

# FY 2020 3rd Quarter Financial Report



## City of Cottonwood



Compiled by:  
Kirsten Lennon  
Financial Services Director  
Rudy Rodriguez  
Deputy City Manager

City of Cottonwood  
Fiscal Year 2020 – 3rd Quarter  
For The Period Ending March 31, 2020

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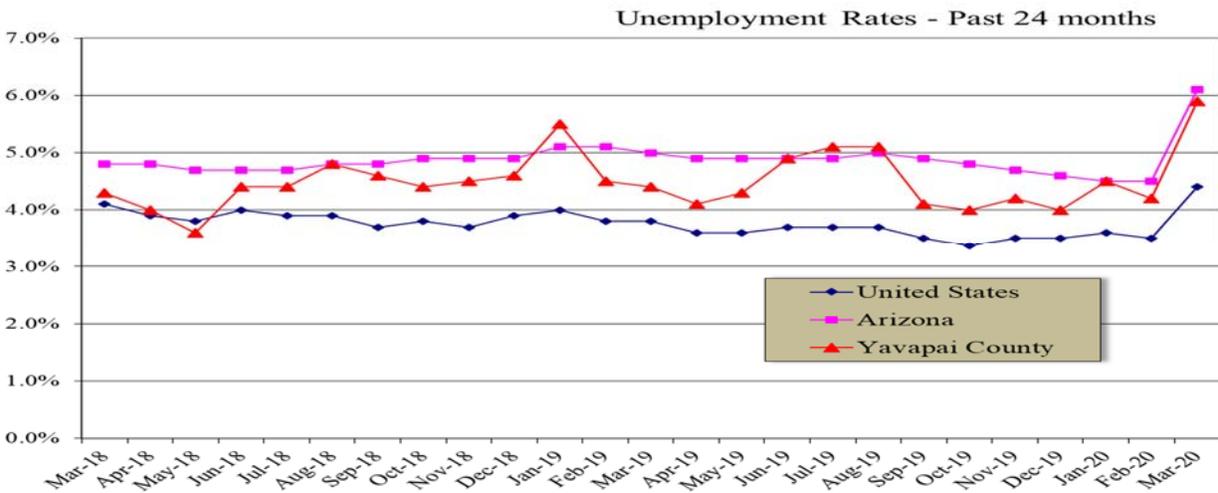
## EXECUTIVE SUMMARY

This unaudited quarterly report highlights notable items and issues impacting the City’s overall 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.

### <sup>1</sup>Unemployment Information:

Yavapai County unemployment numbers are currently trending lower than the state and the national numbers. The current global pandemic has caused some major drops in employment over the last several months. COVID-19 or the Corona Virus started to affect the US and the Arizona Economy in February and March. With the closure of many businesses in Arizona starting mid March through the end of April many people were laid off and this is reflected in the large spike in unemployment in April. Although most businesses are back open not everyone is able to go back to work and the unemployment rate is still high. The CARES Act provided additional funding for Unemployment through the end of July and many people are making more on unemployment than they did while working. COVID-19 is not going away and it will remain to be seen how long businesses can stay open and if we will see another spike in unemployment.

Monthly	United States	Arizona	Yavapai County
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%
Jul-19	3.7%	4.9%	5.1%
Aug-19	3.7%	5.0%	5.1%
Sep-19	3.5%	4.9%	4.1%
Oct-19	3.4%	4.8%	4.0%
Nov-19	3.5%	4.7%	4.2%
Dec-19	3.5%	4.6%	4.0%
Jan-20	3.6%	4.5%	4.5%
Feb-20	3.5%	4.5%	4.2%
Mar-20	4.4%	6.1%	5.9%



<sup>1</sup> 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**

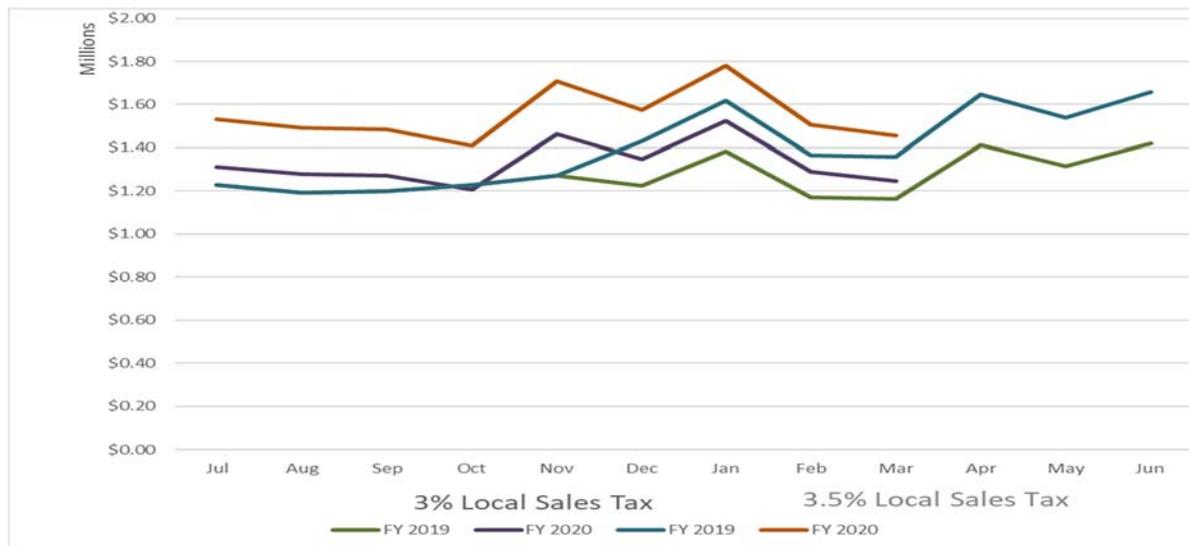
The following tables and graphs reflect the General Fund major revenue sources. All of the information compares monthly collections for similar periods from prior years. The major revenues consist of local sales tax as well as state shared resources.

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. As of the end of the first quarter we are at 17.23% or \$2M over the same period last year. This growth is partially due to the sales tax increase of .5% that happened in November 2018.

	FY 2019				FY 2020			
	3% Sales Tax	.5% Tax	3.5% Total TPT Tax		3%	0.50%	3.50%	
Jul	\$1,227,250		\$1,227,250	-1.32%	\$1,313,030	\$219,988	\$1,533,018	6.99%
Aug	1,192,257		1,192,257	3.78%	1,277,346	214,010	\$1,491,356	7.14%
Sep	1,199,596		1,199,596	4.68%	1,272,025	213,118	\$1,485,142	6.04%
Oct	1,229,803		1,229,803	1.92%	1,206,705	202,174	\$1,408,879	-1.88%
Nov	1,273,289		1,273,289	2.34%	1,463,345	245,172	\$1,708,517	14.93%
Dec	1,225,661	205,350	1,431,011	10.34%	1,347,153	225,705	\$1,572,859	9.91%
Jan	1,384,825	232,017	1,616,842	16.78%	1,524,894	255,484	1,780,378	10.11%
Feb	1,169,491	195,939	1,365,431	18.14%	1,291,281	216,344	1,507,625	10.41%
Mar	1,162,709	194,803	1,357,511	10.09%	1,245,721	208,711	1,454,432	7.14%
Apr	1,411,805	236,537	1,648,342	24.40%				
May	1,316,551	220,578	1,537,129	20.47%				
Jun	1,420,085	237,924	1,658,009	28.88%				
	\$15,213,321	\$1,523,148	\$16,736,469	11.97%	\$11,941,500	\$849,290	\$13,942,206	17.23%

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 tax rate was increased in 2010 by .8% to bring the total up to 3%. The current tax rate is three & one half percent (3.5%) after an increase of .5% in fiscal year 2019 to help fund the many needs through to the community.

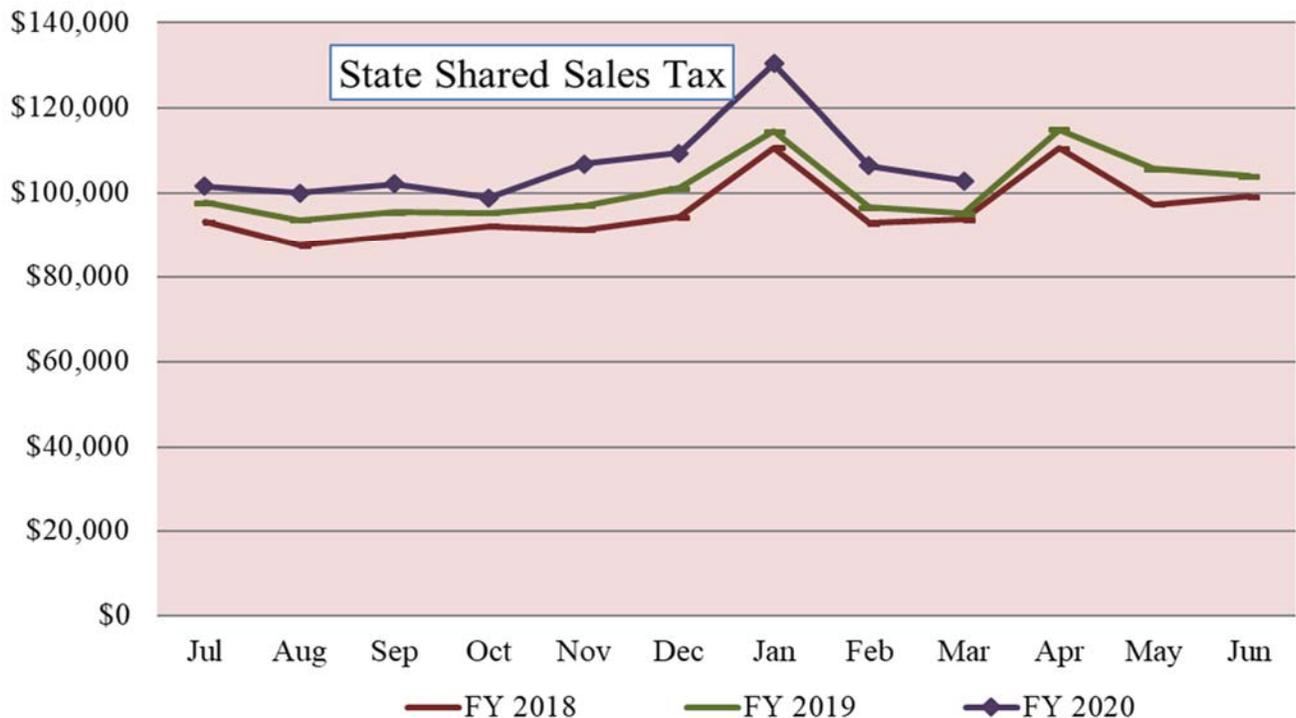


State Shared Sales Tax

This revenue is one of several state shared revenues that the City receives from the state. FY 2018 and FY 2019 were relatively strong years for this state shared revenue. FY 2020 is anticipated to continue that trend.

	FY 2018		FY 2019		FY 2020	
Jul	\$93,165	6.98%	\$97,708	4.88%	\$101,524	3.91%
Aug	87,338	1.40%	93,595	7.16%	99,959	6.80%
Sep	89,857	5.73%	95,331	6.09%	102,170	7.17%
Oct	92,151	7.18%	95,196	3.30%	98,768	3.75%
Nov	91,265	6.53%	96,964	6.24%	106,748	10.09%
Dec	94,223	6.54%	101,166	7.37%	109,397	8.14%
Jan	110,597	4.83%	114,576	3.60%	130,308	13.73%
Feb	92,819	9.39%	96,599	4.07%	106,364	10.11%
Mar	93,622	7.71%	95,064	1.54%	102,873	8.22%
Apr	110,581	10.64%	114,954	3.95%		
May	97,208	4.16%	105,722	8.76%		
Jun	99,161	5.27%	103,955	4.83%		
	<b>\$1,151,987</b>	<b>6.37%</b>	<b>\$1,210,830</b>	<b>5.11%</b>	<b>\$958,110</b>	<b>8.11%</b>

As a reminder, it took over nine years to recover and surpass our 2007 State Shared Sales Tax numbers. This revenue is 8.11% or \$71,912 over last year at this same time.



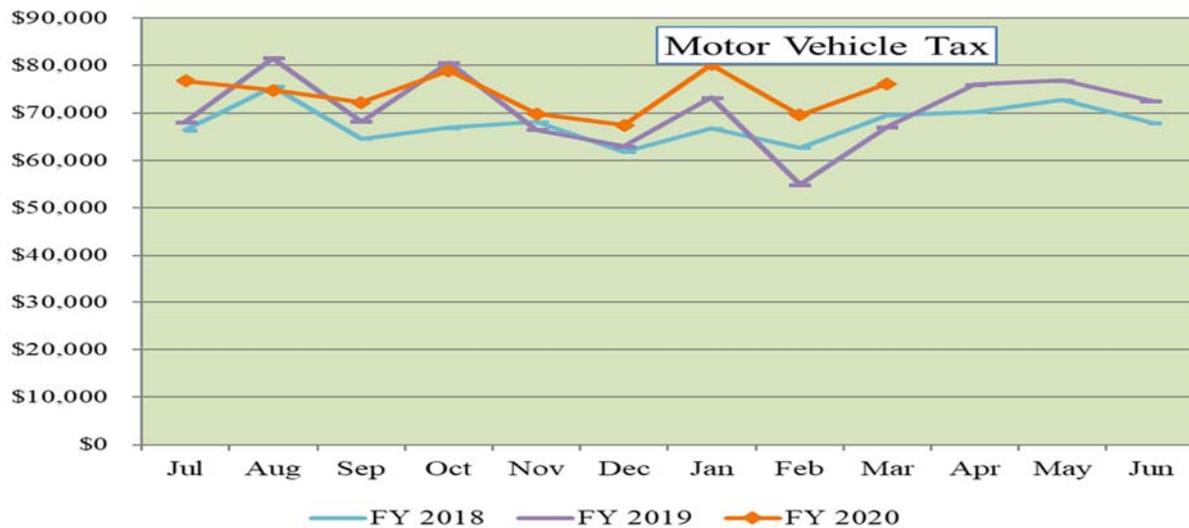
Description - Arizona cities and towns share a portion of the total amount collected from the State Sales Tax. A city's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state. The State has a separate tax code that 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 the end of the third quarter of FY 2020 we are 2.81% or \$42,690 over last fiscal year at the same time. Our local dealerships have strongly supported our local economy, particularly during the long and deep economic downturn.

	FY 2018		FY 2019		FY 2020	
Jul	\$66,387	4.38%	\$68,098	2.58%	\$76,743	12.69%
Aug	75,539	15.71%	81,549	7.96%	74,763	-8.32%
Sep	64,625	6.13%	68,232	5.58%	72,190	5.80%
Oct	66,875	7.05%	80,647	20.59%	78,948	-2.11%
Nov	68,117	12.25%	66,448	-2.45%	69,853	5.12%
Dec	61,815	11.80%	62,936	1.81%	67,435	7.15%
Jan	66,733	7.70%	73,273	9.80%	80,229	9.49%
Feb	62,666	0.13%	54,901	-12.39%	69,569	26.72%
Mar	69,586	2.89%	67,093	-3.58%	76,138	13.48%
Apr	70,281	9.50%	76,000	8.14%		
May	72,776	5.43%	76,872	5.63%		
Jun	67,963	5.12%	72,529	6.72%		
	<b>\$813,363</b>	<b>7.27%</b>	<b>\$848,578</b>	<b>4.33%</b>	<b>\$665,868</b>	<b>6.85%</b>



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 revenues are currently trending at 63.49% of the budgeted amount and three quarters of the way through the year we are over our operating expenditures by \$3M. Sales Tax is currently over the budgeted amount by approximately 7%. This increase is factoring into the large increase in fund balance along with the Councils direction to reserve a large portion of the .5% tax increase inacted in FY 2019. With the closures that happened in March that are anticipated to effect revenues for the remainder of FY 2020 and into FY 2021.

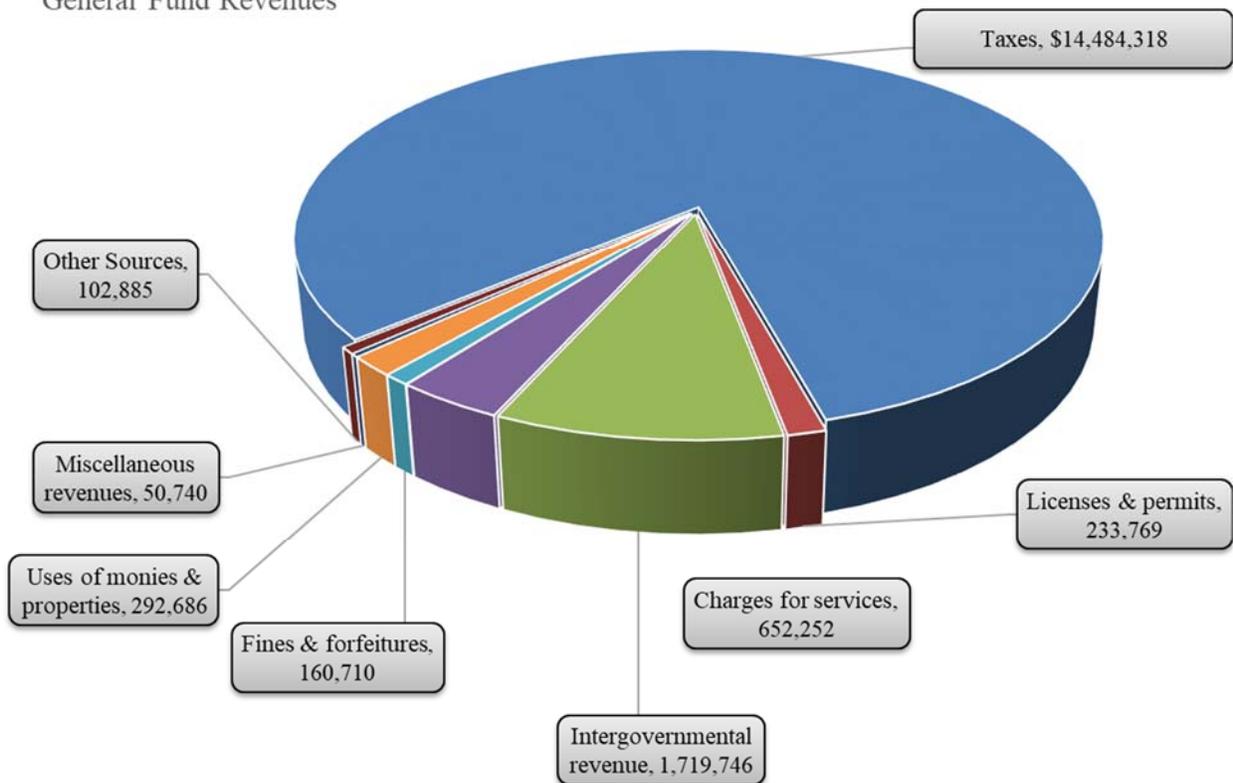
Staff is committed to help reduce costs wherever possible and is continually looking at efficiencies.

Regardless of finishing FY 2019 and the current quarter in 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 2018 has helped.

The General Fund is still in a good financial position. Our audited General Fund balance increased during fiscal year 2019 and we started FY 2020 with a fund balance of \$4.8M, which is an increase of \$1.5M during the year.

<u>Revenues &amp; Other Sources</u>	
Taxes	\$14,484,318
Licenses & permits	233,769
Intergovernmental revenue	1,719,746
Charges for services	652,252
Fines & forfeitures	160,710
Uses of monies & properties	292,686
Miscellaneous revenues	50,740
Other Sources	102,885
<b>Revenues &amp; Other Sources</b>	<b>\$17,697,106</b>

General Fund Revenues

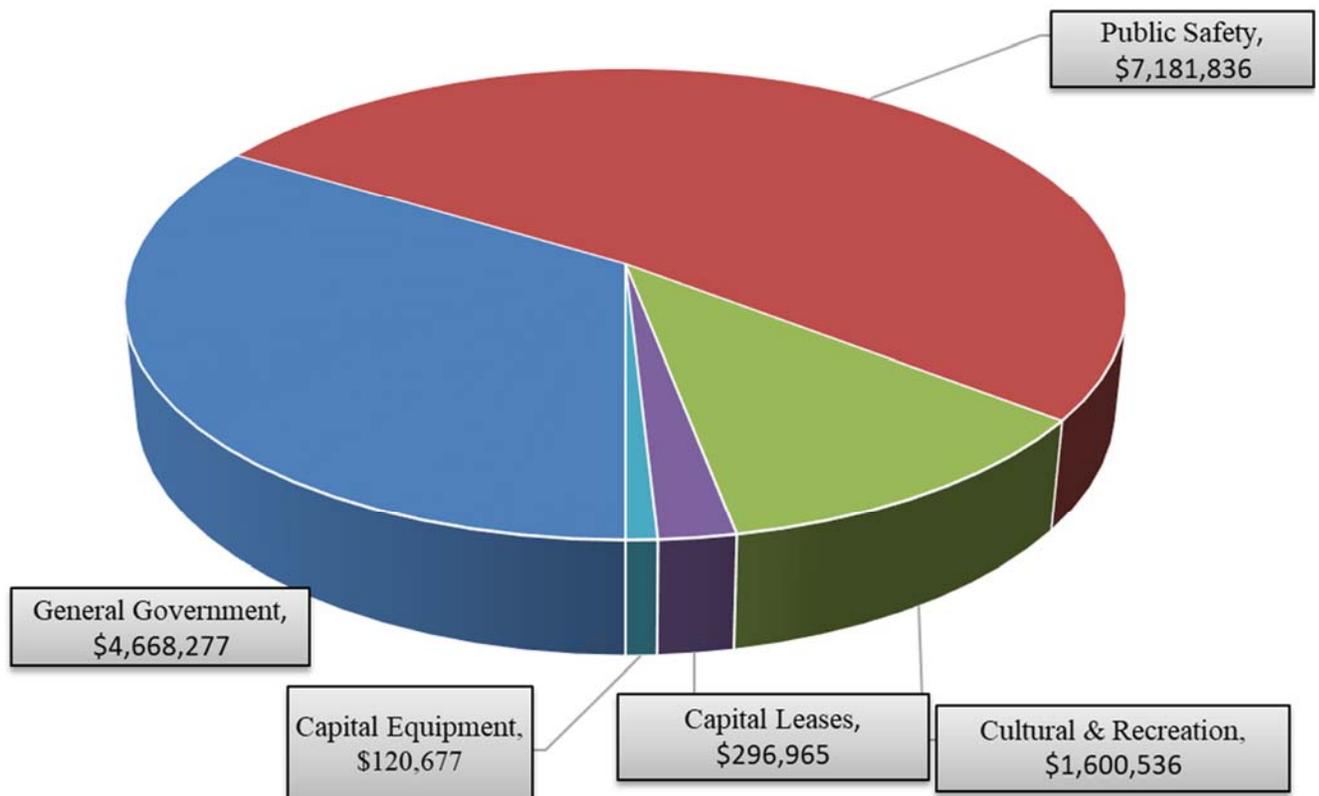


Moving forward, we need to keep in mind the concerns caused by Governmental Accounting Standards Board (GASB) Statement #68 – Accounting and Financial Reporting for Pension Plans. This ruling, now several years old impacts all municipal entities using Arizona State Retirement System (ASRS) and / or Public 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.

Expenditures & Other Uses	
General Government	\$4,668,277
Public Safety	7,181,836
Cultural & Recreation	1,600,536
Capital Leases	296,965
Capital Equipment	120,677
Transfers Out	754,272
<b>Expenditures &amp; Other Uses</b>	<b>\$14,622,563</b>

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

### General Fund Expenditures



## SPECIAL REVENUE FUNDS

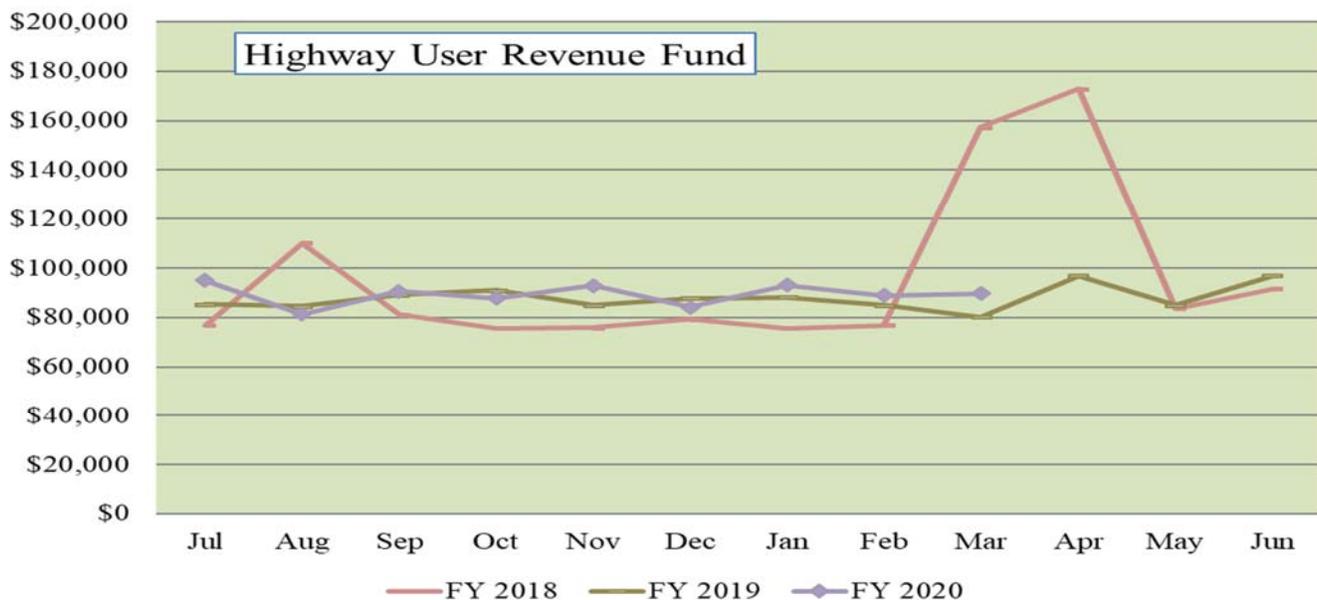
Special Revenue Funds consist of the Highway User Revenue Fund (HURF) and several other smaller funds, including CAT/LYNX, Library, Cemetery, Airport, and Grants.

### Highway User Revenue Funds - HURF

This state shared revenue source is commonly called the Fuel Tax. It has seen some improvement over the years. The State passed a new fee in 2019 and elected to give Cities & Towns more of the HURF funds for needed projects with HB 2748. At the end of the 3rd Quarter, we are up by 3.5% or \$27,445 over last year at this time. The City also received an additional payment in the amount of \$197,800 due to HB 2748 which isn't included in the increase mentioned above.

	FY 2018		FY 2019		FY 2020	
Jul	\$76,735	-3.95%	\$85,233	11.07%	\$95,026	11.49%
Aug	110,067	53.36%	84,599	-23.14%	81,284	-3.92%
Sep	81,121	8.72%	89,068	9.80%	90,568	1.68%
Oct	75,723	0.45%	91,057	20.25%	87,704	-3.68%
Nov	75,933	4.77%	84,968	11.90%	92,868	9.30%
Dec	79,242	4.57%	87,841	10.85%	84,143	-4.21%
Jan	75,691	-32.47%	88,124	16.43%	93,062	5.60%
Feb	76,849	6.61%	84,865	10.43%	88,982	4.85%
Mar	157,367	91.57%	80,196	-49.04%	89,760	11.93%
Apr	172,899	90.46%	96,806	-44.01%		
May	83,589	1.49%	84,926	1.60%		
Jun	91,480	2.37%	96,804	5.82%		
	<b>\$1,156,696</b>	<b>18.18%</b>	<b>\$1,054,487</b>	<b>-8.84%</b>	<b>\$803,396</b>	<b>3.54%</b>

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

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 to work on the Mingus Avenue project, as well as monies from the City of Cottonwood 2015 Excise bond issue.

	Special Revenue Funds					
	HURF		CAT		Library	
	Budget	3rd Qtr Actual	Budget	3rd Qtr Actual	Budget	3rd Qtr Actual
Revenues	2,514,630	2,126,020	\$2,413,225	\$1,328,732	\$214,640	\$99,548
Operating Expenditures	1,078,410	645,973	2,170,645	1,511,858	1,038,105	744,035
Capital Outlay	3,009,180	140,157	250,000	14,596	60,000	0
Debt Service	433,160	335,325	0	0	0	0
Revenues over (under) Expenditures	(2,006,120)	1,004,565	(7,420)	(197,722)	(883,465)	(644,487)
Other Funding Sources & Uses	259,180	0	0	0	883,465	662,599
Revenues & other funding sources & uses over (under) Expenditures	(1,746,940)	1,004,565	(7,420)	(197,722)	0	18,112
Beginning Fund Balance	1,965,848	1,965,848	0	0	0	0
Ending Fund Balance	\$218,908	\$2,970,413	(\$7,420)	(\$197,722)	\$0	\$18,112

	Special Revenue Funds					
	Cemetery		Airport		Grants	
	Budget	3rd Qtr Actual	Budget	3rd Qtr Actual	Budget	3rd Qtr Actual
Revenues	\$500	\$325	\$100,600	\$94,298	\$2,437,685	\$0
Operating Expenditures	122,730	44,538	70,975	67,928	0	0
Capital Outlay	0	0	0	0	2,877,310	55,982
Debt Service	0	0	0	0	0	0
Revenues over (under) Expenditures	(122,230)	(44,213)	29,625	26,370	(439,625)	(55,982)
Other Funding Sources & Uses	122,230	91,673	(19,670)	0	438,580	55,982
Revenues & other funding sources & uses over (under) Expenditures	0	47,460	9,955	26,370	(1,045)	0
Beginning Fund Balance	0	0	72,150	72,150	9,483	9,483
Ending Fund Balance	\$0	\$47,460	\$82,105	\$98,520	\$8,438	\$9,483

## CAPITAL IMPROVEMENTS FUND

This fund is traditionally in good fiscal shape. With the Riverfront Water Reclamation facility completed and awaiting final permitting, this funds budget shows no current action while the City works on building up Capital Reserves to do future projects. There is, however, monies available from an excise tax bond for street construction.

	Capital Improvments	
	Budget	3rd Qtr Actual
Revenues	\$144,000	\$301,160
Operating Expenditures	0	0
Capital Outlay	150,000	133,559
Debt Service	0	
Revenues over (under) Expenditures	(6,000)	167,601
Other Funding Sources & Uses	(25,965)	0
Revenues & other funding sources & uses over (under) Expenditures	(31,965)	167,601
Beginning Fund Balance	537,964	537,964
Ending Fund Balance	\$505,999	\$705,565

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 are on-going and have been partially funded by Yavapai County.

### Capital Projects - 30

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$200,071	0.00%
Use of monies & properties	1,000	19,763	1976.27%
Other Income	0	0	0.00%
Intergovernmental revenue	143,000	81,327	0.00%
Total revenues	144,000	301,160	0.00%
Expenditures:			
Capital outlay:			
Investment Expenses	7,000	2,408	34.40%
Railroad Wash Improvements	143,000	131,151	91.71%
Total Expenditures	150,000	133,559	89.04%

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.

## 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. During FY 2019 a rate increase was approved for the Waste Water fund to begin in September 2019 and every year for the next four years on July 1<sup>st</sup>. Though the old rates cover the operational and administrative portion of the department, many capital improvements need to be made. The Council elected to approve a plan that includes rate increases for the next five years to help with the completion of some needed repair and maintenance at the Mingus Water Reclamation Facility.

	Enterprise Funds			
	Wastewater		Water	
	Budget	3rd Qtr Actual	Budget	3rd Qtr Actual
Revenues	2,725,645	2,500,542	\$8,175,145	\$6,392,210
Operating Expenditures	2,217,830	1,329,222	8,660,330	2,336,989
Capital Outlay	2,800,725	643,589	3,633,970	289,890
Debt Service	0	0	1,835,200	1,376,890
Revenues over (under) Expenditures	(2,292,910)	527,730	(5,954,355)	2,388,442
Other Funding Sources & Uses	0	0	0	0
Revenues & other funding sources & uses over (under) Expenditures	(\$2,292,910)	\$527,730	(\$5,954,355)	\$2,388,442

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.

## DEBT SERVICES FUND

This fund starts the year in good shape with sales taxes and interest income providing 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.

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.

	Debt Service	
	Budget	3rd Qtr Actual
Revenues	\$1,640,765	\$1,230,703
Operating Expenditures		1,232,784
Capital Outlay		
Debt Service	1,644,115	1,232,784
Revenues over (under)		
Expenditures	(3,350)	(1,234,865)
Other Funding Sources & Uses	0	0
Revenues & other funding sources & uses over (under)		
Expenditures	(3,350)	(2,081)
Beginning Fund Balance	159,310	159,310
Ending Fund Balance	\$155,960	\$157,229

## BRIEF OVERVIEW

As we complete the 3rd Quarter of the fiscal year, we are pleased to be in a good position financially. Due to COVID-19 the remainder of the year is very uncertain as far as taxes are concerned and since that is our main revenue we are anticipating things to slow down considerably. The budget cycle for FY 2021 has begun and will be completed in the next couple of months with projections for lower sales tax and a having to tighten our belt as far as expenditures. Despite this slowing of the economy many projects are anticipated to be completed in Fiscal year 2020 and to align with the Council's strategic plan.

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. A rate increase for the Planning & Zoning, Building Department and Engineering Department was approved and began on July 1<sup>st</sup> to more closely match the cost of plan reviews and permitting. The increase should help with cost recovery for these departments. To help the overall budget the Recreation Center has been working on ways to increase revenues and decrease costs to get closer to a 70-75% costs recovery. 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 March 2020

**Airport - 05**

	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Other Income	\$100	\$2,983	0.00%
Late Fees	\$0	\$623	#DIV/0!
Tie down rent	19,000	10,145	53.40%
Airpark Rents	0	0	0.00%
FBO building rental income	0	0	0.00%
Fuel sales income	0	0	0.00%
Oil Sales	0	0	0.00%
Land lease fees	42,000	41,793	99.51%
City hangar lease fees	39,500	38,754	98.11%
Total revenues	100,600	94,298	93.74%
<b>Expenditures:</b>			
Operational Supplies	4,500	2,864	63.65%
Fuel Expense	0	4,167	0.00%
Oil Expense	0	0	0.00%
Office Supplies	150	152	101.66%
Vehicle Maintenance	0	0	0.00%
Equipment maintenance	9,500	9,641	101.48%
Building maintenance	1,000	78	7.84%
Contractual Services	2,000	3,775	188.75%
Bank Charges	0	300	0.00%
Computer Support	220	180	81.82%
General Counsel	0	0	0.00%
Utilities	16,000	15,555	97.22%
Telephone	1,285	1,014	78.88%
Airport Annual Event	0	0	0.00%
Liability Insurance	16,320	16,317	99.98%
Indirect costs	20,000	13,886	69.43%
Equipment Purchase	0	0	0.00%
Airport Improvements	0	0	0.00%
Subtotal maintenance and operations	70,975	67,928	95.71%
Capital improvements - hangars	0	0	0.00%
Total expenditures	70,975	67,928	95.71%
Excess (deficiency) of revenues over (under) expenditures	29,625	26,370	
<b>Other financing sources (uses):</b>			
Operating transfers in	0	0	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(19,670)	0	0.00%
Total other financing sources (uses)	(19,670)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	9,955	26,370	
Fund balance, July 1, 2018 (audited)		72,150	
Estimated fund balance @ June 30, 2019		\$98,520	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
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**HURF - 10**

	Adopted Budget	Y-T-D	% Used
<b>Revenues:</b>			
Intergovernmental revenue	\$2,504,630	2,095,894	83.68%
Uses of monies & properties	10,000	23,112	231.12%
Miscellaneous revenues	0	7,014	0.00%
Total revenues	2,514,630	2,126,020	84.55%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	188,100	131,332	69.82%
Temp employees	3,750	3,865	0.00%
Overtime	0	39	0.00%
Social security	11,890	8,078	67.94%
Medicare tax	2,780	1,889	67.96%
AZ state retirement	23,230	16,374	70.49%
Health & life insurance	60,395	44,524	73.72%
Worker's compensation	33,700	9,236	27.41%
Clothing allowance	1,000	560	55.99%
Operational supplies	2,000	1,240	61.99%
Tools	500	376	75.11%
Gas & oil	15,500	1,605	10.35%
Materials	10,000	7,792	77.92%
Street signs	3,000	1,502	50.08%
Street marking	175,000	5,334	3.05%
Office supplies	200	0	0.00%
Vehicle maintenance	16,000	15,404	96.27%
Equipment maintenance	20,000	19,270	96.35%
Building maintenance & repair	0	0	0.00%
Pavement Preservation	0	203	0.00%
Contractual services	22,500	6,444	28.64%
Bank charges	0	130	0.00%
Employee physicals	500	360	72.00%
Computer support	365	193	52.80%
General counsel	0	0	0.00%
Engineering Services	0	0	0.00%
Legal advertising	0	0	0.00%
Utilities	12,825	10,343	80.65%
Street lights	72,100	42,848	59.43%
Telephone	600	624	104.06%
Culverts	500	79	15.89%
Travel & training	4,000	1,270	31.75%
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	25,975	14,000	53.90%
Liability claims deductible	0	0	0.00%
Indirect costs to general fund	370,000	301,059	81.37%
Street light contingency	0	0	0.00%
Equipment purchase	0	0	0.00%
Street Improvements	2,000	0	0.00%
Subtotal maintenance and operations	1,078,410	645,973	59.90%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
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**HURF - 10 (page 2)**

	Adopted Budget	Y-T-D	% Used
	Debt Service:		
Principal	245,980	194,494	79.07%
Interest	187,180	140,831	75.24%
Capital Outlay:			
Street Contingency	50,000	0	0.00%
Pavement Preservation	750,000	60,381	8.05%
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	1,650,000	20,123	1.22%
12th ST NACOG 89-A to Fir	0	0	0.00%
Sidewalk Additions	359,180	58,206	0.00%
Mingus Willard to Main	0	1,448	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	4,520,750	1,121,455	24.81%
Excess (deficiency) of revenues over (under) expenditures	(2,006,120)	1,004,565	
Other Financing Sources (Uses):			
Operating Transfers In	259,180	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)	259,180	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	4,666,497	1,004,565	
Fund balance, July 1, 2018 (audited)		1,965,848	
Estimated fund balance @ June 30, 2019		\$2,970,413	

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
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**Grants - 11 & 12**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$2,437,685	\$0	0.00%
Other Income	0	0	0.00%
Total revenues	2,437,685	0	0.00%
Expenditures:			
Capital Outlay:	2,877,310	55,982	1.95%
Total Expenditures	2,877,310	55,982	1.95%
Excess (deficiency) of revenues over (under) expenditures	(439,625)	(55,982)	12.73%
Other Financing Sources (Uses):			
Operating Transfers In	438,580	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)	438,580	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,045)	(55,982)	
Fund balance, July 1, 2018 (audited)		9,483	
Estimated fund balance @ June 30, 2019		(\$46,499)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**CATS - 10**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$2,174,375	1,181,421	54.33%
Charges for services	238,850	147,311	61.68%
Total revenues	2,413,225	1,328,732	55.06%
<b>Expenditures:</b>			
Salaries	642,620	463,142	72.07%
Temporary employee	216,000	88,778	41.10%
Overtime	67,500	61,012	90.39%
Holiday pay	12,350	12,318	99.74%
Social security	58,180	37,328	64.16%
Medicare	13,610	8,730	64.15%
AZ retirement	87,490	67,552	77.21%
Health/life insurance	194,315	147,028	75.66%
State compensation insurance	62,070	16,474	26.54%
Clothing allowance	1,600	563	35.18%
Contractual Services	12,550	28,657	228.34%
Gas & oil	165,000	114,426	69.35%
Office supplies	7,000	4,772	68.18%
Copier supplies	4,640	1,554	33.49%
Vehicle maintenance	425,000	323,053	76.01%
Building Maintenance	2,000	10,535	526.74%
Equipment Maintenance	0	211	0.00%
Radio maintenance	15,300	10,429	68.16%
Postage & freight	12,550	115	0.92%
Audit expense	3,675	3,675	100.00%
Employee physicals / drug tests	3,470	1,872	53.95%
Computer Support	54,600	31,658	57.98%
Custodial Contract	6,190	4,182	67.56%
Advertising	18,025	11,707	64.95%
Printing & forms	12,985	13,936	107.33%
Utilities	8,825	6,686	75.76%
Telephone	11,475	11,397	99.32%
Travel/training	7,000	1,963	28.04%
Continuing education	0	0	0.00%
Subscriptions/dues	2,400	1,645	68.55%
Tools & Equipment	6,425	4,060	63.20%
Liability insurance	35,800	22,399	62.57%
Indirect costs to GF	0	0	0.00%
Subtotal maintenance and operations	2,170,645	1,511,858	69.65%
Capital Outlay:	250,000	14,596	0.00%
Fund b Total Expenditures	2,420,645	1,526,454	63.06%
Excess (deficiency) of revenues over (under) expenditures	(7,420)	(197,722)	
<b>Other Financing Sources (Uses):</b>			
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	(7,420)	(197,722)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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<b>Debt Service - 20</b>	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$1,640,115	\$1,230,084	75.00%
Uses of monies & properties	650	619	0.00%
Total revenues	1,640,765	1,230,703	75.01%
<b>Expenditures:</b>			
Trustee fees	4,200	2,700	64.29%
Rodeo Drive Reimbursement	0	0	0.00%
<b>Debt service:</b>			
Interest	469,360	352,169	75.03%
Principal	1,170,555	877,915	75.00%
Total Expenditures	1,644,115	1,232,784	74.98%
Excess (deficiency) of revenues over (under) expenditures	(3,350)	(2,081)	
<b>Other Financing Sources (Uses):</b>			
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	(3,350)	(2,081)	
Fund balance, July 1, 2018 (audited)		159,310	
Estimated fund balance @ June 30, 2019		\$157,229	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Capital Projects - 30**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$0	\$200,071	0.00%
Use of monies & properties	1,000	19,763	1976.27%
Other Income	0	0	0.00%
Intergovernmental revenue	143,000	81,327	0.00%
Total revenues	144,000	301,160	0.00%
<b>Expenditures:</b>			
Capital outlay:			
Investment Expenses	7,000	2,408	34.40%
Railroad Wash Improvements	143,000	131,151	91.71%
Total Expenditures	150,000	133,559	89.04%
Excess (deficiency) of revenues over (under) expenditures	(6,000)	167,601	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	(25,965)	0	0.00%
Total other financing sources (uses)	(25,965)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(31,965)	167,601	
Fund balance, July 1, 2018 (audited)		537,964	
Estimated fund balance @ June 30, 2019		\$705,565	

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

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	400	17,166	4291.56%
Total revenues	400	17,166	0.00%
<b>Expenditures:</b>			
Premiums	0	0	0.00%
Benefits	0	900	0.00%
Miscellaneous	2,000	3,495	174.75%
Total Expenditures	2,000	4,395	219.75%
Excess (deficiency) of revenues over (under) expenditures	(1,600)	12,771	
<b>Other Financing Sources (Uses):</b>			
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	(1,600)	12,771	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$12,771	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Alt. Firefighter's Pension - 70**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions		\$0	0.00%
Uses of monies & properties	40,000	16,618	0.00%
Total revenues	40,000	16,618	0.00%
Expenditures:			
Benefits	1,800	900	50.00%
Administration	8,000	3,495	43.69%
Total Expenditures	9,800	4,395	44.85%
Excess (deficiency) of revenues over (under) expenditures			
	30,200	12,223	
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			
	30,200	12,223	
Fund balance, July 1, 2017 (audited)		198,917	
Estimated fund balance @ June 30, 2018		\$211,140	