

FY 2020 4th Quarter Financial Report



City of Cottonwood



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City of Cottonwood
Fiscal Year 2020 – 4th Quarter
For The Period Ending June 30, 2020

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EXECUTIVE SUMMARY

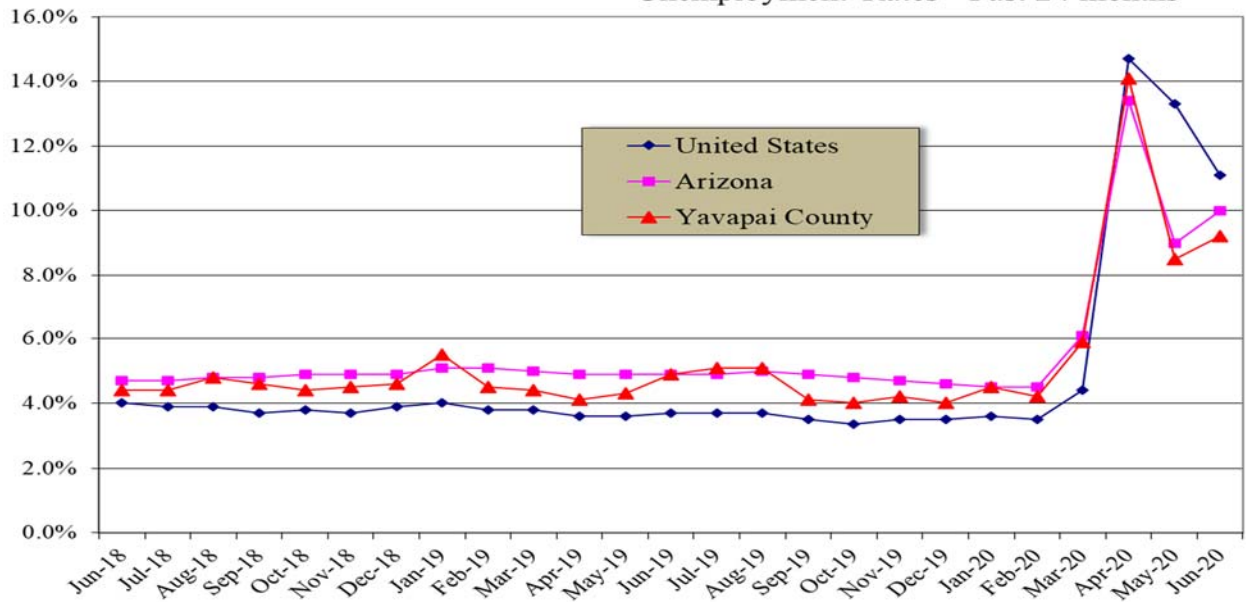
This unaudited quarterly report highlights notable items and issues impacting the City’s overall financial picture. The report includes Cottonwood’s major funds. Those funds being the General Fund, Highway User Revenue Fund (HURF), the two Enterprise Funds, the Capital Improvement Fund, and the Debt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

¹Unemployment 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, May and June. 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 then 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
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%
Apr-20	14.7%	13.4%	14.1%
May-20	13.3%	9.0%	8.5%
Jun-20	11.1%	10.0%	9.2%

Unemployment Rates - Past 24 months



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

GENERAL FUND

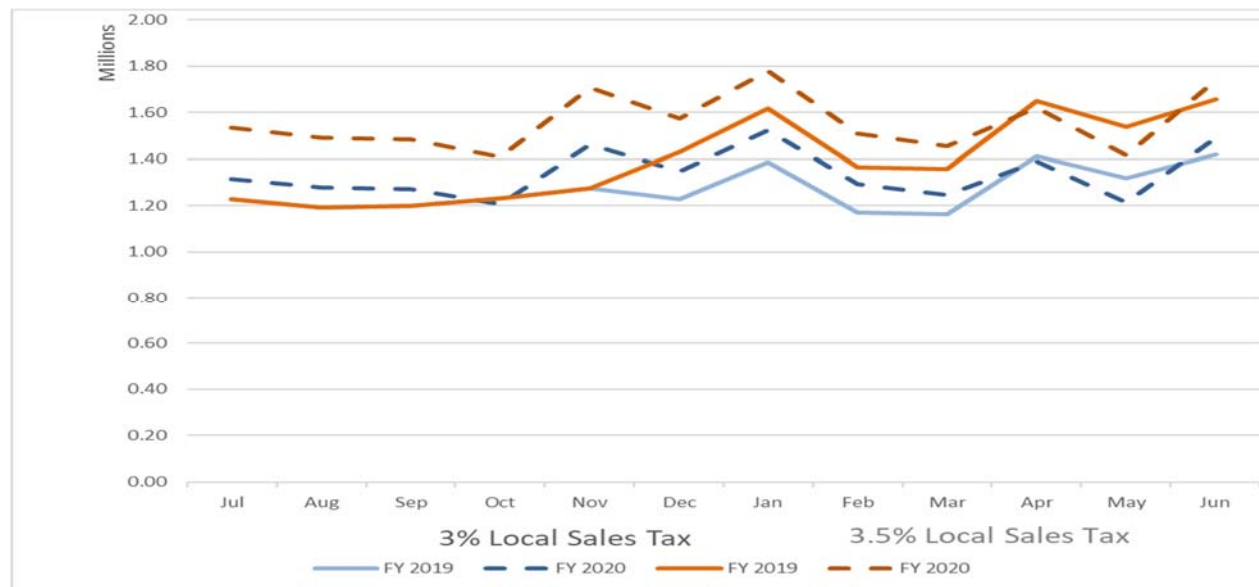
The following tables and graphs reflect the General Fund major revenue sources. All of the information compares monthly collections for similar periods from prior years. The major revenues consist of local sales tax as well as state shared resources.

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

Our local sales tax makes up over 50% of the overall General Fund revenues and is the backstop for all other funds. As of the end of the the fiscal year we are 11.83% or roughly \$2M over the same period last year. This growth is partially due to the sales tax increase of .5% that happened November of Fiscal Year 2019.

	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%	1,387,921	232,535	1,620,456	-1.69%
May	1,316,551	220,578	1,537,129	20.47%	1,211,948	203,053	1,415,001	-7.95%
Jun	1,420,085	237,924	1,658,009	28.88%	1,489,080	249,484	1,738,564	4.86%
	\$15,213,321	\$1,523,148	\$16,736,469	11.97%	\$16,030,448	\$849,290	\$18,716,226	11.83%

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 out the community.

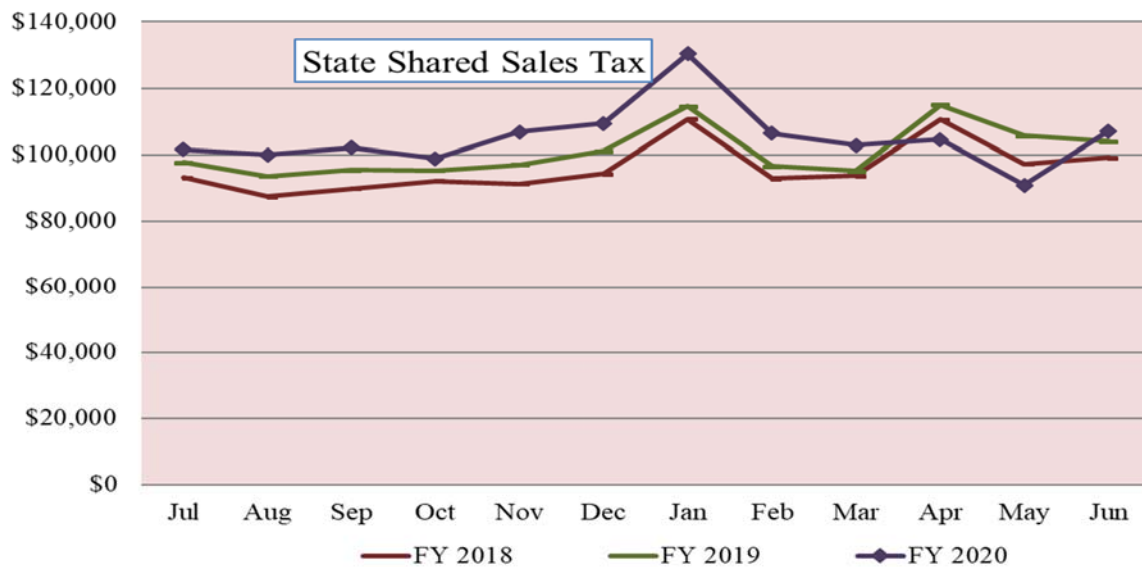


State Shared Sales Tax

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 with a decline in May due to COVID-19. The state anticipated a much different year end outcome when COVID originally started.

	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%	104,465	-9.12%
May	97,208	4.16%	105,722	8.76%	90,763	-14.15%
Jun	99,161	5.27%	103,955	4.83%	107,159	3.08%
	\$1,151,987	6.37%	\$1,210,830	5.11%	\$1,260,498	4.10%

As a reminder, it took over nine years to recover and surpass our 2007 State Shared Sales Tax numbers. This revenue is up by 4.1% or \$49,668 over last years year end numbers.



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.

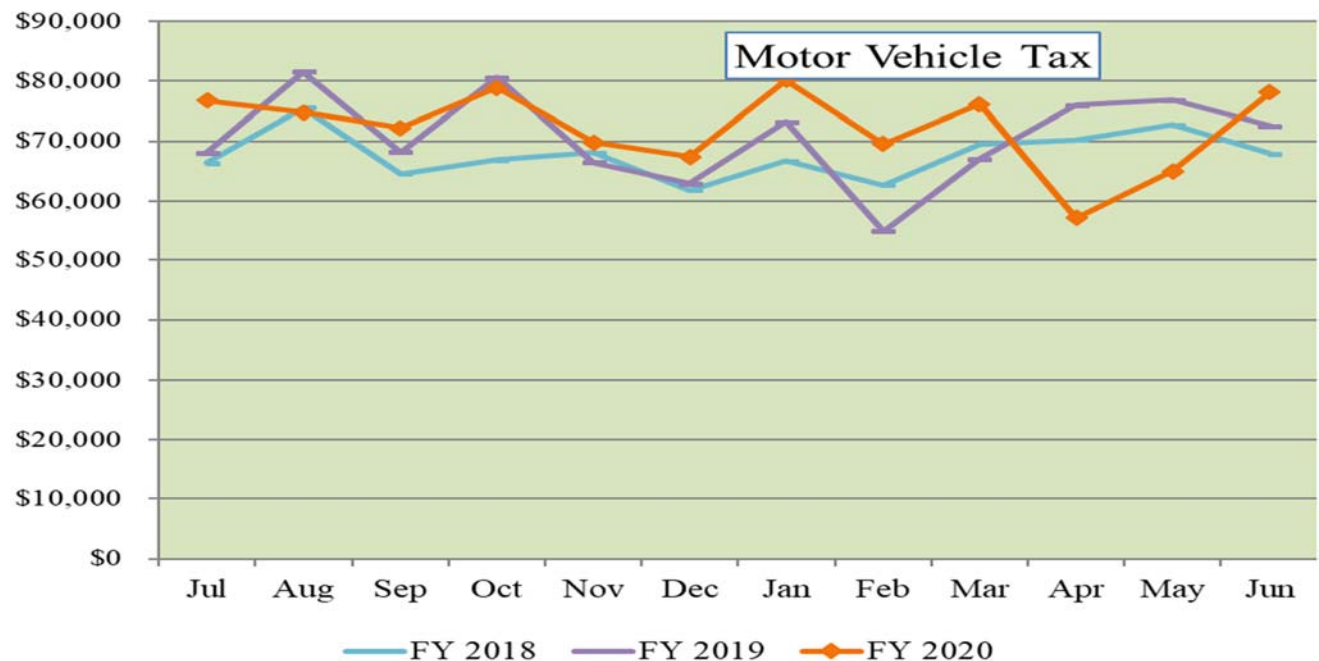
Motor Vehicle Tax

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 FY 2020 we are 2.09% or \$17,769 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%	57,249	-24.67%
May	72,776	5.43%	76,872	5.63%	65,055	-15.37%
Jun	67,963	5.12%	72,529	6.72%	78,175	7.78%
	\$813,363	7.27%	\$848,578	4.33%	\$866,347	2.09%

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

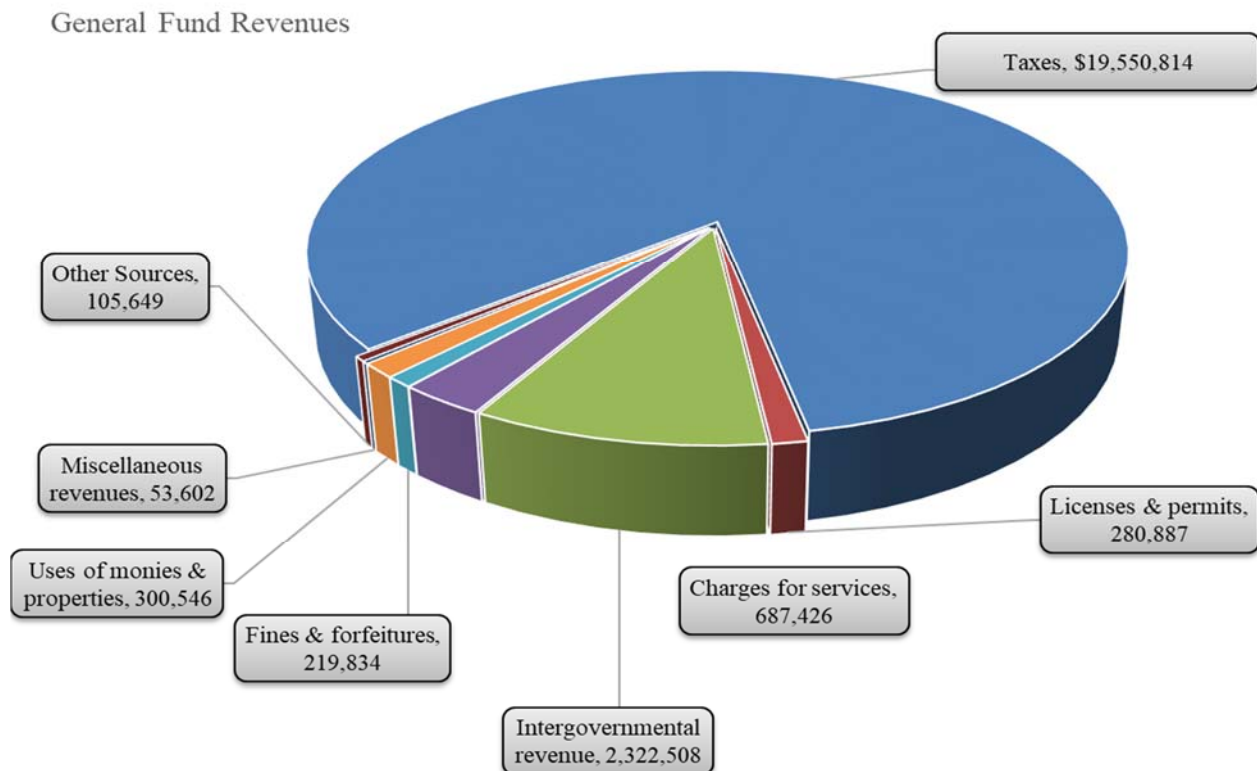
Our General fund revenues ended the year at 84.5% of the budgeted amount and are over our operating expenditures by approximately \$3M. Taxes are currently over the budgeted amount by approximately 3.1%. This increase is factoring into the large increase in fund balance along with the Councils direction to reserve a large portion of the .5% tax increase inacted in FY 2019. The closures that happened in March through April were anticipated to effect revenues for the remainder of FY 2020 and into FY 2021.

<u>Revenues & Other Sources</u>	
Taxes	\$19,550,814
Licenses & permits	280,887
Intergovernmental revenue	2,322,508
Charges for services	687,426
Fines & forfeitures	219,834
Uses of monies & properties	300,546
Miscellaneous revenues	53,602
Other Sources	105,649
Revenues & Other Sources	\$23,521,266

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

Regardless of finishing FY 2019 and FY 2020 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 FY 2019.

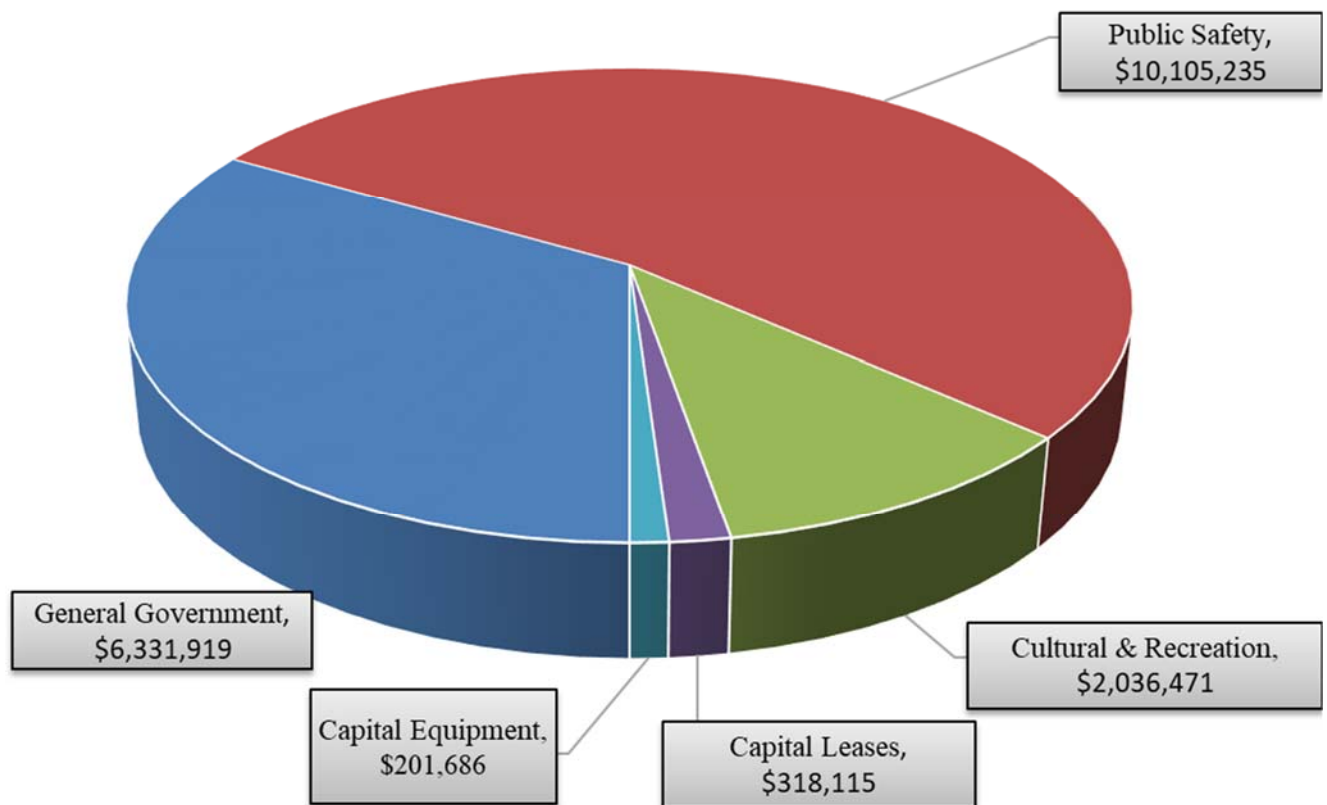


Moving forward, we need to keep in mind the concerns caused by Governmental Accounting Standards Board (GASB) Statement #68 – Accounting and Financial Reporting for Pension Plans. This ruling, now several years old impacts all municipal entities using Arizona State Retirement System (ASRS) and / or Public 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	\$6,331,919
Public Safety	10,105,235
Cultural & Recreation	2,036,471
Capital Leases	318,115
Capital Equipment	201,686
Transfers Out	882,887
Expenditures & Other Uses	\$19,876,313

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

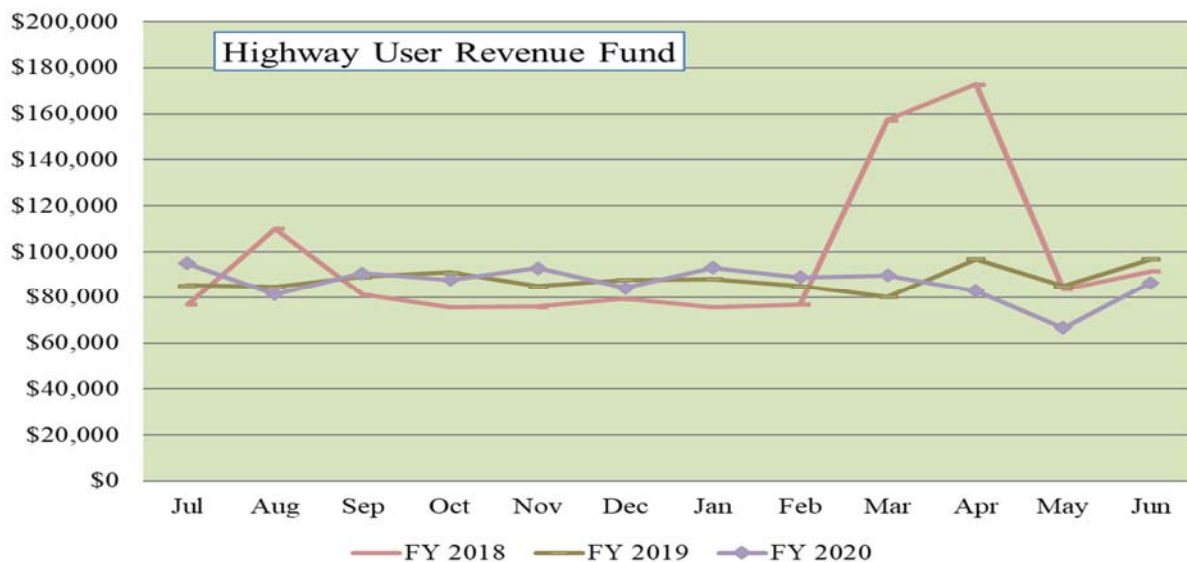
Special Revenue Funds consist of the Highway User Revenue Fund (HURF) and several other smaller funds, including CAT/LYNX, Library, Cemetery, Airport, and Grants.

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 FY 2020 these funds are actually down by 1.46% from FY 2019 or \$15,408 less. The City also received an additional payment in the amount of \$197,800 due to HB 2748 which isn't included in the decrease 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%	82,798	-14.47%
May	83,589	1.49%	84,926	1.60%	66,473	-21.73%
Jun	91,480	2.37%	96,804	5.82%	86,412	-10.74%
	\$1,156,696	18.18%	\$1,054,487	-8.84%	\$1,039,079	-1.46%

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

Listed below are the funds that make up the Special Revenue Funds group in the City of Cottonwood budget. All of these funds have the General Fund as a backstop which covers any shortages in their bottom line. Most of the negative numbers are grants, transfers, or receivables that are currently outstanding and are anticipated to be received within the next 60 – 90 days. HURF will be using General Fund transfers in FY 2020 as it continues 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	2,653,766	\$2,413,225	\$2,159,891	\$214,640	\$184,444
Operating Expenditures	1,078,410	1,117,489	2,170,645	2,036,413	1,038,105	997,671
Capital Outlay	3,009,180	492,120	250,000	126,924	60,000	3,795
Debt Service	433,160	433,156	0	0	0	0
Revenues over (under) Expenditures	(2,006,120)	611,002	(7,420)	(3,446)	(883,465)	(817,022)
Other Funding Sources & Uses	259,180	0	0	217,182	883,465	817,022
Revenues & other funding sources & uses over (under) Expenditures	(1,746,940)	611,002	(7,420)	213,736	0	0
Beginning Fund Balance	1,965,848	1,965,848	0	0	0	0
Ending Fund Balance	\$218,908	\$2,576,850	(\$7,420)	\$213,736	\$0	\$0

	Special Revenue Funds					
	Cemetery		Airport		Grants	
	Budget	4th Qtr actual	Budget	4th Qtr actual	Budget	4th Qtr actual
Revenues	\$500	\$400	\$100,600	\$99,546	\$2,437,685	\$255,975
Operating Expenditures	122,730	53,873	70,975	95,247	0	0
Capital Outlay	0	0	0	0	2,877,310	269,155
Debt Service	0	0	0	0	0	0
Revenues over (under) Expenditures	(122,230)	(53,473)	29,625	4,298	(439,625)	(13,179)
Other Funding Sources & Uses	122,230	53,473	(19,670)	(4,234)	438,580	269,155
Revenues & other funding sources & uses over (under) Expenditures	0	0	9,955	64	(1,045)	255,975
Beginning Fund Balance	0	0	72,150	72,150	9,483	9,483
Ending Fund Balance	\$0	\$0	\$82,105	\$72,214	\$8,438	\$265,458

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	4th Qtr actual
Revenues	\$144,000	\$386,163
Operating Expenditures	0	0
Capital Outlay	150,000	101,834
Debt Service	0	
Revenues over (under)		
Expenditures	(6,000)	284,329
Other Funding Sources & Uses	(25,965)	0
Revenues & other funding sources & uses over (under)		
Expenditures	(31,965)	284,329
Beginning Fund Balance	537,964	537,964
Ending Fund Balance	\$505,999	\$822,293
Expenses	150,000	101,834

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.

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$270,952	0.00%
Use of monies & properties	1,000	21,148	2114.76%
Other Income	0	0	0.00%
Intergovernmental revenue	143,000	94,064	0.00%
Total revenues	144,000	386,163	0.00%
Expenditures:			
Capital outlay:			
Investment Expenses	7,000	3,979	56.85%
Railroad Wash Improvements	143,000	97,854	68.43%
Total Expenditures	150,000	101,834	67.89%

Over the past couple of years slightly over \$11.5M has been transferred 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 1st. Water increases were also approved starting July 1st of 2021 for the next four fiscal years. 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	4th Qtr actual	Budget	4th Qtr actual
Revenues	2,725,645	3,306,823	\$8,175,145	\$8,369,762
Operating Expenditures	2,217,830	1,919,399	8,660,330	3,592,902
Capital Outlay	2,800,725	920,405	3,633,970	1,409,102
Debt Service	0	0	1,835,200	410,646
Revenues over (under) Expenditures	(2,292,910)	467,018	(5,954,355)	2,957,113
Other Funding Sources & Uses	0	0	0	0
Revenues & other funding sources & uses over (under) Expenditures	(\$2,292,910)	\$467,018	(\$5,954,355)	\$2,957,113

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	4th Qtr actual
Revenues	\$1,640,765	\$1,642,812
Operating Expenditures		1,642,812
Capital Outlay		
Debt Service	1,644,115	1,642,812
Revenues over (under) Expenditures	(3,350)	(1,642,812)
Other Funding Sources & Uses	0	0
Revenues & other funding sources & uses over (under) Expenditures	(3,350)	(0)
Beginning Fund Balance	159,310	159,310
Ending Fund Balance	\$155,960	\$159,310

BRIEF OVERVIEW

As we complete the the fiscal year, we are pleased to be in a good position financially. Due to COVID-19 the remainder of the year was uncertain and the 4th quarter was estimated to be a slow revenue period as far as taxes are concered and since that is our main revenue we are anticipating things to slow and or remain flat for the beginning of FY 2021. The budget cycle for FY 2021 was finished and projections for lower sales tax revenues were estimated and lower spending with little captial was approved. Despite this slowing of the economy many projects are anticipated to be completed in Fiscal year 2021 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 1st 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 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 June 2020

General Fund - 01	Ending FY 2020		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	18,963,785	19,550,814	103.10%
Licenses & permits	392,285	280,887	71.60%
Intergovernmental revenue	2,509,765	2,322,508	92.54%
Charges for services	1,256,685	687,426	54.70%
Fines & forfeitures	214,200	219,834	102.63%
Uses of monies & properties	226,100	300,546	132.93%
Miscellaneous revenues	4,147,785	53,602	1.29%
Total revenues	27,710,605	23,415,617	84.50%
Expenditures:			
Operating:			
Council	248,725	253,213	101.80%
City Clerk	248,285	245,240	98.77%
Administration	733,040	684,285	93.35%
Finance	451,975	461,647	102.14%
Personnel	254,745	251,523	98.74%
IT Services	981,500	875,289	89.18%
Purchasing	114,360	114,541	100.16%
Legal	412,155	384,622	93.32%
Court	541,865	482,302	89.01%
Planning & zoning	712,100	658,699	92.50%
Engineering	357,895	328,714	91.85%
Public Works	303,135	267,305	88.18%
Transfer Station	1,000	1,561	156.07%
Building maintenance	443,080	430,948	97.26%
Custodial	0	0	0.00%
Natural resources	188,455	12,479	6.62%
Non-departmental	728,595	564,752	77.51%
Police	5,471,870	5,013,530	91.62%
Communications	1,768,480	1,692,941	95.73%
Fire	3,435,075	3,193,449	92.97%
Ordinance Enforcement	223,455	205,315	91.88%
Parks & recreation	871,080	688,202	79.01%
Rec Center Operations	1,270,655	1,146,711	90.25%
Pool	123,850	96,645	78.03%
Youth Center	133,665	104,914	0.00%
Economic Development	303,955	314,798	103.57%
Subtotal maintenance and operations	20,322,995	18,473,625	90.90%
Capital outlay:	324,060	201,686	62.24%
Total Expenditures	20,647,055	18,675,311	90.45%
Excess (deficiency) of revenues over (under) expenditures	7,063,550	4,740,307	67.11%
Other financing sources (uses):			
Operating transfers in	0	0	0.00%
Sales of City Equipment	40,000	105,649	264.12%
Capital leases	(319,810)	(318,115)	99.47%
Transfers out	(1,657,820)	(882,887)	53.26%
Total other financing sources (uses)	(1,937,630)	(1,095,354)	56.53%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	5,125,920	3,644,953	
Fund balance, July 1, 2019(audited)		4,794,462	
Estimated fund balance @ June 30, 2020		<u>\$8,439,415</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Library - 03

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other income	\$21,000	\$12,078	57.52%
Interest income	40	156	388.85%
City Sales Tax	0	0	0.00%
Yavapai county	158,600	168,210	106.06%
AZ LSCA/Yavapai county grant	0	0	0.00%
Grant Revenues	35,000	4,000	11.43%
Total revenues	214,640	184,444	85.93%
Expenditures:			
Operating:			
Salaries	401,850	366,196	91.13%
Temp employees	45,000	43,025	95.61%
Overtime	0	205	0.00%
Social security	27,700	24,777	89.45%
Medicare tax	6,480	5,795	89.42%
AZ state retirement	48,660	43,682	89.77%
Health & life insurance	105,470	96,798	91.78%
Worker's compensation	9,670	4,763	49.26%
Book purchases	50,000	49,905	99.81%
Office supplies	4,000	5,629	140.73%
Copier supplies	3,000	1,121	37.37%
Equipment maintenance	5,500	3,301	60.02%
Bldg M&R - Library	25,000	14,370	57.48%
Contractual Services	0	0	0.00%
Collection expenses	1,800	1,262	70.11%
Bank Charges	0	1	0.00%
Recruitment Cost	500	340	68.00%
Computer support	8,600	7,175	83.43%
Legal advertising	500	611	122.20%
Utilities	51,000	41,478	81.33%
Telephone	1,915	1,800	93.98%
Network & technology expenses	35,000	42,512	121.46%
Youth programs	600	399	66.42%
Annual volunteer appreciation	1,000	411	41.05%
Travel & training	1,000	1,203	120.35%
Subscriptions & dues	8,000	1,531	19.14%
Postage & freight	2,000	839	41.95%
Liability Insurance	18,860	8,400	44.54%
Indirect costs to general fund	175,000	230,144	131.51%
District - Materials	0	0	0.00%
Subtotal maintenance and operations	1,038,105	997,671	96.10%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Library - 03 (page 2)

	Adopted Budget	Y-T-D	% Used
Capital outlay:	60,000	3,795	6.33%
Total expenditures	<u>1,098,105</u>	<u>1,001,466</u>	91.20%
Excess (deficiency) of revenues over (under) expenditures	<u>(883,465)</u>	<u>(817,022)</u>	
Other financing sources (uses):			
Operating transfers in	883,465	817,022	92.48%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	0.00%
Total other financing sources (uses)	<u>883,465</u>	<u>817,022</u>	92.48%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>0</u>	
Fund balance, July 1, 2019 (audited)		<u>0</u>	
Estimated fund balance @ June 30, 2019		<u><u>\$0</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Cemetery 04

	Adopted Budget	Y-T-D	% Used
Revenues:			
Interest Income	\$0	\$0	0.00%
Charges for services	500	400	80.00%
Total revenues	500	400	80.00%
Expenditures:			
Utilities	30,680	31,828	103.74%
Telephone	0	0	0.00%
Grave Liners	0	0	0.00%
Miscellaneous Expense	75,050	5,606	7.47%
Indirect Costs	17,000	16,440	96.70%
Subtotal maintenance and operations	122,730	53,873	43.90%
Capital improvements	0	0	0.00%
Total expenditures	122,730	53,873	43.90%
Excess (deficiency) of revenues over (under) expenditures	(122,230)	(53,473)	
Other financing sources (uses):			
Operating transfers in	122,230	53,473	43.75%
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)	122,230	53,473	43.75%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	0	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$0	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Airport - 05

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other Income	\$100	\$3,095	3094.88%
Late Fees	0	669	0.00%
Tie down rent	19,000	14,315	75.34%
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	41,795	99.51%
City hangar lease fees	39,500	39,672	100.43%
Total revenues	100,600	99,546	98.95%
Expenditures:			
Operational Supplies	4,500	3,648	81.06%
Fuel Expense	0	10,054	0.00%
Oil Expense	0	26	0.00%
Office Supplies	150	264	175.91%
Vehicle Maintenance	0	0	0.00%
Equipment maintenance	9,500	14,394	151.52%
Building maintenance	1,000	478	47.81%
Contractual Services	2,000	4,850	242.50%
Bank Charges	0	300	0.00%
Computer Support	220	240	109.09%
General Counsel	0	0	0.00%
Utilities	16,000	19,721	123.25%
Telephone	1,285	1,351	105.16%
Airport Annual Event	0	0	0.00%
Liability Insurance	16,320	16,317	99.98%
Indirect costs	20,000	23,605	118.02%
Equipment Purchase	0	0	0.00%
Airport Improvements	0	0	0.00%
Subtotal maintenance and operations	70,975	95,247	134.20%
Capital improvements - hangars	0	0	0.00%
Total expenditures	70,975	95,247	134.20%
Excess (deficiency) of revenues over (under) expenditures	29,625	4,298	
Other financing sources (uses):			
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)	(4,234)	0.00%
Total other financing sources (uses)	(19,670)	(4,234)	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	9,955	64	
Fund balance, July 1, 2019 (audited)		72,150	
Estimated fund balance @ June 30, 2020		\$72,214	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

HURF - 10

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$2,504,630	2,622,213	104.69%
Uses of monies & properties	10,000	24,539	245.39%
Miscellaneous revenues	0	7,014	0.00%
Total revenues	2,514,630	2,653,766	105.53%
Expenditures:			
Operating:			
Salaries	188,100	186,141	98.96%
Temp employees	3,750	5,170	0.00%
Overtime	0	39	0.00%
Social security	11,890	11,440	96.22%
Medicare tax	2,780	2,675	96.24%
AZ state retirement	23,230	23,176	99.77%
Health & life insurance	60,395	59,062	97.79%
Worker's compensation	33,700	19,193	56.95%
Clothing allowance	1,000	560	55.99%
Operational supplies	2,000	1,576	78.80%
Tools	500	411	82.14%
Gas & oil	15,500	13,666	88.17%
Materials	10,000	18,144	181.44%
Street signs	3,000	1,547	51.57%
Street marking	175,000	5,334	3.05%
Office supplies	200	0	0.00%
Vehicle maintenance	16,000	16,093	100.58%
Equipment maintenance	20,000	12,625	63.13%
Building maintenance & repair	0	0	0.00%
Pavement Preservation	0	0	0.00%
Contractual services	22,500	9,958	44.26%
Bank charges	0	130	0.00%
Employee physicals	500	706	141.20%
Computer support	365	253	69.24%
General counsel	0	0	0.00%
Engineering Services	0	0	0.00%
Legal advertising	0	0	0.00%
Utilities	12,825	13,358	104.16%
Street lights	72,100	59,130	82.01%
Telephone	600	787	131.17%
Culverts	500	207	41.49%
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	411,199	111.13%
Street light contingency	0	0	0.00%
Equipment purchase	0	229,640	0.00%
Street Improvements	2,000	0	0.00%
Subtotal maintenance and operations	1,078,410	1,117,489	103.62%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

HURF - 10 (page 2)

	Adopted Budget	Y-T-D	% Used
Debt Service:			
Principal	245,980	245,977	100.00%
Interest	187,180	187,179	100.00%
Capital Outlay:			
Street Contingency	50,000	50,000	100.00%
Pavement Preservation	750,000	336,376	44.85%
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	46,091	2.79%
12th ST NACOG 89-A to Fir	0	0	0.00%
Sidewalk Additions	359,180	58,206	16.21%
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	<u>4,520,750</u>	<u>2,042,764</u>	<u>45.19%</u>
Excess (deficiency) of revenues over (under) expenditures			
	<u>(2,006,120)</u>	<u>611,002</u>	
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)	<u>259,180</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses			
	<u>4,666,497</u>	<u>611,002</u>	
Fund balance, July 1, 2019 (audited)			
		<u>1,965,848</u>	
Estimated fund balance @ June 30, 2020			
		<u><u>\$2,576,850</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 2020

Grants - 11 & 12

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$2,437,685	\$255,975	10.50%
Other Income	0	0	0.00%
Total revenues	2,437,685	255,975	10.50%
Expenditures:			
Capital Outlay:	2,877,310	269,155	9.35%
Total Expenditures	2,877,310	269,155	9.35%
Excess (deficiency) of revenues over (under) expenditures	(439,625)	(13,179)	3.00%
Other Financing Sources (Uses):			
Operating Transfers In	438,580	13,179	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	13,179	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,045)	0	
Fund balance, July 1, 2019 (audited)		9,483	
Estimated fund balance @ June 30, 2020		\$9,483	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

CATS - 10

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$2,174,375	2,005,525	92.23%
Charges for services	238,850	154,366	64.63%
Total revenues	2,413,225	2,159,891	89.50%
Expenditures:			
Salaries	642,620	670,724	104.37%
Temporary employee	216,000	120,201	55.65%
Overtime	67,500	77,782	115.23%
Holiday pay	12,350	13,750	111.34%
Social security	58,180	52,790	90.74%
Medicare	13,610	12,346	90.72%
AZ retirement	87,490	95,951	109.67%
Health/life insurance	194,315	201,673	103.79%
State compensation insurance	62,070	34,238	55.16%
Clothing allowance	1,600	766	47.89%
Contractual Services	12,550	40,606	323.56%
Gas & oil	165,000	140,494	85.15%
Office supplies	7,000	10,364	148.05%
Copier supplies	4,640	1,868	40.25%
Vehicle maintenance	425,000	398,032	93.65%
Building Maintenance	2,000	11,919	595.96%
Equipment Maintenance	0	1,070	0.00%
Radio maintenance	15,300	11,379	74.37%
Postage & freight	12,550	140	1.12%
Audit expense	3,675	3,675	100.00%
Employee physicals / drug tests	3,470	2,962	85.36%
Computer Support	54,600	35,052	64.20%
Custodial Contract	6,190	5,784	93.44%
Advertising	18,025	15,517	86.09%
Printing & forms	12,985	15,592	120.07%
Utilities	8,825	8,270	93.71%
Telephone	11,475	17,062	148.69%
Travel/training	7,000	4,286	61.23%
Continuing education	0	0	0.00%
Subscriptions/dues	2,400	2,362	98.43%
Tools & Equipment	6,425	7,359	114.53%
Liability insurance	35,800	22,399	62.57%
Indirect costs to GF	0	0	0.00%
Subtotal maintenance and operations	2,170,645	2,036,413	93.82%
Capital Outlay:	250,000	126,924	0.00%
Fund b Total Expenditures	2,420,645	2,163,337	89.37%
Excess (deficiency) of revenues over (under) expenditures	(7,420)	(3,446)	
Other Financing Sources (Uses):			
Operating Transfers In	0	217,182	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	217,182	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(7,420)	213,736	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Debt Service - 20	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,640,115	\$1,642,174	100.13%
Uses of monies & properties	650	638	98.14%
Total revenues	1,640,765	1,642,812	100.12%
Expenditures:			
Trustee fees	4,200	2,700	64.29%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:			
Interest	469,360	469,559	100.04%
Principal	1,170,555	1,170,553	100.00%
Total Expenditures	1,644,115	1,642,812	99.92%
Excess (deficiency) of revenues over (under) expenditures	(3,350)	0	
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	(3,350)	0	
Fund balance, July 1, 2019 (audited)		159,310	
Estimated fund balance @ June 30, 2020		\$159,310	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Capital Projects - 30

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$270,952	0.00%
Use of monies & properties	1,000	21,148	2114.76%
Other Income	0	0	0.00%
Intergovernmental revenue	143,000	94,064	0.00%
Total revenues	<u>144,000</u>	<u>386,163</u>	<u>0.00%</u>
Expenditures:			
Capital outlay:			
Investment Expenses	7,000	3,979	56.85%
Railroad Wash Improvements	143,000	97,854	68.43%
Total Expenditures	<u>150,000</u>	<u>101,834</u>	<u>67.89%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,000)</u>	<u>284,329</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	(25,965)	0	0.00%
Total other financing sources (uses)	<u>(25,965)</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(31,965)</u>	<u>284,329</u>	
Fund balance, July 1, 2018 (audited)		537,964	
Estimated fund balance @ June 30, 2019		<u><u>\$822,293</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending June 2020

Employee Benefit Trust - 60

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	400	2,157	539.25%
Total revenues	400	2,157	0.00%
Expenditures:			
Premiums	0	0	0.00%
Benefits	0	0	0.00%
Miscellaneous	2,000	376	18.80%
Total Expenditures	2,000	376	18.80%
Excess (deficiency) of revenues over (under) expenditures	(1,600)	1,781	
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	(1,600)	1,781	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$1,781	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending June 2020

Alt. Firefighter's Pension - 70

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions		\$0	0.00%
Uses of monies & properties	40,000	8,713	0.00%
Total revenues	<u>40,000</u>	<u>8,713</u>	<u>0.00%</u>
Expenditures:			
Benefits	1,800	1,800	100.00%
Administration	8,000	5,327	66.59%
Total Expenditures	<u>9,800</u>	<u>7,127</u>	<u>72.73%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,200</u>	<u>1,586</u>	
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)	<u>0</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>30,200</u>	<u>1,586</u>	
Fund balance, July 1, 2017 (audited)		<u>198,917</u>	
Estimated fund balance @ June 30, 2018		<u><u>\$200,503</u></u>	