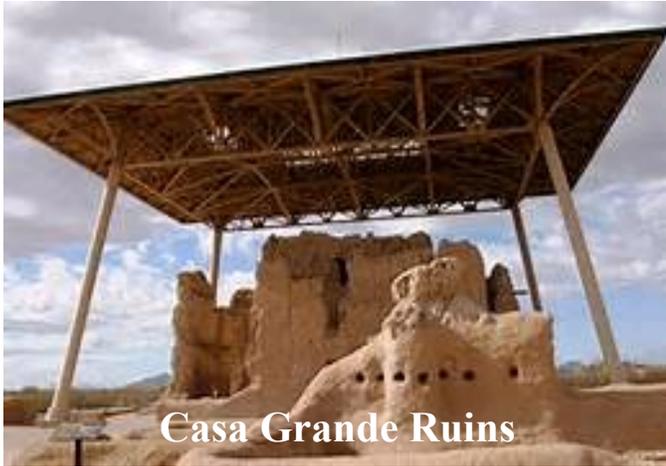




City of Coolidge, Arizona

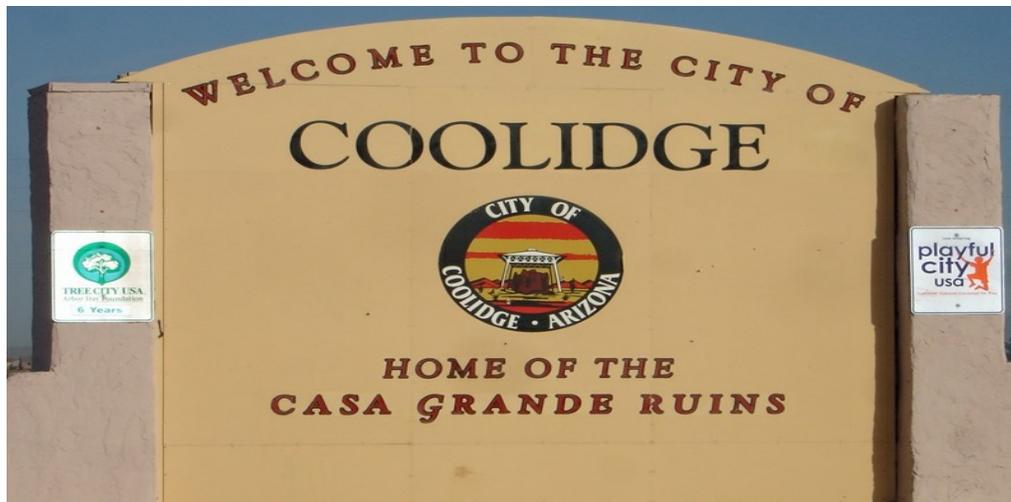
Home of the Casa Grande Ruins



Casa Grande Ruins



Coolidge Airport



Coolidge Transit Facility



Transcanada



Wastewater Facility

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2014

City of Coolidge, Arizona



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2014

**Prepared by the Finance Department
Lisa Pannella, Finance Director
Gabriel Garcia, Accounting Supervisor**

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INTRODUCTORY SECTION





City of Coolidge

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Coolidge, Arizona 85128
(520) 723-5361

TDD: (520) 723-4653 / Fax: (520) 723-7910

December 2, 2014

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, 2014.

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, 2014, 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 24th 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 12,027. The City of Coolidge, whose name honors the 30th 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 2014 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 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 September of 2014 to be used through June 30, 2019. 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 2014/15.

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 offset the burden of declining revenues experienced over the past six 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 began to receive over \$700,000 per year for “in lieu property tax” from the Salt River Project for the Transcanada Power Generating Station. The Salt River Project is considered property tax exempt, but has agreed to pay the city the equivalent of the property tax it would normally generate on a privately operated power station.
- Per the “**Solid Waste Study**” that was completed in 2013:
 - City Council increased the monthly collection fee for each trash container from \$20 to \$26 per month thus increasing the solid waste revenues for this fiscal year by \$223,442. Council is pleased to note that this was only the second increase to residents in the past twenty years. Their action enabled the city to decrease the Solid Waste fund deficit by \$184,263.
 - The City does not own the water company and therefore does not have the option to disconnect service for nonpayment of Liquid Waste and Solid Waste (“utility”) fees, therefore; City Council amended the City Code to allow staff to pick up trash containers from residents who had delinquent utility accounts. In order to replace the trash container, residents were offered payment plans for terms of one to three years to pay off delinquent utility debt. As a result, the City was able to collect \$86,550 in delinquent solid waste debt and \$57,700 in delinquent liquid waste debt during this fiscal year.
 - A number of fees were instituted for Solid Waste services to include a: set up fee, deposit, non-payment container fee, 1.5% late payment fee., replacement container fee, and bulk trash non-compliant pick up fee. The City was able to collect \$9,418 in these fees during the fiscal year.
 - Trash tonnage was reduced by 707 tons for a \$23,000 savings in disposal fees.
 - Mileage for garbage trucks was reduced by 3,048 miles with 127 less trips taken to the transfer station which resulted in fuel and vehicle maintenance savings of \$25,253.

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.

and slow recovery from the Recession between 2008 and 2012, the City experienced a significant decline in building permits and new growth. However, due to expansion of existing businesses within Coolidge and Pinal County these past two years, the unemployment rate, as of June 2014, has decreased from the previous year's 16.0% percent to 6.5% compared with the state's unemployment rate of 7.5% percent. The City has also realized a 10.3% increase in City Sales Tax for this fiscal year largely due to local spending. Coolidge City Council and the Chamber of Commerce encourage local spending. All are favorable signs to a recovering local economy with positive indications of continued growth.

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 reconstruction of the Taxiway A Extension at the Airport utilizing a grant from the U.S Department of Transportation in the amount of \$746,842, a grant from the Arizona Department of Transportation in the amount of \$36,661, and matching funds in the amount of \$38,021 from Airport fund revenues. 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.
- The City underwent major refurbishing to the interior of the City Hall complex to include replacement of carpet, tile, ceilings and paint for a total amount of \$27,998.
- The City's General Plan was prepared by city staff and adopted by City Council on June 23, 2014 and approved by the voters on November 4, 2014. It can be viewed on the City's website at coolidgeaz.com.

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 was 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 \$72,407 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 2016.

fund. The design process was started in FY 2010 and construction is expected to be completed in December 2016.

- The citywide “Signing” project funded through the Highway Safety and Improvement Program (HSIP) through the Arizona Department of Transportation in the amount of \$151,200 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 \$245,075 for construction to begin in December, 2014 for Phase 1 and Phase 2 to be completed in December, 2015.
- The Randolph Road reconstruction to include paving a three lane industrial collector road extending from State Route 87 east to the Union Pacific Railroad utilizing a grant from the Arizona Commerce Authority (ACA) in the amount of \$369,156 and private sector donations from Stinger Welding in the amount of \$303,687 and El Paso Natural Gas in the amount of \$212,000. This is the initial phase of a planned one mile roadway that will provide paved access to a large industrial area. Design began in May, 2014 and is expected to be completed in May, 2015.
- Street Drainage Study to determine needs for drainage improvements in the City utilizing a grant from the Pinal County Flood Control District in the amount of \$250,000 and matching funds in the amount of \$50,000 from the city’s Transportation fund . Design began in May, 2014 and construction is expected to be completed in June, 2015.
- Main Street reconstruction to replace existing asphalt surface on Main Street between Central Ave and Vah Ki Inn Road utilizing \$1,150,000 in funding through the Arizona Department of Transportation (ADOT) Strategic Transportation Program (STP) and \$89,550 matching funds from the city’s Transportation fund. The design process was started in May, 2014 and construction is expected to be completed in 2018.
- The Airport World War II hangar restoration project in the amount of \$383,247 was completed on November 5, 2014 utilizing a rent credit agreement with one of the Airport Tenants, Coolidge Aviation, who performed the necessary repairs.
- Citywide road repair to local and rural arterial roads in the amount of \$925,000 for Fiscal Year 14/15.
- The Airport runway 17-35 MIRL and Signage project utilizing a grant from the Arizona Department of Transportation (ADOT) in the amount of \$335,700 and matching funds in the amount of \$37,300 from Airport fund revenues.
- Remove Airport underground Jet A and low lead fuel tanks and replace with new ones utilizing the City’s capital fund for an amount up to \$500,000. Project to be completed by June 30, 2015.

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, 2013. 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 2013-14 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.

Respectfully submitted,



Lisa Pannella, CPM
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, 2013

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

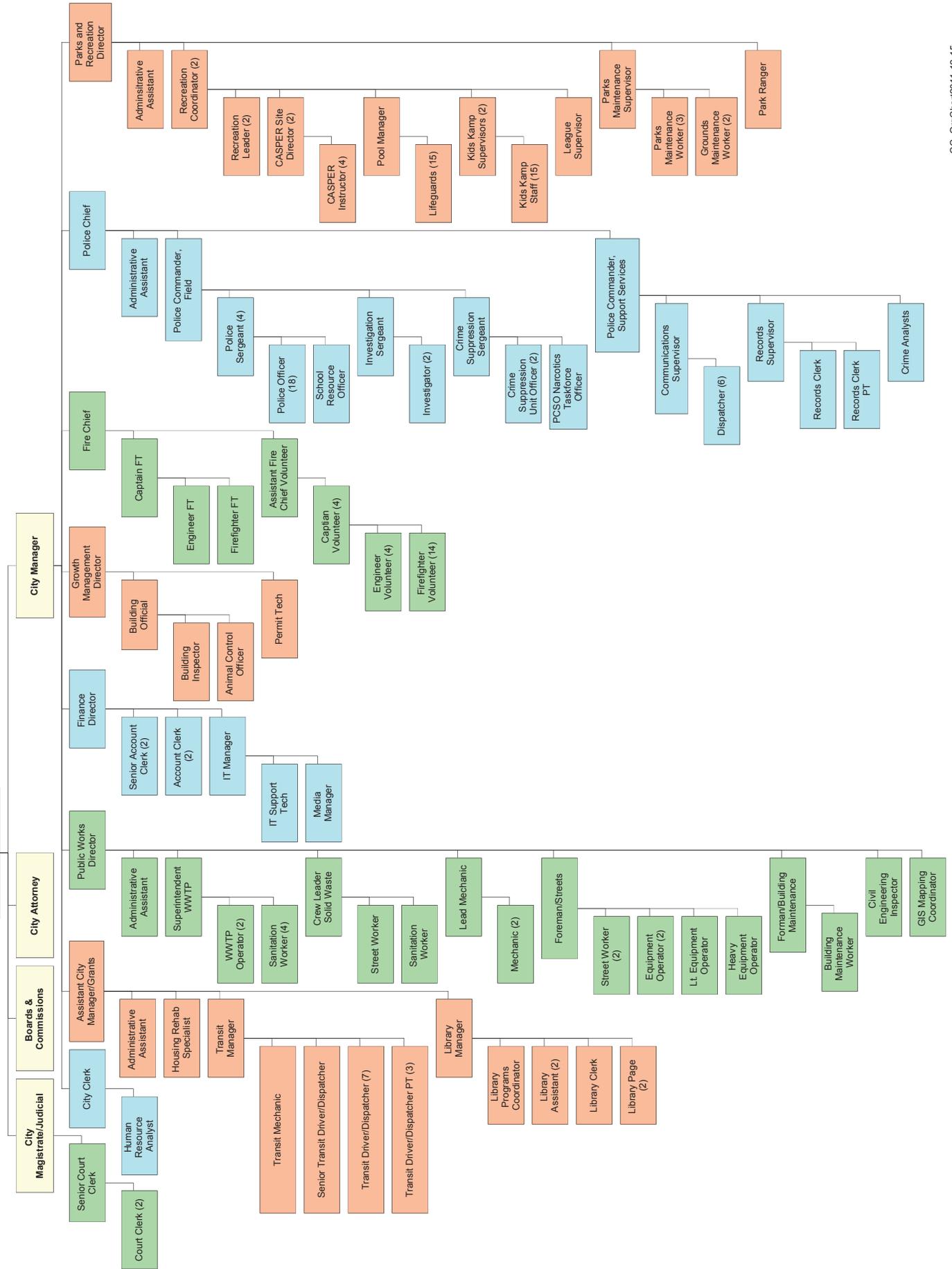
Joyce Baker
Library Manager

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, 2014, 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, 2014, 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 72 through 73 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

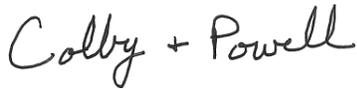
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Coolidge, Arizona's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, capital 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 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 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 December 2, 2014, 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.

A handwritten signature in cursive script that reads "Colby + Powell".

December 2, 2014

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, 2014. 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 \$85,733,185 (net position). Of this amount \$5,738,022 (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 \$8,119,822, an increase of \$572,854 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,829,748 or 55 percent of total General Fund expenditures.
- General Fund revenues (on a budgetary basis) were more than budgeted revenues by \$982,214 for fiscal year 2014. Additionally, budgetary basis expenditures were less than the budget by \$3,600,883 in the General Fund.
- General Fund revenues exceeded expenditures by \$712,133; with a positive variance of \$4,583,098 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 pages 40 and 41. 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 17-19 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 20-28 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 30-37 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 38-39 of this report.

Notes to the basic financial statements. The notes to the basic financial statements (pages 40-63) 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 66-69.

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, 2014 showing that assets exceeded liabilities by \$85,733,185.

**Condensed Statement of Net Position
June 30, 2014 and 2013**

	Government Activities		Business -type Activities		Totals	
	2014	2013	2014	2013	2014	2013
ASSETS						
Current and other assets	\$ 8,828,507	\$ 8,230,387	\$ 1,026,711	\$ 1,239,046	\$ 9,855,218	\$ 9,469,433
Capital assets						
Non-depreciable	2,798,904	3,078,462	1,565,075	2,329,685	4,363,979	5,408,147
Depreciable (net)	53,588,283	55,637,177	24,069,937	23,069,612	77,658,220	78,706,789
Total Assets	<u>65,215,694</u>	<u>66,946,026</u>	<u>26,661,723</u>	<u>26,638,343</u>	<u>91,877,417</u>	<u>93,584,369</u>
LIABILITIES						
Other liabilities	614,137	635,947	136,734	638,234	750,871	1,274,181
Non-current liabilities						
Due within one year	601,982	702,113	137,294	162,711	739,276	864,824
Due in more than one year	3,259,967	3,490,758	1,394,118	1,466,127	4,654,085	4,956,885
Total liabilities	<u>4,476,086</u>	<u>4,828,818</u>	<u>1,668,146</u>	<u>2,267,072</u>	<u>6,144,232</u>	<u>7,095,890</u>
NET POSITION						
Net investment in capital assets	53,694,745	55,668,079	24,160,069	23,827,841	77,854,814	79,495,920
Restricted	1,974,832	1,907,475	165,517	167,019	2,140,349	2,074,494
Unrestricted	5,070,031	4,541,654	667,991	376,411	5,738,022	4,918,065
Total net position	<u>\$ 60,739,608</u>	<u>\$ 62,117,208</u>	<u>\$ 24,993,577</u>	<u>\$ 24,371,271</u>	<u>\$ 85,733,185</u>	<u>\$ 86,488,479</u>

The net position of the City is \$60,739,608 in governmental activities and \$24,933,557 in business-type activities at June 30, 2014.

Net position consists of three components, the largest portion of the City of Coolidge, Arizona's net position (91%) 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 \$1,641,106 largely due to a citywide effort to maintain existing infrastructure i.e. streets, buildings, etc.

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 \$5,738,022 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 \$528,377 increase and the business-type activities reported a \$291,580 increase. The net increase in the Governmental and Business Type Activities are discussed in more detail following the table below. However, generally the governmental activities increased due to an increase in City Sales Tax. The Business-Type activities increased as a result of enhanced collection activities and a realignment of Utility fees.

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, 2014 and 2013

	Government Activities		Business -type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Fees, Fines and charges for svcs	\$ 833,500	\$ 832,134	\$ 2,088,935	\$ 1,762,551	\$ 2,922,435	\$ 2,594,685
Operating grants and contributions	2,151,450	2,214,444			2,151,450	2,214,444
Capital grants and contributions	1,966,407	219,014	57,032	1,140,935	2,023,439	1,359,949
General Revenues						
Local Taxes	7,207,042	5,839,868			7,207,042	5,839,868
State shared revenues	2,920,381	2,671,289			2,920,381	2,671,289
Investment earnings	10,721	13,347	1,487	1,459	12,208	14,806
Miscellaneous	106,792	100,450			106,792	100,450
Total Revenues	15,196,293	11,890,546	2,147,454	2,904,945	17,343,747	14,795,491
Expenses						
General government	3,044,700	2,508,220			3,044,700	2,508,220
Public Safety	5,857,764	5,895,157			5,857,764	5,895,157
Highways and streets	4,803,538	4,298,605			4,803,538	4,298,605
Culture and recreation	1,090,040	1,036,188			1,090,040	1,036,188
Redevelopment and housing	992,036	710,347			992,036	710,347
Interest on long-term debt	111,078	129,105			111,078	129,105
Liquid Waste			1,117,437	1,111,155	1,117,437	1,111,155
Solid Waste			959,575	1,063,751	959,575	1,063,751
Municipal Airport			122,873	121,826	122,873	121,826
Total Expenses	15,899,156	14,577,622	2,199,885	2,296,732	18,099,041	16,874,354
Increase/Decrease in net position						
before transfers	(702,863)	(2,687,076)	(52,431)	608,213	(755,294)	(2,078,863)
Transfers	(674,737)	(63,173)	674,737	(63,173)	-	(126,346)
Change in net position	(1,377,600)	(2,750,249)	622,306	545,040	(755,294)	(2,205,209)
Net position, beginning of year	62,117,208	64,741,111	24,371,271	23,826,231	86,488,479	88,567,342
Net position, end of year	\$ 60,739,608	\$ 61,990,862	\$ 24,993,577	\$ 24,371,271	\$ 85,733,185	\$ 86,362,133

Governmental Activities.

Program revenues, which include fines, fees and charges for services, operating grants and contributions and capital grants and contributions increased over the prior fiscal year by \$1,685,765 dollars. The City's fees, fines and charges for services reported a \$1,366 dollar increase. Operating grants and contributions decreased by \$62,994 dollars over the prior year largely due to decreased spending in the transit program. The capital grants and contributions reported a \$1,747,393 dollar increase largely due to the Coolidge Avenue reconstruction project.

General revenues, which include local taxes, impact fees, state shared revenues and investment earnings increased by \$1,619,982 dollars. Local taxes, including property and city sales taxes, increased by \$1,367,174 which can be attributed to in lieu property tax contributions and an increase in public spending; while, state shared revenues increased by \$249,092 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, 2014 and the City anticipates that state shared revenues will increase by 4.4% over this past fiscal year.

Expenses increased by \$1,321,534 dollars largely due to capital projects.

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, accounts for a 96% 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 increased due to an increase in interest gained on investments.

Business-type expenses increased in the Liquid Waste and Airport Funds due to increased well repairs and capital projects respectively; and decreased in the Solid Waste Fund primarily due to a decrease in garbage disposal fees.

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 \$8,119,822, an increase of \$572,854 in comparison with the prior year. Approximately 59% of this total amount (\$4,829,748) constitutes General Fund balance. At fiscal year-end 2013-2014 fund balances were as follows:

<u>Fund</u>	<u>Balance</u>	<u>Increase (Decrease) From 2013-14</u>
General Fund	\$ 4,829,748	\$ 143,382
Grants Fund	461,792	(68,376)
Impact Fee Fund	407,648	(69,466)
Capital Projects Fund	1,267,646	359,631
Road Tax Fund	916,852	251,341
Non-major Governmental Funds	<u>236,136</u>	<u>(43,658)</u>
TOTAL	\$ 8,119,822	\$ 572,854

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 \$4,829,748, an increase of \$143,382 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 53 percent of total City expenditures.

The increase to the General Fund balance during the current fiscal year can be attributed to the increase in City Sales Tax. Also, as previously discussed, current year expenditures increased by \$1,321,534 dollars due to funding capital projects and matching funds to the Airport and Transit grants.

The Grants Fund reported a \$68,376 fund balance decrease largely due to spending carryover funds from the Gila River Indian Community grants.

The Impact Fee Fund reported a \$69,466 fund balance decrease due to utilization of existing funds for the Impact Fee Study and decreased revenues due to lack of economic growth. The restricted fund balance will be carried over to future years for planned capital projects.

The Capital Projects Fund reported a \$359,631 fund balance increase due to increased collection of City Sales Tax as mentioned above. The fund balance in this fund is considered assigned to Capital projects by Council Resolution.

The Road Tax Fund reported an increase of \$251,341 to fund balance due to a \$500,000 contribution from the General Fund. The restricted fund balance will be carried over to future years for planned construction projects.

The Non-Major Governmental Funds reported a \$43,658 fund balance decrease largely due to spending 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 28-29 and 72-73. 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 \$9,550,030, on a budgetary basis, were more than budgeted revenues of \$8,567,816 by \$982,214 and budgetary basis expenditures of \$8,837,898 were less than the budget by \$3,600,884. The increase of actual revenues over budgeted revenues is primarily due to the increased collection of City Sales Tax and State Shared Revenues.

Capital Assets and Debt Administration

The City's capital assets, for its governmental and business-type activities as of June 30, 2014, amounts to \$56,387,187 and \$25,635,012 respectively, (net of accumulated depreciation). Capital assets include land, buildings, and improvements, machinery and equipment, roads and improvements, vehicles and infrastructure. During fiscal year 2013-2014 the annual depreciation expense was \$3,126,357 and \$671,282 for the governmental and business-type capital assets, respectively. Additions to capital assets during the fiscal year totaled \$1,542,905 and \$197,877 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 \$390,471 recorded as construction in progress; 2) the ongoing Central Avenue reconstruction project in the amount of \$1,278 recorded as construction in progress.
- Equipment – Purchased and equipped four police vehicles for a total of \$178,564; purchased two copiers for a total of \$15,240; purchased a street sweeper for \$149,950; purchased a Kabota Tractor and a Lawnmower for a total \$43,997; purchased Massey Ferguson Tractor in the amount of \$44,378, purchased four transit busses in the amount of \$568,031; purchased one Video Network and Video Equipment in the amount of \$23,875; purchased one vehicle in the amount of \$53,427, all recorded in capital assets.

Business Funds

- Infrastructure - 1) the completion of the Construction of Taxiway A at the Airport in the amount of \$821,524 recorded as a fixed asset,
- Equipment - Purchased a Bumper Roll Off Trailer for Solid Waste for a total of \$9,995; improved and replaced well equipment for Liquid Waste for a total of \$84,460; purchased fencing for the Airport for a total of \$10,627; and recorded them as capital assets.
- The following table provides a breakdown of the capital assets of the City at June 30, 2014 and 2013.

Capital Assets at June 30, 2014 and 2013
(Net of depreciation)

	Government Activities		Business -type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	\$ 1,227,209	\$ 1,972,209	\$ 1,146,620	\$ 1,182,500	\$ 2,373,829	\$ 3,154,709
Construction in Progress	1,571,695	1,106,253	418,455	1,147,185	1,990,150	2,253,438
Airport hangar and other improvements			33,565	46,157	33,565	46,157
Buildings and improvements	11,361,931	11,727,852		-	11,361,931	11,727,852
Infrastructure and land improvements	39,746,975	42,080,080	3,298,405	1,764,025	43,045,380	43,844,105
Sewer treatment plant and collection system			20,052,997	20,472,977	20,052,997	20,472,977
Furniture, machinery, equipment and vehicles	2,479,377	1,829,245	684,970	786,453	3,164,347	2,615,698
Total Capital Assets	\$ 56,387,187	\$ 58,715,639	\$ 25,635,012	\$ 25,399,297	\$ 82,022,199	\$ 84,114,936

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 \$5,156,326. Of the outstanding debt, \$3,384,943 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, 2014 and 2013. Further detail on the City's outstanding debt may be found in Note 8 on page 56.

Outstanding Debt at June 30, 2014 and 2013

	Governmental Activities		Business Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Notes Payable	\$ 1,910,000	\$ 2,270,000	\$ 1,474,943	\$ 1,571,456	\$ 3,384,943	\$ 3,841,456
Note Premium	237,035					
Capital leases	545,407	777,560		-	545,407	777,560
Landfill closure and post-closure costs	688,906	678,792		-	688,906	678,792
Compensated absences	480,601	466,519	56,469	57,382	537,070	523,901
Total Outstanding Debt	\$ 3,861,949	\$ 4,192,871	\$ 1,531,412	\$ 1,628,838	\$ 5,156,326	\$ 5,821,709

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 87% 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 \$129,464 for fiscal year ending June 30, 2015 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 a second year for road repairs in Fiscal Year 14-15.
- 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.
- The City's slow recovery from the 2008 Nationwide Recession affecting all aspects of Government.
- Concern from the community in regards to increased property taxes.
- Concern from the residential community regarding an increase in Solid Waste user fees.
- 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, 2014

ASSETS	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 6,084,435	\$ 890,759	\$ 6,975,194
Receivables (net of allowance for uncollectables)	290,506	135,952	426,458
Due from other governments	2,132,129	-	2,132,129
Prepaid expenses	321,437	-	321,437
Capital assets			
Land and construction in progress	2,798,904	1,565,075	4,363,979
Other capital assets (net of accumulated depreciation)	53,588,283	24,069,937	77,658,220
Total assets	<u>65,215,694</u>	<u>26,661,723</u>	<u>91,877,417</u>
LIABILITIES			
Accounts payable and other current liabilities	565,110	116,535	681,645
Accrued expenses and employee benefits	38,066	3,314	41,380
Customer deposits	-	16,885	16,885
Accrued interest payable	10,961	-	10,961
Noncurrent liabilities			
Due within one year			
Compensated absences	288,360	37,646	326,006
Capital leases	241,267	-	241,267
Current portion of loans payable	72,355	99,648	172,003
Due in more than one year			
Compensated absences	192,241	18,823	211,064
Capital leases	304,140	-	304,140
Loans payable	2,074,680	1,375,295	3,449,975
Landfill closure and post closure care	688,906	-	688,906
Total liabilities	<u>4,476,086</u>	<u>1,668,146</u>	<u>6,144,232</u>
NET POSITION			
Net investment in capital assets	53,694,745	24,160,069	77,854,814
Restricted for			
Highways and streets	916,852	-	916,852
Transit purposes	111,796	-	111,796
Court purposes	76,744	-	76,744
Grant purposes	461,792	-	461,792
Debt service	-	43,177	43,177
Development	-	66,896	66,896
Capital improvements	407,648	55,444	463,092
Unrestricted	5,070,031	667,991	5,738,022
Total net position	<u>\$ 60,739,608</u>	<u>\$ 24,993,577</u>	<u>\$ 85,733,185</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2014

Functions / Programs	Expenses	Program Revenue	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities			
General government	\$ 3,044,700	\$ 107,107	\$ 9,338
Public safety	5,857,764	460,374	422,876
Highways and streets	4,803,538	90,663	1,132,767
Culture and recreation	1,090,040	93,968	24,020
Redevelopment and housing	992,036	81,388	562,449
Interest on long-term debt	111,078	-	-
Total governmental activities	<u>15,899,156</u>	<u>833,500</u>	<u>2,151,450</u>
Business-type activities			
Liquid waste	1,113,447	994,391	-
Solid waste	959,575	1,031,434	-
Liquid waste impact fees	3,990	-	-
Municipal airport	122,873	63,110	-
Total business-type activities	<u>2,199,885</u>	<u>2,088,935</u>	<u>-</u>
Total primary government	<u>\$ 18,099,041</u>	<u>\$ 2,922,435</u>	<u>\$ 2,151,450</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
\$ -	\$ (2,928,255)	\$ -	\$ (2,928,255)
87,831	(4,886,683)	-	(4,886,683)
1,878,576	(1,701,532)	-	(1,701,532)
-	(972,052)	-	(972,052)
-	(348,199)	-	(348,199)
-	(111,078)	-	(111,078)
<u>1,966,407</u>	<u>(10,947,799)</u>	<u>-</u>	<u>(10,947,799)</u>
-	-	(119,056)	(119,056)
-	-	71,859	71,859
-	-	(3,990)	(3,990)
57,032	-	(2,731)	(2,731)
<u>57,032</u>	<u>-</u>	<u>(53,918)</u>	<u>(53,918)</u>
<u>\$ 2,023,439</u>	<u>(10,947,799)</u>	<u>(53,918)</u>	<u>(11,001,717)</u>
	5,424,593	-	5,424,593
	1,472,607	-	1,472,607
	309,842	-	309,842
	2,920,381	-	2,920,381
	10,721	1,487	12,208
	106,792	-	106,792
	<u>(674,737)</u>	<u>674,737</u>	<u>-</u>
	<u>9,570,199</u>	<u>676,224</u>	<u>10,246,423</u>
	(1,377,600)	622,306	(755,294)
	<u>62,117,208</u>	<u>24,371,271</u>	<u>86,488,479</u>
	<u>\$ 60,739,608</u>	<u>\$ 24,993,577</u>	<u>\$ 85,733,185</u>

CITY OF COOLIDGE, ARIZONA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2014

	General	Grants	Impact Fees
ASSETS			
Cash and cash equivalents	\$ 4,226,669	\$ -	\$ 416,616
Taxes receivable	46,045	-	-
Accounts receivable	2,426	-	-
Due from other governments	781,286	819,816	-
Prepaid	-	-	-
Due from other funds	300,007	-	-
Total assets	<u>\$ 5,356,433</u>	<u>\$ 819,816</u>	<u>\$ 416,616</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 441,216	\$ 59,334	\$ 8,968
Accrued payroll and employee benefits	32,361	1,125	-
Due to other funds	-	245,164	-
Total liabilities	<u>473,577</u>	<u>305,623</u>	<u>8,968</u>
Deferred inflows of resources			
Unavailable revenue	53,108	52,401	-
Total deferred inflows of resources	<u>53,108</u>	<u>52,401</u>	<u>-</u>
Fund balances			
Nonspendable	-	-	-
Restricted for			
Highways and streets	-	210,615	-
Transit purposes	-	53,749	-
Court purposes	-	-	-
Public safety purposes	-	197,428	-
Capital improvements	-	-	407,648
Assigned for			
Capital projects			
Unassigned	4,829,748	-	-
Total fund balance	<u>4,829,748</u>	<u>461,792</u>	<u>407,648</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,356,433</u>	<u>\$ 819,816</u>	<u>\$ 416,616</u>

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 768,705	\$ 468,342	\$ 204,103	\$ 6,084,435
194,919	-	-	240,964
-	-	47,116	49,542
-	459,455	71,572	2,132,129
321,437	-	-	321,437
-	-	-	300,007
<u>\$ 1,285,061</u>	<u>\$ 927,797</u>	<u>\$ 322,791</u>	<u>\$ 9,128,514</u>
\$ 17,415	\$ 10,945	\$ 27,232	\$ 565,110
-	-	4,580	38,066
-	-	54,843	300,007
<u>17,415</u>	<u>10,945</u>	<u>86,655</u>	<u>903,183</u>
-	-	-	105,509
<u>-</u>	<u>-</u>	<u>-</u>	<u>105,509</u>
321,437	-	-	321,437
-	916,852	-	1,127,467
-	-	111,796	165,545
-	-	76,744	76,744
-	-	-	197,428
-	-	-	407,648
946,209	-	47,596	993,805
-	-	-	4,829,748
<u>1,267,646</u>	<u>916,852</u>	<u>236,136</u>	<u>8,119,822</u>
<u>\$ 1,285,061</u>	<u>\$ 927,797</u>	<u>\$ 322,791</u>	<u>\$ 9,128,514</u>



CITY OF COOLIDGE, ARIZONA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2014

Total governmental fund balances \$ 8,119,822

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	90,971,493	
Less accumulated depreciation	<u>(34,584,306)</u>	56,387,187

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

Grants receivables	52,401	
Property taxes	<u>53,108</u>	105,509

Interest payable on long-term debt is not reported in the
governmental funds. (10,961)

Long-term liabilities are not due and payable in the
current period and therefore are not reported in the funds

Compensated absences	(480,601)	
Capital leases	(545,407)	
Landfill closure and postclosure care payable	(688,906)	
Loans payable	<u>(2,147,035)</u>	<u>(3,861,949)</u>

Net position of governmental activities \$ 60,739,608

CITY OF COOLIDGE, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	General	Grants	Impact Fees
Revenue			
Taxes	\$ 5,845,248	\$ -	\$ -
Intergovernmental	2,920,381	2,094,103	-
Fines and forfeitures	268,461	35,035	-
Licenses and permits	127,493	-	-
Charges for services	305,183	-	22,750
Investment income	6,985	679	675
Contributions	-	-	-
Miscellaneous	76,279	-	-
Total revenue	<u>9,550,030</u>	<u>2,129,817</u>	<u>23,425</u>
Expenditures			
Current			
General government	2,454,670	-	48,312
Public safety	4,983,923	448,783	15,245
Highways and streets	-	468,109	-
Culture and recreation	941,527	3,400	-
Redevelopment and housing	448,661	540,249	-
Capital outlay	9,116	737,652	33,324
Debt service			
Principal	-	-	207,850
Interest and debt cost	-	-	24,833
Debt issuance costs	-	-	-
Total expenditures	<u>8,837,897</u>	<u>2,198,193</u>	<u>329,564</u>
Excess (deficiency) of revenue over (under) expenditures	<u>712,133</u>	<u>(68,376)</u>	<u>(306,139)</u>
OTHER FINANCING SOURCES (USES)			
Face amount of loan proceeds	-	-	-
Loan premium	-	-	-
Transfers in	-	-	236,673
Transfers out	(568,751)	-	-
Debt service-principal	-	-	-
Total other financing sources (uses)	<u>(568,751)</u>	<u>-</u>	<u>236,673</u>
Net change in fund balances	143,382	(68,376)	(69,466)
Fund balance, beginning of year	<u>4,686,366</u>	<u>530,168</u>	<u>477,114</u>
Fund balance, end of year	<u>\$ 4,829,748</u>	<u>\$ 461,792</u>	<u>\$ 407,648</u>

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,360,123	\$ -	\$ 5,582	\$ 7,210,953
-	1,592,955	834,716	7,442,155
-	-	7,867	311,363
-	-	76,056	203,549
-	-	-	327,933
1,713	722	167	10,941
-	-	14,802	14,802
2,938	-	658	79,875
<u>1,364,774</u>	<u>1,593,677</u>	<u>939,848</u>	<u>15,601,571</u>
262,543	-	-	2,765,525
-	-	577	5,448,528
-	593,368	1,378,471	2,439,948
-	-	-	944,927
-	-	3,126	992,036
224,177	957,053	5,085	1,966,407
-	24,304	360,000	592,154
-	2,872	112,225	139,930
-	-	46,560	46,560
<u>486,720</u>	<u>1,577,597</u>	<u>1,906,044</u>	<u>15,336,015</u>
<u>878,054</u>	<u>16,080</u>	<u>(966,196)</u>	<u>265,556</u>
-	-	1,910,000	1,910,000
-	-	237,035	237,035
-	235,261	685,503	1,157,437
(518,423)	-	-	(1,087,174)
-	-	(1,910,000)	(1,910,000)
<u>(518,423)</u>	<u>235,261</u>	<u>922,538</u>	<u>307,298</u>
359,631	251,341	(43,658)	572,854
<u>908,015</u>	<u>665,511</u>	<u>279,794</u>	<u>7,546,968</u>
<u>\$ 1,267,646</u>	<u>\$ 916,852</u>	<u>\$ 236,136</u>	<u>\$ 8,119,822</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, 2014

Net change in fund balances - total governmental funds \$ 572,854

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	1,542,905	
Less current year depreciation	<u>(3,126,357)</u>	(1,583,452)

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	(3,912)	
Unavailable grant revenues	<u>22,135</u>	18,223

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. 28,852

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 service-principal	1,910,000	
Debt principal repayments	592,154	
Loan premium	(237,035)	
Face amount of loan proceeds	(1,910,000)	
Increase in landfill closure and post closure care costs	<u>(10,114)</u>	345,005

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		(14,082)
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Capital assets originally recorded in governmental funds are recorded
 as expenditures. When those capital assets are transferred to proprietary
 funds, no transfer is recorded from the governmental fund that originally
 reported the capital outlay. The proprietary fund records a capital
 contribution in the amount of original cost of the asset minus
 accumulated depreciation. (745,000)

Change in net position of governmental activities \$ (1,377,600)

CITY OF COOLIDGE, ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET
TO ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Taxes	\$ 4,880,991	\$ 4,880,991	\$ 5,845,248	\$ 964,257
Intergovernmental	2,859,465	2,859,465	2,920,381	60,916
Fines and forfeitures	250,000	250,000	268,461	18,461
Licenses and permits	162,000	162,000	127,493	(34,507)
Charges for services	258,360	258,360	305,183	46,823
Investment income	7,000	7,000	6,985	(15)
Miscellaneous	150,000	150,000	76,279	(73,721)
Total revenue	<u>8,567,816</u>	<u>8,567,816</u>	<u>9,550,030</u>	<u>982,214</u>
Expenditures				
Current				
General government	5,838,041	5,838,041	2,454,670	3,383,371
Public safety	5,175,557	5,175,557	4,983,923	191,634
Culture and recreation	991,306	991,306	941,527	49,779
Redevelopment and housing	433,877	433,877	448,661	(14,784)
Capital outlay	-	-	9,116	(9,116)
Total expenditures	<u>12,438,781</u>	<u>12,438,781</u>	<u>8,837,897</u>	<u>3,600,884</u>
Excess (deficiency) of revenue over expenditures	<u>(3,870,965)</u>	<u>(3,870,965)</u>	<u>712,133</u>	<u>4,583,098</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(614,465)</u>	<u>(614,465)</u>	<u>(568,751)</u>	<u>45,714</u>
Total other financing sources (uses)	<u>(614,465)</u>	<u>(614,465)</u>	<u>(568,751)</u>	<u>45,714</u>
Net change in fund balance	(4,485,430)	(4,485,430)	143,382	4,628,812
Fund balance, beginning of year	<u>4,485,430</u>	<u>4,485,430</u>	<u>4,686,366</u>	<u>200,936</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,829,748</u>	<u>\$ 4,829,748</u>

CITY OF COOLIDGE, ARIZONA
GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET
TO ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Intergovernmental	\$ 17,776,654	\$ 17,776,654	\$ 2,094,103	\$ (15,682,551)
Fines and forfeitures	91,901	91,901	35,035	(56,866)
Investment income	-	-	679	679
Total revenue	<u>17,868,555</u>	<u>17,868,555</u>	<u>2,129,817</u>	<u>(15,738,738)</u>
Expenditures				
Current				
Public safety	3,939,896	3,939,896	448,783	3,491,113
Highways and streets	2,379,422	2,379,422	468,109	1,911,313
Culture and recreation	6,727	6,727	3,400	3,327
Redevelopment and housing	11,542,510	11,542,510	540,249	11,002,261
Capital outlay	-	-	737,652	(737,652)
Total expenditures	<u>17,868,555</u>	<u>17,868,555</u>	<u>2,198,193</u>	<u>15,670,362</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<u>-</u>	<u>(68,376)</u>	<u>(68,376)</u>
OTHER FINANCING SOURCES (USES)				
Capital lease agreement	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(68,376)	(68,376)
Fund balance, beginning of year	-	-	530,166	530,166
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 461,790</u>	<u>\$ 461,790</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2014

	Business-type Activities--Enterprise Funds		
	Liquid Waste	Solid Waste	Liquid Waste Impact Fees
ASSETS			
Current assets			
Cash and cash equivalents	\$ 838,414	\$ -	\$ 52,345
Accounts receivables, net	42,696	93,256	-
Due from other governments	-	-	-
Due from other funds	199,341	-	-
Prepaid expenses	-	-	-
Total current assets	<u>1,080,451</u>	<u>93,256</u>	<u>52,345</u>
Noncurrent assets			
Non-depreciable capital assets	1,415,958	-	-
Depreciable assets, net	21,032,633	289,062	-
Total noncurrent assets	<u>22,448,591</u>	<u>289,062</u>	<u>-</u>
Total assets	<u>23,529,042</u>	<u>382,318</u>	<u>52,345</u>
LIABILITIES			
Current liabilities			
Accounts payable	91,225	23,849	572
Accrued payroll and benefits	890	1,494	-
Customer deposits	-	16,885	-
Due to other funds	-	184,283	-
Compensated absences	13,549	24,097	-
Current portion of loans payable	99,648	-	-
Total current liabilities	<u>205,312</u>	<u>250,608</u>	<u>572</u>
Noncurrent liabilities			
Compensated absences	6,774	12,049	-
Loans payable	1,375,295	-	-
Total noncurrent liabilities	<u>1,382,069</u>	<u>12,049</u>	<u>-</u>
Total liabilities	<u>1,587,381</u>	<u>262,657</u>	<u>572</u>
Net position			
Net investment in capital assets	20,973,648	289,062	-
Restricted for			
Debt service	43,177	-	-
Development	66,896	-	-
Capital projects	-	-	55,444
Unrestricted (deficit)	857,940	(169,401)	(3,671)
Total net position	<u>\$ 21,941,661</u>	<u>\$ 119,661</u>	<u>\$ 51,773</u>

<u>Airport</u>	<u>Total</u>
\$ -	\$ 890,759
-	135,952
-	-
-	199,341
-	-
<u>-</u>	<u>1,226,052</u>
149,117	1,565,075
<u>2,748,242</u>	<u>24,069,937</u>
<u>2,897,359</u>	<u>25,635,012</u>
<u>2,897,359</u>	<u>26,861,064</u>
889	116,535
930	3,314
-	16,885
15,058	199,341
-	37,646
-	99,648
<u>16,877</u>	<u>473,369</u>
-	18,823
-	1,375,295
-	1,394,118
<u>16,877</u>	<u>1,867,487</u>
2,897,359	24,160,069
-	43,177
-	66,896
-	55,444
(16,877)	667,991
<u>\$ 2,880,482</u>	<u>\$ 24,993,577</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2014

	Business-type Activities--Enterprise Funds		
	Liquid Waste	Solid Waste	Liquid Waste Impact Fees
Operating revenue			
Charges for service	\$ 994,391	\$ 1,031,434	\$ -
Total operating revenue	<u>994,391</u>	<u>1,031,434</u>	<u>-</u>
Operating expenses			
Costs of services	507,274	892,839	3,990
Depreciation	559,315	66,736	-
Total operating expenses	<u>1,066,589</u>	<u>959,575</u>	<u>3,990</u>
Operating income (loss)	<u>(72,198)</u>	<u>71,859</u>	<u>(3,990)</u>
Nonoperating revenue (expenses)			
Investment revenue	1,155	-	319
Interest expense	(46,858)	-	-
Total nonoperating revenue (expenses)	<u>(45,703)</u>	<u>-</u>	<u>319</u>
Income (loss) before capital contributions, and transfers	(117,901)	71,859	(3,671)
Capital contributions	745,000	-	-
Transfers in	-	-	-
Transfers out	<u>(34,638)</u>	<u>(66,219)</u>	<u>-</u>
Change in net position	592,461	5,640	(3,671)
Total net position, beginning of year	<u>21,349,200</u>	<u>114,021</u>	<u>55,444</u>
Total net position, end of year	<u>\$ 21,941,661</u>	<u>\$ 119,661</u>	<u>\$ 51,773</u>

Airport	Total
\$ 63,110	\$ 2,088,935
<u>63,110</u>	<u>2,088,935</u>
77,642	1,481,745
<u>45,231</u>	<u>671,282</u>
<u>122,873</u>	<u>2,153,027</u>
<u>(59,763)</u>	<u>(64,092)</u>
13	1,487
<u>-</u>	<u>(46,858)</u>
<u>13</u>	<u>(45,371)</u>
(59,750)	(109,463)
57,032	802,032
30,594	30,594
<u>-</u>	<u>(100,857)</u>
27,876	622,306
<u>2,852,606</u>	<u>24,371,271</u>
<u>\$ 2,880,482</u>	<u>\$ 24,993,577</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2014

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Liquid Waste</u>	<u>Solid Waste</u>	<u>Liquid Waste Impact Fees</u>
Cash flows from operating activities:			
Received from customers	\$ 1,004,528	\$ 1,022,542	\$ -
Payments to suppliers	(166,115)	(439,563)	(157,798)
Payments to employees	(258,037)	(468,342)	-
Net cash provided (used) by operating activities	<u>580,376</u>	<u>114,637</u>	<u>(157,798)</u>
Cash flows from noncapital and related financing activities:			
Transfers in	-	-	-
Transfers out	(34,638)	(66,219)	-
Payment to other funds	(199,341)	(38,423)	-
Net cash provided (used) for noncapital and related financing activities	<u>(233,979)</u>	<u>(104,642)</u>	<u>-</u>
Cash flows from capital and financing activities:			
Contributions from grants	-	-	-
Proceeds from sale of capital assets	35,880	-	-
Interest paid	(46,858)	-	-
Purchase of capital assets	(84,460)	(9,995)	-
Principal payments of notes payable	(96,513)	-	-
Net cash provided (used) for capital and related financing activities	<u>(191,951)</u>	<u>(9,995)</u>	<u>-</u>
Cash flows from investing activities:			
Investment income	1,155	-	319
Net cash provided (used) by investing activities	<u>1,155</u>	<u>-</u>	<u>319</u>
Net increase (decrease) in cash and cash equivalents	155,601	-	(157,479)
Cash and cash equivalents, beginning of year	<u>682,813</u>	<u>-</u>	<u>209,824</u>
Cash and cash equivalents, end of year	<u>\$ 838,414</u>	<u>\$ -</u>	<u>\$ 52,345</u>

Airport	Total
\$ 63,110	\$ 2,090,180
(85,356)	(848,832)
(18,723)	(745,102)
<u>(40,969)</u>	<u>496,246</u>
30,594	30,594
-	(100,857)
(27,335)	(265,099)
<u>3,259</u>	<u>(335,362)</u>
548,228	548,228
-	35,880
-	(46,858)
(510,531)	(604,986)
-	(96,513)
<u>37,697</u>	<u>(164,249)</u>
<u>13</u>	<u>1,487</u>
<u>13</u>	<u>1,487</u>
-	(1,878)
<u>-</u>	<u>892,637</u>
<u>\$ -</u>	<u>\$ 890,759</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2014

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Liquid Waste</u>	<u>Solid Waste</u>	<u>Liquid Waste Impact Fees</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (72,198)	\$ 71,859	\$ (3,990)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	559,315	66,736	-
(Increase) decrease in:			
Accounts receivables	9,943	(25,777)	-
Due from other governments	194	-	-
Prepaid expenses	-	-	-
Increase (decrease) in:			
Accounts payable	88,826	(2,818)	192
Accrued payroll and benefits	(6,665)	(10,374)	-
Customer deposits	-	16,885	-
Retainage payable	-	-	(154,000)
Compensated absences	961	(1,874)	-
Net cash provided (used) by operating activities	<u>\$ 580,376</u>	<u>\$ 114,637</u>	<u>\$ (157,798)</u>

Noncash investing, capital, and noncapital financing activities: On July 1, 2013, the City transferred land improvements from the General Fund to the Liquid Waste Fund in the amount of \$745,000.

<u>Airport</u>	<u>Total</u>
\$ (59,763)	\$ (64,092)
45,231	671,282
-	(15,834)
-	194
-	-
(22,136)	64,064
(1,254)	(18,293)
-	16,885
(3,047)	(157,047)
<u>-</u>	<u>(913)</u>
<u>\$ (40,969)</u>	<u>\$ 496,246</u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2014

	<u>Investment Trust Fund</u>
ASSETS	
Cash and cash equivalents	\$ 9,576
Investments	<u>257,302</u>
Total assets	<u>266,878</u>
NET POSITION	
Held in trust for investment trust participants	<u><u>\$ 266,878</u></u>

CITY OF COOLIDGE, ARIZONA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year Ended June 30, 2014

	Investment Trust Fund
	<u> </u>
Additions	
State fire insurance premiums	\$ 4,906
Contributions	4,833
Investment income:	
Interest and dividends	8,581
Unrealized gain	<u> 16,836</u>
Total additions	<u> 35,156</u>
Deductions	
Professional/technical services	6,710
Benefit payments	<u> 38,412</u>
	<u> 45,122</u>
Change in net position	(9,966)
Net position, beginning of year	<u> 276,844</u>
Net position, end of year	<u><u> \$ 266,878</u></u>

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

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 City's management has operational responsibility for IDA.

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 City's management has operational responsibility for MVCFD.

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. The City's management has operational responsibility for SCFD.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

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, 2014, 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, 2014

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 and fiduciary funds 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, 2014

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 unavailable revenue if not collected within 60 days. Receivables that will not be collected within the available period have also been reported as unavailable 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.

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

The City reports the following fiduciary fund:

Investment Trust Fund - This Investment 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.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets (continued)

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:

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

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future periods) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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 position.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. 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.

M. 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.

N. 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.

O. 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 2014.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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).

P. Impact of Recently Issued Accounting Principles

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Upon implementation, it is anticipated that this Statement will cause a restatement of beginning net position of the Governmental Activities, Business-type Activities, and proprietary funds.

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

NOTE 2 CASH AND INVESTMENTS

At June 30, 2014, cash and cash equivalents are presented in the funds as follows:

	Governmental Activities	Business Activities	Fiduciary Fund	Total
Cash and cash equivalents	<u>\$ 6,084,435</u>	<u>\$ 890,759</u>	<u>\$ 266,878</u>	<u>\$ 7,242,072</u>

Deposits

At June 30, 2014, the City had \$9,510 of cash on hand. The carrying amount of the City's cash in bank totaled \$6,644,114 and the bank balance was \$6,880,724 on June 30, 2014. The City's deposits at June 30, 2014 were covered by Federal Depository Insurance to the extent of \$400,531. Deposits of \$6,480,193 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, 2014 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, 2014, the City's funds invested with the State Treasurer totaled \$321,570.

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

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 \$266,878 at June 30, 2014.

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>\$ 289,413</u>	<u>\$ 289,413</u>
Proprietary funds		Ratings as of Year-End
<u>Investment Type</u>	<u>Total</u>	<u>Unrated</u>
LGIP	<u>\$ 32,157</u>	<u>\$ 32,157</u>
Fiduciary funds		Ratings as of Year-End
<u>Investment Type</u>	<u>Total</u>	<u>Unrated</u>
Money market funds	\$ 9,576	\$ 9,576
Mutual funds	257,302	257,302
	<u>\$ 266,878</u>	<u>\$ 266,878</u>

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

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	\$ 46,045	\$ -	\$ -	194,919	\$ -	\$ 240,964
Accounts	2,426	-	-	-	47,116	49,542
	<u>48,471</u>	<u>-</u>	<u>-</u>	<u>194,919</u>	<u>47,116</u>	<u>290,506</u>
Less:						
Allowance	-	-	-	-	-	-
Net Receivables	<u>\$ 48,471</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,919</u>	<u>\$ 47,116</u>	<u>\$ 290,506</u>

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2014.

Business-type Activities:

	Liquid Waste Fund	Solid Waste Fund	Liquid Waste Impact Fees Fund	Solid Waste Impact Fees Fund	Airport Fund	Total
Receivables:						
Accounts	\$ 359,467	\$ 496,420	\$ -	\$ -	\$ -	\$ 855,887
Less:						
Allowance	(316,771)	(403,164)	-	-	-	(719,935)
Net Receivables	<u>\$ 42,696</u>	<u>\$ 93,256</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135,952</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 \$(18,568) and \$(6,696), respectively.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2014 follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 1,972,209	\$ -	\$ -	\$ (745,000)	\$ 1,227,209
Construction in progress	1,106,253	465,442	-	-	1,571,695
Total capital assets not being depreciated	3,078,462	465,442	-	(745,000)	2,798,904
Capital assets being depreciated:					
Infrastructure	65,151,691	-	-	-	65,151,691
Buildings and improvements	15,504,234	-	-	-	15,504,234
Vehicles, furniture and equipment	6,645,571	1,077,463	(206,370)	-	7,516,664
Total capital assets being depreciated	87,301,496	1,077,463	(206,370)	-	88,172,589
Less accumulated depreciation for:					
Infrastructure	(23,071,611)	(2,333,105)	-	-	(25,404,716)
Buildings and improvements	(3,776,382)	(365,921)	-	-	(4,142,303)
Vehicles, furniture and equipment	(4,816,326)	(427,331)	206,370	-	(5,037,287)
Total accumulated depreciation	(31,664,319)	(3,126,357)	206,370	-	(34,584,306)
Total capital assets, being depreciated, net	55,637,177	(2,048,894)	-	-	53,588,283
Governmental activities capital assets, net	\$ 58,715,639	\$ (1,583,452)	\$ -	\$ (745,000)	\$ 56,387,187
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 1,182,500	\$ -	\$ (35,880)	\$ -	\$ 1,146,620
Construction in progress	1,147,185	-	-	(728,730)	418,455
Total capital assets not being depreciated	2,329,685	-	(35,880)	(728,730)	1,565,075
Capital assets being depreciated:					
Land improvements	2,174,987	92,795	-	1,473,730	3,741,512
Airport hangar and improvements	115,160	-	-	-	115,160
Sewer treatment plant and collection system	24,314,972	84,460	-	-	24,399,432
Vehicles, machinery and equipment	1,636,081	20,622	(101,673)	-	1,555,030
Total capital assets being depreciated	28,241,200	197,877	(101,673)	1,473,730	29,811,134
Less accumulated depreciation for:					
Land improvements	(410,962)	(32,145)	-	-	(443,107)
Airport hangar and improvements	(69,003)	(12,592)	-	-	(81,595)
Sewer treatment plant and collection system	(3,841,995)	(504,440)	-	-	(4,346,435)
Vehicles, machinery and equipment	(849,628)	(122,105)	101,673	-	(870,060)
Total accumulated depreciation	(5,171,588)	(671,282)	101,673	-	(5,741,197)
Total capital assets, being depreciated, net	23,069,612	(473,405)	-	1,473,730	24,069,937
Business-type activities capital assets, net	\$ 25,399,297	\$ (473,405)	\$ (35,880)	\$ 745,000	\$ 25,635,012

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 4 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 222,500
Public safety	395,154
Highways and streets	2,363,590
Culture and recreation	<u>145,113</u>
Total depreciation expense	<u>\$ 3,126,357</u>
Business-type activities:	
Wastewater	\$ 559,315
Sanitation	66,736
Airport	<u>45,231</u>
Total depreciation expense	<u>\$ 671,282</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, 2014, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2014	Due Within One Year
Governmental activities:				
Greater Arizona Development Authority Note	2.00%	03/01/14-2023	\$ 1,910,000	\$ 35,000
Premium amortization			<u>237,035</u>	<u>37,355</u>
Total Governmental activities			<u>\$ 2,147,035</u>	<u>\$ 72,355</u>
Business-type activities:				
Water Infrastructure Finance Authority Note	3.75%	07/01/98 - 18	\$ 193,575	\$ 35,918
Water Infrastructure Finance Authority Note	2.97%	07/01/10 - 29	<u>1,281,367</u>	<u>63,730</u>
Total Business-type activities			<u>\$ 1,474,942</u>	<u>\$ 99,648</u>
Total			<u>\$ 3,621,977</u>	<u>\$ 172,003</u>

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

NOTE 5 LOANS PAYABLE (Continued)

Annual debt service requirements to maturity on the loans payable at June 30, 2014 are summarized as follows:

Fiscal year ending June 30,	Governmental Activities			Business-type Activities		Total	
	Principal	Premium Amortization	Interest	Principal	Interest	Principal	Interest
2015	\$ 35,000	\$ 37,355	\$ 43,245	\$ 99,648	\$ 43,671	\$ 134,648	\$ 86,916
2016	205,000	40,775	35,725	102,887	40,379	307,887	76,104
2017	210,000	39,295	28,805	106,233	36,978	316,233	65,783
2018	215,000	34,538	28,187	109,687	33,466	324,687	61,653
2019	230,000	28,319	23,281	113,257	29,838	343,257	53,119
2020-2024	1,015,000	56,753	42,172	391,384	111,614	1,406,384	153,786
2025-2029	-	-	-	453,018	49,067	453,018	49,067
2030	-	-	-	98,828	740	98,828	740
Total	<u>\$1,910,000</u>	<u>\$ 237,035</u>	<u>\$ 201,415</u>	<u>\$1,474,942</u>	<u>\$ 345,753</u>	<u>\$3,384,942</u>	<u>\$ 547,168</u>

NOTE 6 CAPITAL LEASES

Leases at June 30, 2014, 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. \$ 103,187

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. 442,220

Total \$ 545,407

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

NOTE 6 CAPITAL LEASES (CONTINUED)

The minimum lease payments by year are:

Fiscal year ending June 30,	Governmental Activities
2015	\$ 259,850
2016	259,850
2017	27,175
2018	<u>27,175</u>
Total minimum lease payments	574,050
Less: amount representing interest	<u>(28,643)</u>
Present value of future minimum lease payments	545,407
Less: current portion	<u>(241,267)</u>
Noncurrent portion	<u><u>\$ 304,140</u></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>(388,338)</u>
Total	<u><u>\$ 2,605,408</u></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 \$437,893 and \$251,013, 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, 2014. 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, 2014

NOTE 8 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 466,519	\$ 199,916	\$ (185,834)	\$ 480,601	\$ 288,360
Loans payable	2,270,000	1,910,000	(2,270,000)	1,910,000	35,000
Loan premium	-	237,035	-	237,035	37,355
Capital leases	777,560	-	(232,153)	545,407	241,267
Landfill closure and postclosure costs	678,792	10,114	-	688,906	-
Governmental activities long-term liabilities	<u>\$4,192,871</u>	<u>\$2,357,065</u>	<u>\$ (2,687,987)</u>	<u>\$3,861,949</u>	<u>\$ 601,982</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Compensated absences	\$ 57,382	\$ 18,647	\$ (19,560)	\$ 56,469	\$ 37,646
Notes payable	1,571,456	-	(96,513)	1,474,943	99,648
Business-type activities long-term liabilities	<u>\$1,628,838</u>	<u>\$ 18,647</u>	<u>\$ (116,073)</u>	<u>\$1,531,412</u>	<u>\$ 137,294</u>

NOTE 9 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2014, interfund balances were as follows:

Interfund receivable/payable:

Fund	Receivable Amount	Payable Amount
General Fund	\$ 300,007	\$ -
Grants Funds	-	245,164
Non-Major Governmental Funds	-	54,843
Liquid Waste Fund	199,341	-
Solid Waste Fund	-	184,283
Airport Fund	-	15,058
Total	<u>\$ 499,348</u>	<u>\$ 499,348</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, 2014

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

Interfund transfers:

Fund	Transfers Out	Transfers In
General Fund	\$ 568,751	\$ -
Impact Fees Fund	-	236,673
Capital Projects Fund	518,423	-
Road Tax Capital Projects Fund		235,261
Non-Major Governmental Funds	-	685,503
Liquid Waste Fund	34,638	-
Solid Waste Fund	66,219	-
Airport	-	30,594
Total	\$ 1,188,031	\$ 1,188,031

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, 2014; 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, 2014

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, 2014, active ASRS members and the City were each required by statute to contribute at the actuarially determined rate of 11.54 percent (11.30 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, 2014, 2013, and 2012 were \$486,096, \$449,001, and \$436,134, respectively, which were equal to the required contributions for the year.

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

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, 2014, active PSPRS members were required by statute to contribute 10.35 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 26.48% and 11.48% 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, 2014, 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	26.48%	11.48%
Plan members	10.35%	10.35%
Annual pension cost		
Retirement	\$399,330	\$18,989
Health insurance premium	\$0	\$1,524
Pension contributions made		
Retirement	\$399,330	\$18,989
Health insurance premium	\$0	\$1,524
Actuarial valuation date	June 30, 2012	June 30, 2012
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	8.00%	8.00%
Projected salary increases	5.0% - 9.0%	5.0% - 9.0%
Includes inflation at cost-of-living adjustment	5.0%	5.0%
Amortization method	Level percent Closed	Level percent Closed
Remaining amortization period	24 years underfunded 20 years overfunded	24 years underfunded 20 years overfunded
Asset valuation method	7-year smoothed market	7-year smoothed market

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

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
PSPRS - Police -Pension			
June 30, 2014	\$ 399,330	100.0%	\$ -
June 30, 2013	338,462	100.0%	-
June 30, 2012	303,631	100.0%	-
PSPRS - Police - Health Insurance			
June 30, 2014	-	100.0%	-
June 30, 2013	23,523	100.0%	-
June 30, 2012	22,796	100.0%	-
PSPRS - Fire - Pension			
June 30, 2014	18,989	100.0%	-
June 30, 2013	17,403	100.0%	-
June 30, 2012	12,752	100.0%	-
PSPRS - Fire - Health Insurance			
June 30, 2014	1,524	100.0%	-
June 30, 2013	1,401	100.0%	-
June 30, 2012	1,084	100.0%	-

Funding Progress - An analysis of funding progress for each of the agent plans as most recent actuarial valuations, June 30, 2014 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)
2014	\$ 4,991,012	\$10,576,311	\$ (5,585,299)	47.2%	\$ 1,431,955	390.0%
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%

CITY OF COOLIDGE, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2014

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)
2014	\$ 316,856	\$ 228,035	\$ 88,821	139.0%	\$ 1,431,955	0.0%
2013	-	261,251	(261,251)	0.0%	1,455,443	17.9%
2012	-	261,683	(261,683)	0.0%	1,445,925	18.1%

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)
2014	\$ 325,605	\$ 182,815	\$ 142,790	178.1%	\$ 171,777	0.0%
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%

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)
2014	\$ -	\$ 6,998	\$ (6,998)	0.0%	\$ 171,777	4.1%
2013	-	5,360	(5,360)	0.0%	158,357	3.4%
2012	-	5,963	(5,963)	0.0%	158,600	3.8%

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, 2014

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
2012	2014	0.47%	0.96%	1.43%	\$ 22,796
2011	2013	0.61%	1.02%	1.63%	25,249
2010	2012	0.73%	0.67%	1.40%	26,207

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
2012	2014	0.39%	0.23%	0.62%	\$ 1,084
2011	2013	0.45%	0.20%	0.65%	1,079
2010	2012	0.43%	0.09%	0.52%	900

City of Coolidge Volunteer Fireman's Investment Plan

The City of Coolidge Part-time Firemen's Investment Plan is a single-employer defined investment 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, 2014, 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, 2014, was \$43,189 and the City's required and actual contributions amounted to \$2,159.

CITY OF COOLIDGE, ARIZONA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 12 RETIREMENT PLANS (Continued)

As of June 30, 2014, the plan's assets consisted of the following:

Cash	\$ 9,576
Money market funds	5,792
Mutual funds	<u>251,510</u>
	<u>\$ 266,878</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, 2014

	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
ASSETS			
Cash and cash equivalents	\$ -	\$ 79,763	\$ 76,744
Accounts receivable - net	-	47,116	-
Due from other governments	71,572	-	-
Total assets	<u>\$ 71,572</u>	<u>\$ 126,879</u>	<u>\$ 76,744</u>
LIABILITIES			
Accounts payable	\$ 14,218	\$ 13,014	\$ -
Accrued payroll and employee benefits	2,511	2,069	-
Due to other funds	54,843	-	-
Total liabilities	<u>71,572</u>	<u>15,083</u>	<u>-</u>
FUND BALANCES			
Restricted for			
Transit purposes	-	111,796	-
Court purposes	-	-	76,744
Assigned for			
Capital projects	-	-	-
Total fund balance	<u>-</u>	<u>111,796</u>	<u>76,744</u>
Total liabilities and fund balance	<u>\$ 71,572</u>	<u>\$ 126,879</u>	<u>\$ 76,744</u>

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ -	\$ 13,851	\$ 33,745	\$ 204,103
-	-	-	47,116
-	-	-	71,572
<u>\$ -</u>	<u>\$ 13,851</u>	<u>\$ 33,745</u>	<u>\$ 322,791</u>
\$ -	\$ -	\$ -	\$ 27,232
-	-	-	4,580
-	-	-	54,843
<u>-</u>	<u>-</u>	<u>-</u>	<u>86,655</u>
-	-	-	111,796
-	-	-	76,744
-	13,851	33,745	47,596
-	13,851	33,745	236,136
<u>\$ -</u>	<u>\$ 13,851</u>	<u>\$ 33,745</u>	<u>\$ 322,791</u>

CITY OF COOLIDGE, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2014

REVENUE	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
Taxes	\$ -	\$ -	\$ -
Intergovernmental	764,042	70,674	-
Fines and forfeitures	-	-	7,867
Charges for services	8,842	67,214	-
Investment income	-	26	113
Contributions	-	14,802	-
Miscellaneous	323	335	-
Total revenue	<u>773,207</u>	<u>153,051</u>	<u>7,980</u>
EXPENDITURES			
Current			
Public safety	-	-	577
Highways and streets	1,032,861	345,610	-
Redevelopment and housing	-	-	-
Capital outlay	5,085	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	<u>1,037,946</u>	<u>345,610</u>	<u>577</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(264,739)</u>	<u>(192,559)</u>	<u>7,403</u>
OTHER FINANCING SOURCES (USES)			
Face amount of loan proceeds	-	-	-
Loan premium	-	-	-
Transfers	264,739	139,014	-
Debt service-principal	-	-	-
Total other financing sources (uses)	<u>264,739</u>	<u>139,014</u>	<u>-</u>
Net change in fund balances	-	(53,545)	7,403
Fund balance, beginning of year	<u>-</u>	<u>165,341</u>	<u>69,341</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 111,796</u>	<u>\$ 76,744</u>

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ -	\$ 1,935	\$ 3,647	\$ 5,582
-	-	-	834,716
-	-	-	7,867
-	-	-	76,056
-	26	2	167
-	-	-	14,802
-	-	-	658
-	1,961	3,649	939,848
-	-	-	577
-	-	-	1,378,471
-	1,617	1,509	3,126
-	-	-	5,085
360,000	-	-	360,000
112,225	-	-	112,225
46,560	-	-	46,560
518,785	1,617	1,509	1,906,044
(518,785)	344	2,140	(966,196)
1,910,000	-	-	1,910,000
237,035	-	-	237,035
281,750	-	-	685,503
(1,910,000)	-	-	(1,910,000)
518,785	-	-	922,538
-	344	2,140	(43,658)
-	13,507	31,605	279,794
\$ -	\$ 13,851	\$ 33,745	\$ 236,136



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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Charges for services	\$ 34,436	\$ 34,436	\$ 22,750	\$ (11,686)
Investment income	817	817	675	(142)
Total revenue	<u>35,253</u>	<u>35,253</u>	<u>23,425</u>	<u>(11,828)</u>
Expenditures				
Current				
General government	405,524	405,524	48,313	357,211
Public safety	80,392	80,392	19,345	61,047
Capital outlay	40,607	40,607	29,225	11,382
Debt service				
Principal	232,672	232,672	199,485	33,187
Interest and debt cost	-	-	33,198	(33,198)
Total expenditures	<u>759,195</u>	<u>759,195</u>	<u>329,566</u>	<u>429,629</u>
Excess (deficiency) of revenue over expenditures	<u>(723,942)</u>	<u>(723,942)</u>	<u>(306,141)</u>	<u>417,801</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>237,238</u>	<u>237,238</u>	<u>236,673</u>	<u>565</u>
Total other financing sources (uses)	<u>237,238</u>	<u>237,238</u>	<u>236,673</u>	<u>565</u>
Net change in fund balance	(486,704)	(486,704)	(69,468)	417,236
Fund balance, beginning of year	<u>486,704</u>	<u>486,704</u>	<u>477,114</u>	<u>(9,590)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,646</u>	<u>\$ 407,646</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Taxes	\$ 1,075,000	\$ 1,075,000	\$ 1,360,123	\$ 285,123
Investment income	1,500	1,500	1,713	213
Miscellaneous	950,000	950,000	2,938	(947,062)
Total revenue	<u>2,026,500</u>	<u>2,026,500</u>	<u>1,364,774</u>	<u>(661,726)</u>
Expenditures				
Current				
Public safety	-	-	190,823	(190,823)
Capital outlay	2,248,046	2,248,046	295,899	1,952,147
Total expenditures	<u>2,248,046</u>	<u>2,248,046</u>	<u>486,722</u>	<u>1,761,324</u>
Excess (deficiency) of revenue over expenditures	<u>(221,546)</u>	<u>(221,546)</u>	<u>878,052</u>	<u>1,099,598</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(518,988)</u>	<u>(518,988)</u>	<u>(518,423)</u>	<u>565</u>
Total other financing sources (uses)	<u>(518,988)</u>	<u>(518,988)</u>	<u>(518,423)</u>	<u>565</u>
Net change in fund balance	(740,534)	(740,534)	359,629	1,100,163
Fund balance, beginning of year	<u>740,534</u>	<u>740,534</u>	<u>908,016</u>	<u>167,482</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,645</u>	<u>\$ 1,267,645</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue				
Intergovernmental	\$ 561,500	\$ 561,500	\$ 1,592,955	\$ 1,031,455
Investment income	1,000	1,000	722	(278)
Total revenue	<u>562,500</u>	<u>562,500</u>	<u>1,593,677</u>	<u>1,031,177</u>
Expenditures				
Current				
Highways and streets	-	-	587,968	(587,968)
Capital outlay	1,330,463	1,330,463	957,053	373,410
Debt service				
Principal	27,751	27,751	29,704	(1,953)
Interest and debt cost	-	-	2,872	(2,872)
Total expenditures	<u>1,358,214</u>	<u>1,358,214</u>	<u>1,577,597</u>	<u>(219,383)</u>
Excess (deficiency) of revenue over expenditures	<u>(795,714)</u>	<u>(795,714)</u>	<u>16,080</u>	<u>811,794</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>122,903</u>	<u>122,903</u>	<u>235,261</u>	<u>(112,358)</u>
Total other financing sources (uses)	<u>122,903</u>	<u>122,903</u>	<u>235,261</u>	<u>(112,358)</u>
Net change in fund balance	(672,811)	(672,811)	251,341	924,152
Fund balance, beginning of year	<u>672,811</u>	<u>672,811</u>	<u>665,511</u>	<u>(7,300)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 916,852</u>	<u>\$ 916,852</u>

CITY OF COOLIDGE, ARIZONA
HIGHWAY USER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	\$ 768,693	\$ 768,693	\$ 764,042	\$ (4,651)
Investment income	-	-	8,842	8,842
Miscellaneous	500	500	323	(177)
Total revenue	<u>769,193</u>	<u>769,193</u>	<u>773,207</u>	<u>4,014</u>
Expenditures				
Current				
Highways and streets	1,043,396	1,043,396	1,037,946	5,450
Total expenditures	<u>1,043,396</u>	<u>1,043,396</u>	<u>1,037,946</u>	<u>5,450</u>
Excess (deficiency) of revenue over expenditures	<u>(274,203)</u>	<u>(274,203)</u>	<u>(264,739)</u>	<u>9,464</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>274,203</u>	<u>274,203</u>	<u>264,739</u>	<u>(9,464)</u>
Total other financing sources (uses)	<u>274,203</u>	<u>274,203</u>	<u>264,739</u>	<u>(9,464)</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 70,674	\$ 10,674
Charges for services	68,000	68,000	67,214	(786)
Investment income	-	-	26	26
Contributions	30,000	30,000	14,802	(15,198)
Miscellaneous	-	-	335	335
Total revenue	<u>158,000</u>	<u>158,000</u>	<u>153,051</u>	<u>(4,949)</u>
Expenditures				
Current				
Highways and streets	364,353	364,353	345,610	18,743
Total expenditures	<u>364,353</u>	<u>364,353</u>	<u>345,610</u>	<u>18,743</u>
Excess (deficiency) of revenue over expenditures	<u>(206,353)</u>	<u>(206,353)</u>	<u>(192,559)</u>	<u>13,794</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>206,353</u>	<u>206,353</u>	<u>139,014</u>	<u>(67,339)</u>
Total other financing sources (uses)	<u>206,353</u>	<u>206,353</u>	<u>139,014</u>	<u>(67,339)</u>
Net change in fund balance	-	-	(53,545)	(53,545)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>165,341</u>	<u>165,341</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,796</u>	<u>\$ 111,796</u>

CITY OF COOLIDGE, ARIZONA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenue	\$ -	\$ -	\$ -	\$ -
Total revenue	-	-	-	-
Expenditures				
Debt service				
Principal	281,750	281,750	360,000	(78,250)
Interest and debt cost	-	-	112,225	(112,225)
Debt issuance costs	-	-	46,560	(46,560)
Total expenditures	281,750	281,750	518,785	(190,475)
Excess (deficiency) of revenue over expenditures	(281,750)	(281,750)	(518,785)	(237,035)
OTHER FINANCING SOURCES (USES)				
Face amount of loan proceeds	-	-	1,910,000	1,910,000
Loan premium	-	-	237,035	237,035
Transfers	281,750	281,750	281,750	-
Debt service-principal	-	-	(1,910,000)	(1,910,000)
Total other financing sources (uses)	281,750	281,750	518,785	237,035
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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 6,930	\$ 6,930	\$ 1,935	\$ (4,995)
Investment income	20	20	26	6
Total revenue	<u>6,950</u>	<u>6,950</u>	<u>1,961</u>	<u>(4,989)</u>
Expenditures				
Current				
Redevelopment and housing	21,846	21,846	1,617	20,229
Total expenditures	<u>21,846</u>	<u>21,846</u>	<u>1,617</u>	<u>20,229</u>
Excess (deficiency) of revenue over expenditures	<u>(14,896)</u>	<u>(14,896)</u>	<u>344</u>	<u>15,240</u>
Net change in fund balance	(14,896)	(14,896)	344	15,240
Fund balance, beginning of year	<u>14,896</u>	<u>14,896</u>	<u>13,507</u>	<u>(1,389)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,851</u>	<u>\$ 13,851</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 3,672	\$ 3,672	\$ 3,647	\$ (25)
Investment income	20	20	2	(18)
Total revenue	<u>3,692</u>	<u>3,692</u>	<u>3,649</u>	<u>(43)</u>
Expenditures				
Current				
Redevelopment and housing	29,414	29,414	1,508	27,906
Total expenditures	<u>29,414</u>	<u>29,414</u>	<u>1,508</u>	<u>27,906</u>
Excess (deficiency) of revenue over expenditures	<u>(25,722)</u>	<u>(25,722)</u>	<u>2,141</u>	<u>27,863</u>
Net change in fund balance	(25,722)	(25,722)	2,141	27,863
Fund balance, beginning of year	<u>25,722</u>	<u>25,722</u>	<u>31,604</u>	<u>5,882</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,745</u>	<u>\$ 33,745</u>

CITY OF COOLIDGE, ARIZONA
LIQUID WASTE ENTERPISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating Revenue				
Charges for services	\$ 791,580	\$ 791,580	\$ 994,391	\$ 202,811
Total operating revenue	<u>791,580</u>	<u>791,580</u>	<u>994,391</u>	<u>202,811</u>
Operating Expenses				
Costs of services	1,270,468	1,270,468	507,273	763,195
Depreciation	-	-	559,315	(559,315)
Total operating expenses	<u>1,270,468</u>	<u>1,270,468</u>	<u>1,066,588</u>	<u>203,880</u>
Operating income (loss)	<u>(478,888)</u>	<u>(478,888)</u>	<u>(72,197)</u>	<u>406,691</u>
Nonoperating revenue (expenses)				
Investment revenue	920	920	1,155	235
Interest expense	<u>(143,372)</u>	<u>(143,372)</u>	<u>(46,858)</u>	<u>96,514</u>
Total nonoperation revenue (expenses)	<u>(142,452)</u>	<u>(142,452)</u>	<u>(45,703)</u>	<u>96,749</u>
Income (loss) before capital contributions, and transfers	(621,340)	(621,340)	(117,900)	503,440
Transfers out	<u>(34,638)</u>	<u>(34,638)</u>	<u>(34,638)</u>	<u>-</u>
Change in net position	(655,978)	(655,978)	(152,538)	503,440
Total net position, beginning of year	<u>655,978</u>	<u>655,978</u>	<u>21,349,199</u>	<u>20,693,221</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,196,661</u>	<u>\$ 21,196,661</u>

CITY OF COOLIDGE, ARIZONA
SOLID WASTE ENTERPIRSE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 1,392,616	\$ 1,392,616	\$ 1,031,434	\$ (361,182)
Total operating revenue	<u>1,392,616</u>	<u>1,392,616</u>	<u>1,031,434</u>	<u>(361,182)</u>
Operating expenses				
Costs of services	1,022,313	1,022,313	892,838	129,475
Depreciation	-	-	66,736	(66,736)
Total operating expenses	<u>1,022,313</u>	<u>1,022,313</u>	<u>959,574</u>	<u>62,739</u>
Operating income (loss)	<u>370,303</u>	<u>370,303</u>	<u>71,860</u>	<u>(298,443)</u>
Nonoperating revenue (expenses)				
Investment revenue	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
Total nonoperating revenue (expenses)	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
Income (loss) before capital contributions, and transfers	370,353	370,353	71,860	(298,493)
Transfers out	<u>(66,219)</u>	<u>(66,219)</u>	<u>(66,219)</u>	<u>-</u>
Change in net position	304,134	304,134	5,641	(298,493)
Total net position, beginning of year	<u>(304,134)</u>	<u>(304,134)</u>	<u>114,021</u>	<u>418,155</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,662</u>	<u>\$ 119,662</u>

CITY OF COOLIDGE, ARIZONA
LIQUID WASTE IMPACT FEES ENTERPIRSE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 11,695	\$ 11,695	\$ -	\$ (11,695)
Total operating revenue	<u>11,695</u>	<u>11,695</u>	<u>-</u>	<u>(11,695)</u>
Operating expenses				
Costs of services	67,978	67,978	3,989	63,989
Total operating expenses	<u>67,978</u>	<u>67,978</u>	<u>3,989</u>	<u>63,989</u>
Operating income (loss)	<u>(56,283)</u>	<u>(56,283)</u>	<u>(3,989)</u>	<u>52,294</u>
Nonoperating revenue (expenses)				
Investment revenue	400	400	319	(81)
Total nonoperating revenue (expenses)	<u>400</u>	<u>400</u>	<u>319</u>	<u>(81)</u>
Income (loss) before capital contributions, and transfers	(55,883)	(55,883)	(3,670)	52,213
Change in net position	(55,883)	(55,883)	(3,670)	52,213
Total net position, beginning of year	<u>55,883</u>	<u>55,883</u>	<u>55,443</u>	<u>(440)</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,773</u>	<u>\$ 51,773</u>

CITY OF COOLIDGE, ARIZONA
 AIRPORT ENTERPRISE FUND
 SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
 Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Operating revenue				
Charges for service	\$ 50,688	\$ 50,688	\$ 63,110	\$ 12,422
Total operating revenue	<u>50,688</u>	<u>50,688</u>	<u>63,110</u>	<u>12,422</u>
Operating expenses				
Costs of services	162,561	162,561	77,645	84,916
Depreciation	-	-	45,231	(45,231)
Total operating expenses	<u>162,561</u>	<u>162,561</u>	<u>122,876</u>	<u>39,685</u>
Operating income (loss)	<u>(111,873)</u>	<u>(111,873)</u>	<u>(59,766)</u>	<u>52,107</u>
Nonoperating revenue (expenses)				
Investment revenue	<u>10</u>	<u>10</u>	<u>13</u>	<u>3</u>
Total nonoperating revenue (expenses)	<u>10</u>	<u>10</u>	<u>13</u>	<u>3</u>
Income (loss) before capital contributions, and transfers	(111,863)	(111,863)	(59,753)	52,110
Capital contributions from grants	-	-	57,032	57,032
Transfers in	<u>111,863</u>	<u>111,863</u>	<u>30,594</u>	<u>(81,269)</u>
Change in net position	-	-	27,873	27,873
Total net position, beginning of year	<u>-</u>	<u>-</u>	<u>2,852,607</u>	<u>2,852,607</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,880,480</u>	<u>\$ 2,880,480</u>

OTHER SUPPLEMENTARY INFORMATION

CAPITAL ASSETS

CITY OF COOLIDGE
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY SOURCE
 June 30, 2014

Governmental funds capital assets

Land	\$ 1,227,209
Buildings and improvements	15,504,234
Vehicles, machinery and equipment	7,516,664
Infrastructure	65,151,691
Construction in progress	<u>1,571,695</u>
Total governmental funds capital assets	<u><u>\$ 90,971,493</u></u>

Investment in governmental funds capital assets by source

Government funds	<u>\$ 90,971,493</u>
Total governmental funds capital assets	<u><u>\$ 90,971,493</u></u>

CITY OF COOLIDGE
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 June 30, 2014

Function and Activity	Land	Buildings and Improvements	Vehicles, Machinery and Equipment
General Government	\$ 739,065	\$ 3,262,010	\$ 1,656,267
Highways and Streets	43,046	1,081,738	3,713,406
Public Safety	118,504	4,046,429	2,128,896
Culture and Recreation	326,594	7,114,057	224,465
Total governmental funds capital assets	<u>\$ 1,227,209</u>	<u>\$ 15,504,234</u>	<u>\$ 7,723,034</u>

Infrastructure	Construction in Progress	Total
\$ -	\$ -	\$ 5,657,342
64,959,286	1,571,695	71,369,171
192,405	-	6,486,234
-	-	7,665,116
<u>\$ 65,151,691</u>	<u>\$ 1,571,695</u>	<u>\$ 91,177,863</u>

CITY OF COOLIDGE
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 June 30, 2014

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 01, 2013	Additions	Deductions	June 30, 2014
General Government	\$ 5,574,955	\$ 82,387	\$ -	\$ 5,657,342
Highways and Streets	70,886,370	1,227,801	(745,000)	71,369,171
Public Safety	6,307,669	178,565	-	6,486,234
Culture and Recreation	7,610,964	54,152	-	7,665,116
Total governmental funds capital assets	<u>\$ 90,379,958</u>	<u>\$ 1,542,905</u>	<u>\$ (745,000)</u>	<u>\$ 91,177,863</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 Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2014	2013	2012	2011
Governmental Activities				
Net Investment in Capital Assets	\$ 53,694,745	\$ 55,668,079	\$ 57,354,851	\$ 58,981,146
Restricted	1,974,832	1,907,475	2,460,226	2,896,898
Unrestricted	<u>5,070,031</u>	<u>4,541,654</u>	<u>4,926,034</u>	<u>4,718,631</u>
Total Governmental Activities Net Assets	<u>60,739,608</u>	<u>62,117,208</u>	<u>64,741,111</u>	<u>66,596,675</u>
Business-type Activities				
Net Investment in Capital Assets	24,160,069	23,827,841	23,009,425	23,137,047
Restricted	165,517	167,019	232,058	271,287
Unrestricted	<u>667,991</u>	<u>376,411</u>	<u>584,748</u>	<u>709,301</u>
Total Business-type Activities Net Assets	<u>24,993,577</u>	<u>24,371,271</u>	<u>23,826,231</u>	<u>24,117,635</u>
Primary Government				
Net Investment in Capital Assets	77,854,814	79,495,920	80,364,276	82,118,193
Restricted	2,140,349	2,074,494	2,692,284	3,168,185
Unrestricted	<u>5,738,022</u>	<u>4,918,065</u>	<u>5,510,782</u>	<u>5,427,932</u>
Total Primary Government Net Assets	<u>\$ 85,733,185</u>	<u>\$ 86,488,479</u>	<u>\$ 88,567,342</u>	<u>\$ 90,714,310</u>

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

Table 1

Fiscal Year					
2010	2009	2008	2007	2006	2005
\$ 60,590,221	\$ 60,576,123	\$ 56,207,935	\$ 22,099,389	\$ 19,795,743	\$ 20,115,262
3,377,216	4,933,700	5,314,529	302,185	291,447	330,576
<u>2,971,682</u>	<u>3,347,070</u>	<u>4,251,207</u>	<u>9,136,231</u>	<u>6,579,524</u>	<u>937,586</u>
<u>66,939,119</u>	<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>
23,426,566	22,659,188	22,457,036	11,307,071	7,220,556	4,026,363
244,382	763,986	869,853	-	-	-
<u>687,527</u>	<u>458,073</u>	<u>428,939</u>	<u>2,279,036</u>	<u>4,960,256</u>	<u>1,592,875</u>
<u>24,358,475</u>	<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>
84,016,787	83,235,311	78,664,971	33,406,460	27,016,299	24,141,625
3,621,598	5,697,686	6,184,382	302,185	291,447	330,576
<u>3,659,209</u>	<u>3,805,143</u>	<u>4,680,146</u>	<u>11,415,267</u>	<u>11,539,780</u>	<u>2,530,461</u>
<u>\$ 91,297,594</u>	<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>

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

	Fiscal Year			
	2014	2013	2012	2011
Expenses				
Governmental Activities:				
General Government	\$ 3,044,700	\$ 2,508,220	\$ 2,501,833	\$ 2,885,857
Public safety	5,857,764	5,895,157	5,900,691	5,061,857
Highways and streets	4,803,538	4,298,605	4,421,687	4,463,941
Transportation	-	-	-	-
Culture and recreation	1,090,040	1,036,188	1,053,273	901,294
Redevelopment and housing	992,036	710,347	916,594	1,506,637
Interest on Long-term Debt	111,078	129,105	139,697	166,222
Total Governmental Activities Expenses	<u>\$ 15,899,156</u>	<u>\$ 14,577,622</u>	<u>\$ 14,933,775</u>	<u>\$ 14,985,808</u>
Business-type Activities				
Liquid waste	\$ 1,113,447	\$ 1,110,775	\$ 1,120,950	\$ 1,030,066
Solid waste	959,575	1,063,751	1,041,663	1,042,725
Liquid waste impact fees	3,990	380	-	5,051
Solid waste impact fees	-	-	-	470
Other enterprise funds*	122,873	121,826	114,103	64,943
Total Business-type Activities Expenses	<u>\$ 2,199,885</u>	<u>\$ 2,296,732</u>	<u>\$ 2,276,716</u>	<u>\$ 2,143,255</u>
Total Primary Government Expenses	<u>\$ 18,099,041</u>	<u>\$ 16,874,354</u>	<u>\$ 17,210,491</u>	<u>\$ 17,129,063</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		
2010	2009	2008	2007	2006	2005
\$ 3,104,535	\$ 3,089,919	\$ 3,258,080	\$ 3,622,686	\$ 3,844,106	\$ 2,572,541
5,182,718	5,027,245	4,795,539	3,877,332	3,075,765	2,755,774
3,819,264	3,953,393	4,755,972	1,927,366	1,727,973	1,434,374
-	-	-	-	-	-
954,825	925,084	951,912	1,758,037	1,268,431	849,190
1,883,403	2,257,917	2,023,618	565,959	-	-
173,270	226,066	313,485	232,185	164,264	178,771
<u>\$ 15,118,015</u>	<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>
\$ 1,155,920	\$ 1,086,783	\$ 935,975	\$ 534,890	\$ 399,020	\$ 441,007
893,302	909,606	952,094	790,003	674,740	598,502
46,355	23,010	18,904	-	-	-
9,923	26,857	19,064	-	-	-
102,608	136,184	124,050	92,681	181,373	115,114
<u>\$ 2,208,108</u>	<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>\$ 17,326,123</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>

continued

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

	Fiscal Year			
	2014	2013	2012	2011
Program Revenue				
Governmental Activities:				
Fees, Fines and Charges for Services:				
General Government	\$ 107,107	\$ 80,878	\$ 266,048	\$ 154,360
Public safety	460,374	440,238	352,314	444,401
Highway and streets	90,663	95,249	66,212	18,272
Transportation	-	-	-	-
Culture and recreation	93,968	103,583	107,561	117,708
Redevelopment and housing	81,388	112,186	115,924	77,722
Interest on long-term debt	-	-	-	-
Operating Grants and Contributions	2,151,450	2,214,444	2,472,170	2,858,145
Capital Grants and Contributions	1,966,407	219,014	1,251,550	1,919,637
Total Governmental Activities Program Revenues	<u>\$ 4,951,357</u>	<u>\$ 3,265,592</u>	<u>\$ 4,631,779</u>	<u>\$ 5,590,245</u>
Business-type Activities				
Charges for Services:				
Liquid waste	\$ 994,391	\$ 832,203	\$ 840,139	\$ 914,912
Solid waste	1,031,434	850,001	860,889	811,908
Liquid waste impact fees	-	12,203	-	-
Solid waste impact fees	-	50	-	-
Other enterprise funds ⁺	63,110	68,094	40,494	42,266
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	57,032	1,140,935	250,158	20,033
Total Business-type Activities Revenues	<u>2,145,967</u>	<u>2,903,486</u>	<u>1,991,680</u>	<u>1,789,119</u>
Total Primary Government Revenues	<u>\$ 7,097,324</u>	<u>\$ 6,169,078</u>	<u>\$ 6,623,459</u>	<u>\$ 7,379,364</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (10,947,799)	\$ (11,312,030)	\$ (10,301,996)	\$ (9,395,563)
Business-type Activities	(53,918)	606,754	(285,036)	(354,136)
Total Primary Government Net Revenue	<u>\$ (11,001,717)</u>	<u>\$ (10,705,276)</u>	<u>\$ (10,587,032)</u>	<u>\$ (9,749,699)</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		
2010	2009	2008	2007	2006	2005
\$ 146,116	\$ 194,339	\$ 78,650	\$ 1,892,118	\$ 2,404,493	\$ 1,261,274
25,516	46,480	57,871	136,008	53,590	82,911
26,996	19,100	26,190	47,621	30,868	93,074
-	-	-	-	-	-
380,973	297,968	281,668	118,573	82,423	62,768
174,800	303,002	796,488	-	-	-
-	-	-	-	-	-
2,125,970	2,853,636	1,678,488	1,611,661	1,317,004	1,210,747
2,344,111	6,680,438	8,523,642	1,856,872	1,281,692	320,397
<u>\$ 5,224,482</u>	<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>
\$ 861,102	\$ 899,488	\$ 721,406	\$ 568,928	\$ 461,190	\$ 411,154
766,776	916,157	998,075	929,452	818,449	733,889
-	-	-	-	-	-
-	-	-	-	-	-
63,025	64,930	50,856	54,954	66,663	63,737
-	-	-	-	-	-
800,927	290,109	9,529,705	-	763,704	221,832
<u>2,491,830</u>	<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>\$ 7,716,312</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>
\$ (9,893,533)	\$ (5,084,661)	\$ (4,655,609)	\$ (6,320,712)	\$ (4,910,469)	\$ (4,759,479)
283,722	(11,756)	9,249,955	135,760	854,873	275,989
<u>\$ (9,609,811)</u>	<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>

continued

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

	Fiscal Year			
	2014	2013	2012	2011
Governmental Revenues and Other Changes in Net Position				
Governmental Activities				
Sales taxes	\$ 5,424,593	\$ 4,779,474	\$ 4,836,847	\$ 6,037,445
Property taxes	1,472,607	755,791	707,216	699,862
Sales taxes, levied for capital projects	-	-	-	
Franchise taxes	309,842	304,603	294,566	282,896
Impact Fees	-	-	-	
State shared revenues-not restricted* to specific programs	2,920,381	2,671,289	2,442,437	1,947,219
Investment income	10,721	13,347	16,081	13,528
Miscellaneous	106,792	100,450	140,834	114,123
Transfers in (out)	<u>(674,737)</u>	<u>63,173</u>	<u>8,451</u>	<u>(41,954)</u>
Total Governmental Activities	<u>\$ 9,570,199</u>	<u>\$ 8,688,127</u>	<u>\$ 8,446,432</u>	<u>\$ 9,053,119</u>
Business-type activities				
Impact Fees	\$ -	\$ -	\$ -	
Investment income	1,487	1,459	2,083	1,306
Miscellaneous	-	-	-	70,036
Transfers in (out)	<u>674,737</u>	<u>(63,173)</u>	<u>(8,451)</u>	<u>41,954</u>
Total Business-type Activities	<u>\$ 676,224</u>	<u>\$ (61,714)</u>	<u>\$ (6,368)</u>	<u>\$ 113,296</u>
Changes in Net Position				
Governmental Activities	\$ (1,377,600)	\$ (2,623,903)	\$ (1,855,564)	\$ (342,444)
Business-type Activities	<u>622,306</u>	<u>545,040</u>	<u>(291,404)</u>	<u>(240,840)</u>
Total Primary Government	<u>\$ (755,294)</u>	<u>\$ (2,078,863)</u>	<u>\$ (2,146,968)</u>	<u>\$ (583,284)</u>

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					
2010	2009	2008	2007	2006	2005
\$ 4,927,926	\$ 4,785,811	\$ 5,289,729	\$ 7,374,385	\$ 5,881,020	\$ 3,550,009
648,648	621,989	596,476	392,270	342,879	337,436
-	-	-	-	-	-
269,567	268,359	276,939	251,512	211,025	179,702
-	-	-	532,101	1,372,499	601,184
2,168,886	2,411,507	4,107,361	2,218,331	2,119,892	1,813,995
28,712	118,242	282,126	437,553	172,420	27,003
46,316	32,889	169,007	-	-	-
(114,296)	(70,914)	(45,019)	(14,349)	94,024	117,085
<u>\$ 7,975,759</u>	<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>
\$ -	\$ -	\$ -	\$ 1,094,736	\$ 5,668,242	\$ 1,585,052
5,065	20,057	63,820	160,450	132,483	14,549
74,145	46,204	12,056	-	-	-
114,296	70,914	45,019	14,349	(94,024)	(117,085)
<u>\$ 193,506</u>	<u>\$ 137,175</u>	<u>\$ 120,895</u>	<u>\$ 1,269,535</u>	<u>\$ 5,706,701</u>	<u>\$ 1,482,516</u>
\$ (1,917,774)	\$ 3,083,222	\$ 6,021,010	\$ 4,871,091	\$ 5,283,290	\$ 1,866,935
477,228	125,419	9,370,850	1,405,295	6,561,574	1,758,505
<u>\$ (1,440,546)</u>	<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>

concluded

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

	Fiscal Year				
	2014	2013	2012	2011	2010
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	3,181,090
Restricted	-	-	-	-	-
Assigned		818,216	1,176,292	270,029	
Unassigned	<u>4,829,748</u>	<u>3,868,150</u>	<u>4,203,097</u>	<u>5,394,109</u>	<u>-</u>
Total General Fund	<u>\$ 4,829,748</u>	<u>\$ 4,686,366</u>	<u>\$ 5,379,389</u>	<u>\$ 5,664,138</u>	<u>\$ 3,181,090</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved Reported in:					
Special Revenue Funds	-	-	-	-	(230,265)
Capital Projects Funds	-	-	-	-	3,249,442
Restricted Reported in:					
Special Revenue Funds	650,332	764,850	530,638	367,514	
Capital Projects Funds	2,592,146	2,050,640	1,929,588	2,416,631	
Assigned Reported in:					
Special Revenue Funds					
Capital Projects Funds	47,596	45,112	653,179	101,304	
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 3,290,074</u>	<u>\$ 2,860,602</u>	<u>\$ 3,113,405</u>	<u>\$ 2,885,449</u>	<u>\$ 3,019,177</u>

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				
2009	2008	2007	2006	2005
\$ -	\$ -	\$ -	\$ -	\$ -
3,443,906	5,210,254	5,926,985	4,286,441	1,184,937
-	-	-	-	-
-	-	-	-	-
<u>\$ 3,443,906</u>	<u>\$ 5,210,254</u>	<u>\$ 5,926,985</u>	<u>\$ 4,286,441</u>	<u>\$ 1,184,937</u>
\$ -	\$ -	\$ -	\$ -	\$ -
532,632	1,764,768	1,855,617	2,064,023	996,436
4,122,021	3,188,892	2,603,255	1,454,501	978,245
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,654,653</u>	<u>\$ 4,953,660</u>	<u>\$ 4,458,872</u>	<u>\$ 3,518,524</u>	<u>\$ 1,974,681</u>

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

	Fiscal Year			
	2014	2013	2012	2011
Revenues				
Taxes*	\$ 7,210,953	\$ 5,790,671	\$ 5,974,331	\$ 7,060,301
Intergovernmental	7,442,155	5,100,205	5,920,328	7,079,949
Fines and forfeits	311,363	275,791	332,160	242,598
Licenses and permits	203,549	218,389	197,113	111,167
Charges for services	327,933	367,123	188,339	574,849
Investment income	10,941	20,417	16,081	13,528
Contributions	14,802	27,402	150,775	525,717
Impact Fees	-	-	-	-
Miscellaneous	79,875	43,368	125,419	47,616
Total Revenues	<u>15,601,571</u>	<u>11,843,366</u>	<u>12,904,546</u>	<u>15,655,725</u>
Expenditures				
General Government	2,765,525	2,273,784	2,262,925	2,435,724
Public Safety	5,448,528	5,463,294	5,479,771	4,646,790
Highways and streets	2,439,948	1,950,523	1,998,605	2,035,519
Transportation	-	-	-	-
Culture and recreation	944,927	891,075	899,145	739,544
Redevelopment and housing	992,036	710,347	916,594	1,500,298
Capital outlay	1,966,407	1,174,094	893,924	1,310,535
Debt Service:				
Principal retirement	592,154	379,490	366,460	426,661
Interest and debt cost	139,930	137,248	152,366	169,380
Debt issuance cost	46,560	-	-	-
Total Expenditures	<u>15,336,015</u>	<u>12,979,855</u>	<u>12,969,790</u>	<u>13,264,451</u>
Excess of Revenues over (under) Expenditures	<u>265,556</u>	<u>(1,136,489)</u>	<u>(65,244)</u>	<u>2,391,274</u>
Other financing sources (uses)				
Face amount of loan proceeds	1,910,000	-	-	-
Loan Premium	237,035	-	-	-
Transfer in	1,157,437	1,091,541	1,019,171	2,268,337
Transfer out	(1,087,174)	(1,028,368)	(1,010,720)	(2,310,291)
Debt Service Principal	(1,910,000)	127,490	-	-
Total Other Financing Sources and (Uses)	<u>307,298</u>	<u>190,663</u>	<u>8,451</u>	<u>(41,954)</u>
Net Change in Fund Balances	<u>\$ 572,854</u>	<u>\$ (945,826)</u>	<u>\$ (56,793)</u>	<u>\$ 2,349,320</u>
Debt Service as a Percentage of Noncapital Expenditures	5.48%	4.38%	4.30%	4.99%

* 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						
2010	2009	2008	2007	2006	2005	
\$ 5,846,069	\$ 5,675,326	\$ 6,145,070	\$ 8,016,742	\$ 6,437,813	\$ 4,050,749	
6,080,668	5,957,770	6,091,908	5,207,664	4,718,588	3,331,401	
271,954	188,310	163,586	120,204	87,957	58,607	
205,140	331,254	837,581	1,667,286	2,099,540	1,142,703	
431,690	413,699	1,211,551	239,978	166,709	195,443	
28,712	118,242	282,126	437,553	172,420	27,003	
-	-	300,017	479,200	-	13,738	
-	-	-	532,101	1,372,499	601,184	
82,451	71,965	98,886	166,852	217,168	103,274	
<u>12,946,684</u>	<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>	
2,794,304	2,919,227	3,139,750	3,766,760	4,430,279	2,632,451	
5,009,946	5,039,661	4,849,279	3,855,302	3,026,564	3,122,149	
1,592,245	1,536,435	2,078,617	1,869,810	1,160,771	1,294,253	
-	-	-	-	-	-	
785,494	780,092	992,596	1,749,837	1,230,097	859,001	
1,340,225	2,062,057	1,929,594	565,959	-	-	
2,566,784	1,733,953	1,585,902	4,337,591	401,048	225,219	
453,244	488,622	906,574	761,151	308,348	396,484	
188,438	128,941	240,024	232,185	164,264	178,771	
-	-	-	-	-	-	
<u>14,730,680</u>	<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>(1,783,996)</u>	<u>(1,932,422)</u>	<u>(591,611)</u>	<u>(271,015)</u>	<u>4,551,323</u>	<u>815,774</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
751,123	889,558	385,326	555,473	836,782	991,721	
(865,419)	(1,022,491)	(430,345)	(569,822)	(742,758)	(874,636)	
-	-	-	2,866,256	-	-	
<u>(114,296)</u>	<u>(132,933)</u>	<u>(45,019)</u>	<u>2,851,907</u>	<u>94,024</u>	<u>117,085</u>	
<u>\$ (1,898,292)</u>	<u>\$ (2,065,355)</u>	<u>\$ (636,630)</u>	<u>\$ 2,580,892</u>	<u>\$ 4,645,347</u>	<u>\$ 932,859</u>	
5.28%	4.77%	8.11%	7.76%	4.58%	6.78%	

Table 5

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

Industry	Fiscal Year					
	2014*			2005		
	Tax Paid	Rank	Percentage of Total	Tax Paid	Rank	Percentage of Total
Retail Trade	\$ 2,945,243	1	57.70%	\$ 1,937,947	1	63.81%
Construction	544,659	2	10.67%	217,439	2	7.16%
Communications & Utilities	784,409	3	15.37%	282,517	3	9.30%
Restaurants/Bars	257,180	4	5.04%	201,849	5	6.65%
Real Estate, Rental, Leasing & Fire Insurance	307,952	5	6.03%	149,184	7	4.91%
Manufacture	71,607	6	1.40%	42,970	8	1.41%
Wholesale Trade	36,598	8	0.72%	112,398	4	3.70%
All Other	<u>156,670</u>	10	<u>3.07%</u>	<u>92,806</u>	6	<u>3.06%</u>
Total	<u>\$ 5,104,318</u>		<u>100.00%</u>	<u>\$ 3,037,110</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, 2014
(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				
2014	\$ -	\$ 1,910,000	\$ 545,407	\$ 1,474,942	\$ 3,930,349	34.64%	330.64	
2013	\$ -	\$ 2,270,000	\$ 777,560	\$ 1,571,456	\$ 4,619,016	43.67%	388.74	
2012	\$ -	\$ 2,450,000	\$ 849,560	\$ 1,691,914	\$ 4,991,474	43.99%	419.91	
2011	\$ -	\$ 2,625,000	\$ 1,041,020	\$ 1,808,656	\$ 5,474,676	51.77%	460.75	
2010	\$ -	\$ 2,790,000	\$ 1,302,681	\$ 702,463	\$ 4,795,144	48.90%	397.15	
2009	\$ -	\$ 2,950,000	\$ 1,599,330	\$ 400,064	\$ 4,949,394	54.78%	418.55	
2008	\$ -	\$ 3,105,000	\$ 1,837,912	\$ 559,457	\$ 5,502,369	66.58%	452.53	
2007	\$ -	\$ 3,255,000	\$ 2,594,486	\$ 672,632	\$ 6,522,118	87.04%	498.90	
2006	\$ -	\$ 3,447,250	\$ 297,131	\$ 804,687	\$ 4,549,068	67.67%	369.51	
2005	\$ -	\$ 3,663,168	\$ 389,561	\$ 928,165	\$ 4,980,894	82.44%	424.95	

Note The City of Coolidge did not issue general obligation bonds in fiscal year 2014 and the nine years preceding 2014.

* In fiscal year 2014 a loan for a facility with a principal balance of \$1,910,000 was refunded and refinanced.

Table 8

City of Coolidge
Direct and Overlapping Governmental Activities Debt
As of June 30, 2014
(Unaudited)

Governmental Unit	Bonded Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes and special assessment liens			
Coolidge Unified School District	\$ 32,375,891	23.6888%	\$ 7,669,465
Central Arizona College	91,340,000	1.9073%	1,742,162
Pinal County Arizona	-	1.2137%	-
Subtotal, overlapping debt			<u>9,411,627</u>
City direct debt	2,455,407	100%	<u>2,455,407</u>
Total direct and overlapping debt			<u><u>\$ 11,867,034</u></u>

(a) Proportion applicable to the City of Coolidge, Arizona is computed on the ratio of secondary assessed valuation for 2013-2014.

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			
	2005	2006	2007	2008
Secondary Assessed Value	\$ 22,346,612	\$ 26,631,947	\$ 40,203,602	\$ 83,001,211
<u>20% Limitation</u>				
Debt Limit Equal to 20% of Assessed Valuation	\$ 4,469,322	\$ 5,326,389	\$ 8,040,720	\$ 16,600,242
Total Debt Applicable to 20% Limit	-	-	-	-
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 4,469,322</u>	<u>\$ 5,326,389</u>	<u>\$ 8,040,720</u>	<u>\$ 16,600,242</u>
Total Net Debt Applicable to the 20% Limit as a Percentage of 20% Debt Limit	0.00%	0.00%	0.00%	0.00%
<u>6% Limitation</u>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 1,340,797	\$ 1,597,917	\$ 2,412,216	\$ 4,980,073
Total Debt Applicable to 6% Limit	-	-	-	-
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 1,340,797</u>	<u>\$ 1,597,917</u>	<u>\$ 2,412,216</u>	<u>\$ 4,980,073</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					
2009	2010	2011	2012	2013	2014
\$64,841,251	\$ 61,937,311	\$ 45,965,151	\$ 44,433,513	\$41,049,162	\$ 41,249,290
\$12,968,250	\$ 12,387,462	\$ 9,193,030	\$ 8,886,703	\$ 8,209,832	\$ 8,249,858
-	-	-	-	-	-
<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>	<u>\$ 8,249,858</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 3,890,475	\$ 3,716,239	\$ 2,757,909	\$ 2,666,011	\$ 2,462,950	\$ 2,474,957
-	-	-	-	-	-
<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>	<u>\$ 2,474,957</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					Percent Coverage
	Operating Revenue*	Less: Operating Expenses	Net Operating Revenue	Debt Service		
				Principal	Interest	
2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note The City of Coolidge did not have pledged revenue debt in the fiscal year ended 2014 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 ⁺ (in thousands)	County Per Capita Personal Income	School Enrollment	Education Level in Years of Schooling	City Unemployment Rate
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	6,722,630	19	4,682	13 to 16	12.2%
2009	13,073	368,244	7,493,303	20	4,365	13 to 16	20.2%
2010	12,159	356,303	8,263,975	23	4,470	13 to 16	19.6%
2011	11,825	375,770	9,034,648	24	5,033	13 to 16	20.4%
2012	12,074	382,992	9,805,320	26	3,743	13 to 16	16.2%
2013	11,882	387,365	10,575,993	27	3,660	13 to 16	16.0%
2014	11,887	389,350	11,346,665	29	3,660	13 to 16	6.5%

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 ¹	Fiscal Year			Fiscal Year		
	2014			2005		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
Coolidge Schools	435	1	30.42%	350	1	38.46%
Wal Mart	320	2	22.38%	200	3	21.98%
City of Coolidge	176	3	12.31%	152	2	16.70%
Bright International	143	5	10.00%	30	6	3.30%
Imagine Schools	135	4	9.44%	Not open	9	0.00%
Safeway	68	6	4.76%	63	10	0.00%
McDonalds	50	7	3.50%	42	4	4.62%
Garrett Motors	42	8	2.94%	30	7	3.30%
Shopes IGA	31	10	2.17%	33	5	3.63%
Crop Production Services	30	9	2.10%	10	8	1.10%
Total	<u>1,430</u>			<u>910</u>		

¹Source: 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	
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
2014	31.65	80.75	10.10	11.50	26.23	5.20	165.43

Source: City Budget

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

Function	Fiscal Year		
	2014	2013	2012
General Government			
# Registered voters*	5,373	5,320	5,525
# Votes cast last primary election*	1,421	-	893
<i>City Court</i>			
Charges filed/charges adjudicated (resolved)	4,347	2,732	3,639
<i>Communications & Public Information</i>			
News releases/media updates	22	21	22
Traffic construction alerts	3	5	3
Total newsletter pages sent to citizens	16	16	16
Web pages created/updated	105	109	102
Number of visits to website	444,079	409,164	501,743
Number of web pages viewed	445,665	410,124	502,668
Number of graphics/photography projects completed	92	87	83
Police			
# Total arrests	1,322	1,160	1,179
# Moving violations citations	962	1,291	1,256
Total calls for service	26,118	24,167	22,892
Total 911 calls	7,455	7,899	2,925
Total Part I Crimes	663	718	734
<i>n/a = not available</i>			
Fire			
# All Emergency Responses	885	796	811
# Fire/Haz Mat Responses	87	139	197
# Emergency Medical Responses	565	430	475
# Other Responses (False Alarms, Mutual Aid, Extrication, rescue, etc.)	233	227	139
Financial Services			
# accounts payable checks issued	4,499	6,663	6,466
# purchase orders	63	54	69
Planning and Development			
Customer wait-time (in minutes) at One Stop Shop	1	1	1
Total Number of Permits Issued	402	222	231

* 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						
2011	2010	2009	2008	2007	2006	2005
-	5,233	-	4,345	-	3,645	-
-	827	-	548	-	566	-
3,696	4,317	1,368	2,254	2,119	2,261	2,063
24	21	20	16	10	6	-
2	5	3	2	2	-	-
16	17	20	16	52	52	52
91	72	59	42	20	10	-
252,823	436,367	143,322	243,644	212,010	197,687	-
253,120	436,480	25,608	23,652	19,465	18,236	-
78	65	61	48	29	12	12
1,216	1,212	1,492	1,651	1,624	1,325	1,207
1,081	1,411	1,639	1,957	1,712	1,330	1,119
23,222	26,154	28,546	33,237	32,367	26,160	24,989
3,561	5,894	7,311	7,154	5,923	5,130	3,448
748	542	791	720	850	819	713
849	872	834	847	434	314	258
166	84	128	110	187	124	92
507	513	475	486	72	-	-
176	275	231	251	175	190	166
7,004	7,362	7,670	9,099	8,445	7,424	6,789
64	37	116	237	304	209	-
1	1	<1	<1	5	5	4
234	306	300	588	684	1,078	838

continued

Table 14

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

Function	Fiscal Year		
	2014	2013	2012
Human Resources			
# of new hires (FT & PT)	50	64	52
# of new hires (Vol)	7	-	3
HR Operating cost as percentage of city payroll	0.01%	0.01%	0.01%
Parks, Recreation and Library			
# attending Park & Recreation facilities annually (Aquatics)	217,389	217,354	217,026
# of square feet of medians and rights of way maintained	1,606,233	1,606,233	1,606,233
# of Library visits annually	86,869	85,515	87,554
# of Library materials checked out annually	84,852	84,411	89,531
Economic Vitality			
Sales Tax growth (% annual change)	10%	-1%	-22%
Construction Tax (% annual change)	68%	-37%	-77%
Municipal Services			
# of homes serviced by Residential Refuse Collection	3,591	3,513	3,597
Tons of refuse and garbage hauled to transfer station/landfill	6,080	6,480	6,630
Transit Services			
Passenger Trips	53,861	52,277	35,851
Project Miles	224,534	272,966	202,884
Vehicle Service Hours	14,616	14,674	11,558
Wastewater			
Sewer Service Connections	3,713	3,713	3,763
Sewage Treated (millions gallons per day)	0.65	0.63	0.62
Sewage Treated (millions gallons per year)	196	179	227
Other Public Works			
Street resurfacing (miles)	7.72	5.10	0.25
Potholes repaired (estimate)	5,000	6,000	6,000
Streets/Roads Maintained (miles)	194	194	194
Citizen & Neighborhood Resources			
# of new Code Enforcement cases processed per year	527	307	313
# of Animal control calls for service	519	1,370	1,116
Neighborhood Revitalization			
# Home Emergency Repair (roofs, heating, air conditioning, etc.)	-	-	1
# Houses rehabilitated or replaced	5	4	5

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

Table 14

Fiscal Year						
2011	2010	2009	2008	2007	2006	2005
55	46	55	40	44	26	57
4	3	-	-	1	1	3
0.01%	0.01%	0.02%	0.00%	0.00%	0.00%	0.00%
212,771	207,738	206,100	201,978	197,939	193,981	190,102
1,606,233	1,606,233	2,637,329	2,637,329	2,637,329	1,812,020	1,812,020
95,273	94,660	90,854	62,077	21,744	25,497	19,381
102,603	95,001	88,039	60,636	35,010	33,230	27,939
27%	-3%	-9%	-23%	21%	41%	30%
87%	-4%	-21%	-38%	148%	371%	15%
3,593	3,517	3,587	3,505	3,155	2,872	2,357
5,757	6,105	9,535	9,348	8,528	7,128	6,644
39,602	21,397	19,613	21,184	23,170	21,962	21,962
229,317	68,651	87,197	65,573	65,324	64,212	65,154
10,938	7,113	5,819	5,645	5,122	5,172	5,177
3,736	3,498	3,737	3,603	3,258	3,001	2,479
0.66	0.67	0.74	0.87	0.73	0.70	0.69
240	221	270	318	266	256	252
1	-	-	-	3	-	5
5,200	5,200	5,200	5,200	5,200	4,500	4,500
194	194	194	180	160	100	90
134	415	859	1,101	537	512	582
-	-	-	-	-	-	-
2	9	12	3	13	10	-
9	3	7	4	2	5	-

concluded

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

Function	Fiscal Year				
	2014	2013	2012	2011	2010
Public Safety					
Police:					
Stations	1	1	1	1	1
Police Vehicles	38	29	28	30	32
Fire Stations					
Stations	3	3	3	3	3
Fire Apparatus	6	6	6	6	6
Other Vehicles	3	3	3	3	3
Highways and Streets					
Street (miles)	194	194	194	194	194
Streetlights	781	781	781	781	780
Traffic signals (City does not own)	7	7	7	7	7
Culture and Recreation					
Parks	12	12	12	12	12
Parks Acreage	91	91	91	91	91
Swimming Pools	1	1	1	1	1
Tennis Courts (City does not own)	4	8	8	8	8
Community Centers	1	1	1	1	2
Libraries	1	1	1	1	1
Transit					
Buses	11	7	7	8	8
Bus Stops	41	133	133	131	120
Wastewater					
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				
2009	2008	2007	2006	2005
1	1	1	1	1
40	40	37	30	29
2	2	2	1	1
5	5	5	5	5
3	3	3	2	2
194	194	194	180	160
772	760	726	680	618
7	7	6	6	6
13	12	12	11	10
201	186	186	165	161
1	1	1	1	1
8	8	8	8	8
2	2	2	2	2
1	1	1	1	1
5	5	6	5	4
120	120	65	65	65
73	73	73	40	37
3	3	3	3	2
2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD	1.35 MGD