.50%
Capital leases	(433,490)	(211,972)	48.90%
Transfers out	(1,106,180)	(553,090)	50.00%
Total other financing sources (uses)	(1,519,670)	(755,362)	49.71%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,634,300	1,544,615	
Fund balance, July 1, 2016 (audited)		5,228,183	
Estimated fund balance @ June 30, 2017		\$6,772,798	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

HURF - 10

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$2,390,370	748,411	31.31%
Uses of monies & properties	2,000	(4,724)	-236.18%
Miscellaneous revenues	0	0	0.00%
Total revenues	2,392,370	743,687	31.09%
Expenditures:			
Operating:			
Salaries	179,890	86,826	48.27%
Temp employees	0	0	0.00%
Overtime	3,000	1,845	61.50%
Social security	11,340	5,205	45.90%
Medicare tax	2,650	1,217	45.93%
AZ state retirement	21,000	10,179	48.47%
Health & life insurance	56,710	29,946	52.81%
Worker's compensation	16,130	4,977	30.86%
Clothing allowance	1,200	385	32.09%
Operational supplies	2,000	678	33.90%
Tools	2,000	448	22.39%
Gas & oil	14,500	8,428	58.13%
Materials	10,000	1,996	19.96%
Street signs	4,000	149	3.72%
Street marking	51,600	0	0.00%
Office supplies	100	0	0.00%
Vehicle maintenance	8,400	2,439	29.04%
Equipment maintenance	20,000	10,294	51.47%
Building maintenance & repair	0	0	0.00%
Pavement Preservation	4,000	0	0.00%
Contractual services	15,000	1,104	7.36%
Bank charges	0	494	0.00%
Employee physicals	1,000	0	0.00%
Computer support	225	102	45.37%
General counsel	0	0	0.00%
Engineering Services	0	0	0.00%
Legal advertising	0	0	0.00%
Utilities	10,450	3,905	37.37%
Street lights	60,600	26,552	43.82%
Telephone	1,500	491	32.76%
Culverts	1,000	347	34.73%
Travel & training	2,000	0	0.00%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	0	0	0.00%
Liability insurance	24,200	26,429	109.21%
Liability claims deductible	0	0	0.00%
Indirect costs to general fund	475,000	168,386	35.45%
Street light contingency	3,500	0	0.00%
Equipment purchase	247,000	2,379	0.96%
Street Improvements	2,000	0	0.00%
Subtotal maintenance and operations	1,251,995	395,202	31.57%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

HURF - 10 (page 2)

	Adopted Budget	Y-T-D	% Used
Debt Service:			
Principal	197,280	97,658	0.00%
Interest	195,320	197,280	0.00%
Capital Outlay:			
Street Light Contingency	0	0	0.00%
Pavement Preservation	0	0	0.00%
2015 Excise Bond - Trustee Fees		300	0.00%
Bond Issuance Costs		0	0.00%
Mingus/Main Signal		0	0.00%
10th St to Main Project	250,000	0	0.00%
12th ST NACOG 89-A to Fir		55	0.00%
Sidewalk Additions		0	0.00%
Mingus Willard to Main	1,861,650	39,884	2.14%
10 th Street		0	0.00%
Main St. Road Diet Grant		0	0.00%
HSIP Street Sign Replacement	20,000	0	0.00%
Total Expenditures	<u>3,776,245</u>	<u>730,379</u>	<u>19.34%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,383,875)</u>	<u>13,308</u>	
Other Financing Sources (Uses):			
Operating Transfers In	200,000	100,000	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>200,000</u>	<u>100,000</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>113,308</u>	
Fund balance, July 1, 2016 (audited)		<u>3,617,055</u>	
Estimated fund balance @ June 30, 2017		<u><u>\$3,730,363</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual

Quarterly Report Ending December 31, 2016

CATS - 10

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,646,510	576,850	35.03%
Charges for services	183,000	91,300	49.89%
Total revenues	1,829,510	668,151	36.52%
Expenditures:			
Salaries	600,640	264,655	44.06%
Temporary employee	248,000	79,443	32.03%
Overtime	26,000	17,491	67.27%
Holiday pay	9,250	4,095	44.27%
Social security	54,800	21,771	39.73%
Medicare	12,820	5,092	39.72%
AZ retirement	73,005	35,591	48.75%
Health/life insurance	192,825	80,172	41.58%
State compensation insurance	29,130	6,762	23.21%
Clothing allowance	2,760	623	22.58%
Contractual Services	11,780	15,991	135.75%
Gas & oil	143,750	56,732	39.47%
Office supplies	5,000	3,000	60.00%
Copier supplies	5,250	625	11.90%
Vehicle maintenance	161,000	93,097	57.82%
Building Maintenance	1,725	155	8.99%
Radio maintenance	5,235	2,167	41.40%
Postage & freight	11,780	72	0.61%
Audit expense	3,150	3,000	95.24%
Employee physicals / drug tests	3,680	1,704	46.30%
Computer Support	10,485	24,734	235.90%
Custodial Contract	13,205	3,390	0.00%
Advertising	29,715	7,213	24.27%
Printing & forms	9,845	7,838	79.62%
Utilities	12,950	5,127	39.59%
Telephone	8,380	4,313	51.47%
Travel/training	5,250	3,389	64.55%
Continuing education	0	0	0.00%
Subscriptions/dues	16,225	1,532	9.44%
Tools & Equipment	3,450	306	8.88%
Liability insurance	34,250	26,427	77.16%
Indirect costs to GF	0	0	0.00%
Subtotal maintenance and operations	1,745,335	776,507	44.49%
Capital Outlay:	125,000	19,604	0.00%
Fund b: Total Expenditures	1,870,335	796,111	42.57%
Excess (deficiency) of revenues over (under) expenditures	(40,825)	(127,960)	
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	
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(40,825)	(127,960)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Library - 03

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other income	\$18,000	\$8,783	48.79%
Interest income	10	7	68.00%
City Sales Tax	0	0	0.00%
Yavapai county	155,000	0	0.00%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	5,500	0.00%
Total revenues	173,010	14,290	8.26%
Expenditures:			
Operating:			
Salaries	381,220	183,817	48.22%
Temp employees	50,000	20,609	41.22%
Overtime	0	0	0.00%
Social security	26,740	12,334	46.12%
Medicare tax	6,250	2,885	46.15%
AZ state retirement	43,760	20,568	47.00%
Health & life insurance	95,740	50,787	53.05%
Worker's compensation	4,110	1,312	31.92%
Book purchases	42,000	23,783	56.63%
Office supplies	4,000	1,755	43.88%
Copier supplies	3,100	1,309	42.24%
Equipment maintenance	6,000	3,208	53.47%
Bldg M&R - Library	30,000	12,030	40.10%
Collection expenses	2,000	1,164	58.18%
Bank Charges	30	0	0.00%
Recruitment Cost	500	340	68.00%
Computer support	2,350	3,870	164.70%
Legal advertising	0	0	0.00%
Utilities	55,000	26,049	47.36%
Telephone	2,500	863	34.52%
Network & technology expenses	35,000	18,253	52.15%
Youth programs	500	258	51.63%
Annual volunteer appreciation	800	158	19.74%
Travel & training	850	403	47.42%
Subscriptions & dues	0	0	0.00%
Postage & freight	4,000	1,430	35.76%
Liability Insurance	17,800	11,327	63.63%
Indirect costs to general fund	185,000	96,733	52.29%
District - Materials	0	0	0.00%
Subtotal maintenance and operations	999,250	495,244	49.56%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Library - 03 (page 2)

	Adopted Budget	Y-T-D	% Used
Capital outlay:	27,000	12,874	0.00%
Total expenditures	<u>1,026,250</u>	<u>508,118</u>	<u>49.51%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(853,240)</u>	<u>(493,828)</u>	
Other financing sources (uses):			
Operating transfers in	853,240	426,620	50.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>853,240</u>	<u>426,620</u>	<u>50.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>(67,208)</u>	
Fund balance, July 1, 2016 (audited)		<u>0</u>	
Estimated fund balance @ June 30, 2017		<u><u>(\$67,208)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Cemetery 04

	Adopted Budget	Y-T-D	% Used
Revenues:			
Interest Income	\$0	\$0	0.00%
Charges for services	900	75	8.33%
Total revenues	900	75	8.33%
Expenditures:			
Utilities	25,000	20,322	81.29%
Telephone	0	0	0.00%
Grave Liners	3,000	0	0.00%
Miscellaneous Expense	100	88	88.01%
Indirect Costs	10,000	9,960	99.60%
Subtotal maintenance and operations	38,100	30,371	79.71%
Capital improvements	0	0	0.00%
Total expenditures	38,100	30,371	79.71%
Excess (deficiency) of revenues over (under) expenditures	(37,200)	(30,296)	
Other financing sources (uses):			
Operating transfers in	37,200	18,600	50.00%
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)	37,200	18,600	50.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(11,696)	
Fund balance, July 1, 2016 (audited)		0	
Estimated fund balance @ June 30, 2017		(\$11,695)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Airport - 05

	Adopted Budget	Y-T-D	% Used
	Revenues:		
Other Income	\$0	\$25	0.00%
Late Fees	\$600	\$353	58.87%
Tie down rent	18,900	9,232	48.84%
Airpark Rents	0	0	0.00%
FBO building rental income	0	0	0.00%
Fuel sales income	247,000	88,501	35.83%
Oil Sales	20	12	0.00%
Land lease fees	38,850	13,025	33.53%
City hangar lease fees	34,600	36,223	104.69%
Total revenues	339,970	147,370	43.35%
Expenditures:			
Operational Supplies	1,000	2,645	264.49%
Fuel Expense	200,000	108,636	54.32%
Oil Expense	0	5	0.00%
Office Supplies	50	605	1210.64%
Vehicle Maintenance	200	0	0.00%
Equipment maintenance	2,500	2,133	85.32%
Building maintenance	500	15	3.05%
Contractual Services	7,000	34,863	498.04%
Bank Charges	12,000	6,178	51.49%
Computer Support	110	75	68.18%
General Counsel	0	38	0.00%
Utilities	14,500	7,154	49.34%
Telephone	1,300	621	47.74%
Airport Annual Event	0	0	0.00%
Liability Insurance	8,500	9,426	110.89%
Indirect costs	50,000	24,725	49.45%
Equipment Purchase	0	0	0.00%
Airport Improvements	0	0	0.00%
Subtotal maintenance and operations	297,660	197,119	66.22%
Capital improvements - hangars	0	0	0.00%
Total expenditures	297,660	197,119	66.22%
Excess (deficiency) of revenues over (under) expenditures	42,310	(49,749)	
Other financing sources (uses):			
Operating transfers in	15,740	7,870	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(58,050)	0	0.00%
Total other financing sources (uses)	(42,310)	7,870	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(41,879)	
Fund balance, July 1, 2016 (audited)		0	
Estimated fund balance @ June 30, 2017		(\$41,879)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Sewer Consolidated - 51

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	3,167,365	1,308,997	41.33%
Uses of monies & properties	100	(1,803)	-1802.83%
Miscellaneous revenues	0	0	0.00%
Total revenues	3,167,465	1,307,195	41.27%
Expenditures:			
Operating:			
Salaries	461,680	223,353	48.38%
Temporary Employees	0	0	0.00%
Overtime	50,600	26,947	53.25%
Holiday pay	1,500	809	53.94%
Social security	31,860	15,402	48.34%
Medicare tax	7,450	3,602	48.35%
AZ state retirement	58,980	28,818	48.86%
Health & life insurance	97,500	52,868	0.00%
Worker's compensation	14,200	3,324	23.41%
ASRS Pension Expense	5,200	0	0.00%
Clothing allowance	1,500	1,158	77.17%
Operational supplies	25,000	7,827	31.31%
Tools	1,600	47	2.96%
Gas & oil	10,000	4,956	49.56%
Chlorine	3,500	0	0.00%
Polymer	16,700	14,017	0.00%
Odor control supplies	0	0	0.00%
Office supplies	2,650	1,529	57.69%
Copier Supplies	0	0	0.00%
Vehicle maintenance	6,000	1,832	30.53%
Equipment maintenance	200,000	108,590	0.00%
Building maintenance	1,000	27	0.00%
Contractual services	60,000	24,883	41.47%
Bank Charges	0	494	0.00%
Employee physicals	660	79	0.00%
Computer support	4,300	2,582	60.05%
General Counsel	0	0	0.00%
Lab / testing	45,000	28,654	63.68%
Sludge disposal	92,700	46,232	0.00%
Legal Advertising	50	0	0.00%
Printing & forms	0	162	0.00%
Utilities	356,500	167,465	46.97%
Telephone	4,000	2,438	60.95%
ADEQ annual fee	16,500	20,595	124.82%
Travel & training	2,000	1,694	84.72%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	330	0.00%
Postage & freight	14,500	7,461	51.45%
Liability insurance	37,770	22,652	59.97%
Indirect costs to general fund	200,000	140,104	0.00%
Bad debt expense	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,830,900	960,932	52.48%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Sewer Consolidated - 51 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	11,855,525	2,478,778	20.91%
Total Expenditures	13,686,425	3,439,710	25.13%
Excess (deficiency) of revenues over (under) expenditures	(10,518,960)	(2,132,515)	
Other Financing Sources (Uses):			
Operating transfers in	11,500,000	0	0.00%
Proceeds from bonds / loans	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	11,500,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	\$981,040	(\$2,132,515)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual

Quarterly Report Ending December 31, 2016

**Sewer Construction
& Administration - 51**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
City sales tax	\$0	\$0	0.00%
Impact fees	0	0	0.00%
Connection fees	200	210	0.00%
User fees - admin residential	478,000	166,739	34.88%
User fees - admin commercial	46,620	22,449	48.15%
User fees - admin multi-residential	122,000	60,992	49.99%
User fees - M&O residential	1,200,380	443,717	36.96%
User fees - M&O multi-residential	575,890	244,587	42.47%
User fees - M&O commercial	316,860	161,927	51.10%
Effluent Revenue	10,000	9,302	93.02%
Reserves -	322,375	150,150	46.58%
Debt Services Rate Revenue	95,040	48,925	51.48%
Late fees - interest charges	0	0	0.00%
Recovery of bad debts	0	0	0.00%
Interest income	100	(1,803)	-1802.83%
Interest - equipment reserve	0	0	0.00%
Interest - expansion fund	0	0	0.00%
Interest - bond reserve fund	0	0	0.00%
Building Rental	0	0	0.00%
Other income	0	0	0.00%
Sale of City Property	0	0	0.00%
Tap fees	0	0	0.00%
Total revenues	3,167,465	1,307,195	41.27%

Expenditures:

Administration

Salaries	117,720	58,866	50.01%
Temp Employees		0	0.00%
Overtime and Holiday Pay	600	140	23.39%
Social security	7,340	3,617	49.27%
Medicare tax	1,720	846	49.17%
AZ state retirement	13,580	6,774	49.88%
Health & life insurance	24,300	13,646	56.16%
Worker's compensation	970	43	4.43%
ASRS Pension Expense	5,200	0	0.00%
Office supplies	750	413	55.04%
Copier Supplies	0	0	0.00%
Equipment maintenance	0	0	0.00%
Contractual Services	15,000	3,451	23.01%
Bank charges	0	494	0.00%
Computer support	3,500	2,184	62.40%
General Counsel	0	0	0.00%
Legal advertising	50	0	0.00%
Printing & forms	0	162	0.00%
Utilities	4,500	1,718	38.17%
Telephone	1,500	1,030	68.66%
Travel & training	0	242	0.00%
Continuing education	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	10,000	7,365	73.65%
Liability insurance	13,500	3,775	27.96%
Indirect costs to general fund	200,000	140,104	70.05%
Bad debt expense	0	0	0.00%
Subtotal maintenance and operations	420,230	244,871	58.27%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

**Sewer Construction
& Administration - 51 (page 2)**

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	38,000	11,034	0.00%
Construction:			
Bond Issuance Costs	0	0	0.00%
Water/Waste Water Master Plan	28,900	10,807	37.39%
Legal fees	0	0	0.00%
Legal Advertising	0	0	0.00%
Investment Expense	795	680	85.55%
Impact Fee Study	0	0	0.00%
260 Design	0	0	0.00%
Riverfront WWTP Deisng/Feasib	9,500,000	1,964,559	20.68%
Effluent Disposal System	0	0	0.00%
Lift Station	300,000	0	0.00%
Recl H2O Pump System Upgrade	75,000	5,855	7.81%
Construction - General	1,458,495	342,660	23.49%
WWTP Upgrades	241,000	1,250	0.52%
12th Street Fir 89A Reclimation	0	0	0.00%
Subtotal construction expenses	11,604,190	2,325,811	20.04%
Total Expenditures	12,062,420	2,581,715	21.40%
Excess (deficiency) of revenues over (under) expenditures	(8,894,955)	(1,274,520)	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from other sources	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	(8,894,955)	(1,274,520)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Sewer Maintenance & Operations- 51

Adopted		
Budget	Y-T-D	% Used

Expenditures:

Operating:

Salaries	343,960	164,488	47.82%
Temporary Employees	0	0	0.00%
Overtime	50,000	26,806	53.61%
Holiday pay	1,500	809	53.94%
Social security	24,520	11,785	48.06%
Medicare tax	5,730	2,756	48.10%
AZ state retirement	45,400	22,044	48.56%
Health & life insurance	73,200	39,222	53.58%
Worker's compensation	13,230	3,281	24.80%
Clothing allowance	1,500	1,158	77.17%
Operational supplies	25,000	7,827	31.31%
Tools	1,600	47	2.96%
Gas & oil	10,000	4,956	49.56%
Chlorine	3,500	0	0.00%
Polymer	16,700	14,017	83.93%
Odor control supplies	0	0	0.00%
Office supplies	1,900	1,116	58.73%
Copier supplies	0	0	0.00%
Vehicle maintenance	6,000	1,832	30.53%
Equipment maintenance	200,000	108,590	54.30%
Building maintenance	1,000	27	2.72%
Contractual services	45,000	21,432	47.63%
Employee physicals	660	79	11.97%
Computer support	800	398	49.76%
Lab / testing	45,000	28,654	63.68%
Sludge disposal	92,700	46,232	49.87%
Legal advertising	0	0	0.00%
Utilities	352,000	165,747	47.09%
Telephone	2,500	1,408	56.32%
ADEQ annual fee	16,500	20,595	124.82%
Travel & training	2,000	1,453	72.63%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	330	0.00%
Postage & freight	4,500	95	2.12%
Liability insurance	24,270	18,877	77.78%
Subtotal maintenance and operations	1,410,670	716,061	50.76%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2016

Sewer Maintenance & Operations- 51
 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	24,800	0	0.00%
Debt Service:			
Principal	94,740	46,897	49.50%
Interest	93,795	94,737	0.00%
Trustee Fees	0	300	0.00%
Total Expenditures	213,335	141,934	66.53%
Excess (deficiency) of revenues over (under) expenditures	(213,335)	(141,934)	
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	(213,335)	(141,934)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Grants - 11 & 12

	Adopted		
	Budget	Y-T-D	
Revenues:			
Intergovernmental revenue	\$2,056,100	\$777,777	37.83%
Other Income	5	2	0.00%
Total revenues	2,056,105	777,779	37.83%
Expenditures:			
Capital Outlay:	2,114,155	901,406	42.64%
Total Expenditures	2,114,155	901,406	42.64%
Excess (deficiency) of revenues over (under) expenditures	(58,050)	(123,627)	
Other Financing Sources (Uses):			
Operating Transfers In	58,050	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)	58,050	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	78,624	(123,627)	
Fund balance, July 1, 2016 (audited)		71,503	
Estimated fund balance @ June 30, 2017		(\$52,124)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Alt. Firefighter's Pension - 70

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Uses of monies & properties	0	20,980	0.00%
Total revenues	0	20,980	0.00%
Expenditures:			
Benefits	3,600	1,800	50.00%
Administration	1,810	3,138	173.36%
Total Expenditures	5,410	4,938	91.27%
Excess (deficiency) of revenues over (under) expenditures	(5,410)	16,043	
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	(5,410)	16,043	
Fund balance, July 1, 2016 (audited)		145,602	
Estimated fund balance @ June 30, 2017		\$161,645	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Employee Benefit Trust - 60

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	700	(143)	-20.39%
Total revenues	700	(143)	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	(1,300)	(143)	
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	(1,300)	(143)	
Fund balance, July 1, 2015 (audited)		66,226	
Estimated fund balance @ June 30, 2017		\$66,083	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Capital Projects - 30

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$267,960	\$0	0.00%
Use of monies & properties	106,000	(9,997)	0.00%
Intergovernmental revenue	350,000	77,726	0.00%
Total revenues	723,960	67,728	0.00%
Expenditures:			
Capital outlay:			
Investment Expenses	9,000	3,940	43.78%
Kids Park Restroom	240,730	154,564	64.21%
Garrison Park Restroom	240,730	125,785	52.25%
Civic Center HVAC	132,000	4,398	3.33%
Riverfront Park Restroom	140,730	38,230	27.17%
Railroad Wash Improvements	350,000	84,655	24.19%
Total Expenditures	1,113,190	411,572	36.97%
Excess (deficiency) of revenues over (under) expenditures	(389,230)	(343,843)	
Other Financing Sources (Uses):			
Operating Transfers In	2,682,830	0	0.00%
Transfers Out	(11,500,000)	0	0.00%
Total other financing sources (uses)	(8,817,170)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(9,206,400)	(343,843)	
Fund balance, July 1, 2015 (audited)		10,528,437	
Estimated fund balance @ June 30, 2017		\$10,184,594	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Debt Service - 20

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,539,955	\$926,113	60.14%
Uses of monies & properties	280	174	62.17%
Total revenues	<u>1,540,235</u>	<u>926,287</u>	<u>60.14%</u>
Expenditures:			
Trustee fees	360	261,247	0.00%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:		0	
Interest	594,875	267,260	44.93%
Principal	945,000	594,154	62.87%
Total Expenditures	<u>1,540,235</u>	<u>1,122,662</u>	<u>72.89%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>0</u>	<u>(196,375)</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	13,874,485	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>0</u>	<u>13,874,485</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>13,678,110</u>	
Fund balance, July 1, 2065 (audited)		1,211,534	
Estimated fund balance @ June 30, 2017		<u><u>\$14,889,644</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Water Consolidated - 50

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	8,312,800	3,940,332	47.40%
Uses of monies & properties	15,825	347,389	2195.19%
Miscellaneous revenues	18,400	7,086	38.51%
Total revenues	8,347,025	4,294,807	51.45%
Expenditures:			
Operating:			
Salaries	824,200	395,617	48.00%
Temporary Employees	0	0	0.00%
Overtime	105,000	53,031	50.51%
Holiday pay	2,500	1,608	64.33%
Social security	57,770	27,260	47.19%
Medicare tax	13,510	6,375	47.19%
AZ state retirement	106,960	51,678	48.32%
Health & life insurance	181,100	97,503	53.84%
Worker's compensation	29,060	8,691	29.91%
Clothing allowance	5,500	2,116	38.47%
Operational supplies	22,000	20,170	91.68%
Tools	3,500	2,467	70.49%
Gas & oil	45,000	12,010	26.69%
Chlorine	60,000	10,826	18.04%
Office supplies	6,000	2,512	41.86%
Copier Supplies	0	0	0.00%
Vehicle maintenance	15,000	15,242	101.61%
Equipment maintenance	180,700	148,944	82.43%
Building maintenance	4,000	3,577	89.42%
Arsenic System Maintenance	400,000	38,624	9.66%
Contractual services	160,000	64,480	40.30%
Bank Charges	0	32,576	0.00%
Employee physicals	1,000	309	30.90%
Computer support	10,400	5,838	56.14%
General Counsel	0	0	0.00%
Contractual SVCS-M&O	0	4,036	0.00%
Lab / testing	28,000	3,578	12.78%
Public Relations	0	0	0.00%
Legal Advertising	250	0	0.00%
Printing & forms	6,500	1,730	26.62%
Auction Fees	0	0	0.00%
Utilities	388,500	194,723	50.12%
Telephone	13,650	6,971	51.07%
ADEQ annual fee	26,000	25,257	97.14%
Payment Assistance Program	12,000	0	0.00%
Aid In Lieu of Construction	100,000	14,936	14.94%
Verde River Days	1,000	0	0.00%
Travel & training	4,500	3,160	70.22%
Continuing education	0	0	0.00%
Equipment rental	1,000	0	0.00%
Subscriptions & dues	2,500	1,105	44.20%
Postage & freight	40,750	15,794	38.76%
Liability insurance	68,800	49,081	71.34%
Liability Insurance Deductible	0	0	0.00%
Indirect costs to general fund	450,000	189,648	42.14%
Bad debt expense	0	0	0.00%
Lease Purchase Principal & Interest	27,370	213,839	781.29%
Trust Land Annexation	0	0	0.00%
Reserve Resource Development	3,700,950	9,175	0.25%
Reserve Water Advisory	261,850	3,479	1.33%
Reserve Adjudication	31,850	28,288	88.82%
Reserve Water Conservation	169,710	16,917	9.97%
Subtotal maintenance and operations	7,568,380	1,783,169	23.56%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2016

Water Consolidated - 50 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service	1,973,920	951,977	48.23%
Capital Outlay:	5,401,860	459,862	8.51%
Total Expenditures	14,944,160	3,195,007	21.38%
Excess (deficiency) of revenues over (under) expenditures	(6,597,135)	1,099,800	-16.67%
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds / loans	800,000	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	800,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	(\$5,797,135)	\$1,099,800	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

**Water Construction
& Administration - 50**

	Adopted Budget	Y-T-D	% Used
Revenues:			
Impact Fees	0	0	0.00%
User fees	7,450,000	3,522,078	47.28%
Meter Installation	30,300	10,850	35.81%
Service Turn Ons	95,190	42,270	44.41%
Drought Water Shortage PP	0	0	0.00%
Res-Resource Development Fees	463,000	234,814	50.72%
Res-Water Advisory Committee	37,600	19,025	50.60%
Res-Adjudication	47,200	23,914	50.66%
Res-Water Conservation	28,950	14,676	50.70%
Recapture Agreements	0	0	0.00%
Reimbursement Clarkdale	0	0	0.00%
Collection fees/late fees	160,560	72,705	45.28%
Interest income	6,600	341,647	5176.47%
Building Rental	9,225	3,575	38.75%
Other income	18,400	7,086	38.51%
Sale of City Property	0	2,167	0.00%
City sales tax	0	0	0.00%
Total revenues	8,347,025	4,294,807	51.45%

Expenditures:

Administration			
Salaries	159,910	74,728	46.73%
Overtime and Holiday Pay	2,000	400	19.98%
Social security	10,040	4,618	46.00%
Temp Employees	0	0	0.00%
Medicare tax	2,350	1,080	45.96%
AZ state retirement	18,590	8,624	46.39%
Health & life insurance	35,000	18,094	51.70%
Worker's compensation	1,090	80	7.34%
Office supplies	2,000	1,401	70.06%
Copier Supplies	0	0	0.00%
Equipment maintenance	5,700	0	0.00%
Contractual Services	85,000	38,768	45.61%
Bank charges	0	32,576	0.00%
Public Relations	0	0	0.00%
Computer support	6,600	4,067	61.61%
General Counsel	0	0	0.00%
Legal advertising	250	0	0.00%
Printing & forms	6,500	1,730	26.62%
Utilities	22,600	24,811	109.78%
Telephone	3,650	1,770	48.48%
Payment Assistance Program	12,000	0	0.00%
Travel & training	0	60	0.00%
Continuing education	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	40,000	15,663	39.16%
Liability insurance	29,000	11,327	39.06%
Indirect costs to general fund	450,000	189,648	42.14%
Bad debt expense	0	0	0.00%
Trust Land Annexation	0	0	0.00%
Reserve Resource Development	3,700,950	9,175	0.25%
Reserve Water Advisory	261,850	3,479	1.33%
Reserve Adjudication	31,850	28,288	88.82%
Reserve Water Conservation	169,710	16,917	9.97%
Growth Premium	0	0	0.00%
Water System Evaluation	0	0	0.00%
Verde River Basin Partnership	0	0	0.00%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	5,056,640	487,303	9.64%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2016

**Water Construction
 & Administration - 50(page 2)**

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	28,980	31,510	108.73%
Construction:			
Legal Advertising	0	0	0.00%
Investment Expense	2,080	3,449	165.80%
Water/Waste Water Master Plan	28,900	18,704	64.72%
Aresinic Mitigation	500,000	0	0.00%
Bonding Expense	0	0	0.00%
Line Replacement	210,000	629	0.00%
Aid in Lieu of Construction	0	0	0.00%
Fire Hydrant Improvements	350,000	16,131	4.61%
HWY 260 H2O System Upgrades	2,000,000	0	0.00%
Well Booster Station	150,000	0	0.00%
Well Improvements	275,000	77,416	28.15%
12th St 89A to Fir	0	0	0.00%
W Mingus Reconstruction/Sys Upgrades	1,055,900	0	0.00%
Water System Upgrades	160,000	13,487	8.43%
Line Extensions	250,000	0	0.00%
Impact Fee Study	0	0	0.00%
Subtotal construction expenses	4,981,880	129,815	2.61%
Total Expenditures	10,067,500	648,629	6.44%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Water Maintenance & Operations- 50

Adopted Budget	Y-T-D	% Used
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Expenditures:

Operating:

Salaries	664,290	320,889	48.31%
Overtime	103,000	52,631	51.10%
Holiday pay	2,500	1,608	64.33%
Social security	47,730	22,642	47.44%
Medicare tax	11,160	5,295	47.45%
AZ state retirement	88,370	43,053	48.72%
Health & life insurance	146,100	79,409	54.35%
Worker's compensation	27,970	8,611	30.79%
Clothing allowance	5,500	2,116	38.47%
Operational supplies	22,000	20,170	91.68%
Tools	3,500	2,467	70.49%
Gas & oil	45,000	12,010	26.69%
Chemicals	60,000	10,826	18.04%
Office supplies	4,000	1,110	27.76%
Vehicle maintenance	15,000	15,242	101.61%
Equipment maintenance	175,000	148,944	85.11%
Building maintenance	4,000	3,577	89.42%
Arsenic System Maintenance	400,000	38,624	9.66%
Contractual services	75,000	25,712	34.28%
Employee physicals	1,000	309	30.90%
Computer support	3,800	1,772	46.63%
Contractual SVCS-M&O	0	4,036	0.00%
Lab / testing	28,000	3,578	12.78%
Legal advertising	0	0	0.00%
Auction Fees	0	0	0.00%
Utilities	365,900	169,912	46.44%
Telephone	10,000	5,202	52.02%
ADEQ annual fee	26,000	25,257	97.14%
Aid in Lieu of Construction	100,000	14,936	14.94%
Verde River Days	1,000	0	0.00%
Travel & training	4,500	3,100	68.89%
Continuing education	0	0	0.00%
Equipment rental	1,000	0	0.00%
Subscriptions & dues	2,500	1,105	44.20%
Postage & freight	750	131	17.48%
Liability insurance	39,800	37,754	94.86%
Liability Insurance Deductible	0	0	0.00%
Lease Purchase Interest	18,030	9,769	54.18%
Lease Purchase Principal	9,340	204,070	2184.90%
Subtotal maintenance and operations	2,511,740	1,295,865	51.59%

2,902,740

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2016

Water Debt Service - 50

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Use of monies & properties	0	0	0.00%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total Revenues	0	0	0.00%
Debt Service:			
Principal	1,197,170	660,518	55.17%
Interest	574,750	288,909	0.00%
Trustee Fees	202,000	2,550	1.26%
Capital Outlay:	391,000	298,536	76.35%
Total Expenditures	4,876,660	2,546,379	52.22%
Excess (deficiency) of revenues over (under) expenditures	4,876,660	1,748,429	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds	800,000	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	800,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(5,797,135)	1,099,800	