



# City of Coolidge, Arizona

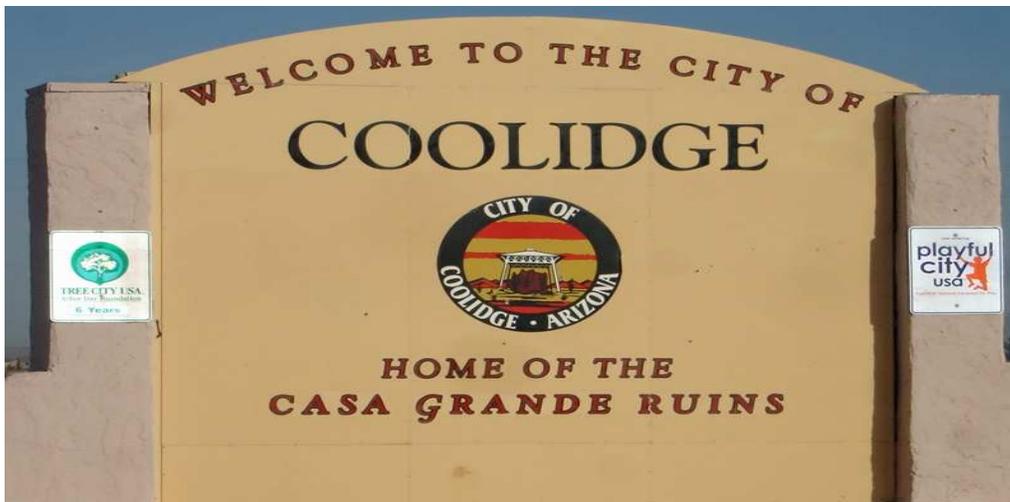
Home of the Casa Grande Ruins



Casa Grande Ruins



Coolidge Airport



Coolidge Transit Facility



Transcanada



Wastewater Facility

## Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2013

# **City of Coolidge, Arizona**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2013**

**Prepared by the Finance Department  
Lisa Pannella, Finance Director**

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## INTRODUCTORY SECTION





# City of Coolidge

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November 20, 2013

To the Honorable Mayor, Members of Council, and Citizens of the City of Coolidge. We are pleased to submit to you the City of Coolidge Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2013.

The Primary purpose of this report is to provide the City Council, Coolidge citizens, legislative bodies, and investors and creditors with detailed information concerning the financial condition and performance of the City of Coolidge, Arizona. In addition, this report provides assurance that the City presents fairly its financial position as verified by independent auditors. These financial statements have been prepared by the Finance Department in accordance with generally accepted accounting principles (GAAP) for local governments promulgated by the Governmental Accounting Standards Board (GASB).

The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Coolidge for the fiscal year ending June 30, 2013, are free of material misstatement. The City of Coolidge financial statements have been audited by the independent audit firm of Colby and Powell, PLC Certified Public Accountants. This audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Coolidge's MD&A is in the financial section immediately following the independent Auditor's Report.

## PROFILE OF THE CITY

The City of Coolidge is an historic, beautiful, small town friendly city located at the center of the Arizona Sun Corridor. It was founded in 1925 and became incorporated on the 24<sup>th</sup> day of September, 1945. At the time of incorporation the City encompassed one square mile and claimed a population of 4,306. Presently the City covers approximately sixty two square miles with an approximate population of 12,074. The City of Coolidge, whose name honors the 30<sup>th</sup> U.S. President Calvin Coolidge, is situated halfway between the state's two largest metropolitan areas of Tucson and Phoenix. We are proud to have the Casa Grande Ruins National Monument, of the prehistoric HoHoKam people, nestled within the northern boundaries of the city. The Ruins include the Casa Grande (Spanish for "Big House"), a unique four-story caliche structure built in the early 1300's, and the surrounding walled neighborhood. It was the first historic site to receive protected status by the United States Government in 1892. Hundreds of thousands of people visit the "Ruins" each year.

The City of Coolidge operates under the Council-Manager form of government. The City Council, who has policy making and legislative authority, is comprised of one Mayor and six Council Members. The Mayor is elected every two years, while Council Members are elected to four year overlapping terms, on a non-partisan, at large basis. City Council is responsible for appointing the City Manager, Chief Fiscal Officer, City Magistrate and City Attorney. The City Manager is responsible for carrying out the policies and Ordinances of the City Council and for the general administrative supervision and control of the affairs of the city.

The City of Coolidge provides a full range of municipal services to include: police and fire protection; recreational and cultural events, library services, planning and zoning services, building code enforcement, animal control, sewer and sanitation services, airport, public transit system, Government television station, and construction and maintenance of streets.

In 2003 the City updated the General Plan. This process endeavors a mission to provide exceptional quality services, in partnership with the community, while maintaining a financially sustainable city. This process provides a mechanism in which staff can identify major challenges, short and long term issues and projects, and goals and objectives that the City is expected to face in the next five to fifteen years, the role that city Government plays in responding to these issues and challenges, and the resources needed by the City government to fulfill their role. The plan is currently in the process of being updated, with a completion date expected early in 2014.

The annual budget serves as the foundation for the City of Coolidge's financial planning and control. The initial budgetary goal of each department is to request sufficient funds to carry out the responsibilities within general guidelines established by the City Council. The department is responsible for establishing priorities within its programs and justifying them to the City Manager. All departments evaluate their programs and services classifying their values and priorities. The Finance Director analyzes departmental budget requests, in comparison with estimated revenues, and presents recommendations for a balanced budget to the City Manager. The City Manager then presents a proposed, balanced budget to City Council for review in March of each year. City Council budget sessions take place during the months of March, April and May affording the public input on the proposed budget. These sessions are available on the City's website and also aired on the City's public television station. Once final additions and deletions are made, the Tentative Budget is adopted by City Council in June and the Final Budget in July.

## FINANCIAL CONTROLS

### Internal Controls

The management of the City of Coolidge is responsible for establishing and maintaining a system of internal controls. These controls are designed to provide reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. Reasonable assurance recognizes: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Internal Controls encompass both internal and external audit functions and measure the procedures established within the City's automated accounting and budgeting system framework. They are subject to periodic evaluation by management and considered by the independent auditors as a basis for designing the city's auditing procedures for the purpose of expressing an opinion on the financial statements. All internal control evaluations occur within the above framework. The Finance Department staff believes the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### Budgetary Controls

The City of Coolidge, like many cities in the State of Arizona, operates under the Local Alternative Expenditure Limitation – Pure Home Rule Option that must be adopted by the local voters every four years. This allows the Mayor and Council, as part of the annual budget process; to adopt an Alternative Expenditure Limitation equal to the total amount of budgeted expenditures/expenses as it appears on the annual budget to be adopted each year after a public hearing at which the citizens of the City of Coolidge may comment. No expenditures may be made in violation of such Alternative Expenditure Limitation, nor may any proposed expenditures be in excess of estimated available revenues. The City of Coolidge last adopted the Local Alternative Expenditure Limitation in March of 2010 to be used through June 30, 2014. Under the Local Alternative Expenditure Limitation the City is allowed to adjust the state imposed expenditure base (per Article IX, Section 20(1) of the Arizona Constitution) from \$108,306,142 to \$167,998,338 for fiscal year 2013/14.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated operating budget approved by the Mayor and Council. Activities of the general fund, special revenue fund, debt service fund, capital projects fund, and enterprise funds, are included in the annual appropriated budget. The legal level of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level with any budget revisions requiring a transfer between funds approved by the City Council. The City additionally exercises management control and oversight of the budget at the department level within each fund.

## MAJOR BUDGETARY INITIATIVES

The City of Coolidge had some positive budgetary initiatives to off set the burden of declining revenues experienced over the past five years. Those initiatives that had a significant impact on the current year's financial statements included:

- City Council continued the freeze on the Capital Projects Fund for projects listed in the Capital Improvement Plan unless funded by a grant or impact fees. This enabled the City to scrutinize the projects in the Capital Improvement Plan for necessity and timeframe for completion.
- The City continued with the freeze on hiring. All positions vacated during the year had to be approved by Council prior to advertising and filling in keeping with budgetary restraints.
- The Public Works department had some salary savings due to retirements and reorganization within the departments.
- The City took over animal licensing from Pinal County in January, 2013 to increase revenues in the General Fund and offset costs in the Animal Control department.
- Two staff members signed up for the Smartworks retirement program saving the City \$71,000 in salary and benefit costs.

### LOCAL ECONOMY

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Coolidge operates.

From Coolidge's founding until the early 1950's, the economy was mainly dependent on agriculture, and to a lesser extent, mining. Growth was relatively steady until the late 1940's. As water use reached an optimum and mechanical equipment replaced farm workers, it leveled off. The Coolidge economy diversified as manufacturers located in and near the City and greater emphasis was placed on winter tourism. Today it is a regional trade and service center for agricultural producers, providing equipment, supplies and personal services for farming. Government agencies, such as the Arizona Training Program, Central Arizona College, the Arizona State Prisons and the Pinal County Courthouse are also major sources of jobs.

The City of Coolidge experienced considerable growth from 2001 through 2010 with the City's population increasing by 52% since the 2000 Census. However, due to the downturn in the economy, the Recession, and housing foreclosures these past four years, the City has experienced a significant decline in building permits and new growth. The unemployment rate, as of June 2013, was approximately 16.0% percent compared with the state's unemployment rate of 8.5% percent.

### LONG TERM PLANNING

A major challenge confronting rapidly growing cities and towns today is developing programs in an era of budgetary constraints. Finances do not seem to increase at the same pace as the demands for effective services. Balancing these contradictory factors seems impossible at times. Sound budget and finance techniques are both a point of view and a process to obtain and make maximum use of all resources available. Sound administration of the local budget process is a necessity. The City of Coolidge is dedicated to enhancing the quality of life for its citizens and to providing municipal services in the most effective and efficient manner while exercising fiscal responsibility. The City has completed several major capital projects this past year to include:

- The City is continuing the design and permitting phase of upgrading the existing Wastewater Treatment Plant to a 4.0 MGD class A effluent facility.
- The City completed the design of the Taxiway A Extension at the Airport and is near completion of the reconstruction of the Taxiway utilizing a grant from the U.S Department of Transportation in the amount of \$795,352 and a grant from the Arizona Department of Transportation in the amount of \$39,042. This project was approved to remove a back taxi hazard on runway 17/35. The new taxiway will allow safe passage of aircraft to the runway takeoff area.

Future Projects include:

- The complete reconstruction of Coolidge Ave from Arizona Blvd to First Street to include replacing the existing roadway, drainage structures, concrete curbs/gutters, sidewalks, and street lights. The project is funded using \$1,740,000 in funding through the Arizona Department of Transportation (ADOT) Strategic Transportation Program (STP) and \$669,016 matching funds from the city's Transportation fund. The design process was started in FY 2010 and construction is expected to be completed in October 2014.
- The replacement of the asphalt surface, curbs/gutters, sidewalks, and landscaping on Central Ave. from Arizona Blvd to Main Street. The project is funded using \$1,375,000 of Transportation Enhancement (TE) funds through the Arizona Department of Transportation (ADOT), and \$101,080 in matching funds from the city's Transportation fund. The design process was started in FY 2010 and construction is expected to be completed in December 2015.
- The citywide "Signing" project funded through the Highway Safety and Improvement Program (HSIP) through the Arizona Department of Transportation in the amount of \$251,200 for signs and materials. The sign inventory began in December, 2012 and is expected to be completed in March, 2016.
- The citywide "Striping" project funded through the Highway Safety and Improvement Program (HSIP) through the Arizona Department of Transportation in the amount of \$226,500 for construction. The construction to begin in December, 2013 and be completed in January, 2014.
- Citywide road repair to local and rural arterial roads in the amount of \$816,056 for Fiscal Year 13/14.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Coolidge for its comprehensive annual financial report for the fiscal year ended June 30, 2012. We believe that our current comprehensive annual financial report meets the program's requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year 2012-13 certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department, department directors, and administration. We would like to express our appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and Members

of the City Council for their continued support in maintaining the highest standards and accountability in the management of the City of Coolidge's finances.

A handwritten signature in cursive script, appearing to read "Lisa Pannella".

Respectfully submitted,  
Lisa Pannella  
Finance Director/CFO



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Coolidge  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

CITY OF COOLIDGE

**LIST OF PRINCIPAL OFFICIALS**

**MAYOR**

Thomas R. Shope

**VICE MAYOR**

Gilbert Lopez

**COUNCIL MEMBERS**

Judy Rotz-Lopez

Steve Hudson

Jacque Hendrie-Henry

Jon Thompson

Richard Lister

**SENIOR MANAGEMENT STAFF**

Robert Flatley  
City Manager

Jill Dusenberry  
Assistant City Manager

Susanna Struble  
Public Works Director

Norma Ortiz  
City Clerk

Mickey McHugh  
Fire Chief

Lisa Pannella  
Finance Director

Rachel Duran  
Human Resource Analyst

Georgie Garcia  
Magistrate

Robby Criswell  
IT Director

Joseph Brugman  
Chief of Police

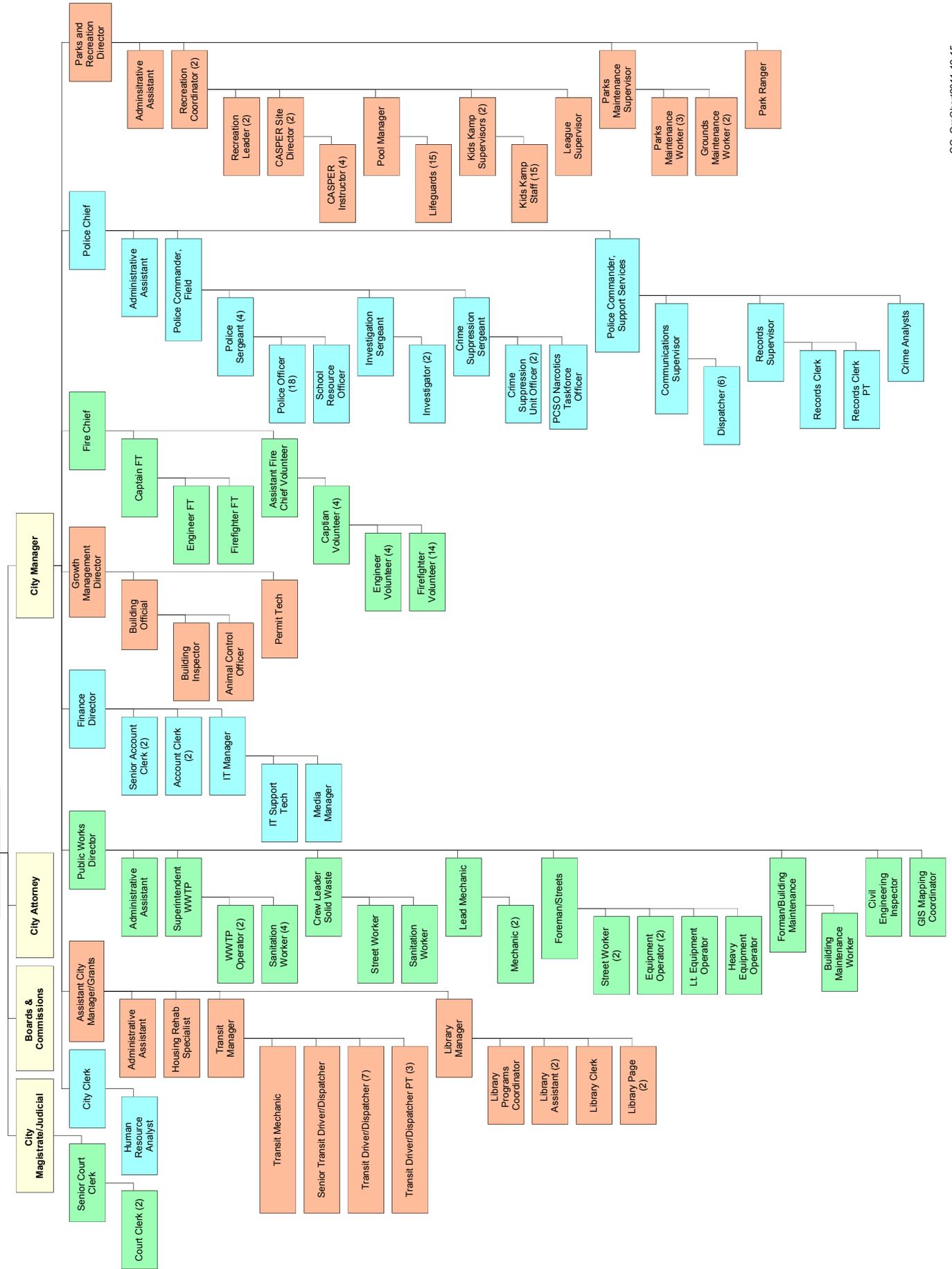
Joyce Baker  
Library Manager

Rick Miller  
Economic Development Director

Mike Meyer  
Transit Manager

# City of Coolidge

## City Council



***FINANCIAL SECTION***





## **INDEPENDENT AUDITORS' REPORT**

To the City Council  
City of Coolidge, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of City of Coolidge, Arizona, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Coolidge, Arizona, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 14 and 71 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Coolidge, Arizona's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, capital assets schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and capital assets schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and capital assets schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2013, on our consideration of the City of Coolidge, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Coolidge, Arizona's internal control over financial reporting and compliance.

*Colby + Powell*

November 20, 2013

***FINANCIAL SECTION***

**MANAGEMENT'S DISCUSSION & ANALYSIS**

## Management's Discussion and Analysis

The City of Coolidge, Arizona (City) is pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2013. This Management's Discussion and Analysis (MD&A) is intended to provide an introduction to the basic financial statements that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions.

### Financial Highlights

- The assets of the City of Coolidge, Arizona exceeded its liabilities at the close of the most recent fiscal year by \$86,488,479 (net position). Of this amount \$4,918,065 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Coolidge, Arizona's governmental funds reported combined ending fund balances of \$7,546,968, a decrease of \$945,826 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,868,150 or 45 percent of total General Fund expenditures.
- General Fund revenues (on a budgetary basis) were less than budgeted revenues by \$842,036 for fiscal year 2013. Additionally, budgetary basis expenditures were less than the budget by \$4,524,764 in the General Fund.
- General Fund expenditures exceeded revenues by \$459,335; with a positive variance of \$3,682,728 from the original budget.
- The City includes four separate legal entities in its report – a Municipal Property Corporation, an Industrial Development Authority and two Community Facilities Districts. Although legally separate, these "component units" are important because the city is financially accountable for them. A description of these blended component units is available in Note 1 on page 39. Separate Financial Statements are not available for these entities.

### Overview of the Financial Statements

The Annual Financial Report for the City of Coolidge, Arizona consists of this discussion and analysis, the basic financial statements and the required supplementary schedules presented after the basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements, including the budgetary statements for the General Fund and major special revenue funds, and notes to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City of Coolidge, Arizona's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of the City of Coolidge, Arizona's assets and liabilities, with the difference between the two reported as net position. Over time,

increases or decreases in net position may serve as useful indicators of whether the financial position of the City of Coolidge, Arizona is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Coolidge, Arizona that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Coolidge, Arizona include general government, public safety, highways and streets, culture and recreation, and redevelopment and housing. The business-type activities include liquid waste, solid waste, and the municipal airport.

The government-wide financial statements can be found on pages 16-18 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Coolidge, Arizona, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Coolidge, Arizona can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Coolidge, Arizona adopts an annual appropriated budget for its General Fund by department and by fund for special revenue, debt service and capital project funds. A budgetary comparison statement has been provided for the General Fund and any major special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 19-28 of this report.

**Proprietary funds.** The City of Coolidge, Arizona maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Coolidge, Arizona uses enterprise funds to account for its liquid waste, solid waste, and municipal airport.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the liquid waste, solid waste, and airport funds, each of which are considered to be major funds of the City of Coolidge, Arizona.

The basic proprietary fund financial statements can be found on pages 29-36 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Coolidge, Arizona's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 37-38 of this report.

**Notes to the basic financial statements.** The notes to the basic financial statements (pages 39-62) provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and should be read with the financial statements.

**Required supplementary information other than MD&A.** Governments have an option of including the budgetary comparison statements for the General fund and major special revenue funds as either part of the fund financial statements within the basic financial statements, or as required supplementary information after the footnotes. The City has chosen to present these budgetary statements as part of the basic financial statements. Additionally, governments are required to disclose certain information about employee pension funds. The City has disclosed this information on pages 65-68.

The combining statements are presented immediately following the required supplementary information on the public safety personnel retirement system schedule of funding progress.

### **Government-wide Financial Analysis**

Net position may serve over time as a useful indicator of a government's financial position. The following table reflects the Condensed Statement of Net Position of the City for June 30, 2013 showing that assets exceeded liabilities by \$86,488,479.

**Condensed Statement of Net Position  
June 30, 2013 and 2012**

	Government Activities		Business -type Activities		Totals	
	2013	2012	2013	2012	2013	2012
<b>ASSETS</b>						
Current and other assets	\$ 8,230,387	\$ 9,112,588	\$ 1,239,046	\$ 1,089,763	\$ 9,469,433	\$ 10,202,351
Capital assets						
Non-depreciable	3,078,462	2,382,032	2,329,685	1,951,947	5,408,147	4,333,979
Depreciable (net)	55,637,177	58,272,379	23,069,612	22,749,392	78,706,789	81,021,771
<b>Total Assets</b>	<b>66,946,026</b>	<b>69,766,999</b>	<b>26,638,343</b>	<b>25,791,102</b>	<b>93,584,369</b>	<b>95,558,101</b>
<b>LIABILITIES</b>						
Other liabilities	635,947	629,662	638,234	211,142	1,274,181	840,804
Non-current liabilities						
Due within one year	702,113	609,648	162,711	161,258	864,824	770,906
Due in more than one year	3,490,758	3,786,578	1,466,127	1,592,471	4,956,885	5,379,049
<b>Total liabilities</b>	<b>4,828,818</b>	<b>5,025,888</b>	<b>2,267,072</b>	<b>1,964,871</b>	<b>7,095,890</b>	<b>6,990,759</b>
<b>NET POSITION</b>						
Invested in capital assets, net of related debt	55,668,079	57,354,851	23,827,841	23,009,425	79,495,920	80,364,276
Restricted	1,907,475	2,460,226	167,019	232,058	2,074,494	2,692,284
Unrestricted	4,541,654	4,926,034	376,411	584,748	4,918,065	5,510,782
<b>Total net position</b>	<b>\$ 62,117,208</b>	<b>\$ 64,741,111</b>	<b>\$ 24,371,271</b>	<b>\$ 23,826,231</b>	<b>\$ 86,488,479</b>	<b>\$ 88,567,342</b>

The net position of the City is \$62,117,208 in governmental activities and \$24,371,271 in business-type activities at June 30, 2013.

Net position consists of three components, the largest portion of the City of Coolidge, Arizona's net position (92%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt, used to acquire those assets, that is still outstanding. The City of Coolidge, Arizona uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Coolidge, Arizona's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City's investment in capital assets, net of related debt decreased \$868,356 largely due to the city's delay in starting scheduled projects in this fiscal year.

An additional portion of the City of Coolidge, Arizona's net assets (2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$4,918,065 may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net assets changed from the prior year for the city as a whole; as, the governmental activities reported a \$384,380 decrease and the business-type activities reported a \$208,337 decrease. The net decrease in the governmental activities and business-type activities, respectively, are discussed in more detail following the table below. However, generally the governmental activities decreased due to the use of road funds for capital projects. The business-type activities decreased due to a revenue deficiency in the Solid Waste fund.

At the end of the current fiscal year, the City of Coolidge, Arizona is able to report positive balances in all three categories of net assets for the government as a whole.

**Changes in Net Position  
For the Fiscal Year Ended June 30, 2013 and 2012**

	Government Activities		Business -type Activities		Totals	
	2013	2012	2013	2012	2013	2012
<b>Revenues</b>						
<b>Program Revenues</b>						
Fees, Fines and charges for svcs	\$ 832,134	\$ 908,059	\$ 1,762,551	\$ 1,741,522	\$ 2,594,685	\$ 2,649,581
Operating grants and contributions	2,214,444	2,472,170	-	-	2,214,444	2,472,170
Capital grants and contributions	219,014	1,251,550	1,140,935	250,158	1,359,949	1,501,708
<b>General Revenues</b>						
Local Taxes	5,839,868	5,838,629	-	-	5,839,868	5,838,629
State shared revenues	2,671,289	2,442,437	-	-	2,671,289	2,442,437
Investment earnings	13,347	16,081	1,459	2,083	14,806	18,164
Miscellaneous	100,450	140,834	-	-	100,450	140,834
<b>Total Revenues</b>	<b>11,890,546</b>	<b>13,069,760</b>	<b>2,904,945</b>	<b>1,993,763</b>	<b>14,795,491</b>	<b>15,063,523</b>
<b>Expenses</b>						
General government	2,508,220	2,501,833	-	-	2,508,220	2,501,833
Public Safety	5,895,157	5,900,691	-	-	5,895,157	5,900,691
Highways and streets	4,298,605	4,421,687	-	-	4,298,605	4,421,687
Culture and recreation	1,036,188	1,053,273	-	-	1,036,188	1,053,273
Redevelopment and housing	710,347	916,594	-	-	710,347	916,594
Interest on long-term debt	129,105	139,697	-	-	129,105	139,697
Liquid Waste	-	-	1,111,155	1,120,950	1,111,155	1,120,950
Solid Waste	-	-	1,063,751	1,041,663	1,063,751	1,041,663
Municipal Airport	-	-	121,826	114,103	121,826	114,103
<b>Total Expenses</b>	<b>14,577,622</b>	<b>14,933,775</b>	<b>2,296,732</b>	<b>2,276,716</b>	<b>16,874,354</b>	<b>17,210,491</b>
<b>Increase/Decrease in net position</b>						
before transfers	(2,687,076)	(1,864,015)	608,213	(282,953)	(2,078,863)	(2,146,968)
Transfers	63,173	8,451	(63,173)	(8,451)	-	-
<b>Change in net position</b>	<b>(2,623,903)</b>	<b>(1,855,564)</b>	<b>545,040</b>	<b>(291,404)</b>	<b>(2,078,863)</b>	<b>(2,146,968)</b>
<b>Net position, beginning of year</b>						
	64,741,111	66,596,675	23,826,231	24,117,635	88,567,342	90,714,310
<b>Net position, end of year</b>	<b>\$ 62,117,208</b>	<b>\$ 64,741,111</b>	<b>\$ 24,371,271</b>	<b>\$ 23,826,231</b>	<b>\$ 86,488,479</b>	<b>\$ 88,567,342</b>

**Governmental Activities.**

Program revenues, which include fines, fees and charges for services, operating grants and contributions and capital grants and contributions decreased over the prior fiscal year by \$1,366,187 dollars. The City's fees, fines and charges for services reported a \$75,925 dollar decrease. Operating grants and contributions decreased by \$257,726 dollars over the prior year largely due to the housing grants received through the Community Development Block Grant Program (CDBG). The capital grants and contributions reported a \$1,032,536 dollar decrease largely due to the decrease in Road Project funding passed through the city.

General revenues, which include local taxes, impact fees, state shared revenues and investment earnings increased by \$186,973 dollars. Local taxes, including property and city sales taxes, increased by \$1,239, which can be attributed to a slight increase in public spending; while, state

shared revenues increased by \$228,852 dollars. The recent completion of the 2010 Census resulted in a 45% increase in the City's population. These figures were used in the fiscal year ending June 30, 2013 and the City anticipates that state shared revenues will increase by 11% over this past fiscal year.

Expenses decreased by \$356,153 dollars largely due to General Government cuts in spending.

### **Business-type Activities.**

As discussed above, the City imposes an impact fee to developers for new construction to assist the City in future development and growth. The decline in new construction as well as new State legislation which prohibits the collection of impact fees for certain categories of public service, beginning in January of 2012, accounts for a 98% decrease in impact fees for the past four fiscal years. The capital grants for the airport vary from year-to-year based upon funding from various federal and state grants.

Investment earnings decreased due to a decrease in interest gained on investments.

Business-type expenses increased in the Solid Waste and Airport Funds due to increased vehicle repairs and capital projects respectively; and decreased in the Liquid Waste Fund primarily due to a decrease in professional services.

### **Financial Analysis of the City's Funds.**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Government funds reported by the City include the General Fund, Grants Fund, Impact Fees Fund, Capital Projects Fund, Road Tax Fund, and Non-Major Governmental Funds.

The City of Coolidge's overall financial position has held steady. As of the end of the current fiscal year the City's governmental funds reported combined ending fund balances of \$7,546,968, a decrease of \$945,826 in comparison with the prior year. Approximately 62% of this total amount (\$4,686,366) constitutes General Fund balance. At fiscal year-end 2012-2013 fund balances were as follows:

<u>Fund</u>	<u>Balance</u>	<u>Increase (Decrease) From 2011-12</u>
General Fund	\$ 4,686,366	\$ (693,023)
Grants Fund	530,168	63,294
Impact Fee Fund	477,114	37,852
Capital Projects Fund	908,015	294,341
Road Tax Fund	665,511	(824,815)
Non-major Governmental Funds	<u>279,794</u>	<u>176,525</u>
TOTAL	\$ 7,546,968	\$ (945,826)

The General Fund is the chief operating fund of the City of Coolidge, Arizona. At the end of the current fiscal year, the fund balance of the General Fund was \$4,686,366, a decrease of \$693,023 over the prior year. This fund balance is available for contribution to the assigned, and unassigned fund balances. As a measure of the General Fund's liquidity, it may be useful to compare both General Fund balance and total fund balance to total expenditures. General Fund balance represents 55 percent of total General Fund expenditures, while total fund balance represents 58 percent of total City expenditures.

The decrease to the General Fund balance during the current fiscal year can be attributed to the restoration of depositing 25% of all City Sales Tax into the Capital Fund. Also, as previously discussed, current year expenditures increased by \$320,004 dollars due to a 2.5% salary increase and matching funds to the Airport and Transit grants.

The Grants Fund reported a \$63,294 fund balance increase largely due to an increase in funding from the Gila River Indian Community special funding.

The Impact Fee Fund reported a \$37,852 fund balance increase due to an expansion in the City's Industrial Park. The restricted fund balance will be carried over to future years for planned capital projects.

The Capital Projects Fund reported a \$294,341 fund balance increase due to City Council restoring the deposit of 25% of all City Sales Tax to the Capital Fund for fiscal year 12/13 as mentioned above. The fund balance in this fund is considered assigned to Capital projects by Council Resolution.

The Road Tax Fund reported a decrease of \$824,815 to fund balance due to increased road projects. The restricted fund balance will be carried over to future years for planned construction projects.

The Non-Major Governmental Funds reported a \$176,525 fund balance increase largely due to the private sector contributions made toward the Transit program.

## **Budgetary Highlights**

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found on pages 27-28 and 71-72. These statements compare the original adopted budget, the budget if amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis. The City did not amend its budget during the fiscal year.

General Fund revenues of \$8,051,506, on a budgetary basis, were less than budgeted revenues of 8,893,542 by \$842,036 and budgetary basis expenditures of \$8,510,841 were less than the budget by \$4,524,764. The decline of actual revenues over budgeted revenues is primarily due to the return of the policy to deposit 25% of all city sales tax into the capital fund.

### **Capital Assets and Debt Administration**

The City's capital assets, for its governmental and business-type activities as of June 30, 2013, amounts to \$58,715,639 and \$25,399,297 respectively, (net of accumulated depreciation). Capital assets include land, buildings, and improvements, machinery and equipment, roads and improvements, vehicles and infrastructure. During fiscal year 2012-2013 the annual depreciation expense was \$3,112,866 and \$633,382 for the governmental and business-type capital assets, respectively. Additions to capital assets during the fiscal year totaled \$1,174,094 and \$1,331,340 for the governmental and business-type capital assets, respectively.

Major capital asset events during the current fiscal year included the following:

#### Government Funds

- Infrastructure – 1) the ongoing Coolidge Avenue reconstruction project in the amount of \$653,759 recorded as construction in progress; 2) the ongoing Central Avenue reconstruction project in the amount of \$42,671 recorded as construction in progress.
- Equipment – Purchased and equipped four police vehicles for a total of \$184,421; purchased five copiers for a total of \$50,176; purchased an asphalt zipper in the amount of \$127,490, purchased a pneumatic roller in the amount of \$38,556, purchased a Striping Machine in the amount of \$17,820, and purchased fitness equipment in the amount of \$5,000, all recorded in fixed assets. Two communications equipment shelters were donated to the city for a total of \$30,906.

#### Business Funds

- Infrastructure - 1) the completion of the Design of Taxiway A at the Airport in the amount of \$128,559 recorded as a fixed asset, 2) the ongoing Construction of Taxiway A at the Airport in the amount of \$728,730 recorded as construction in progress and, 3) the completion of the airport runway resurface in the amount of \$427,185 recorded as a fixed asset.

- **Equipment** - Purchased a rear loader for a total of \$67,642, and purchased a backhoe for a total of \$79,791.
- The following table provides a breakdown of the capital assets of the City at June 30, 2013 and 2012.

**Capital Assets at June 30, 2013 and 2012**  
(Net of depreciation)

	Government Activities		Business -type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	\$ 1,972,209	\$ 1,972,209	\$ 1,182,500	\$ 1,182,500	\$ 3,154,709	\$ 3,154,709
Construction in Progress	1,106,253	409,823	1,147,185	585,360	2,253,438	995,183
Airport hangar and other improvements			46,157		46,157	-
Buildings and improvements	11,727,852	12,013,628	-	48,502	11,727,852	12,062,130
Infrastructure and land improvements	42,080,080	44,413,185	1,764,025	1,184,172	43,844,105	45,597,357
Sewer treatment plant and collection system			20,472,977	20,952,706	20,472,977	20,952,706
Furniture, machinery, equipment and vehicles	1,829,245	1,845,566	786,453	748,099	2,615,698	2,593,665
<b>Total Capital Assets</b>	<b>\$ 58,715,639</b>	<b>\$ 60,654,411</b>	<b>\$ 25,399,297</b>	<b>\$ 24,701,339</b>	<b>\$ 84,114,936</b>	<b>\$ 85,355,750</b>

See Note 4. in the notes to the Basic Financial Statements for further information regarding capital assets.

### Long-term Debt

At the end of the current fiscal year, the City of Coolidge, Arizona had total long-term obligations outstanding of \$5,821,709. Of the outstanding debt, \$3,841,456 represents outstanding notes payable. The remaining balance represents compensated absences, capital leases and the City's obligation related to the landfill closure and post-closure care costs. The City has no outstanding bonds.

The following schedule shows the outstanding debt of the City (both current and long-term) as of June 30, 2013 and 2012. Further detail on the City's outstanding debt may be found in Note 8 on page 55.

**Outstanding Debt at June 30, 2013 and 2012**

	Governmental Activities		Business Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Notes Payable	\$ 2,270,000	\$ 2,450,000	\$ 1,571,456	\$ 1,691,914	\$ 3,841,456	\$ 4,141,914
Capital leases	777,560	849,560	-	-	777,560	849,560
Landfill closure and post-closure costs	678,792	666,856	-	-	678,792	666,856
Compensated absences	466,519	429,810	57,382	61,815	523,901	491,625
<b>Total Outstanding Debt</b>	<b>\$ 4,192,871</b>	<b>\$ 4,396,226</b>	<b>\$ 1,628,838</b>	<b>\$ 1,753,729</b>	<b>\$ 5,821,709</b>	<b>\$ 6,149,955</b>

### Economic Factors and Next Year's Budgets and Rates

## **Economic Factors and Next Year's Budgets and Rates**

The City relies heavily on state shared revenues, impact fees and local sales tax. During the year, more than 86% of the City's general revenues were derived from state shared revenues and local sales tax. The retail picture provides sufficient sales tax revenue to sustain the operational costs of the general government. However, based on an ordinance passed in 2005, the City has supplemented its capital revenues with impact fees. The impact fees are currently used and will be used in future fiscal years to assist the City in keeping up with capital costs related to new growth. However, new State legislation prohibits the collection of impact fees for certain categories of public service, beginning in January of 2012, which will surely reduce the funds available for capital projects. The retail picture will depend upon future development of housing, commercial and industrial businesses within the community.

The City's share of state shared revenues is estimated to increase by \$153,457 for fiscal year ending June 30, 2014 based on the 2010 Census figures. Increases in some programming and user fees have been implemented in order to generate additional revenues to cover the City's costs of providing services.

Other factors affecting next year's budget include:

- Declining revenues in Road Funds - Road Funds shared by the state and county are driven by population. The City does not anticipate an increase in population, while other cities and towns are still growing. This means the city receives a smaller share of funds each year, while the need to repair streets continues to grow. This necessitated the transfer of \$500,000 of General Fund money to the Streets department for road repairs in Fiscal Year 13-14.
- The necessity to put 25% of all city sales tax into a capital fund for ongoing debt service and capital projects lowers fund balance in the General Fund.
- Nationwide Recession affecting all aspects of Government.
- Maintaining current level of service.

## **Financial Contact**

The financial report is designed to provide a general overview of the City's finances for all of those with an interest in the government's finances and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to:

Lisa Pannella, Finance Director/CFO  
City of Coolidge, Arizona  
Accounting Department  
130 West Central Avenue  
Coolidge, AZ 85128

***FINANCIAL SECTION***

**BASIC FINANCIAL STATEMENTS**

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF NET POSITION  
June 30, 2013

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 6,674,329	\$ 892,637	\$ 7,566,966
Receivables (net of allowance for uncollectables)	257,649	120,118	377,767
Due from other governments	1,033,310	491,390	1,524,700
Interactivity balances	265,099	(265,099)	-
Capital assets			
Land and construction in progress	3,078,462	2,329,685	5,408,147
Other capital assets (net of accumulated depreciation)	55,637,177	23,069,612	78,706,789
Total assets	<u>66,946,026</u>	<u>26,638,343</u>	<u>93,584,369</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	316,330	459,580	775,910
Accrued expenses and employee benefits	279,804	21,607	301,411
Retainages payable	-	157,047	157,047
Accrued interest payable	39,813	-	39,813
Noncurrent liabilities			
Due within one year			
Compensated absences	284,959	38,416	323,375
Capital leases	232,154	-	232,154
Current portion of loans payable	185,000	124,295	309,295
Due in more than one year			
Compensated absences	181,560	18,966	200,526
Capital leases	545,406	-	545,406
Loans payable	2,085,000	1,447,161	3,532,161
Landfill closure and post closure care	678,792	-	678,792
Total liabilities	<u>4,828,818</u>	<u>2,267,072</u>	<u>7,095,890</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	55,668,079	23,827,841	79,495,920
Restricted for			
Highways and streets	665,511	-	665,511
Transit purposes	165,341	-	165,341
Court purposes	69,341	-	69,341
Grant purposes	530,168	-	530,168
Debt service	-	43,177	43,177
Development	-	68,398	68,398
Capital improvements	477,114	55,444	532,558
Unrestricted	4,541,654	376,411	4,918,065
Total net position	<u>\$ 62,117,208</u>	<u>\$ 24,371,271</u>	<u>\$ 86,488,479</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2013

Functions / Programs	Expenses	Program Revenue	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities			
General government	\$ 2,508,220	\$ 80,878	\$ 18,785
Public safety	5,895,157	440,238	321,952
Highways and streets	4,298,605	95,249	1,562,183
Culture and recreation	1,036,188	103,583	9,270
Redevelopment and housing	710,347	112,186	302,254
Interest on long-term debt	129,105	-	-
Total governmental activities	<u>14,577,622</u>	<u>832,134</u>	<u>2,214,444</u>
Business-type activities			
Liquid waste	1,110,775	832,203	-
Solid waste	1,063,751	850,001	-
Liquid waste impact fees	380	12,203	-
Solid waste impact fees	-	50	-
Municipal airport	121,826	68,094	-
Total business-type activities	<u>2,296,732</u>	<u>1,762,551</u>	<u>-</u>
Total primary government	<u>\$ 16,874,354</u>	<u>\$ 2,594,685</u>	<u>\$ 2,214,444</u>

General revenue:  
Sales Taxes  
Property taxes  
Franchise tax  
State shared revenues-not restricted  
to specific programs  
Investment income  
Miscellaneous

Transfers in (out)  
Total general revenue and transfers

Change in net position

Net position, beginning of year

Net position, end of year

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Totals
\$ -	\$ (2,408,557)	\$ -	\$ (2,408,557)
179,987	(4,952,980)	-	(4,952,980)
39,027	(2,602,146)	-	(2,602,146)
-	(923,335)	-	(923,335)
-	(295,907)	-	(295,907)
-	(129,105)	-	(129,105)
<u>219,014</u>	<u>(11,312,030)</u>	<u>-</u>	<u>(11,312,030)</u>
-	-	(278,572)	(278,572)
-	-	(213,750)	(213,750)
-	-	11,823	11,823
-	-	50	50
<u>1,140,935</u>	<u>-</u>	<u>1,087,203</u>	<u>1,087,203</u>
<u>1,140,935</u>	<u>-</u>	<u>606,754</u>	<u>606,754</u>
<u>\$ 1,359,949</u>	<u>(11,312,030)</u>	<u>606,754</u>	<u>(10,705,276)</u>
	4,779,474	-	4,779,474
	755,791	-	755,791
	304,603	-	304,603
	2,671,289	-	2,671,289
	13,347	1,459	14,806
	100,450	-	100,450
	<u>63,173</u>	<u>(63,173)</u>	<u>-</u>
	<u>8,688,127</u>	<u>(61,714)</u>	<u>8,626,413</u>
	(2,623,903)	545,040	(2,078,863)
	<u>64,741,111</u>	<u>23,826,231</u>	<u>88,567,342</u>
	<u>\$ 62,117,208</u>	<u>\$ 24,371,271</u>	<u>\$ 86,488,479</u>

CITY OF COOLIDGE, ARIZONA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2013

	<u>General</u>	<u>Grants</u>	<u>Impact Fees</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,113,188	\$ 406,794	\$ 483,062
Taxes receivable	47,211	-	-
Accounts receivable	-	-	-
Due from other governments	726,333	202,510	-
Due from other funds	265,099	-	-
Total assets	<u>\$ 5,151,831</u>	<u>\$ 609,304</u>	<u>\$ 483,062</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 137,599	\$ 75,197	\$ 5,948
Accrued payroll and employee benefits	240,581	3,939	-
Due to other funds	-	-	-
Deferred revenue	87,285	-	-
Total liabilities	<u>465,465</u>	<u>79,136</u>	<u>5,948</u>
Fund balances			
Restricted	-	530,168	477,114
Assigned	818,216	-	-
Unassigned	3,868,150	-	-
Total fund balance	<u>4,686,366</u>	<u>530,168</u>	<u>477,114</u>
Total liabilities and fund balance	<u>\$ 5,151,831</u>	<u>\$ 609,304</u>	<u>\$ 483,062</u>

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 730,794	\$ 695,302	\$ 245,189	\$ 6,674,329
183,346	-	27	230,584
-	-	27,065	27,065
-	36,082	68,385	1,033,310
-	-	34,212	299,311
<u>\$ 914,140</u>	<u>\$ 731,384</u>	<u>374,878</u>	<u>8,264,599</u>
\$ 6,125	\$ 65,873	\$ 25,588	316,330
-	-	35,284	279,804
-	-	34,212	34,212
-	-	-	87,285
<u>6,125</u>	<u>65,873</u>	<u>95,084</u>	<u>717,631</u>
908,015	665,511	234,682	2,815,490
-	-	45,112	863,328
-	-	-	3,868,150
<u>908,015</u>	<u>665,511</u>	<u>279,794</u>	<u>7,546,968</u>
<u>\$ 914,140</u>	<u>\$ 731,384</u>	<u>\$ 374,878</u>	<u>\$ 8,264,599</u>



CITY OF COOLIDGE, ARIZONA  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 GOVERNMENTAL FUNDS  
 June 30, 2013

Total governmental fund balances \$ 7,546,968

Amounts reported for governmental activities in the Statement of  
 Net Position are different because:

Capital assets used in governmental activities are not  
 financial resources and therefore, are reported in the  
 governmental funds.

Governmental capital assets	90,379,958	
Less accumulated depreciation	<u>(31,664,319)</u>	58,715,639

Certain revenues earned but not received within 60 days of  
 year-end are deferred for the governmental statements,  
 but are recognized as revenue for government-wide  
 statements.

Property taxes		87,285
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Interest payable on long-term debt is not reported in the governmental funds.		(39,813)
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Long-term liabilities are not due and payable in the  
 current period and therefore are not reported in the funds

Compensated absences	(466,519)	
Capital leases	(777,560)	
Landfill closure and postclosure care payable	(678,792)	
Loans payable	<u>(2,270,000)</u>	<u>(4,192,871)</u>

Net position of governmental activities		<u>\$ 62,117,208</u>
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CITY OF COOLIDGE, ARIZONA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2013

	General	Grants	Impact Fees
<b>Revenue</b>			
Taxes	\$ 4,607,407	\$ -	\$ -
Intergovernmental	2,671,289	1,194,609	-
Fines and forfeitures	252,552	16,426	-
Licenses and permits	152,066	-	-
Charges for services	320,394	-	46,729
Investment income	14,864	490	791
Contributions	-	-	-
Miscellaneous	32,934	8,000	-
Total revenue	<u>8,051,506</u>	<u>1,219,525</u>	<u>47,520</u>
<b>Expenditures</b>			
Current			
General government	2,268,595	-	5,189
Public safety	4,903,724	362,539	4,859
Highways and streets	-	420,438	-
Culture and recreation	891,075	-	-
Redevelopment and housing	406,964	302,254	-
Capital outlay	40,483	71,000	-
Debt service			
Principal	-	-	199,490
Interest and debt cost	-	-	33,198
Total expenditures	<u>8,510,841</u>	<u>1,156,231</u>	<u>242,736</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(459,335)</u>	<u>63,294</u>	<u>(195,216)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Capital lease agreement	-	-	-
Transfers in	-	-	233,068
Transfers out	<u>(233,688)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(233,688)</u>	<u>-</u>	<u>233,068</u>
Net change in fund balances	(693,023)	63,294	37,852
Fund balance, beginning of year	<u>5,379,389</u>	<u>466,874</u>	<u>439,262</u>
Fund balance, end of year	<u>\$ 4,686,366</u>	<u>\$ 530,168</u>	<u>\$ 477,114</u>

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,176,604	\$ -	\$ 6,660	\$ 5,790,671
-	417,615	816,692	5,100,205
-	-	6,813	275,791
-	-	66,323	218,389
-	-	-	367,123
1,715	2,368	189	20,417
-	-	27,402	27,402
-	-	2,434	43,368
<u>1,178,319</u>	<u>419,983</u>	<u>926,513</u>	<u>11,843,366</u>
-	-	-	2,273,784
190,823	-	1,349	5,463,294
-	208,152	1,321,933	1,950,523
-	-	-	891,075
-	-	1,129	710,347
176,037	886,574	-	1,174,094
-	-	180,000	379,490
-	-	104,050	137,248
<u>366,860</u>	<u>1,094,726</u>	<u>1,608,461</u>	<u>12,979,855</u>
<u>811,459</u>	<u>(674,743)</u>	<u>(681,948)</u>	<u>(1,136,489)</u>
-	127,490	-	127,490
-	-	858,473	1,091,541
<u>(517,118)</u>	<u>(277,562)</u>	<u>-</u>	<u>(1,028,368)</u>
<u>(517,118)</u>	<u>(150,072)</u>	<u>858,473</u>	<u>190,663</u>
294,341	(824,815)	176,525	(945,826)
<u>613,674</u>	<u>1,490,326</u>	<u>103,269</u>	<u>8,492,794</u>
-	-	-	-
<u>\$ 908,015</u>	<u>\$ 665,511</u>	<u>\$ 279,794</u>	<u>7,546,968</u>



CITY OF COOLIDGE, ARIZONA  
 RECONCILIATION OF THE STATEMENT OF REVENUES,  
 EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 June 30, 2013

Net change in fund balances - total governmental funds \$ (945,826)

Amounts reported for governmental activities in the  
 Statement of Activities are difference because:

Governmental funds report capital outlays as expenditures.  
 However, in the Statement of Activities the cost of those assets  
 is allocated over their estimated useful lives as depreciation  
 expense. Also, assets contributed to the City are not reported in  
 the fund statements and are reported in the Statement of Activities

Expenditures for capitalized assets	1,174,094	
Less current year depreciation	<u>(3,112,866)</u>	(1,938,772)

Revenues in the statement of activities that do not provide current  
 financial resources are not reported as revenues in the funds and  
 revenues received in the current year that were accrued in the  
 Statement of Activities in prior years are reported as revenues  
 in the funds.

Property taxes		49,197
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Interest expense in the Statement of Activities differs from the  
 amount reported in governmental funds because accrued  
 interest was calculated for loans payable for the Statement  
 of Activities, but is expensed when due for the governmental  
 fund statements.

8,143

Debt proceeds provide current financial resources to governmental  
 funds, but issuing debt increases long-term liabilities in the Statement  
 of Net Position. Repayment of long-term debt are expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the Statement of Net Position.

Debt issued	(127,490)	
Debt principal retirement	379,490	
Increase in landfill closure and post closure care costs	<u>(11,936)</u>	240,064

Expenses reported in the Statement of Activities that do not require  
 the use of current financial resources and therefore are not  
 reported as expenditures in governmental funds.

Compensated absences		<u>(36,709)</u>
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Change in net position of governmental activities \$ (2,623,903)

CITY OF COOLIDGE, ARIZONA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET  
TO ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Taxes	\$ 5,311,974	\$ 5,311,974	\$ 4,607,407	\$ (704,567)
Intergovernmental	2,708,908	2,708,908	2,671,289	(37,619)
Fines and forfeitures	278,000	278,000	252,552	(25,448)
Licenses and permits	160,800	160,800	152,066	(8,734)
Charges for services	279,360	279,360	320,394	41,034
Investment income	4,500	4,500	14,864	10,364
Miscellaneous	150,000	150,000	32,934	(117,066)
Total revenue	<u>8,893,542</u>	<u>8,893,542</u>	<u>8,051,506</u>	<u>(842,036)</u>
Expenditures				
Current				
General government	6,595,744	6,595,744	2,268,595	4,327,149
Public safety	4,983,761	4,983,761	4,903,724	80,037
Culture and recreation	983,444	983,444	891,075	92,369
Redevelopment and housing	432,173	432,173	406,964	25,209
Capital outlay	40,483	40,483	40,483	-
Total expenditures	<u>13,035,605</u>	<u>13,035,605</u>	<u>8,510,841</u>	<u>4,524,764</u>
Excess (deficiency) of revenue over expenditures	<u>(4,142,063)</u>	<u>(4,142,063)</u>	<u>(459,335)</u>	<u>3,682,728</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(963,577)</u>	<u>(963,577)</u>	<u>(233,688)</u>	<u>729,889</u>
Total other financing sources (uses)	<u>(963,577)</u>	<u>(963,577)</u>	<u>(233,688)</u>	<u>729,889</u>
Net change in fund balance	(5,105,640)	(5,105,640)	(693,023)	4,412,617
Fund balance, beginning of year	<u>5,105,640</u>	<u>5,105,640</u>	<u>5,379,389</u>	<u>273,749</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,686,366</u>	<u>\$ 4,686,366</u>

CITY OF COOLIDGE, ARIZONA  
GRANTS FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET  
TO ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenue				
Intergovernmental	\$ 17,904,991	\$ 17,904,991	\$ 1,194,609	\$ (16,710,382)
Fines and forfeitures	96,573	96,573	16,426	(80,147)
Investment income	-	-	490	490
Miscellaneous	23,574	23,574	8,000	(15,574)
Total revenue	<u>18,025,138</u>	<u>18,025,138</u>	<u>1,219,525</u>	<u>(16,805,613)</u>
Expenditures				
Current				
Public safety	3,601,830	3,601,830	362,539	3,239,291
Highways and streets	3,317,151	3,317,151	420,438	2,896,713
Redevelopment and housing	11,106,157	11,106,157	302,254	10,803,903
Capital outlay	-	-	71,000	(71,000)
Total expenditures	<u>18,025,138</u>	<u>18,025,138</u>	<u>1,156,231</u>	<u>16,868,907</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<u>-</u>	<u>63,294</u>	<u>63,294</u>
Net change in fund balance	-	-	63,294	63,294
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>466,874</u>	<u>466,874</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,168</u>	<u>\$ 530,168</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2013

	Business-type Activities--Enterprise Funds		
	Liquid Waste	Solid Waste	Liquid Waste Impact Fees
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 682,813	\$ -	\$ 209,824
Accounts receivables, net	52,639	67,479	-
Due from other governments	194	-	-
Total current assets	<u>735,646</u>	<u>67,479</u>	<u>209,824</u>
Noncurrent assets			
Non-depreciable capital assets	1,451,838	-	-
Depreciable assets, net	<u>20,762,488</u>	<u>345,803</u>	<u>-</u>
Total noncurrent assets	<u>22,214,326</u>	<u>345,803</u>	<u>-</u>
Total assets	<u>22,949,972</u>	<u>413,282</u>	<u>209,824</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	2,399	26,667	380
Accrued payroll and benefits	7,555	11,868	-
Retainages payable	-	-	154,000
Due to other funds	-	222,706	-
Compensated absences	12,962	25,454	-
Current portion of loans payable	<u>124,295</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>147,211</u>	<u>286,695</u>	<u>154,380</u>
Noncurrent liabilities			
Compensated absences	6,400	12,566	-
Loans payable	<u>1,447,161</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>1,453,561</u>	<u>12,566</u>	<u>-</u>
Total liabilities	<u>1,600,772</u>	<u>299,261</u>	<u>154,380</u>
Net position			
Investment in capital assets, net of related debt	20,642,870	345,803	-
Restricted for			
Debt service	43,177	-	-
Development	68,398	-	-
Capital projects	-	-	55,444
Unrestricted (deficit)	<u>594,755</u>	<u>(231,782)</u>	<u>-</u>
Total net position	<u>\$ 21,349,200</u>	<u>\$ 114,021</u>	<u>\$ 55,444</u>

Business-type Activities--Enterprise Funds

<u>Solid Waste Impact Fees</u>	<u>Airport</u>	<u>Total</u>
\$ -	\$ -	\$ 892,637
-	-	120,118
-	491,196	491,390
-	491,196	1,504,145
-	877,847	2,329,685
-	1,961,321	23,069,612
-	2,839,168	25,399,297
-	3,330,364	26,903,442
-	430,134	459,580
-	2,184	21,607
-	3,047	157,047
-	42,393	265,099
-	-	38,416
-	-	124,295
-	477,758	1,066,044
-	-	18,966
-	-	1,447,161
-	-	1,466,127
-	477,758	2,532,171
-	2,839,168	23,827,841
-	-	43,177
-	-	68,398
-	-	55,444
-	13,438	376,411
<u>\$ -</u>	<u>\$ 2,852,606</u>	<u>\$ 24,371,271</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2013

	Business-type Activities--Enterprise Funds		
	Liquid Waste	Solid Waste	Liquid Waste Impact Fees
Operating revenue			
Charges for service	\$ 832,203	\$ 850,001	\$ 12,203
Total operating revenue	<u>832,203</u>	<u>850,001</u>	<u>12,203</u>
Operating expenses			
Costs of services	527,161	998,624	380
Depreciation	533,271	65,127	-
Total operating expenses	<u>1,060,432</u>	<u>1,063,751</u>	<u>380</u>
Operating income (loss)	<u>(228,229)</u>	<u>(213,750)</u>	<u>11,823</u>
Nonoperating revenue (expenses)			
Investment revenue	1,012	19	341
Interest expense	<u>(50,343)</u>	<u>-</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>(49,331)</u>	<u>19</u>	<u>341</u>
Income (loss) before capital contributions, and transfers	(277,560)	(213,731)	12,164
Capital contributions from grants	-	-	-
Transfers in	-	-	-
Transfers out	<u>(32,800)</u>	<u>(4,598)</u>	<u>-</u>
Change in net position	(310,360)	(218,329)	12,164
Total net position, beginning of year	<u>21,659,560</u>	<u>332,350</u>	<u>43,280</u>
Total net position, end of year	<u>\$ 21,349,200</u>	<u>\$ 114,021</u>	<u>\$ 55,444</u>

Business-type Activities--Enterprise Funds

<u>Solid Waste Impact Fees</u>	<u>Airport</u>	<u>Total</u>
\$ 50	\$ 68,094	\$ 1,762,551
<u>50</u>	<u>68,094</u>	<u>1,762,551</u>
-	86,842	1,613,007
-	34,984	633,382
-	121,826	2,246,389
<u>50</u>	<u>(53,732)</u>	<u>(483,838)</u>
78	9	1,459
-	-	(50,343)
<u>78</u>	<u>9</u>	<u>(48,884)</u>
128	(53,723)	(532,722)
-	1,140,935	1,140,935
-	51,626	51,626
<u>(77,401)</u>	<u>-</u>	<u>(114,799)</u>
(77,273)	1,138,838	545,040
<u>77,273</u>	<u>1,713,768</u>	<u>23,826,231</u>
<u>\$ -</u>	<u>\$ 2,852,606</u>	<u>\$ 24,371,271</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2013

	Business-type Activities--Enterprise Funds		
	Liquid Waste	Solid Waste	Liquid Waste Impact Fees
<b>Cash Flows from Operating Activities:</b>			
Received from customers	\$ 838,259	\$ 861,766	\$ 12,203
Payments to suppliers	(272,458)	(475,602)	-
Payments to employees	(252,159)	(452,972)	-
Net cash provided (used) by operating activities	<u>313,642</u>	<u>(66,808)</u>	<u>12,203</u>
<b>Cash flows from noncapital and related financing activities</b>			
Transfers in	-	77,401	-
Transfers out	(32,800)	(81,999)	-
Received from other funds	73,593	149,113	-
Net cash provided (used) for noncapital and related financing activities	<u>40,793</u>	<u>144,515</u>	<u>-</u>
<b>Cash flows from capital and financing activities</b>			
Contributions from grants	-	-	-
Purchase of fixed assets	(79,791)	(77,726)	-
Principal payments of notes payable	(120,458)	-	-
Net cash provided (used) for capital and related financing activities	<u>(200,249)</u>	<u>(77,726)</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>			
Investment income	1,012	19	341
Interest paid	(50,343)	-	-
Net cash provided (used) by investing activities	<u>(49,331)</u>	<u>19</u>	<u>341</u>
Net increase (decrease) in cash and cash equivalents	104,855	-	12,544
Cash and cash equivalents, beginning of year	<u>577,958</u>	<u>-</u>	<u>197,280</u>
Cash and cash equivalents, end of year	<u>\$ 682,813</u>	<u>\$ -</u>	<u>\$ 209,824</u>

Business-type Activities--Enterprise Funds

<u>Solid Waste Impact Fees</u>	<u>Airport</u>	<u>Total</u>
\$ 50	\$ 68,094	\$ 1,780,372
-	(33,573)	(781,633)
-	(30,902)	(736,033)
<u>50</u>	<u>3,619</u>	<u>262,706</u>
-	51,626	129,027
(77,401)	-	(192,200)
-	42,393	265,099
<u>(77,401)</u>	<u>94,019</u>	<u>201,926</u>
-	649,739	649,739
-	(766,714)	(924,231)
-	-	(120,458)
-	(116,975)	(394,950)
78	9	1,459
-	-	(50,343)
78	9	(48,884)
(77,273)	(19,328)	20,798
<u>77,273</u>	<u>19,328</u>	<u>871,839</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 892,637</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2013

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Liquid Waste</u>	<u>Solid Waste</u>	<u>Liquid Waste Impact Fees</u>
Reconciliation of operating loss to net cash provided (used) by operating activities			
Operating (loss)	\$ (228,229)	\$ (213,750)	\$ 11,823
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:			
Depreciation	533,271	65,127	-
(Increase) decrease in:			
Accounts receivable	5,906	11,765	-
Due from other governments	150	-	-
Prepaid expense	-	79,791	-
Increase (decrease) in:			
Accounts payable	(877)	1,970	380
Accrued payroll and employee benefits	(178)	(3,679)	-
Retainage payable	-	-	-
Compensated absences payable	3,599	(8,032)	-
Net cash provided (used) by operating activities	<u>\$ 313,642</u>	<u>\$ (66,808)</u>	<u>\$ 12,203</u>

Business-type Activities--Enterprise Funds

<u>Solid Waste Impact Fees</u>	<u>Airport</u>	<u>Total</u>
\$ 50	\$ (53,732)	\$ (483,838)
-	34,984	633,382
-	-	17,671
-	-	150
-	-	79,791
-	18,794	20,267
-	526	(3,331)
-	3,047	3,047
<u>-</u>	<u>-</u>	<u>(4,433)</u>
<u>\$ 50</u>	<u>\$ 3,619</u>	<u>\$ 262,706</u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2013

	<u>Investment Trust Funds</u>
ASSETS	
Cash and cash equivalents	7,747
Investments	<u>269,097</u>
Total assets	<u>276,844</u>
NET POSITION	
Held in trust for investment trust participants	<u><u>\$ 276,844</u></u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year Ended June 30, 2013

	Investment Trust Funds
	<u>                    </u>
Additions	
State fire insurance premiums	4,814
Contributions	4,240
Investment income:	
Interest and dividends	3,979
Unrealized gain	<u>3,459</u>
Total additions	<u>16,492</u>
Deductions	
Professional/technical services	<u>1,390</u>
	<u>1,390</u>
Change in net position	15,102
Net position, beginning of year	<u>261,742</u>
Net position, end of year	<u><u>\$ 276,844</u></u>

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Coolidge, Arizona (City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A.      Reporting Entity

The City is a municipal government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are combined with data from the City, the primary government.

Blended Component Units - *The City of Coolidge Municipal Property Corporation.* The Coolidge Municipal Property Corporation's (CMPC) board of directors consists of six members who are appointed by the Coolidge City Council. CMPC, which is a nonprofit corporation incorporated under the laws of the State of Arizona, was formed for the sole purpose of assisting the City in obtaining financing for various capital projects. All related receivables and payables between the City and the CMPC have been eliminated.

*The City of Coolidge Industrial Development Authority.* The Industrial Development Authority (IDA) board of directors consists of a seven-member board, which is appointed by the Coolidge City Council. The IDA, which is a nonprofit corporation incorporated under the laws of the State of Arizona, was formed to assist the City in obtaining financing for various capital projects and promoting economic development.

*The Martin Valley Community Facilities District.* The Martin Valley Community Facilities District (MVCFD) board of directors consists of a seven-member board comprised of all members of the City of Coolidge City Council. The MVCFD, which is a political subdivision under the laws of the State of Arizona, was formed to assist the developer with financing of public infrastructure.

*The Sandia Community Facilities District.* The Sandia Community Facilities District (SCFD) board of directors consists of a seven-member board comprised of all members of the City of Coolidge City Council. The SCFD, which is a political subdivision under the laws of the State of Arizona, was formed to assist the developer with financing of public infrastructure.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Separate financial statements of the blended component units are not prepared.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) present financial information about the City as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the City. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, state-shared revenues, investment income and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Fund Balances - Governmental Funds

As of June 30, 2013, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes pursuant to constraints imposed internally by formal action of the Council. Formal action by the City Council through resolution is required to establish, modify, or rescind committed fund balance.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only City Council or the City's Finance Director may assign amounts for specific purposes.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Balances - Governmental Funds (Continued)

Unassigned - all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council or the City's Finance Director has provided otherwise in its commitment or assignment actions.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect on internal activity has been eliminated from the government-wide financial statements.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses and permits, charges for service, special assessments and investment income associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received in cash. Deferred revenues also arise when the City receives resources before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Delinquent property taxes have been recorded as deferred revenue if not collected within 60 days. Receivables that will not be collected within the available period have also been reported as deferred revenue on the governmental fund financial statements.

The City reports the following major governmental funds:

General Fund - This fund is the general operating fund of the City. It accounts for all financial resources of the City, except those required to be accounted for in other funds.

Grants Fund - This fund accounts for the activity of various state and federal grants.

Impact Fees Fund - This fund accounts for the activity of the development fees assessed to offset the costs associated with providing necessary public services to new developments.

Capital Projects Fund - This fund accounts for the capital improvement, acquisitions and construction of various City projects funded by unrestricted resources.

Road Tax - Capital Projects Fund - This fund accounts for the capital improvement, acquisitions and construction of major roads through the use of county sales taxes.

The City reports the following major proprietary funds:

Liquid Waste Fund - This fund accounts for the costs to operate, construct and finance the City's sewer utility operations.

Solid Waste Fund - This fund is used to account for the activities of the City's sanitation operations.

Liquid Waste Impact Fees Fund - This fund is used to account for monies collected from developers for the City's sewer utility operations.

Solid Waste Impact Fees Fund - This fund is used to account for monies collected from developers for the City's sanitation operations.

Municipal Airport Fund - This fund is used to account for the activities of the City's airport operations.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following fiduciary fund:

Pension Trust Fund - This Pension Trust Fund is used to account for the City's Volunteer Firefighter's Relief and Pension Fund, a defined contribution plan for which the assets are held by the City in a trustee capacity.

Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the City follows GASB guidance as applicable to its proprietary funds, and generally accepted accounting principles issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprises fund are charges to customers for wastewater and sanitation services, sales, and development fees. Operating expenses for these funds include the cost of sales and services, administrative expenses and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources, as they are needed.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The City's non-major funds are as follows:

Special Revenue Funds

Highway User Revenue Fund (HURF)  
Transit Fund  
Court Surcharge Fund

Debt Service Fund

Capital Projects Funds

Sandia Community Facilities District Capital Projects  
Martin Valley Community Facilities District Capital Projects

Fiduciary funds are reported by fund type.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

Cash represents amounts in demand deposits and amounts held in trust by financial institutions. The funds held in trust are available to the City upon demand. Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments that are 1) readily convertible to known amounts of cash and 2) so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

F. Investments

Arizona Revised Statutes (ARS) authorize the City to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings account, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona counties, cities, school districts, and special districts as specified by statute. The City's interest rate policy is to coordinate its investment maturities to closely match cash flow needs. The City's credit risk policy is to hold investments as authorized by the Arizona Revised Statutes.

G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of the interfund loans).

All trade and property tax receivables are shown net of allowance for uncollectibles. Trade accounts receivable in excess of 90 days comprise the trade accounts receivables allowance for uncollectibles.

Property taxes are levied by the City and collected by the Pinal County Treasurer. Property taxes are levied no later than the third Monday in August and are payable in two installments due October 1 of the current year and March 1 of the subsequent year. Taxes become delinquent after the first business day of November and May, respectively. Interest attaches on installments after the delinquent date. Pursuant to ARS, a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

H. Prepaid Items

Certain payments to vendors reflect the cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, vehicles, machinery, equipment, construction in progress, intangibles and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized in the current year.

Certain capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Estimated Useful Life (years)</u>
Infrastructure	20-50
Buildings and improvements	20-50
Sewer collection system	20-50
Land improvements	20
Furniture, vehicles, machinery and equipment	5-20

J. Compensated Absences

The City's employee vacation and sick leave policies provide for granting vacation and sick leave with pay. Sick leave and vacation benefits vest at the employee's current rate of pay. The current and long-term liabilities for accumulated vacation and sick leave are reported on the government-wide financial statements and in the proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignation and retirements. Resources from the General Fund are generally used to liquidate the governmental funds liabilities compensated absences.

K. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

M. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

N. Budgetary Data

According to the laws of the State of Arizona, all operating budgets must be approved by their governing board on or before the second Monday in August to allow sufficient time for legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August.

In April, the proposed budget for the following fiscal year is presented by the City Manager to the City Council. The budget includes proposed expenditures and the means of financing them. Public meetings are held to obtain citizen comment.

Prior to June 30, the City Council legally enacts the budget, through the passage of an ordinance. The ordinance sets the limit for expenditures for the year, within the voter mandated state expenditure limitation. Additional expenditures may be authorized if directly necessitated by a natural or man-made disaster as prescribed in the state constitution. There were no supplemental appropriations made during fiscal year 2012.

The maximum legal expenditure permitted for the year is the total budget as adopted. All funds of the City have legally adopted budgets except for the Court Surcharge. The City adopts the budget by fund for all funds.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The initial budget for the fiscal year may be amended during the year in a legally permissible manner.

The City Manager is generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation and between departments within the same fund. Any budget revisions requiring a transfer between funds must be approved by the City Council.

All unencumbered expenditure appropriations expire at the end of the fiscal year.

Encumbered amounts are re-budgeted in the following year as deemed appropriate and necessary after review by the Finance staff. Budgetary carry forwards are approved by the City Council.

The City approves its annual budget consistent with GAAP. GASB Statement #34 requires that budgetary comparison statements for the General Fund and major revenue funds be presented in the annual financial statements. These statements must display original budget, amended budget and actual results (on a budgetary basis).

O. Impact of Recently Issued Accounting Principles

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants'(AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 62 does not have any impact on the City's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The GASB had not identified any items that should be reported as deferred outflows of resources or deferred inflows of resources in governmental funds prior to the issuance of GASB No. 65, effective for fiscal years beginning after December 15, 2012. Therefore, the initial application GASB No. 63 will not have any effect on the governmental fund balance sheet.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 2 CASH AND INVESTMENTS

At June 30, 2013, cash and cash equivalents are presented in the funds as follows:

	Governmental Activities	Business Activities	Fiduciary Fund	Total
Cash and cash equivalents	<u>\$ 6,674,329</u>	<u>\$ 892,637</u>	<u>\$ 276,844</u>	<u>\$ 7,843,810</u>

Deposits

At June 30, 2013, the City had \$7,150 of cash on hand. The carrying amount of the City's cash in bank totaled \$7,238,630 and the bank balance was \$7,647,638 on June 30, 2013. The City's deposits at June 30, 2013 were covered by Federal Depository Insurance to the extent of \$396,326. Deposits of \$7,251,312 were collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the depositor-government's name.

Investments

ARS authorize the City to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings account, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona counties, cities, school districts, and special districts as specified by statute.

The City invests in the Local Government Investment Pool 7 (LGIP), an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. The LGIP is not registered with the Securities Exchange Commission under the 1940 Investment Advisors Act. The State Board of Investment has oversight responsibilities of the investment pool in accordance with ARS 35-311. The pool's policy is to invest in fixed-rate securities with a final maturity less than 36 months from the settlement date of the purchase and variable-rate securities with final maturity less than 5 years. The dollar weighted average portfolio maturity is less than 240 days. The net asset value per share of the pool at June 30, 2013 was \$1.00. The Arizona State Treasurer issues a publicly available financial report that includes financial statements and required supplementary information. Copies may be obtained by contacting the Arizona State Treasurer, 1700 West Washington, Phoenix, Arizona 85007.

Funds held in the State Treasurer's Local Government Investment Pool represent a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk. At June 30, 2013, the City's funds invested with the State Treasurer totaled \$321,186.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 2 CASH AND INVESTMENTS (Continued)

The City also owns investments that belong to the City's Volunteer Fire Department. These funds are held by Wilmington Trust and consist of multiple money market funds and mutual funds. The maturities of these investments are usually less than 30 days. The Fiduciary Fund investments have a value of \$276,844 at June 30, 2013.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City has a formal investment policy adopted by City Council. Per that policy the City maintains a list of financial institutions and depositories authorized to provide investment services. This list is evaluated annually for the financial institutions credit worthiness by the Finance Director.

Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City coordinates its investment maturities to closely match cash flow needs. All investments have maturities of less than 12 months.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City policy limits investments to those authorized by State statutes. Presented below is the actual rating as of year-end for each investment type.

Governmental funds		Ratings as of Year-End
<u>Investment Type</u>	<u>Total</u>	<u>Unrated</u>
LGIP	<u>\$ 289,068</u>	<u>\$ 289,068</u>
Proprietary funds		Ratings as of Year-End
<u>Investment Type</u>	<u>Total</u>	<u>Unrated</u>
LGIP	<u>\$ 32,118</u>	<u>\$ 32,118</u>
Fiduciary funds		Ratings as of Year-End
<u>Investment Type</u>	<u>Total</u>	<u>Unrated</u>
Money market funds	\$ 7,747	\$ 7,747
Mutual funds	269,097	269,097
	<u>\$ 276,844</u>	<u>\$ 276,844</u>

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 3 RECEIVABLES

Receivables, net of allowance for uncollectibles, as of year-end for the City's individual major governmental funds and nonmajor governmental funds in the aggregate are as follows:

Governmental Activities:

	General Fund	Grants	Capital Projects Fund	Road Tax Capital Projects	Non-Major Governmental Fund	Total
Receivables:						
Taxes	47,211	\$ -	\$ -	183,346	27	\$ 230,584
Accounts	-	-	-	-	27,065	27,065
	<u>47,211</u>	<u>-</u>	<u>-</u>	<u>183,346</u>	<u>27,092</u>	<u>257,649</u>
Less:						
Allowance	-	-	-	-	-	-
Net Receivables	<u>47,211</u>	<u>-</u>	<u>-</u>	<u>183,346</u>	<u>27,092</u>	<u>257,649</u>

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2013.

Business-type Activities:

	Liquid Waste Fund	Solid Waste Fund	Liquid Waste Impact Fees Fund	Solid Waste Impact Fees Fund	Airport Fund	Total
Receivables:						
Accounts	\$ 387,978	\$ 477,338	\$ -	\$ -	\$ -	\$ 865,316
Less:						
Allowance	(335,339)	(409,859)	-	-	-	(745,198)
Net Receivables	<u>\$ 52,639</u>	<u>\$ 67,479</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,118</u>

Revenues of the Liquid Waste Fund and Solid Waste Fund are reported net of uncollectible amounts. Total uncollectible amounts related to liquid waste and solid waste revenues of the current period are \$41,358 and \$48,419, respectively.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2013 follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental activities:</b>					
Capital assets not being depreciated:					
Land	\$ 1,972,209	\$ -	\$ -	\$ -	\$ 1,972,209
Construction in progress	409,823	696,430	-	-	1,106,253
Total capital assets not being depreciated	<u>2,382,032</u>	<u>696,430</u>	<u>-</u>	<u>-</u>	<u>3,078,462</u>
Capital assets being depreciated:					
Infrastructure	65,151,691	-	-	-	65,151,691
Buildings and improvements	15,473,328	30,906	-	-	15,504,234
Vehicles, furniture and equipment	6,236,922	446,758	(38,109)	-	6,645,571
Total capital assets being depreciated	<u>86,861,941</u>	<u>477,664</u>	<u>(38,109)</u>	<u>-</u>	<u>87,301,496</u>
Less accumulated depreciation for:					
Infrastructure	(20,738,506)	(2,333,105)	-	-	(23,071,611)
Buildings and improvements	(3,459,700)	(316,682)	-	-	(3,776,382)
Vehicles, furniture and equipment	(4,391,356)	(463,079)	38,109	-	(4,816,326)
Total accumulated depreciation	<u>(28,589,562)</u>	<u>(3,112,866)</u>	<u>38,109</u>	<u>-</u>	<u>(31,664,319)</u>
Total capital assets, being depreciated, net	<u>58,272,379</u>	<u>(2,635,202)</u>	<u>-</u>	<u>-</u>	<u>55,637,177</u>
Governmental activities capital assets, net	<u>\$ 60,654,411</u>	<u>\$ (1,938,772)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,715,639</u>
<b>Business-type activities:</b>					
Capital assets not being depreciated:					
Land	\$ 1,182,500	\$ -	\$ -	\$ -	\$ 1,182,500
Construction in progress	585,360	728,730	-	(166,905)	1,147,185
Total capital assets not being depreciated	<u>1,767,860</u>	<u>728,730</u>	<u>-</u>	<u>(166,905)</u>	<u>2,329,685</u>
Capital assets being depreciated:					
Land improvements	1,562,989	445,093	-	166,905	2,174,987
Airport hangar and improvements	115,160	-	-	-	115,160
Sewer treatment plant and collection system	24,314,972	-	-	-	24,314,972
Vehicles, machinery and equipment	1,478,564	157,517	-	-	1,636,081
Total capital assets being depreciated	<u>27,471,685</u>	<u>602,610</u>	<u>-</u>	<u>166,905</u>	<u>28,241,200</u>
Less accumulated depreciation for:					
Land improvements	(378,817)	(32,145)	-	-	(410,962)
Airport hangar and improvements	(66,658)	(2,345)	-	-	(69,003)
Sewer treatment plant and collection system	(3,362,266)	(479,729)	-	-	(3,841,995)
Vehicles, machinery and equipment	(730,465)	(119,163)	-	-	(849,628)
Total accumulated depreciation	<u>(4,538,206)</u>	<u>(633,382)</u>	<u>-</u>	<u>-</u>	<u>(5,171,588)</u>
Total capital assets, being depreciated, net	<u>22,933,479</u>	<u>(30,772)</u>	<u>-</u>	<u>166,905</u>	<u>23,069,612</u>
Business-type activities capital assets, net	<u>\$ 24,701,339</u>	<u>\$ 697,958</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,399,297</u>

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 4 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 222,500
Public safety	397,171
Highways and streets	2,348,082
Culture and recreation	145,113
Total depreciation expense	<u>\$ 3,112,866</u>
Business-type activities:	
Wastewater	\$ 533,271
Sanitation	65,127
Airport	34,984
Total depreciation expense	<u>\$ 633,382</u>

NOTE 5 LOANS PAYABLE

The City issued long-term loans payable to provide funds for the acquisition and construction of major capital facilities. The loans payable at June 30, 2013, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2013	Due Within One Year
Governmental activities:				
Greater Arizona Development Authority Note	2.00%	08/01/03 - 22	\$ 2,270,000	\$ 185,000
Total Governmental activities			<u>\$ 2,270,000</u>	<u>\$ 185,000</u>
Business-type activities:				
Water Infrastructure Finance Authority Note	3.75%	07/01/98 - 18	\$ 228,195	\$ 34,620
Water Infrastructure Finance Authority Note	2.97%	07/01/10 - 29	1,343,261	89,675
Total Business-type activities			<u>\$ 1,571,456</u>	<u>\$ 124,295</u>
Total			<u>\$ 3,841,456</u>	<u>\$ 309,295</u>

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 5 LOANS PAYABLE (Continued)

Annual debt service requirements to maturity on the loans payable at June 30, 2013 are summarized as follows:

Fiscal year ending June 30,	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 185,000	\$ 96,750	\$ 124,295	\$ 64,341	\$ 309,295	\$ 161,091
2015	195,000	89,150	128,254	60,317	323,254	149,467
2016	205,000	80,996	132,342	56,163	337,342	137,159
2017	210,000	72,280	136,561	51,875	346,561	124,155
2018	220,000	63,005	140,916	47,449	360,916	110,454
2019-2023	1,255,000	152,566	592,332	179,081	1,847,332	331,647
2024-2028	-	-	316,756	47,408	316,756	47,408
Total	<u>\$2,270,000</u>	<u>\$ 554,747</u>	<u>\$1,571,456</u>	<u>\$ 506,634</u>	<u>\$3,841,456</u>	<u>\$1,061,381</u>

NOTE 6 CAPITAL LEASES

Leases at June 30, 2013, included the following:

Governmental activities:

Lease with option to purchase equipment (Zipper). Semiannual installments of \$13,876 including interest of 2.9%, due through February 2018. \$ 127,490

Lease with option to purchase the Kenilworth Sport Complex. Semiannual payments of \$300,200 including interest of 4.40%, due through September 30, 2010. On August 29, 2008, the City amended the terms of this lease agreement. The new terms of the agreement requires semiannual payments of approximately \$116,338 including interest of 4.15%, due through March 30, 2016. 650,070

Total 777,560

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 6 CAPITAL LEASES (CONTINUED)

The minimum lease payments by year are:

Fiscal year ending June 30,	Governmental Activities
2014	\$ 259,850
2015	259,850
2016	259,850
2017	27,175
2018	<u>27,175</u>
Total minimum lease payments	833,900
Less: amount representing interest	<u>(56,340)</u>
Present value of future minimum lease payments	777,560
Less: current portion	<u>(232,154)</u>
Noncurrent portion	<u>\$ 545,406</u>

Leased Capital Assets

The following is an analysis of the leased assets included in capital assets:

Asset	Governmental Activities
Land	\$ 2,500,000
Equipment	<u>493,746</u>
Subtotal	2,993,746
Less accumulated depreciation	<u>(376,039)</u>
Total	<u>\$ 2,617,707</u>

NOTE 7 LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City place a final cover on its landfill when it stopped accepting waste in 1993 and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City reached 100 percent capacity in 1993. The City started installing its final cover in 2000. The estimated liabilities for landfill closure and post closure care are \$431,464 and \$247,328, respectively, which represent the estimated current costs that would be incurred if all equipment, facilities and services required to close, monitor and maintain the landfill were acquired as of June 30, 2013. However, the actual costs of closure and post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 8 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 429,810	\$ 321,668	\$ (284,959)	\$ 466,519	\$ 284,959
Notes payable	2,450,000	-	(180,000)	2,270,000	185,000
Capital leases	849,560	127,490	(199,490)	777,560	232,154
Landfill closure and postclosure costs	666,856	11,936	-	678,792	-
Governmental activities long-term liabilities	<u>\$4,396,226</u>	<u>\$ 461,094</u>	<u>\$ (664,449)</u>	<u>\$4,192,871</u>	<u>\$ 702,113</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business-type activities:</b>					
Compensated absences	\$ 61,816	\$ 33,982	\$ (38,416)	\$ 57,382	\$ 38,416
Notes payable	1,691,914	-	(120,458)	1,571,456	124,295
Business-type activities long-term liabilities	<u>\$1,753,730</u>	<u>\$ 33,982</u>	<u>\$ (158,874)</u>	<u>\$1,628,838</u>	<u>\$ 162,711</u>

NOTE 9 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2013, interfund balances were as follows:

Interfund receivable/payable:

Fund	Receivable Amount	Payable Amount
General Fund	\$ 265,099	\$ -
Solid Waste Fund	-	222,706
Airport Fund	-	42,393
Highway User Fund	34,212	-
Transit Fund	-	34,212
Total	<u>\$ 265,099</u>	<u>\$ 265,099</u>

All interfund borrowing resulted from the borrowing of funds to cover cash deficits.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 9 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers:

Fund	Transfers Out	Transfers In
General Fund	\$ 233,688	\$ -
Impact Fees Fund	-	233,068
Capital Projects Fund	517,118	-
Road Tax Capital Projects Fund	277,562	-
Non-Major Governmental Funds	-	858,473
Liquid Waste Fund	32,800	-
Solid Waste Fund	4,598	-
Solid Waste Impact Fees Fund	77,401	-
Airport	-	51,626
Total	\$ 1,143,167	\$ 1,143,167

NOTE 10 CONTINGENT LIABILITIES

Federal and State grants and loans- The City has received a number of grants and loans from both the Federal and State governments. Although the programs have been audited, not all audits have been approved as of June 30, 2013; however, the City expects no material disallowances of expenditures.

Lawsuits - The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 11 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City is a participating member.

The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has authority to assess its members additional premiums should reserve and annual premiums be insufficient to meet the pool's obligations. The maximum liability for the City for the fiscal year is \$10,000 and the deductible is \$5,000 per occurrence.

The City is insured by the Workers' Compensation Insurance Fund for potential worker-related accidents.

NOTE 12 RETIREMENT PLANS

All full-time City employees are covered by one of two contributory retirement and pension plans, which are administered by the State of Arizona under State Statute.

Arizona State Retirement Plan

Plan Description - The Arizona State Retirement System (ASRS) administers a cost-sharing multiple-employer defined benefits pension plan that covers general employees of the City. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of ARS Title 38, Chapter 5, Article 2. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. ASRS issues a publicly available report that includes financial statements and required supplementary information. The report may be obtained in writing at Arizona State Retirement System, 3300 Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067 or by calling 602-240-2200 or 1-800-621-3778.

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year ended June 30, 2013, active ASRS members and the City were each required by statute to contribute at the actuarially determined rate of 11.14 percent (10.90 percent retirement and 0.24 percent long-term disability) of the member's annual covered payroll. The City's contributions to ASRS for the years ended June 30, 2013, 2012, and 2011 were \$449,001, \$436,134, and \$397,309, respectively, which were equal to the required contributions for the year.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 12 RETIREMENT PLANS (Continued)

Arizona Public Safety Personnel Retirement System

Plan Description - The Public Safety Personnel Retirement System (PSPRS) is an agent multiple-employer defined benefit pension plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS acting as a common investment and administrative agent is governed by a five-member board, known as The Fund Manager, and 167 local boards according to the provisions of ARS Title 38, Chapter 5, Article 4. The City contributes to one PSPRS plan for police and one for firefighters. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. PSPRS issues a publicly available report that includes financial statements and required supplementary information. The report may be obtained in writing at PSPRS, 1020 East Missouri Avenue, Phoenix, Arizona 85014 or by calling 602-255-5575.

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year ended June 30, 2013, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 14.83% and 7.53% of the covered payroll to the Plan for the Police and Firefighters, respectively.

Annual Pension Cost - The City's pension cost for the agent plan for the year ended June 30, 2013, and related information follows. The information in the required schedules was determined as part of the actuarial valuations completed 24 months prior to the effective date.

	PSPRS - Police	PSPRS - Fire
Contribution rates		
City - retirement	23.48%	9.55%
Plan members	9.55%	11.13%
Annual pension cost		
Retirement	\$357,318	\$15,444
Health insurance premium	\$23,523	\$1,401
Pension contributions made		
Retirement	\$357,318	\$15,444
Health insurance premium	\$23,523	\$1,401
Actuarial valuation date	June 30, 2013	June 30, 2013
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.85%	7.85%
Projected salary increases	4.5% - 8.5%	4.5% - 8.5%
Includes inflation at cost-of-living adjustment	4.5%	4.5%
Amortization method	Level percent Closed	Level percent Closed
Remaining amortization period	23 years underfunded 20 years overfunded	2 years underfunded 20 years overfunded
Asset valuation method	Smoothed market value	Smoothed market value

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 12 RETIREMENT PLANS (Continued)

Trend Information - Information for the PSPRS plan as of the most recent actuarial valuations follows:

Plan	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<b>PSPRS - Police -Pension</b>			
June 30, 2013	\$ 357,318	100.0%	\$ -
June 30, 2012	303,631	100.0%	-
June 30, 2011	297,177	100.0%	-
<b>PSPRS - Police - Health Insurance</b>			
June 30, 2013	23,523	100.0%	-
June 30, 2012	22,796	100.0%	-
June 30, 2011	23,810	100.0%	-
<b>PSPRS - Fire - Pension</b>			
June 30, 2013	15,444	100.0%	-
June 30, 2012	12,752	100.0%	-
June 30, 2011	14,562	100.0%	-
<b>PSPRS - Fire - Health Insurance</b>			
June 30, 2013	1,401	100.0%	-
June 30, 2012	1,084	100.0%	-
June 30, 2011	947	100.0%	-

Funding Progress - An analysis of funding progress for each of the agent plans as most recent actuarial valuations, June 30, 2013 follows:

PSPRS - Coolidge Police Pension Plan:

June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability AAL (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
2013	\$ 5,614,087	\$ 9,164,301	\$ (3,550,214)	61.3%	\$ 1,455,443	243.9%
2012	5,143,910	8,509,770	(3,365,860)	60.4%	1,445,925	232.8%
2011	5,042,947	7,503,322	(2,460,375)	67.2%	1,405,010	175.1%

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 12 RETIREMENT PLANS (Continued)

PSPRS - Coolidge Police Health Insurance Plan:

June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability AAL (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
2013	\$ -	\$ 261,251	\$ (261,251)	0.0%	\$ 1,455,443	17.9%
2012	-	261,683	(261,683)	0.0%	1,445,925	18.1%
2011	-	265,139	(265,139)	0.0%	1,405,010	18.9%

PSPRS - Coolidge Fire Pension Plan:

June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability AAL (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
2013	\$ 267,125	\$ 135,376	\$ 131,749	197.3%	\$ 158,357	0.0%
2012	246,467	161,078	85,389	153.0%	158,600	0.0%
2011	175,705	116,770	58,935	150.5%	150,617	0.0%

PSPRS - Coolidge Fire Health Pension Plan:

June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability AAL (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
2013	\$ -	\$ 5,360	\$ (5,360)	0.0%	\$ 158,357	3.4%
2012	-	5,963	(5,963)	0.0%	158,600	3.8%
2011	-	4,743	(4,743)	0.0%	150,617	3.1%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2013

NOTE 12 RETIREMENT PLANS (Continued)

Annual Required Contribution

PSPRS - Coolidge Police Health Insurance Plan:

June 30,	Fiscal Year Ended June 30,	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
2011	2013	0.61%	1.02%	1.63%	\$ 25,249
2010	2012	0.73%	0.67%	1.40%	26,207
2009	2011	0.71%	0.62%	1.33%	25,256

PSPRS - Coolidge Fire Health Insurance Plan:

June 30,	Fiscal Year Ended June 30,	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
2011	2013	0.45%	0.20%	0.65%	\$ 1,079
2010	2012	0.43%	0.09%	0.52%	900
2009	2011	0.41%	0.06%	0.47%	794

City of Coolidge Volunteer Fireman's Pension Plan

The City of Coolidge Part-time Firemen's Pension Plan is a single-employer defined contribution plan, which was approved by the City Council on January 1, 1988. The authority to establish and amend benefit provisions rests with the City Council.

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, retirement payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age sixty-two (62) or twenty years of credited service. Volunteer fire fighters are 50% vested after 20 years of service with a 10% increase for each additional year. Fire fighters are fully vested after 25 years of service. As of June 30, 2013, there were 21 eligible employees participating in the plan. The plan is administered by the City and a board of trustees for the City's volunteer fire fighters.

Each participant must contribute 5% of covered compensation, which is equally matched by the City. Total covered compensation to volunteer fire fighters for the year ended June 30, 2013, was \$45,715 and the City's required and actual contributions amounted to \$2,120.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2013

NOTE 12 RETIREMENT PLANS (Continued)

As of June 30, 2013, the plan's assets consisted of the following:

Cash	\$ 7,747
Money market funds	5,049
Mutual funds	<u>264,048</u>
	<u>\$ 276,844</u>

The plan has never had an actuarial valuation; however, benefits cannot exceed plan assets. The market values of mutual funds are determined from readily available market quotations.

The fund uses the accrual basis of accounting. Contributions are recognized when earned; benefits and refunds are expensed when incurred.



***OTHER SUPPLEMENTARY INFORMATION***

**COMBINING FUND FINANCIAL STATEMENTS**

CITY OF COOLIDGE, ARIZONA  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 June 30, 2013

	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 130,129	\$ 69,341
Accounts receivable - net	614	26,451	-
Taxes receivable	-	-	-
Due from other governments	68,385	-	-
Due from other funds	-	34,212	-
Total assets	<u>\$ 68,999</u>	<u>\$ 190,792</u>	<u>\$ 69,341</u>
<b>LIABILITIES</b>			
Accounts payable	14,031	11,557	\$ -
Accrued payroll and employee benefits	20,756	13,894	-
Due to other funds	34,212	-	-
Total liabilities	<u>68,999</u>	<u>25,451</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted	-	165,341	69,341
Assigned	-	-	-
Total fund balance	<u>-</u>	<u>165,341</u>	<u>69,341</u>
Total liabilities and fund balance	<u>\$ 68,999</u>	<u>\$ 190,792</u>	<u>\$ 69,341</u>

-

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ -	\$ 13,825	\$ 31,894	\$ 245,189
-	-	-	27,065
-	-	27	27
-	-	-	68,385
-	-	-	34,212
<u>\$ -</u>	<u>\$ 13,825</u>	<u>\$ 31,921</u>	<u>\$ 374,878</u>
\$ -	\$ -	\$ -	\$ 25,588
-	318	316	35,284
-	-	-	34,212
<u>-</u>	<u>318</u>	<u>316</u>	<u>95,084</u>
-	-	-	234,682
-	13,507	31,605	45,112
<u>-</u>	<u>13,507</u>	<u>31,605</u>	<u>279,794</u>
<u>\$ -</u>	<u>\$ 13,825</u>	<u>\$ 31,921</u>	<u>\$ 374,878</u>

CITY OF COOLIDGE, ARIZONA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 Year Ended June 30, 2013

REVENUE	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
Taxes	\$ -	\$ -	\$ -
Intergovernmental	743,420	73,272	-
Fines and forfeitures	-	-	6,813
Charges for services	-	66,323	-
Investment income	-	-	113
Contributions	-	27,402	-
Miscellaneous	629	1,805	-
Total revenue	<u>744,049</u>	<u>168,802</u>	<u>6,926</u>
EXPENDITURES			
Current			
Public safety	-	-	1,349
Highways and streets	1,021,611	300,322	-
Redevelopment and housing	-	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	<u>1,021,611</u>	<u>300,322</u>	<u>1,349</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(277,562)</u>	<u>(131,520)</u>	<u>5,577</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	277,562	296,861	-
Total other financing sources (uses)	<u>277,562</u>	<u>296,861</u>	<u>-</u>
Net change in fund balances	-	165,341	5,577
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>63,764</u>
Fund balance, end of year	<u>-</u>	<u>165,341</u>	<u>69,341</u>

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ -	2,236	4,424	\$ 6,660
-	-	-	816,692
-	-	-	6,813
-	-	-	66,323
-	23	53	189
-	-	-	27,402
-	-	-	2,434
-	2,259	4,477	926,513
-	-	-	1,349
-	-	-	1,321,933
-	582	547	1,129
180,000	-	-	180,000
104,050	-	-	104,050
284,050	582	547	1,608,461
(284,050)	1,677	3,930	(681,948)
284,050	-	-	858,473
284,050	-	-	858,473
-	1,677	3,930	176,525
-	11,830	27,675	103,269
-	13,507	31,605	279,794



***OTHER SUPPLEMENTARY INFORMATION***

**BUDGETARY COMPARISON SCHEDULES**

**MAJOR GOVERNMENTAL FUNDS**

CITY OF COOLIDGE, ARIZONA  
GENERAL GOVERNMENT IMPACT FEES  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Charges for services	\$ 174,655	\$ 174,655	\$ 46,729	\$ (127,926)
Investment income	1,332	1,332	791	(541)
Total revenue	<u>175,987</u>	<u>175,987</u>	<u>47,520</u>	<u>(128,467)</u>
Expenditures				
Current				
General government	438,054	438,054	5,189	432,865
Public safety	-	-	4,859	(4,859)
Capital outlay	185,555	185,555	-	185,555
Debt service				
Principal	232,676	232,676	199,490	33,186
Interest and debt cost	-	-	33,198	(33,198)
Total expenditures	<u>856,285</u>	<u>856,285</u>	<u>242,736</u>	<u>613,549</u>
Excess (deficiency) of revenue over expenditures	<u>(680,298)</u>	<u>(680,298)</u>	<u>(195,216)</u>	<u>485,082</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>226,006</u>	<u>226,006</u>	<u>233,068</u>	<u>(7,062)</u>
Total other financing sources (uses)	<u>226,006</u>	<u>226,006</u>	<u>233,068</u>	<u>(7,062)</u>
Net change in fund balance	(454,292)	(454,292)	37,852	492,144
Fund balance, beginning of year	<u>454,292</u>	<u>454,292</u>	<u>439,262</u>	<u>(15,030)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 477,114</u>	<u>\$ 477,114</u>

CITY OF COOLIDGE, ARIZONA  
 CAPITAL IMPROVEMENT PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
 AND ACTUAL  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenue				
Taxes	\$ 500,000	\$ 500,000	\$ 1,176,604	\$ 676,604
Investment income	100	100	1,715	1,615
Total revenue	<u>500,100</u>	<u>500,100</u>	<u>1,178,319</u>	<u>678,219</u>
Expenditures				
Current				
Public safety	-	-	190,823	(190,823)
Capital outlay	1,188,272	1,188,272	176,037	1,012,235
Total expenditures	<u>1,188,272</u>	<u>1,188,272</u>	<u>366,860</u>	<u>821,412</u>
Excess (deficiency) of revenue over expenditures	<u>(688,172)</u>	<u>(688,172)</u>	<u>811,459</u>	<u>1,499,631</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	163,110	163,110	-	(163,110)
Transfers out	-	-	(517,118)	(517,118)
Total other financing sources (uses)	<u>163,110</u>	<u>163,110</u>	<u>(517,118)</u>	<u>(680,228)</u>
Net change in fund balance	(525,062)	(525,062)	294,341	819,403
Fund balance, beginning of year	<u>525,062</u>	<u>525,062</u>	<u>613,674</u>	<u>88,612</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 908,015</u>	<u>\$ 908,015</u>



***OTHER SUPPLEMENTARY INFORMATION***

**BUDGETARY COMPARISON SCHEDULES**

**NON-MAJOR GOVERNMENTAL FUNDS  
AND ENTERPRISE FUNDS**

CITY OF COOLIDGE, ARIZONA  
ROAD TAX CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 417,615	\$ 17,615
Investment income	1,000	1,000	2,368	1,368
Miscellaneous	1,500	1,500	-	(1,500)
Total revenue	<u>402,500</u>	<u>402,500</u>	<u>419,983</u>	<u>17,483</u>
Expenditures				
Current				
Highways and streets	-	-	208,152	(208,152)
Capital outlay	1,777,787	1,777,787	886,574	891,213
Total expenditures	<u>1,777,787</u>	<u>1,777,787</u>	<u>1,094,726</u>	<u>683,061</u>
Excess (deficiency) of revenue over expenditures	<u>(1,375,287)</u>	<u>(1,375,287)</u>	<u>(674,743)</u>	<u>700,544</u>
OTHER FINANCING SOURCES (USES)				
Capital lease agreement	130,000	130,000	127,490	2,510
Transfers out	<u>(308,355)</u>	<u>(308,355)</u>	<u>(277,562)</u>	<u>30,793</u>
Total other financing sources (uses)	<u>(178,355)</u>	<u>(178,355)</u>	<u>(150,072)</u>	<u>33,303</u>
Net change in fund balance	(1,553,642)	(1,553,642)	(824,815)	728,827
Fund balance, beginning of year	<u>1,553,642</u>	<u>1,553,642</u>	<u>1,490,326</u>	<u>(63,316)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 665,511</u>	<u>\$ 665,511</u>

CITY OF COOLIDGE, ARIZONA  
HIGHWAY USER FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Intergovernmental	\$ 765,792	\$ 765,792	\$ 743,420	\$ (22,372)
Miscellaneous	500	500	629	129
Total revenue	<u>766,292</u>	<u>766,292</u>	<u>744,049</u>	<u>(22,243)</u>
Expenditures				
Current				
Highways and streets	1,021,648	1,021,648	1,021,611	37
Total expenditures	<u>1,021,648</u>	<u>1,021,648</u>	<u>1,021,611</u>	<u>37</u>
Excess (deficiency) of revenue over expenditures	<u>(255,356)</u>	<u>(255,356)</u>	<u>(277,562)</u>	<u>(22,206)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	353,272	353,272	277,562	(75,710)
Transfers out	<u>(97,916)</u>	<u>(97,916)</u>	<u>-</u>	<u>97,916</u>
Total other financing sources (uses)	<u>255,356</u>	<u>255,356</u>	<u>277,562</u>	<u>22,206</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF COOLIDGE, ARIZONA  
TRANSIT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	115,220	115,220	73,272	(41,948)
Charges for services	59,000	59,000	66,323	7,323
Contributions	12,000	12,000	27,402	15,402
Miscellaneous	-	-	1,805	1,805
Total revenue	<u>186,220</u>	<u>186,220</u>	<u>168,802</u>	<u>(17,418)</u>
Expenditures				
Current				
Highways and streets	456,549	456,549	300,322	156,227
Total expenditures	<u>456,549</u>	<u>456,549</u>	<u>300,322</u>	<u>156,227</u>
Excess (deficiency) of revenue over expenditures	<u>(270,329)</u>	<u>(270,329)</u>	<u>(131,520)</u>	<u>138,809</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>270,329</u>	<u>270,329</u>	<u>296,861</u>	<u>26,532</u>
Total other financing sources (uses)	<u>270,329</u>	<u>270,329</u>	<u>296,861</u>	<u>26,532</u>
Net change in fund balance	-	-	165,341	165,341
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>-</u>	<u>\$ -</u>	<u>165,341</u>	<u>\$ 165,341</u>

CITY OF COOLIDGE, ARIZONA  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Total revenue	-	-	-	-
Expenditures				
Debt service				
Principal	284,050	284,050	180,000	104,050
Interest and debt cost	-	-	104,050	(104,050)
Total expenditures	284,050	284,050	284,050	-
Excess (deficiency) of revenue over expenditures	(284,050)	(284,050)	(284,050)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	284,050	284,050	284,050	-
Total other financing sources (uses)	284,050	284,050	284,050	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	-	\$ -	-	\$ -

CITY OF COOLIDGE, ARIZONA  
SANDIA COMMUNITY FACILITIES DISTRICT CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 7,250	\$ 7,250	\$ 2,236	\$ (5,014)
Investment income	20	20	23	3
Total revenue	<u>7,270</u>	<u>7,270</u>	<u>2,259</u>	<u>(5,011)</u>
Expenditures				
Current				
Redevelopment and housing	16,420	16,420	582	15,838
Total expenditures	<u>16,420</u>	<u>16,420</u>	<u>582</u>	<u>15,838</u>
Excess (deficiency) of revenue over expenditures	<u>(9,150)</u>	<u>(9,150)</u>	<u>1,677</u>	<u>10,827</u>
Net change in fund balance	(9,150)	(9,150)	1,677	10,827
Fund balance, beginning of year	<u>9,150</u>	<u>9,150</u>	<u>11,830</u>	<u>2,680</u>
Fund balance, end of year	<u>-</u>	<u>\$ -</u>	<u>13,507</u>	<u>\$ 13,507</u>

CITY OF COOLIDGE, ARIZONA  
MARTIN VALLEY COMMUNITY FACILITIES DISTRICT CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 4,479	\$ 4,479	\$ 4,424	\$ (55)
Investment income	20	20	53	33
Total revenue	<u>4,499</u>	<u>4,499</u>	<u>4,477</u>	<u>(22)</u>
Expenditures				
Current				
Redevelopment and housing	31,861	31,861	547	31,314
Total expenditures	<u>31,861</u>	<u>31,861</u>	<u>547</u>	<u>31,314</u>
Excess (deficiency) of revenue over expenditures	<u>(27,362)</u>	<u>(27,362)</u>	<u>3,930</u>	<u>31,292</u>
Net change in fund balance	(27,362)	(27,362)	3,930	31,292
Fund balance, beginning of year	<u>27,362</u>	<u>27,362</u>	<u>27,675</u>	<u>313</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,605</u>	<u>\$ 31,605</u>

CITY OF COOLIDGE, ARIZONA  
LIQUID WASTE ENTERPISE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating Revenue				
Charges for services	834,813	\$ 834,813	832,203	\$ (2,610)
Total operating revenue	834,813	834,813	832,203	(2,610)
Operating Expenses				
Costs of services	1,233,328	1,233,328	527,161	706,167
Depreciation	-	-	533,271	(533,271)
Total operating expenses	1,233,328	1,233,328	1,060,432	172,896
Operating income (loss)	(398,515)	(398,515)	(228,229)	170,286
Nonoperating revenue (expenses)				
Investment revenue	1,000	1,000	1,012	12
Interest expense	(146,398)	(146,398)	(50,343)	96,055
Total nonoperation revenue (expenses)	(145,398)	(145,398)	(49,331)	96,067
Income (loss) before capital contributions, and transfers	(543,913)	(543,913)	(277,560)	266,353
Transfers out	(32,800)	(32,800)	(32,800)	-
Change in net position	(576,713)	(576,713)	(310,360)	266,353
Total net position, beginning of year	576,713	576,713	21,659,560	21,082,847
Total net position, end of year	\$ -	\$ -	\$ 21,349,200	\$ 21,349,200

CITY OF COOLIDGE, ARIZONA  
SOLID WASTE ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	841,455	\$ 841,455	850,001	\$ 8,546
Total operating revenue	841,455	841,455	850,001	8,546
Operating expenses				
Costs of services	1,444,493	1,444,493	998,624	445,869
Depreciation	-	-	65,127	(65,127)
Total operating expenses	1,444,493	1,444,493	1,063,751	380,742
Operating income (loss)	(603,038)	(603,038)	(213,750)	389,288
Nonoperating revenue (expenses)				
Investment revenue	450	450	19	(431)
Interest expense	-	-	-	-
Total nonoperating revenue (expenses)	450	450	19	(431)
Income (loss) before capital contributions, and transfers	(602,588)	(602,588)	(213,731)	388,857
Capital contributions from grants	651,294	651,294	-	(651,294)
Transfers in	-	-	-	-
Transfers out	(81,999)	(81,999)	(4,598)	77,401
Change in net position	(33,293)	(33,293)	(218,329)	(185,036)
Total net position, beginning of year	33,293	33,293	332,350	299,057
Total net position, end of year	\$ -	\$ -	\$ 114,021	\$ 114,021

CITY OF COOLIDGE, ARIZONA  
LIQUID WASTE IMPACT FEES ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 56,400	\$ 56,400	\$ 12,202	\$ (44,198)
Total operating revenue	<u>56,400</u>	<u>56,400</u>	<u>12,202</u>	<u>(44,198)</u>
Operating expenses				
Costs of services	100,000	100,000	379	99,621
Total operating expenses	<u>100,000</u>	<u>100,000</u>	<u>379</u>	<u>99,621</u>
Operating income (loss)	<u>(43,600)</u>	<u>(43,600)</u>	<u>11,823</u>	<u>55,423</u>
Nonoperating revenue (expenses)				
Investment revenue	300	300	341	41
Total nonoperating revenue (expenses)	<u>300</u>	<u>300</u>	<u>341</u>	<u>41</u>
Income (loss) before capital contributions, and transfers	(43,300)	(43,300)	12,164	55,464
Change in net position	(43,300)	(43,300)	12,164	55,464
Total net position, beginning of year	<u>43,300</u>	<u>43,300</u>	<u>43,280</u>	<u>(20)</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,444</u>	<u>\$ 55,444</u>

CITY OF COOLIDGE, ARIZONA  
SOLID WASTE IMPACT FEES ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 50	\$ 50	\$ 50	\$ -
Total operating revenue	<u>50</u>	<u>50</u>	<u>50</u>	<u>-</u>
Operating expenses				
Costs of services	117,485	117,485	-	117,485
Depreciation	-	-	-	-
Total operating expenses	<u>117,485</u>	<u>117,485</u>	<u>-</u>	<u>117,485</u>
Operating income (loss)	<u>(117,435)</u>	<u>(117,435)</u>	<u>50</u>	<u>117,485</u>
Nonoperating revenue (expenses)				
Investment revenue	150	150	78	(72)
Interest expense	-	-	-	-
Total nonoperating revenue (expenses)	<u>150</u>	<u>150</u>	<u>78</u>	<u>(72)</u>
Income (loss) before capital contributions, and transfers	(117,285)	(117,285)	128	117,413
Capital contributions from grants	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(77,401)</u>	<u>(77,401)</u>
Change in net position	(117,285)	(117,285)	(77,273)	40,012
Total net position, beginning of year	<u>117,285</u>	<u>117,285</u>	<u>77,273</u>	<u>(40,012)</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF COOLIDGE, ARIZONA  
 AIRPORT ENTERPRISE FUND  
 SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
 Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating revenue				
Charges for service	\$ 44,663	\$ 44,663	\$ 68,094	\$ 23,431
Total operating revenue	<u>44,663</u>	<u>44,663</u>	<u>68,094</u>	<u>23,431</u>
Operating expenses				
Costs of services	232,558	232,558	86,842	145,716
Depreciation	-	-	34,984	(34,984)
Total operating expenses	<u>232,558</u>	<u>232,558</u>	<u>121,826</u>	<u>110,732</u>
Operating income (loss)	<u>(187,895)</u>	<u>(187,895)</u>	<u>(53,732)</u>	<u>134,163</u>
Nonoperating revenue (expenses)				
Investment revenue	15	15	9	(6)
Total nonoperating revenue (expenses)	<u>15</u>	<u>15</u>	<u>9</u>	<u>(6)</u>
Income (loss) before capital contributions, and transfers	(187,880)	(187,880)	(53,723)	134,157
Capital contributions from grants	-	-	1,140,935	1,140,935
Transfers in	<u>187,880</u>	<u>187,880</u>	<u>51,626</u>	<u>(136,254)</u>
Change in net position	-	-	1,138,838	1,138,838
Total net position, beginning of year	<u>-</u>	<u>-</u>	<u>1,713,768</u>	<u>1,713,768</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,852,606</u>	<u>\$ 2,852,606</u>



***OTHER SUPPLEMENTARY INFORMATION***

**CAPITAL ASSETS**

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE  
JUNE 30, 2012

**Governmental funds capital assets**

Land	\$ 1,972,209
Buildings and improvements	15,504,234
Vehicles, machinery and equipment	6,645,571
Infrastructure	65,151,691
Construction in progress	1,106,253

**Total governmental funds capital assets** \$ 90,379,958

**Investment in governmental funds capital assets by source**

Government funds	\$ 90,379,958
------------------	---------------

**Total governmental funds capital assets** \$ 90,379,958

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 June 30, 2012

Function and Activity	Land	Buildings and Improvements	Vehicles, Machinery and Equipment
General Government	\$ 739,065	\$ 3,262,010	\$ 1,573,880
Highways and Streets	788,046	1,081,738	2,951,047
Public Safety	118,504	4,046,429	1,950,331
Culture and Recreation	326,594	7,114,057	170,313
Total governmental funds capital assets	\$ 1,972,209	\$ 15,504,234	\$ 6,645,571

	Construction in		
Infrastructure	Progress		Total
\$ -	\$ -	\$	5,574,955
64,959,286	1,106,253		70,886,370
192,405	-		6,307,669
-	-		7,610,964
<u>\$ 65,151,691</u>	<u>\$ 1,106,253</u>	<u>\$</u>	<u>90,379,958</u>

CITY OF COOLIDGE  
 CAPTIAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
 June 30, 2013

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 01, 2012	Additions	Deductions	
General Government	\$ 5,329,364	\$ 245,591	\$ -	\$ 5,574,955
Highways and Streets	70,189,940	696,430	-	70,886,370
Public Safety	6,118,705	227,073	(38,109)	6,307,669
Culture and Recreation	7,605,964	5,000	-	7,610,964
Total governmental funds capital assets	<u>\$ 89,243,973</u>	<u>\$ 1,174,094</u>	<u>\$ (38,109)</u>	<u>\$ 90,379,958</u>



***STATISTICAL SECTION***

## STATISTICAL SECTION

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**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Coolidge  
Net Assets by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year			
	2013	2012	2011	2010
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$ 55,668,079	\$ 57,354,851	\$ 58,981,146	\$ 60,590,221
Restricted	1,907,475	2,460,226	2,896,898	3,377,216
Unrestricted	4,541,654	4,926,034	4,718,631	2,971,682
Total Governmental Activities Net Assets	<u>62,117,208</u>	<u>64,741,111</u>	<u>66,596,675</u>	<u>66,939,119</u>
<b>Business-type Activities</b>				
Invested in Capital Assets, Net of Related Debt	23,827,841	23,009,425	23,137,047	23,426,566
Restricted	167,019	232,058	271,287	244,382
Unrestricted	376,411	584,748	709,301	687,527
Total Business-type Activities Net Assets	<u>24,371,271</u>	<u>23,826,231</u>	<u>24,117,635</u>	<u>24,358,475</u>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	79,495,920	80,364,276	82,118,193	84,016,787
Restricted	2,074,494	2,692,284	3,168,185	3,621,598
Unrestricted	4,918,065	5,510,782	5,427,932	3,659,209
Total Primary Government Net Assets	<u>\$ 86,488,479</u>	<u>\$ 88,567,342</u>	<u>\$ 90,714,310</u>	<u>\$ 91,297,594</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

Table 1

Fiscal Year					
2009	2008	2007	2006	2005	2004
\$ 60,576,123	\$ 56,207,935	\$ 22,099,389	\$ 19,795,743	\$ 20,115,262	\$ 17,484,497
4,933,700	5,314,529	302,185	291,447	330,576	-
3,347,070	4,251,207	9,136,231	6,579,524	937,586	1,384,788
<u>68,856,893</u>	<u>65,773,671</u>	<u>31,537,805</u>	<u>26,666,714</u>	<u>21,383,424</u>	<u>18,869,285</u>
22,659,188	22,457,036	11,307,071	7,220,556	4,026,363	2,783,987
763,986	869,853	-	-	-	-
458,073	428,939	2,279,036	4,960,256	1,592,875	589,093
<u>23,881,247</u>	<u>23,755,828</u>	<u>13,586,107</u>	<u>12,180,812</u>	<u>5,619,238</u>	<u>3,373,080</u>
83,235,311	78,664,971	33,406,460	27,016,299	24,141,625	20,268,484
5,697,686	6,184,382	302,185	291,447	330,576	-
3,805,143	4,680,146	11,415,267	11,539,780	2,530,461	1,973,881
<u>\$ 92,738,140</u>	<u>\$ 89,529,499</u>	<u>\$ 45,123,912</u>	<u>\$ 38,847,526</u>	<u>\$ 27,002,662</u>	<u>\$ 22,242,365</u>

City of Coolidge  
Changes in Net Assets  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year			
	2013	2012	2011	2010
<b>Expenses</b>				
<b>Governmental Activities:</b>				
General Government	\$ 2,508,220	\$ 2,501,833	\$ 2,885,857	\$ 3,104,535
Public safety	5,895,157	5,900,691	5,061,857	5,182,718
Highways and streets	4,298,605	4,421,687	4,463,941	3,819,264
Transportation	-	-	-	-
Culture and recreation	1,036,188	1,053,273	901,294	954,825
Redevelopment and housing	710,347	916,594	1,506,637	1,883,403
Interest on Long-term Debt	129,105	139,697	166,222	173,270
Total Governmental Activities Expenses	<u>\$ 14,577,622</u>	<u>\$ 14,933,775</u>	<u>\$ 14,985,808</u>	<u>\$ 15,118,015</u>
<b>Business-type Activities</b>				
Liquid waste	\$ 1,110,775	\$ 1,120,950	\$ 1,030,066	\$ 1,155,920
Solid waste	1,063,751	1,041,663	1,042,725	893,302
Liquid waste impact fees	380	-	5,051	46,355
Solid waste impact fees	-	-	470	9,923
Other enterprise funds*	121,826	114,103	64,943	102,608
Total Business-type Activities Expenses	<u>\$ 2,296,732</u>	<u>\$ 2,276,716</u>	<u>\$ 2,143,255</u>	<u>\$ 2,208,108</u>
Total Primary Government Expenses	<u>\$ 16,874,354</u>	<u>\$ 17,210,491</u>	<u>\$ 17,129,063</u>	<u>\$ 17,326,123</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

\* Other enterprise funds consist primarily of the Municipal Airport and (Cable Television through fiscal year 2007).

Table 2

Fiscal Year			Fiscal Year		
2009	2008	2007	2006	2005	2004
\$ 3,089,919	\$ 3,258,080	\$ 3,622,686	\$ 3,844,106	\$ 2,572,541	\$ 1,556,409
5,027,245	4,795,539	3,877,332	3,075,765	2,755,774	2,696,908
3,953,393	4,755,972	1,927,366	1,727,973	1,434,374	1,122,987
-	-	-	-	-	289,306
925,084	951,912	1,758,037	1,268,431	849,190	935,767
2,257,917	2,023,618	565,959	-	-	-
226,066	313,485	232,185	164,264	178,771	209,739
<u>\$ 15,479,624</u>	<u>\$ 16,098,606</u>	<u>\$ 11,983,565</u>	<u>\$ 10,080,539</u>	<u>\$ 7,790,650</u>	<u>\$ 6,811,116</u>
\$ 1,086,783	\$ 935,975	\$ 534,890	\$ 399,020	\$ 441,007	\$ 421,886
909,606	952,094	790,003	674,740	598,502	556,257
23,010	18,904	-	-	-	-
26,857	19,064	-	-	-	-
136,184	124,050	92,681	181,373	115,114	188,568
<u>\$ 2,182,440</u>	<u>\$ 2,050,087</u>	<u>\$ 1,417,574</u>	<u>\$ 1,255,133</u>	<u>\$ 1,154,623</u>	<u>\$ 1,166,711</u>
<u>\$ 17,662,064</u>	<u>\$ 18,148,693</u>	<u>\$ 13,401,139</u>	<u>\$ 11,335,672</u>	<u>\$ 8,945,273</u>	<u>\$ 7,977,827</u>

continued

City of Coolidge  
Changes in Net Assets  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year			
	2013	2012	2011	2010
Program Revenue				
Governmental Activities:				
Fees, Fines and Charges for Services:				
General Government	\$ 80,878	\$ 266,048	\$ 154,360	\$ 146,116
Public safety	440,238	352,314	444,401	25,516
Highway and streets	95,249	66,212	18,272	26,996
Transportation	-	-	-	-
Culture and recreation	103,583	107,561	117,708	380,973
Redevelopment and housing	112,186	115,924	77,722	174,800
Interest on long-term debt	-	-	-	-
Operating Grants and Contributions	2,214,444	2,472,170	2,858,145	2,125,970
Capital Grants and Contributions	219,014	1,251,550	1,919,637	2,344,111
Total Governmental Activities Program Revenues	<u>\$ 3,265,592</u>	<u>\$ 4,631,779</u>	<u>\$ 5,590,245</u>	<u>\$ 5,224,482</u>
Business-type Activities				
Charges for Services:				
Liquid waste	\$ 832,203	\$ 840,139	\$ 914,912	\$ 861,102
Solid waste	850,001	860,889	811,908	766,776
Liquid waste impact fees	12,203	-	-	-
Solid waste impact fees	50	-	-	-
Other enterprise funds <sup>+</sup>	68,094	40,494	42,266	63,025
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	1,140,935	250,158	20,033	800,927
Total Business-type Activities Revenues	<u>2,903,486</u>	<u>1,991,680</u>	<u>1,789,119</u>	<u>2,491,830</u>
Total Primary Government Revenues	<u>\$ 6,169,078</u>	<u>\$ 6,623,459</u>	<u>\$ 7,379,364</u>	<u>\$ 7,716,312</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (11,312,030)	\$ (10,301,996)	\$ (9,395,563)	\$ (9,893,533)
Business-type Activities	606,754	(285,036)	(354,136)	283,722
Total Primary Government Net Revenue	<u>\$ (10,705,276)</u>	<u>\$ (10,587,032)</u>	<u>\$ (9,749,699)</u>	<u>\$ (9,609,811)</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

<sup>+</sup> Other enterprise funds consist primarily of the Municipal Airport and (Cable Television through fiscal year 2007).

Table 2

Fiscal Year			Fiscal Year		
2009	2008	2007	2006	2005	2004
\$ 194,339	\$ 78,650	\$ 1,892,118	\$ 2,404,493	\$ 1,261,274	\$ 315,329
46,480	57,871	136,008	53,590	82,911	60,862
19,100	26,190	47,621	30,868	93,074	-
-	-	-	-	-	-
297,968	281,668	118,573	82,423	62,768	-
303,002	796,488	-	-	-	-
-	-	-	-	-	-
2,853,636	1,678,488	1,611,661	1,317,004	1,210,747	1,756,245
6,680,438	8,523,642	1,856,872	1,281,692	320,397	630,389
<u>\$ 10,394,963</u>	<u>\$ 11,442,997</u>	<u>\$ 5,662,853</u>	<u>\$ 5,170,070</u>	<u>\$ 3,031,171</u>	<u>\$ 2,762,825</u>
\$ 899,488	\$ 721,406	\$ 568,928	\$ 461,190	\$ 411,154	\$ 379,863
916,157	998,075	929,452	818,449	733,889	711,239
-	-	-	-	-	-
-	-	-	-	-	-
64,930	50,856	54,954	66,663	63,737	208,987
-	-	-	-	-	-
290,109	9,529,705	-	763,704	221,832	132,634
<u>2,170,684</u>	<u>11,300,042</u>	<u>1,553,334</u>	<u>2,110,006</u>	<u>1,430,612</u>	<u>1,432,723</u>
<u>\$ 12,565,647</u>	<u>\$ 22,743,039</u>	<u>\$ 7,216,187</u>	<u>\$ 7,280,076</u>	<u>\$ 4,461,783</u>	<u>\$ 4,195,548</u>
\$ (5,084,661)	\$ (4,655,609)	\$ (6,320,712)	\$ (4,910,469)	\$ (4,759,479)	\$ (4,048,291)
(11,756)	9,249,955	135,760	854,873	275,989	266,012
<u>\$ (5,096,417)</u>	<u>\$ 4,594,346</u>	<u>\$ (6,184,952)</u>	<u>\$ (4,055,596)</u>	<u>\$ (4,483,490)</u>	<u>\$ (3,782,279)</u>

continued

City of Coolidge  
Changes in Net Assets  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year			
	2013	2012	2011	2010
<b>Governmental Revenues and Other Changes in Net Assets</b>				
Governmental Activities				
Sales taxes	\$ 4,779,474	\$ 4,836,847	\$ 6,037,445	\$ 4,927,926
Property taxes	755,791	707,216	699,862	648,648
Sales taxes, levied for capital projects	-	-	-	-
Franchise taxes	304,603	294,566	282,896	269,567
Impact Fees	-	-	-	-
State shared revenues-not restricted* to specific programs	2,671,289	2,442,437	1,947,219	2,168,886
Investment income	13,347	16,081	13,528	28,712
Miscellaneous	100,450	140,834	114,123	46,316
Transfers in (out)	63,173	8,451	(41,954)	(114,296)
<b>Total Governmental Activities</b>	<b>\$ 8,688,127</b>	<b>\$ 8,446,432</b>	<b>\$ 9,053,119</b>	<b>\$ 7,975,759</b>
Business-type activities				
Impact Fees	\$ -	\$ -	\$ -	\$ -
Investment income	1,459	2,083	1,306	5,065
Miscellaneous	-	-	70,036	74,145
Transfers in (out)	(63,173)	(8,451)	41,954	114,296
<b>Total Business-type Activities</b>	<b>\$ (61,714)</b>	<b>\$ (6,368)</b>	<b>\$ 113,296</b>	<b>\$ 193,506</b>
<b>Changes in Net Assets</b>				
Governmental Activities	\$ (2,623,903)	\$ (1,855,564)	\$ (342,444)	\$ (1,917,774)
Business-type Activities	545,040	(291,404)	(240,840)	477,228
<b>Total Primary Government</b>	<b>\$ (2,078,863)</b>	<b>\$ (2,146,968)</b>	<b>\$ (583,284)</b>	<b>\$ (1,440,546)</b>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004

\* State shared revenue-not restricted to specific programs was broken out for the years ended 2004-2007 and included State revenue sharing, State sales tax revenue sharing, and Auto lieu tax revenue sharing.

Table 2

Fiscal Year					
2009	2008	2007	2006	2005	2004
\$ 4,785,811	\$ 5,289,729	\$ 7,374,385	\$ 5,881,020	\$ 3,550,009	\$ 1,605,582
621,989	596,476	392,270	342,879	337,436	308,630
-	-	-	-	-	535,194
268,359	276,939	251,512	211,025	179,702	170,195
-	-	532,101	1,372,499	601,184	-
2,411,507	4,107,361	2,218,331	2,119,892	1,813,995	1,722,835
118,242	282,126	437,553	172,420	27,003	28,613
32,889	169,007	-	-	-	150,120
(70,914)	(45,019)	(14,349)	94,024	117,085	74,147
<u>\$ 8,167,883</u>	<u>\$ 10,676,619</u>	<u>\$ 11,191,803</u>	<u>\$ 10,193,759</u>	<u>\$ 6,626,414</u>	<u>\$ 4,595,316</u>
\$ -	\$ -	\$ 1,094,736	\$ 5,668,242	\$ 1,585,052	\$ -
20,057	63,820	160,450	132,483	14,549	5,255
46,204	12,056	-	-	-	26,509
70,914	45,019	14,349	(94,024)	(117,085)	(74,147)
<u>\$ 137,175</u>	<u>\$ 120,895</u>	<u>\$ 1,269,535</u>	<u>\$ 5,706,701</u>	<u>\$ 1,482,516</u>	<u>\$ (42,383)</u>
\$ 3,083,222	\$ 6,021,010	\$ 4,871,091	\$ 5,283,290	\$ 1,866,935	\$ 547,025
125,419	9,370,850	1,405,295	6,561,574	1,758,505	223,629
<u>\$ 3,208,641</u>	<u>\$ 15,391,860</u>	<u>\$ 6,276,386</u>	<u>\$ 11,844,864</u>	<u>\$ 3,625,440</u>	<u>\$ 770,654</u>

concluded

City of Coolidge  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2013	2012	2011	2010	2009
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	3,181,090	3,443,906
Restricted	-	-	-	-	-
Assigned	818,216	1,176,292	270,029	-	-
Unassigned	<u>3,868,150</u>	<u>4,203,097</u>	<u>5,394,109</u>	<u>-</u>	<u>-</u>
<b>Total General Fund</b>	<b><u>\$ 4,686,366</u></b>	<b><u>\$ 5,379,389</u></b>	<b><u>\$ 5,664,138</u></b>	<b><u>\$ 3,181,090</u></b>	<b><u>\$ 3,443,906</u></b>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved Reported in:					
Special Revenue Funds	-	-	-	(230,265)	532,632
Capital Projects Funds	-	-	-	3,249,442	4,122,021
Restricted Reported in:					
Special Revenue Funds	764,850	530,638	367,514	-	-
Capital Projects Funds	2,050,640	1,929,588	2,416,631	-	-
Assigned Reported in:					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	45,112	653,179	101,304	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total All Other Governmental Funds</b>	<b><u>\$ 2,860,602</u></b>	<b><u>\$ 3,113,405</u></b>	<b><u>\$ 2,885,449</u></b>	<b><u>\$ 3,019,177</u></b>	<b><u>\$ 4,654,653</u></b>

GASB Statement NO. 54 established new categories for reporting fund balance for Fiscal Year 2011. Fund balances are now reported as Restricted, Assigned, or Unassigned per the City's Fund Balance Policy.

Table 3

Fiscal Year				
2008	2007	2006	2005	2004
\$ -	\$ -	\$ -	\$ -	\$ -
5,210,254	5,926,985	4,286,441	1,184,937	240,493
-	-	-	-	-
-	-	-	-	-
<u>\$ 5,210,254</u>	<u>\$ 5,926,985</u>	<u>\$ 4,286,441</u>	<u>\$ 1,184,937</u>	<u>\$ 240,493</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,764,768	1,855,617	2,064,023	996,436	535,127
3,188,892	2,603,255	1,454,501	978,245	1,451,139
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,953,660</u>	<u>\$ 4,458,872</u>	<u>\$ 3,518,524</u>	<u>\$ 1,974,681</u>	<u>\$ 1,986,266</u>

City of Coolidge  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year			
	2013	2012	2011	2010
<b>Revenues</b>				
Taxes*	\$ 5,790,671	\$ 5,974,331	\$ 7,060,301	\$ 5,846,069
Intergovernmental	5,100,205	5,920,328	7,079,949	6,080,668
Fines and forfeits	275,791	332,160	242,598	271,954
Licenses and permits	218,389	197,113	111,167	205,140
Charges for services	367,123	188,339	574,849	431,690
Investment income	20,417	16,081	13,528	28,712
Contributions	27,402	150,775	525,717	-
Impact Fees	-	-	-	-
Miscellaneous	43,368	125,419	47,616	82,451
Total Revenues	<u>11,843,366</u>	<u>12,904,546</u>	<u>15,655,725</u>	<u>12,946,684</u>
<b>Expenditures</b>				
General Government	2,273,784	2,262,925	2,435,724	2,794,304
Public Safety	5,463,294	5,479,771	4,646,790	5,009,946
Highways and streets	1,950,523	1,998,605	2,035,519	1,592,245
Transportation	-	-	-	-
Culture and recreation	891,075	899,145	739,544	785,494
Redevelopment and housing	710,347	916,594	1,500,298	1,340,225
Capital outlay	1,174,094	893,924	1,310,535	2,566,784
Debt Service:				
Principal retirement	379,490	366,460	426,661	453,244
Interest and debt cost	137,248	152,366	169,380	188,438
Total Expenditures	<u>12,979,855</u>	<u>12,969,790</u>	<u>13,264,451</u>	<u>14,730,680</u>
Excess of Revenues over (under) Expenditures	<u>(1,136,489)</u>	<u>(65,244)</u>	<u>2,391,274</u>	<u>(1,783,996)</u>
<b>Other financing sources (uses)</b>				
Capital Lease Agreement	127,490			
Transfer in	1,091,541	1,019,171	2,268,337	751,123
Transfer out	(1,028,368)	(1,010,720)	(2,310,291)	(865,419)
Proceeds of long-term debt		-	-	-
Total Other Financing Sources and (Uses)	<u>190,663</u>	<u>8,451</u>	<u>(41,954)</u>	<u>(114,296)</u>
Net Change in Fund Balances	<u>\$ (945,826)</u>	<u>\$ (56,793)</u>	<u>\$ 2,349,320</u>	<u>\$ (1,898,292)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.38%	4.30%	4.99%	5.28%

\* Taxes consists of Sales taxes, Property taxes and Franchise taxes

\*\* Prior to implementation of GASB 34 in 2004, the Capital outlay number from the CAFR may not include all capital asset purchases.

Table 4

Fiscal Year						
2009	2008	2007	2006	2005	2004	
\$ 5,675,326	\$ 6,145,070	\$ 8,016,742	\$ 6,437,813	\$ 4,050,749	\$ 2,619,601	
5,957,770	6,091,908	5,207,664	4,718,588	3,331,401	4,242,103	
188,310	163,586	120,204	87,957	58,607	60,862	
331,254	837,581	1,667,286	2,099,540	1,142,703	227,828	
413,699	1,211,551	239,978	166,709	195,443	87,501	
118,242	282,126	437,553	172,420	27,003	28,613	
-	300,017	479,200	-	13,738	-	
-	-	532,101	1,372,499	601,184	-	
71,965	98,886	166,852	217,168	103,274	150,120	
<u>12,756,566</u>	<u>15,130,725</u>	<u>16,867,580</u>	<u>15,272,694</u>	<u>9,524,102</u>	<u>7,416,628</u>	
2,919,227	3,139,750	3,766,760	4,430,279	2,632,451	1,494,394	
5,039,661	4,849,279	3,855,302	3,026,564	3,122,149	2,737,747	
1,536,435	2,078,617	1,869,810	1,160,771	1,294,253	1,062,714	
-	-	-	-	-	387,649	
780,092	992,596	1,749,837	1,230,097	859,001	1,435,408	
2,062,057	1,929,594	565,959	-	-	-	
1,733,953	1,585,902	4,337,591	401,048	225,219	3,020,433	
488,622	906,574	761,151	308,348	396,484	249,266	
128,941	240,024	232,185	164,264	178,771	209,739	
<u>14,688,988</u>	<u>15,722,336</u>	<u>17,138,595</u>	<u>10,721,371</u>	<u>8,708,328</u>	<u>10,597,350</u>	
<u>(1,932,422)</u>	<u>(591,611)</u>	<u>(271,015)</u>	<u>4,551,323</u>	<u>815,774</u>	<u>(3,180,722)</u>	
889,558	385,326	555,473	836,782	991,721	649,623	
(1,022,491)	(430,345)	(569,822)	(742,758)	(874,636)	(575,476)	
-	-	2,866,256	-	-	222,231	
<u>(132,933)</u>	<u>(45,019)</u>	<u>2,851,907</u>	<u>94,024</u>	<u>117,085</u>	<u>296,378</u>	
<u>\$ (2,065,355)</u>	<u>\$ (636,630)</u>	<u>\$ 2,580,892</u>	<u>\$ 4,645,347</u>	<u>\$ 932,859</u>	<u>\$ (2,884,344)</u>	
4.77%	8.11%	7.76%	4.58%	6.78%	6.06%	

Table 5

City of Coolidge  
Sales Tax Revenue by Industry  
Current Year and Ten Years Ago  
(Unaudited)

Industry	Fiscal Year					
	2013*			2004		
	Tax Paid	Rank	Percentage of Total	Tax Paid	Rank	Percentage of Total
Retail Trade	\$ 2,796,530	1	60.00%	\$ 699,919	1	67.86%
Construction	317,763	2	6.82%	59,203	2	5.74%
Communications & Utilities	833,444	3	17.88%	60,453	3	5.86%
Restaurants/Bars	262,756	4	5.64%	65,505	5	6.35%
Real Estate, Rental, Leasing & Fire Insurance	233,654	5	5.01%	29,748	7	2.88%
Manufacture	56,794	6	1.22%	17,133	8	1.66%
Wholesale Trade	35,387	8	0.76%	43,732	4	4.24%
All Other	<u>124,727</u>	10	<u>2.68%</u>	<u>55,775</u>	6	<u>5.41%</u>
Total	<u>\$ 4,661,055</u>		<u>100.00%</u>	<u>\$ 1,031,468</u>		<u>100.00%</u>

Source: Arizona Department of Revenue

Table 6

City of Coolidge  
Direct and Overlapping Sales Tax Rates  
As of June 30, 2013  
(Unaudited)

Type of Tax	Rates		
	City	State and Pinal County	Combined
Privilege tax, except retail, utilities and telecommunication	3.00%	6.70%	9.70%
Retail	3.00%	6.70%	9.70%
Retail - privilege tax for single item over \$10,000	1.50%	6.70%	8.20%
Hotel/Motel	6.00%	6.70%	12.70%
Restaurant/Bar	3.00%	6.70%	9.70%
Utilities/Telecommunications	3.00%	6.70%	9.70%
Construction	4.00%	6.70%	10.70%

Sources: City of Coolidge Department of Finance, Arizona Department of Revenue

Table 7

City of Coolidge  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year Ended June 30	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds	Loans	Capital Leases*	Loans				
2013	\$ -	\$ 2,270,000	\$ 777,560	\$ 1,571,456	\$ 4,619,016	47.91%	388.74	
2012	\$ -	\$ 2,450,000	\$ 849,560	\$ 1,691,914	\$ 4,991,474	55.40%	413.41	
2011	\$ -	\$ 2,625,000	\$ 1,041,020	\$ 1,808,656	\$ 5,474,676	65.33%	462.97	
2010	\$ -	\$ 2,790,000	\$ 1,302,681	\$ 702,463	\$ 4,795,144	61.88%	394.37	
2009	\$ -	\$ 2,950,000	\$ 1,599,330	\$ 400,064	\$ 4,949,394	69.52%	378.60	
2008	\$ -	\$ 3,105,000	\$ 1,837,912	\$ 559,457	\$ 5,502,369	84.80%	446.95	
2007	\$ -	\$ 3,255,000	\$ 2,594,486	\$ 672,632	\$ 6,522,118	107.95%	556.45	
2006	\$ -	\$ 3,447,250	\$ 297,131	\$ 804,687	\$ 4,549,068	90.96%	457.19	
2005	\$ -	\$ 3,663,168	\$ 389,561	\$ 928,165	\$ 4,980,894	110.67%	608.91	
2004	\$ -	\$ 3,872,269	\$ 576,944	\$ 1,349,374	\$ 5,798,587	141.17%	700.31	

Note The City of Coolidge did not issue general obligation bonds in fiscal year 2013 and the nine years preceding 2013.

\* In fiscal year 2010 a loan for a facility valued at \$2,397,071 was acquired.

Table 8

City of Coolidge  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2013  
(Unaudited)

Governmental Unit	Bonded Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
<b>Debt repaid with property taxes and special assessment liens</b>			
Coolidge Unified School District	\$ 30,650,000	23.5739%	\$ 7,225,396
Central Arizona College	93,930,000	1.8981%	1,782,870
Pinal County Arizona	-	1.2078%	-
Subtotal, overlapping debt			<u>9,008,266</u>
City direct debt	4,619,016	100%	<u>4,619,016</u>
Total direct and overlapping debt			<u><u>\$ 13,627,282</u></u>

(a) Proportion applicable to the City of Coolidge, Arizona is computed on the ratio of secondary assessed valuation for 2012-2013.

Sources: Pinal County Department of Finance, Pinal County Assessor's Office and Official Statements.

City of Coolidge  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 (Unaudited)

	Fiscal Year			
	2004	2005	2006	2007
Secondary Assessed Value	\$ 21,896,574	\$ 22,346,612	\$ 26,631,947	\$ 40,203,602
<b>20% Limitation</b>				
Debt Limit Equal to 20% of Assessed Valuation	\$ 4,379,315	\$ 4,469,322	\$ 5,326,389	\$ 8,040,720
Total Debt Applicable to 20% Limit	-	-	-	-
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 4,379,315</u>	<u>\$ 4,469,322</u>	<u>\$ 5,326,389</u>	<u>\$ 8,040,720</u>
Total Net Debt Applicable to the 20% Limit as a Percentage of 20% Debt Limit	0.00%	0.00%	0.00%	0.00%
<b>6% Limitation</b>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 1,313,794	\$ 1,340,797	\$ 1,597,917	\$ 2,412,216
Total Debt Applicable to 6% Limit	-	-	-	-
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 1,313,794</u>	<u>\$ 1,340,797</u>	<u>\$ 1,597,917</u>	<u>\$ 2,412,216</u>
Total Net Debt Applicable to the 20% Limit as a Percentage of 6% Debt Limit	0.00%	0.00%	0.00%	0.00%

Sources: Pinal County Assessor's Office.

Table 9

Fiscal year					
2008	2009	2010	2011	2012	2013
\$83,001,211	\$ 64,841,251	\$ 61,937,311	\$ 45,965,151	\$44,433,513	\$ 41,049,162
\$16,600,242	\$ 12,968,250	\$ 12,387,462	\$ 9,193,030	\$ 8,886,703	\$ 8,209,832
-	-	-	-	-	-
<u>\$16,600,242</u>	<u>\$ 12,968,250</u>	<u>\$ 12,387,462</u>	<u>\$ 9,193,030</u>	<u>\$ 8,886,703</u>	<u>\$ 8,209,832</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 4,980,073	\$ 3,890,475	\$ 3,716,239	\$ 2,757,909	\$ 2,666,011	\$ 2,462,950
-	-	-	-	-	-
<u>\$ 4,980,073</u>	<u>\$ 3,890,475</u>	<u>\$ 3,716,239</u>	<u>\$ 2,757,909</u>	<u>\$ 2,666,011</u>	<u>\$ 2,462,950</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City of Coolidge  
Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year Ended June 30	Revenue Bonds					
	Operating Revenue*	Less: Operating Expenses	Net Operating Revenue	Debt Service		Percent Coverage
				Principal	Interest	
2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2003	1,199,355	1,076,797	122,558	280,000	7,630	42.61%
2002	1,166,026	1,092,557	73,469	265,000	22,349	25.57%

Note The City of Coolidge did not have pledged revenue debt in the fiscal year ended 2013 and the nine years preceding it. Information regarding debt can be found in the "Ratios of Outstanding Debt by Type" Table of the Statistical Section of the CAFR, and the Notes to the Financial Statements.

\* The nature of the revenue pledged for the above revenue bond was sales taxes.

Table 11

City of Coolidge  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	City Population*	County Population*	County Personal Income <sup>+</sup> (in thousands)	County Per Capita Personal Income	School Enrollment	Education Level in Years of Schooling	City Unemployment Rate
2004	8,280	217,465	4,107,473	19	2,825	13 to 16	10.7%
2005	8,180	246,660	4,500,589	18	3,127	13 to 16	10.0%
2006	9,950	299,875	5,001,332	17	3,715	13 to 16	8.8%
2007	11,721	327,670	6,041,934	18	4,317	13 to 16	8.3%
2008	12,311	350,558	6,488,864	19	4,682	13 to 16	12.2%
2009	13,073	368,244	7,119,276	19	4,365	13 to 16	20.2%
2010	12,159	356,303	7,749,689	22	4,470	13 to 16	19.6%
2011	11,825	375,770	8,380,101	22	5,033	13 to 16	20.4%
2012	12,074	382,992	9,010,514	24	3,743	13 to 16	16.2%
2013	11,882	387,365	9,640,927	25	3,660	13 to 16	16.0%

Sources: Population, County Per Capita Income and City Unemployment Rate - Arizona Department of Commerce, Arizona Department of Economic Security, and Arizona Workforce Informer. School Enrollment - Arizona Department of Education ADMS 46-1 100th day counts.

\* 2012 amounts estimated based on a nine year trend

+ 2008-2012 amounts estimated based on an eight year trend

Table 12

City of Coolidge  
Principal Employers  
Current Year and Ten Years Ago  
(Unaudited)

Major Employer <sup>1</sup>	Fiscal Year			Fiscal Year		
	2013			2004		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
Coolidge Schools	476	1	35.47%	332	1	41.76%
Wal Mart	220	2	16.39%	143	3	17.99%
City of Coolidge	184	3	13.71%	188	2	23.65%
Bright International	134	5	9.99%	30	6	3.77%
Imagine Schools	114	4	8.49%	Not open	9	0.00%
Safeway	72	6	5.37%	Unavailable	10	0.00%
McDonalds	50	7	3.73%	41	4	5.16%
Garrett Motors	35	8	2.61%	20	7	2.52%
Shopes IGA	25	10	1.86%	33	5	4.15%
Crop Production Services	32	9	2.38%	8	8	1.01%
Total	<u>1,342</u>			<u>795</u>		

<sup>1</sup>Source: Census and CAG

Table 13

City of Coolidge  
Full-time Equivalent City Government Employees by Function  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Function/Program						Total
	General Government	Public Safety	Highways and Streets	Transportation	Culture and Recreation	Redevelopment and Housing	
2004	24.24	71.00	9.83	4.66	19.31	4.47	133.51
2005	25.40	70.50	10.33	4.51	23.04	6.50	140.28
2006	26.80	70.50	11.62	4.66	24.06	9.54	147.18
2007	33.80	81.75	13.21	8.19	30.02	14.98	181.95
2008	37.40	87.65	12.59	7.23	39.58	16.12	200.57
2009	30.75	83.67	12.30	7.16	34.67	12.62	181.17
2010	32.00	80.00	10.50	6.16	29.55	12.50	170.71
2011	31.60	80.50	10.90	10.30	26.66	7.10	167.06
2012	31.65	78.50	10.15	10.50	26.66	7.20	164.66
2013	34.15	79.60	10.15	11.50	24.93	6.20	166.53

Source: City Budget

City of Coolidge  
 Operating Indicators by Function  
 Last Ten Fiscal Years  
 (Unaudited)

Function	Fiscal Year		
	2013	2012	2011
<b>General Government</b>			
# Registered voters*	5,320	5,525	-
# Votes cast last primary election*	-	893	-
<i>City Court</i>			
Charges filed/charges adjudicated (resolved)	2,732	3,639	3,696
<i>Communications &amp; Public Information</i>			
News releases/media updates	21	22	24
Traffic construction alerts	5	3	2
Total newsletter pages sent to citizens	16	16	16
Web pages created/updated	109	102	91
Number of visits to website	409,164	501,743	252,823
Number of web pages viewed	410,124	502,668	253,120
Number of graphics/photography projects completed	87	83	78
<b>Police</b>			
# Total arrests	1,160	1,179	1,216
# Moving violations citations	1,291	1,256	1,081
Total calls for service	24,167	22,892	23,222
Total 911 calls	7,899	2,925	3,561
Total Part I Crimes	718	734	748
<i>n/a = not available</i>			
<b>Fire</b>			
# All Emergency Responses	796	811	849
# Fire/Haz Mat Responses	139	197	166
# Emergency Medical Responses	430	475	507
# Other Responses (False Alarms, Mutual Aid, Extrication, rescue, etc.)	227	139	176
<b>Financial Services</b>			
# accounts payable checks issued	6,663	6,466	7,004
# purchase orders	54	69	64
<b>Planning and Development</b>			
Customer wait-time (in minutes) at One Stop Shop	1	1	1
Total Number of Permits Issued	222	231	234

\* Voter registration is taken every two years.

All years denoted with a "-" indicate that the records for that specific statistic was not determined in that fiscal year.

Table 14

Fiscal Year						
2010	2009	2008	2007	2006	2005	2004
5,233	-	4,345	-	3,645	-	4,515
827	-	548	-	566	-	154
4,317	1,368	2,254	2,119	2,261	2,063	1,192
21	20	16	10	6	-	-
5	3	2	2	-	-	-
17	20	16	52	52	52	52
72	59	42	20	10	-	-
436,367	143,322	243,644	212,010	197,687	-	-
436,480	25,608	23,652	19,465	18,236	-	-
65	61	48	29	12	12	10
1,212	1,492	1,651	1,624	1,325	1,207	1,514
1,411	1,639	1,957	1,712	1,330	1,119	917
26,154	28,546	33,237	32,367	26,160	24,989	23,932
5,894	7,311	7,154	5,923	5,130	3,448	3,328
542	791	720	850	819	713	737
872	834	847	434	314	258	237
84	128	110	187	124	92	84
513	475	486	72	-	-	-
275	231	251	175	190	166	153
7,362	7,670	9,099	8,445	7,424	6,789	6,579
37	116	237	304	209	-	-
1	<1	<1	5	5	4	<1
306	300	588	684	1,078	838	360

continued

Table 14

City of Coolidge  
Operating Indicators by Function  
Last Ten Fiscal Years  
(Unaudited)

Function	Fiscal Year		
	2013	2012	2011
<b>Human Resources</b>			
# of new hires (FT & PT)	64	52	55
# of new hires (Vol)	-	3	4
HR Operating cost as percentage of city payroll	0.01%	0.01%	0.01%
<b>Parks, Recreation and Library</b>			
# attending Park & Recreation facilities annually (Acquatics)	217,354	217,026	212,771
# of square feet of medians and rights of way maintained	1,606,233	1,606,233	1,606,233
# of Library visits annually	85,515	87,554	95,273
# of Library materials checked out annually	84,411	89,531	102,603
<b>Economic Vitality</b>			
Sales Tax growth (% annual change)	-1%	-22%	27%
Construction Tax (% annual change)	-37%	-77%	87%
<b>Municipal Services</b>			
# of homes serviced by Residential Refuse Collection	3,513	3,597	3,593
Tons of refuse and garbage hauled to transfer station/landfill	6,480	6,630	5,757
<b>Transit Services</b>			
Passenger Trips	52,277	35,851	39,602
Project Miles	272,966	202,884	229,317
Vehicle Service Hours	14,674	11,558	10,938
<b>Wastewater</b>			
Sewer Service Connections	3,713	3,763	3,736
Sewage Treated (millions gallons per day)	0.63	0.62	0.66
Sewage Treated (millions gallons per year)	179	227	240
<b>Other Public Works</b>			
Street resurfacing (miles)	5.10	0.25	1
Potholes repaired (estimate)	6,000	6,000	5,200
Streets/Roads Maintained (miles)	194	194	194
<b>Citizen &amp; Neighborhood Resources</b>			
# of new Code Enforcement cases processed per year	307	313	134
# of Animal control calls for service	1,370	1,116	-
<b>Neighborhood Revitalization</b>			
# Home Emergency Repair (roofs, heating, air conditioning, etc.)	-	1	2
# Houses rehabilitated or replaced	4	5	9

All years denoted with a "-" indicate that the records for that specific statistic was not determined in that fiscal year.

Table 14

Fiscal Year						
2010	2009	2008	2007	2006	2005	2004
46	55	40	44	26	57	51
3	-	-	1	1	3	4
0.01%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%
207,738	206,100	201,978	197,939	193,981	190,102	186,300
1,606,233	2,637,329	2,637,329	2,637,329	1,812,020	1,812,020	1,812,020
94,660	90,854	62,077	21,744	25,497	19,381	18,993
95,001	88,039	60,636	35,010	33,230	27,939	26,546
-3%	-9%	-23%	21%	41%	30%	4%
-4%	-21%	-38%	148%	371%	15%	-1%
3,517	3,587	3,505	3,155	2,872	2,357	2,242
6,105	9,535	9,348	8,528	7,128	6,644	-
21,397	19,613	21,184	23,170	21,962	21,962	21,754
68,651	87,197	65,573	65,324	64,212	65,154	62,935
7,113	5,819	5,645	5,122	5,172	5,177	4,794
3,498	3,737	3,603	3,258	3,001	2,479	2,353
0.67	0.74	0.87	0.73	0.70	0.69	0.71
221	270	318	266	256	252	259
-	-	-	3	-	5	-
5,200	5,200	5,200	5,200	4,500	4,500	4,000
194	194	180	160	100	90	79
415	859	1,101	537	512	582	-
-	-	-	-	-	-	-
9	12	3	13	10	-	-
3	7	4	2	5	-	-

concluded

City of Coolidge  
 Capital Asset Statistics by Function  
 Last Ten Fiscal Years  
 (Unaudited)

Function	Fiscal Year				
	2013	2012	2011	2010	2009
<b>Public Safety</b>					
Police:					
Stations	1	1	1	1	1
Police Vehicles	29	28	30	32	40
Fire Stations					
Stations	3	3	3	3	2
Fire Apparatus	6	6	6	6	5
Other Vehicles	3	3	3	3	3
<b>Highways and Streets</b>					
Street (miles)	194	194	194	194	194
Streetlights	781	781	781	780	772
Traffic signals don't own	7	7	7	7	7
<b>Culture and Recreation</b>					
Parks	12	12	12	12	13
Parks Acreage	91	91	91	91	201
Swimming Pools	1	1	1	1	1
Tennis Courts don't own	8	8	8	8	8
Community Centers	1	1	1	2	2
Libraries	1	1	1	1	1
<b>Transit</b>					
Buses	7	7	8	8	5
Bus Stops	133	133	131	120	120
<b>Wastewater</b>					
Sanitary Sewers (miles)	73	73	73	73	73
Storm Sewers (miles)	3	3	3	3	3
Treatment capacity (thousands of gallons)	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD

Table 15

Fiscal Year				
2008	2007	2006	2005	2004
1	1	1	1	1
40	37	30	29	33
2	2	1	1	1
5	5	5	5	5
3	3	2	2	2
194	194	180	160	100
760	726	680	618	609
7	6	6	6	6
12	12	11	10	10
186	186	165	161	161
1	1	1	1	1
8	8	8	8	8
2	2	2	2	2
1	1	1	1	1
5	6	5	4	5
120	65	65	65	65
73	73	40	37	37
3	3	3	2	2
2.0 MGD	2.0 MGD	2.0 MGD	1.35 MGD	1. MGD