

# **City of Coolidge, Arizona**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2017**

**Prepared by the Finance Department  
Gabriel Garcia, Finance Director**

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## **INTRODUCTORY SECTION**



# City of Coolidge

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December 30, 2017

To the Honorable Mayor, Members of the City 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, 2017.

The primary purpose of this report is to provide the City Council, Coolidge Citizens, legislative bodies, 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, 2017, 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**

Coolidge is in the center of the rapidly expanding growth corridor in Western Pinal County. It continues to be the commercial center of Arizona's cotton industry and is a business friendly City that attracts investment and new businesses. In 1925, after construction of the Coolidge Dam transformed the flat desert into rich farm and ranch land, R.J. Jones laid out an 80-acre site to found the City. The City's name honors President Calvin Coolidge, who dedicated the dam in 1930. Almost 100,000 people annually visit the Casa Grande Ruins National Monument in Coolidge to learn of the prehistoric Hohokam people who constructed the Casa Grande (Spanish for "Big House"), a four-story caliche structure built in the 1300's. Coolidge incorporated in September of 1945 and was primarily dependent on agriculture and some mining. At incorporation the City encompassed one square mile, presently Coolidge sits at over 72 square miles. Its economy has diversified to include manufacturing, tourism and regional trade services for agricultural producers and farm families. The Coolidge Industrial Park, the Union Pacific Railroad Industrial Park and Randolph Industrial Park have boosted the presence of manufacturing and the City is setting the stage for increased economic development in these industrial centers.

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: public safety, recreation, library, streets maintenance and construction, planning and zoning, building code enforcement, animal control, and public transit. The City also provides business-like enterprises that include airport, liquid and solid waste.

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. Each 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 2015 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 \$44,930,885 to \$55,004,578 for fiscal year 2016/17.

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 has relied on fiscal conservativeness to endure times of economic decline over recent years however there are several initiatives that have a direct impact on the current year's financial statements such as:

- **Freeze on Capital Funds** – The 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.

- **In Lieu Property Tax** - The city continues 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.
- **Model City Tax Code Changes** – The changes to construction sales tax for remodels and the ability to perform sales tax audits at the City level is estimated to continue to decrease revenues in the City’s general fund.
- **Public Safety Personnel Retirement System** – The overall pension liability continued to grow and the employer contribution rate is currently 35.39% which affected general fund operations budgets.
- **Street Reconstruction Loan** – The City executed a \$2.5 million dollar loan street reconstruction loan to address aging roads and infrastructure taking advantage of low interest rates.

## **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 Pinal County, Arizona Training Program, Central Arizona College, and State/Private Correctional Facilities are also major sources of jobs.

The City of Coolidge experienced considerable growth from 2001 through 2010 with the City’s population increasing roughly 52% since the 2000 Census. However, due to the downturn in the economy and slow recovery from the recession between 2008 and 2015, the City has experienced a significant decline in building permits and new growth. The City is beginning to show some signs of recovery as total governmental revenues rose by 1%. The City is still recovering from potential decreases in City sales tax collections that can be attributed to the following:

1. Legislative impacts of construction sales tax.
2. The ability for the City to conduct and negotiate sales tax audits.
3. Lingering effects of the economic downturn and very slow growth.
4. Increased online purchases that are not subject to City sales tax.

The unemployment rate, as of June 2017, has decreased from 7.4% to 5.7% which is only marginally higher than the state’s unemployment rate of 5.3% percent.

## **LONG TERM PLANNING**

A major challenge confronting rapidly growing cities and towns today is developing programs in an era of budgetary constraints. It would appear that 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:

- **Airport Taxiway B and B Design**: Design and construction of a new taxiway utilizing Federal Aviation Administration grant in the amount of \$1,696,929.
- **Library Patio Enclosure** – Expansion of the library to accommodate programming and increased usage utilizing Arizona State Library grant in the amount of 353,846.
- **Palo Verde Sidewalk Design and Construction** – To provide a continuous pedestrian route between Arizona Boulevard and the Transit facility located at the southeast corner of 4th Street and Arizona Boulevard utilizing an Arizona Department of Transportation transit grant in the amount of \$203,996.
- **Pinal County Flood Control Project** – The City received funding from the Pinal County Flood Control District to mitigate known problem drainage areas. Design began in 2015 and improvements were divided into multiple phases. The first phase addressed storm water runoff that caused flooding of local streets and buildings. Phase I was awarded in August 2016 and completed in April of 2017. The total cost of construction was \$266,827.18 of which \$215,000 was funded by Pinal County Flood Control District.

### **Future Projects Include:**

- **Wastewater Treatment Plant** - 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.
- **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, 2016.
- **Main Street Reconstruction** - to replace existing asphalt surface on Main Street between Central Ave and Vah Ki Inn Road for \$2,100,417 of which \$1,332,653 in funding through the Arizona Department of Transportation (ADOT) Strategic Transportation Program (STP) and \$767,764 City match through proceeds from excise tax obligation. The design process was started in May, 2014 and construction is expected to be completed in 2018.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) 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, 2016. This was the eighth consecutive year that the City of Coolidge has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the City of Coolidge had to publish an easily readable and efficiently organized comprehensive annual financial report which satisfied both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another 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,

*Gabriel Garcia*

Gabriel Garcia  
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, 2016**

*Christopher P. Morill*

Executive Director/CEO

**CITY OF COOLIDGE**  
**LIST OF PRINCIPAL OFFICIALS**

**MAYOR**

Jon Thompson

**VICE MAYOR**

Jacque Hendrie-Henry

**COUNCIL MEMBERS**

Joseph Marsh                      Steve Hudson

Robert Hudelson      Jimmy Walker

Tatiana Murrieta

**SENIOR MANAGEMENT STAFF**

Rick Miller  
City Manager

Ernie Feliz  
Grants Coordinator

Matt Rencher  
Public Works Director

Norma Ortiz  
City Clerk

Mark Dillon  
Fire Chief

Gabriel Garcia  
Finance Director

James Henderson  
Human Resource Director

Georgie Garcia  
Magistrate

Robby Criswell  
IT Director

James Malinski  
Chief of Police

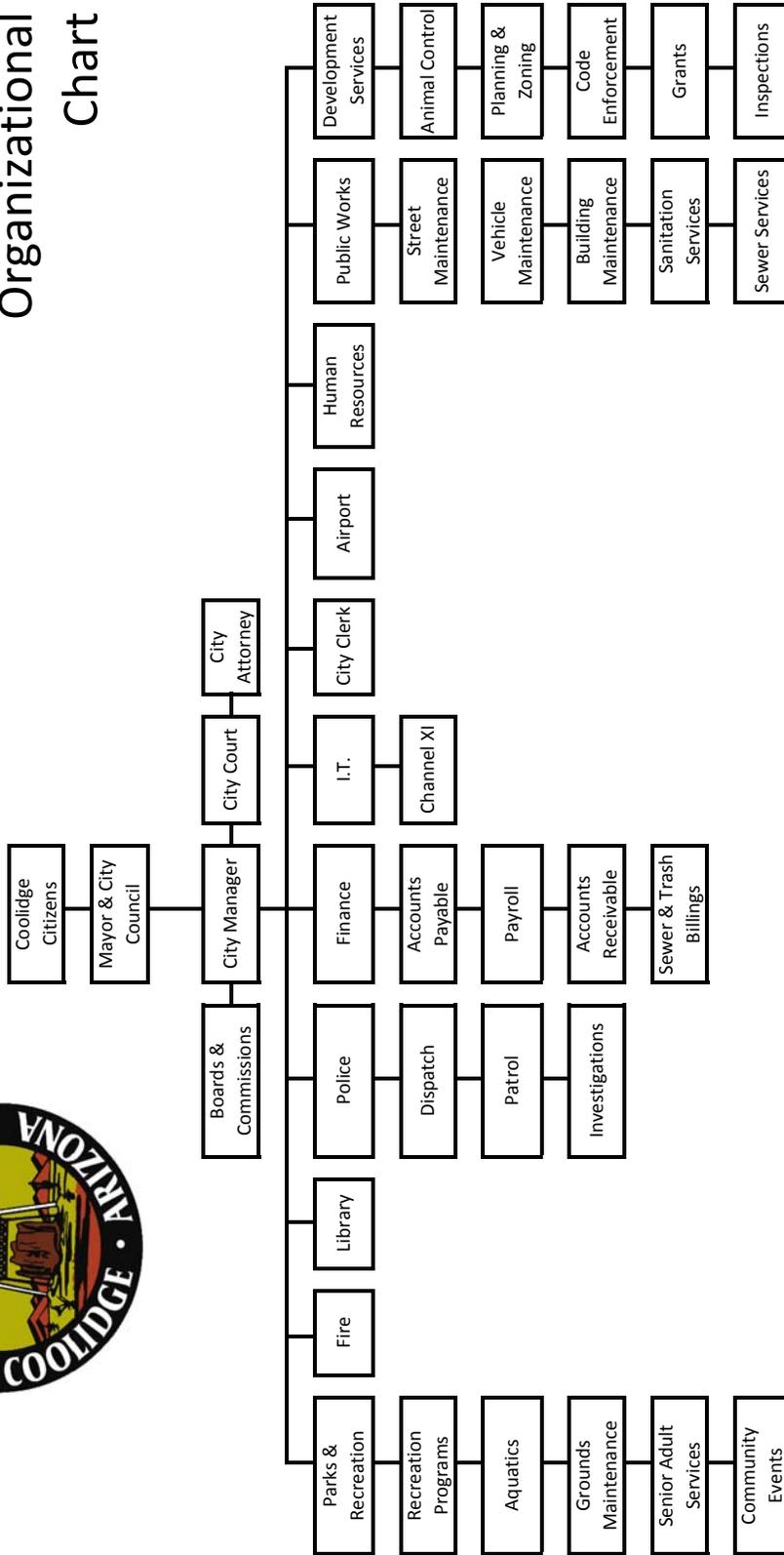
Joyce Baker  
Library Director

Gilbert Lopez  
Development Services Director

Ricky LaPaglia  
Parks & Recreation Director



# City Of Coolidge Organizational Chart





## **FINANCIAL SECTION**



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## **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, each major fund, and the aggregate remaining fund information of the City of Coolidge, Arizona, as of and for the year ended June 30, 2017, 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, each major fund, and the aggregate remaining fund information of the City of Coolidge, Arizona, as of June 30, 2017, 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 on pages 6 through 16 , Schedule of the City's Proportionate Share of the Net Pension Liability – Cost-Sharing Pension Plans on page 79, Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios – Agent Pension Plans on page 80 through 81, Schedule of City Pension Contributions on page 82, and Schedule of Agent OPEB Plans' Funding Progress on page 84 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 combining and individual nonmajor fund financial statements, budgetary comparison schedules, and capital assets schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2017, 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 solely 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 the effectiveness of the City's 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.

#### **Other Reporting Required by Arizona Revised Statutes**

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to use highway user revenue fund monies received by the City pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2 and any other dedicated state transportation revenues received by the City solely for the authorized transportation purposes, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the use of highway user revenue fund monies and other dedicated state transportation revenues, insofar as they relate to accounting matters.

*Colby + Powell*

December 20, 2017

***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, 2017. 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 recent fiscal year by \$72,513,020 (net position).
- The City's total net position decreased \$2,796,728 from \$75,309,748 to \$72,513,020. This decrease is primarily attributed to increased investment in Highways and Streets and a decrease in Capital Grants and Contributions. The investment in Highways and Streets were funded through an excise tax obligation.
- As of the close of the current fiscal year, the City of Coolidge, Arizona's governmental funds reported combined ending fund balances of \$6,432,860, a decrease of \$327,394. At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,627,838 or 27 percent of total general fund expenditures.
- General fund revenues (on a budgetary basis) were less than budgeted revenues by \$81,335 for fiscal year 2017. Additionally, budgetary basis expenditures were less than the budget by \$2,891,665 in the general fund.
- General fund expenditures exceeded revenues by \$213,299 which is a positive variance of \$2,810,330 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 41 and 42. 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, liabilities, and deferred inflows/outflows of resources 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 services.

The government-wide financial statements can be found on pages 18-20 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 21-30 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 31-38 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 39-40 of this report.

**Notes to the basic financial statements.** The notes to the basic financial statements (pages 41-77) 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 79-85.

The combining statements are presented on pages 87-90, immediately following the required supplementary information on pensions and other postemployment benefits.

## 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, 2017 showing that assets exceeded liabilities by \$72,513,020.

### Condensed Statement of Net Position June 30, 2017 and 2016

	Government Activities		Business -type Activities		Totals	
	2017	2016	2017	2016	2017	2016
<b>ASSETS</b>						
Current and other assets	\$ 7,155,747	\$ 7,573,945	\$ 1,648,160	\$ 1,453,636	\$ 8,803,907	\$ 9,027,581
Capital assets						
Non-depreciable	2,162,431	1,461,154	1,571,672	1,659,327	3,734,103	3,120,481
Depreciable (net)	55,005,203	57,152,341	24,837,700	23,769,083	79,842,903	80,921,424
Total Assets	<u>64,323,381</u>	<u>66,187,440</u>	<u>28,057,532</u>	<u>26,882,046</u>	<u>92,380,913</u>	<u>93,069,486</u>
Deferred outflows of resources	3,629,025	2,509,663	195,829	115,872	3,824,854	2,625,535
<b>LIABILITIES</b>						
Other liabilities	664,256	616,377	173,480	139,896	837,736	756,273
Non-current liabilities						
Due within one year	608,561	690,614	192,940	182,958	801,501	873,572
Due in more than one year	18,360,024	15,282,078	2,520,357	2,643,763	20,880,381	17,925,841
Total liabilities	<u>19,632,841</u>	<u>16,589,069</u>	<u>2,886,777</u>	<u>2,966,617</u>	<u>22,519,618</u>	<u>19,555,686</u>
Deferred inflows of resources	1,043,942	743,915	129,187	85,672	1,173,129	829,587
<b>NET POSITION</b>						
Invested in capital assets, net of related debt	53,069,698	56,257,356	24,803,982	23,670,890	77,873,680	79,928,246
Restricted	1,965,669	2,099,583	124,683	136,686	2,090,352	2,236,269
Unrestricted	(7,759,744)	(6,992,820)	308,732	138,053	(7,451,012)	(6,854,767)
Total net position	<u>\$ 47,275,623</u>	<u>\$ 51,364,119</u>	<u>\$ 25,237,397</u>	<u>\$ 23,945,629</u>	<u>\$ 72,513,020</u>	<u>\$ 75,309,748</u>

The net position of the City is \$47,275,623 in governmental activities and \$25,237,397 in business-type activities at June 30, 2017.

Net position consists of three components, the largest portion of the City of Coolidge, Arizona's net position (107%) 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. Additional information on the City's assets can be found in the Notes to the financial Statements on pages 55-56.

An additional portion of the City of Coolidge, Arizona's net position (3%) represents resources that are subject to external restrictions on how they may be used.

As illustrated in both the table above and the table below, the City's overall financial position showed a decrease in net position during this fiscal year as reflected by booking of the net pension liability of the City. The City's total net position decreased 2,796,728 from 75.3 million to 72.5 million. This decrease can be attributed to an increased investment in Highways and Streets. Net position in governmental activities reported a \$4,088,496 decrease and the business-type activities reported an increase of \$1,291,768. The net decrease in the governmental and net increase in business-type activities are discussed in more detail following the table below.

### Changes in Net Position For the Fiscal Year Ended June 30, 2017 and 2016

	Government Activities		Business -type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues						
Fees, Fines and charges for svcs	\$ 716,402	\$ 827,976	\$ 2,061,647	\$ 2,106,041	\$ 2,778,049	\$ 2,934,017
Operating grants and contributions	2,881,798	3,418,148			2,881,798	3,418,148
Capital grants and contributions	545,255	2,225,648	1,515,001	437,783	2,060,256	2,663,431
General Revenues						
Local Taxes	6,915,974	6,713,953			6,915,974	6,713,953
State shared revenues	3,296,361	3,183,150			3,296,361	3,183,150
Investment earnings	10,648	10,964	2,347	2,229	12,995	13,193
Miscellaneous	107,802	48,620		81,957	107,802	130,577
Total Revenues	14,474,240	16,428,459	3,578,995	2,628,010	18,053,235	19,056,469
Expenses						
General government	3,142,157	2,965,310			3,142,157	2,965,310
Public Safety	7,135,145	6,940,532			7,135,145	6,940,532
Highways and streets	6,176,392	5,212,204			6,176,392	5,212,204
Culture and recreation	1,299,193	1,194,570			1,299,193	1,194,570
Redevelopment and housing	603,152	964,348			603,152	964,348
Interest on long-term debt	67,563	48,955			67,563	48,955
Liquid Waste			1,133,496	1,215,539	1,133,496	1,215,539
Solid Waste			915,091	979,909	915,091	979,909
Municipal Airport			377,774	299,648	377,774	299,648
Total Expenses	18,423,602	17,325,919	2,426,361	2,495,096	20,849,963	19,821,015
Increase/Decrease in net position						
before transfers	(3,949,362)	(897,460)	1,152,634	132,914	(2,796,728)	(764,546)
Transfers In (Out)	(139,134)	117,008	139,134	(117,008)	-	-
Change in net position	(4,088,496)	(780,452)	1,291,768	15,906	(2,796,728)	(764,546)
Net position, beginning of year						
as restated	51,364,119	52,144,571	23,945,629	23,929,723	75,309,748	76,074,294
Net position, end of year	\$ 47,275,623	\$ 51,364,119	\$ 25,237,397	\$ 23,945,629	\$ 72,513,020	\$ 75,309,748

Changes in net position, shown above, illustrates the City's total revenues and expenses for the fiscal year ended June 30, 2017 compared to the same period ended June 30, 2016.

### **Governmental Activities.**

Program revenues, which include fines, fees and charges for services, operating grants and contributions and capital grants and contributions decreased over the prior fiscal year by \$2,328,317 dollars. The City's fees, fines and charges for services reported a \$111,574 dollar decrease. Operating grants and contributions decreased by \$536,350 dollars over the prior year largely due to a decrease in grants received for the purposes of revenue for airport, streets and housing improvements. The capital grants and contributions reported a \$1,680,393 dollar decrease largely due to the one-time funding received from the Arizona Department of Transportation for the airport runway design and construction.

General revenues, which include local taxes, impact fees, state shared revenues and investment earnings increased by \$374,098 dollars. Local taxes, including property and City sales taxes, increased by \$202,021 due to increased local property values and modifications to the administration of sales tax collections by the State of Arizona. State shared revenues increased by \$113,211 dollars due to increased revenue share by the State of Arizona.

Expenses increased by \$1,097,683 dollars largely due to a \$964,188 increase in general government spending as the City continues to focus on investment in capital projects including airport and streets.

### **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. Largely due to Arizona State legislative changes regarding the collection of Solid Waste impact fees, the City's business-type activities has experienced a significant decrease in impact fee collections over the past ten fiscal years. The capital grants for the airport vary from year-to-year based upon funding from various federal and state grants.

Business-type expenses increased in the Liquid Waste and Airport Funds due to expenditures related to repairs and maintenance of existing infrastructure and investment in capital projects; and increased in the Solid Waste Fund primarily due to an increase 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 \$7,639,530, a decrease of \$159,981 in comparison with the prior year. Approximately 48% of this total amount \$3,063,982 constitutes General Fund balance. At fiscal year-end 2016-2017 fund balances were as follows:

Fund	Balance	Increase (Decrease) From 2016-2017
General Fund	\$ 3,063,982	\$ (359,162)
Grants Fund	333,322	(317,329)
Impact Fee Fund	361,258	(242,061)
Capital Projects Fund	1,086,566	(94,796)
Non-major Governmental Funds	1,315,030	616,698
	<u>272,702</u>	<u>69,256</u>
	<u>\$ 6,432,860</u>	<u>\$ (327,394)</u>

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 \$3,063,982, a decrease of \$359,162 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 31 percent of total General Fund expenditures, while total fund balance represents 37 percent of total City expenditures.

The decrease to the General Fund balance during the current fiscal year can be attributed to the contribution of City Sales Tax to the streets program for equipment and repairs and maintenance of City streets. City Council has made streets and airport a priority for new and improved infrastructure.

The Grants Fund reported a \$317,329 decrease in fund balance as the City continues to invest in Highways and Streets. In addition, public safety is very active in obtaining grants to fund equipment and overtime.

The Impact Fee Fund reported a \$242,061 fund balance decrease due to for library expansion. The restricted fund balance will be carried over to future years for planned capital projects.

The Capital Projects Fund reported a \$94,796 decrease in fund balance through the completion of capital projects. The fund balance in this fund is considered assigned to Capital projects by Council Resolution.

The Road Tax Fund reported an increase of \$616,698 as Council has made road improvements a high priority and issued an excise tax obligation to allow for project acceleration. The restricted fund balance will be carried over to future years for planned construction projects.

The Non-Major Governmental Funds reported a \$69,256 increase in fund balance due to increases in intergovernmental revenues.

## **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 29-30 and 101-102. 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 \$9,686,658, on a budgetary basis, were less than budgeted revenues of \$9,767,993 by \$81,335 and general fund expenditures of \$9,899,957 were less than the budgeted expenditures by \$2,891,665. The decrease of actual revenues over budgeted revenues is primarily due to the decreased collection of miscellaneous revenues, licenses and permits.

## **Capital Assets and Debt Administration**

The City's capital assets, for its governmental and business-type activities as of June 30, 2017, amounts to \$57,167,634 and \$26,409,372 respectively, (net of accumulated depreciation). Capital assets include land, buildings, and improvements, machinery and equipment, roads and improvements, vehicles and infrastructure. During fiscal year 2016-2017 the annual depreciation expense was \$3,562,573 and \$732,779 for the governmental and business-type capital assets, respectively. Additions to capital assets during the fiscal year totaled \$2,941,384 and \$1,848,944 for the governmental and business-type capital assets, respectively.

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

### Government Funds

- Infrastructure – Continued investment in streets to include drainage and sidewalk improvements (\$266,827), Palo Verde Sidewalk Design and Construction (\$203,997), and Main Street Reconstruction (\$792,970). The City has also invested in a \$2.5 million dollar excise tax obligation for repair work on various City streets to occur over the next two years. With regards to facility improvements the City completed a Library Patio Enclosure (353,847).

- **Equipment** – Purchase of four police department vehicles (\$207,606), police department security system (79,149), electronic message board at Highway 87 and Arizona Boulevard (\$36,252), engine replacements for Transit Busses (\$39,415), a fire department command vehicle (\$52,625), and fire department extrication equipment (\$36,615).

**Business Funds**

- **Infrastructure** – Airport Taxiway B Redesign (\$144,203) and Re-Construction (\$1,552,727).
- **Equipment** – Purchase of aerators (\$12,399) and pumps for the waste water treatment facility (\$43,768). Installation of fiber cable to the waste water treatment facility (\$39,299).

The following table provides a breakdown of the capital assets of the City at June 30, 2017 and 2016.

**Capital Assets at June 30, 2017 and 2016  
(Net of depreciation)**

	Government Activities		Business -type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	\$ 1,287,774	\$ 1,249,876	\$ 1,153,218	\$ 1,111,515	\$ 2,440,992	\$ 2,361,391
Construction in Progress	874,657	211,278	418,454	547,812	1,293,111	759,090
Airport hangar and other improvements			35,235	2,439	35,235	2,439
Buildings and improvements	10,493,258	10,809,153			10,493,258	10,809,153
Infrastructure and land improvements	41,736,303	43,455,633	4,498,643	3,670,981	46,234,946	47,126,614
Sewer treatment plant and collection system			19,365,203	19,054,948	19,365,203	19,054,948
Furniture, machinery, equipment and vehicles	2,775,642	2,887,555	938,619	1,040,715	3,714,261	3,928,270
<b>Total Capital Assets</b>	<b>\$ 57,167,634</b>	<b>\$ 58,613,495</b>	<b>\$ 26,409,372</b>	<b>\$ 25,428,410</b>	<b>\$ 83,577,006</b>	<b>\$ 84,041,905</b>

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

**Long-term Debt**

At the end of the current fiscal year, the City of Coolidge, Arizona total Government and Business Type Activities long-term obligations outstanding were \$21,681,882. Of the long term debt \$14,595,018 represents net pension liability, and \$2,511,950 represents outstanding notes payable and \$2,550,000 represents bonds 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 following schedule shows the outstanding debt of the City (both current and long-term) as of June 30, 2017 and 2016. Further detail on the City’s outstanding debt may be found in Note 9 on page 60.

## Outstanding Debt at June 30, 2017 and 2016

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Notes Payable	\$ 1,245,000	\$ 1,670,000	\$ 1,166,175	\$ 1,272,408	\$ 2,411,175	\$ 2,942,408
Note Premium	100,775	159,692	-	-	100,775	159,692
Bonds	2,550,000	-	-	-	2,550,000	-
Capital leases	369,161	526,447	439,215	485,112	808,376	1,011,559
Landfill closure and post-closure costs	716,025	706,941	-	-	716,025	706,941
Compensated absences	441,711	473,385	58,802	54,717	500,513	528,102
Net Pension Liability	13,545,913	12,436,227	1,049,105	1,014,484	14,595,018	13,450,711
Total Outstanding Debt	\$ 18,968,585	\$ 15,972,692	\$ 2,713,297	\$ 2,826,721	\$ 21,681,882	\$ 18,799,413

### 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 92% 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 \$132,268 for fiscal year ending June 30, 2018 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:

- Increase in minimum wage and the accumulation of sick leave for part-time employees.
- Uncertainty of State Shared Revenues due to slow growth and potential incorporation of neighboring areas.
- Outsourcing of solid waste pickup and the implementation of recycling program throughout the City.
- Organizational restructure
- Unknown effects of health insurance regulations and impacts to municipal employers.
- Public Safety Retirement System changes to employer contributions.
- Re-evaluation of infrastructure improvement plan and funding for continued roadwork improvements.

## **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:

Gabriel Garcia, Finance Director/CFO  
City of Coolidge, Arizona  
Finance Department  
130 West Central Avenue  
Coolidge, AZ 85128  
E-mail at [gabeg@coolidgeaz.com](mailto:gabeg@coolidgeaz.com)

***FINANCIAL SECTION***

**BASIC FINANCIAL STATEMENTS**

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF NET POSITION  
June 30, 2017

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,834,895	\$ 1,515,019	\$ 6,349,914
Receivables (net of allowance for uncollectable)	310,889	133,141	444,030
Prepaid	322,706	-	322,706
Due from other governments	1,687,257	-	1,687,257
<b>Capital assets</b>			
Land and construction in progress	2,162,431	1,571,672	3,734,103
Other capital assets (net of accumulated depreciation)	55,005,203	24,837,700	79,842,903
Total assets	<u>64,323,381</u>	<u>28,057,532</u>	<u>92,380,913</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	<u>3,629,025</u>	<u>195,829</u>	<u>3,824,854</u>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	476,950	55,875	532,825
Accrued expenses and employee benefits	162,443	12,102	174,545
Customer deposits	-	105,503	105,503
Accrued interest payable	24,863	-	24,863
<b>Noncurrent liabilities</b>			
Due within one year			
Compensated absences	265,027	35,281	300,308
Capital leases	160,830	47,972	208,802
Loans payable	15,704	109,687	125,391
Bonds payable	167,000	-	167,000
Due in more than one year			
Compensated absences	176,684	23,521	200,205
Capital leases	208,331	391,243	599,574
Loans payable	1,330,071	1,056,488	2,386,559
Bonds payable	2,383,000	-	2,383,000
Landfill closure and post closure care	716,025	-	716,025
Net pension liability	13,545,913	1,049,105	14,595,018
Total liabilities	<u>19,632,841</u>	<u>2,886,777</u>	<u>22,519,618</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	<u>1,043,942</u>	<u>129,187</u>	<u>1,173,129</u>
<b>NET POSITION</b>			
Net investment in capital assets	53,069,698	24,803,982	77,873,680
<b>Restricted for</b>			
Highways and streets	933,401	-	933,401
Transit purposes	121,461	-	121,461
Court purposes	95,855	-	95,855
Grant purposes	453,694	-	453,694
Debt service	-	43,177	43,177
Development	-	14,761	14,761
Capital improvements	361,258	66,745	428,003
Unrestricted	(7,759,744)	308,732	(7,451,012)
Total net position	<u>\$ 47,275,623</u>	<u>\$ 25,237,397</u>	<u>\$ 72,513,020</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2017

Functions / Programs	Expenses	Program Revenue	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities			
General government	\$ 3,142,157	\$ 74,234	\$ 8,980
Public safety	7,135,145	414,890	488,866
Highways and streets	6,176,392	39,924	1,922,675
Culture and recreation	1,299,193	96,161	121,111
Redevelopment and housing	603,152	91,193	340,166
Interest on long-term debt	67,563	-	-
Total governmental activities	<u>18,423,602</u>	<u>716,402</u>	<u>2,881,798</u>
Business-type activities			
Liquid waste	1,133,496	867,099	-
Solid waste	915,091	1,146,462	-
Liquid waste impact fees	-	-	-
Municipal airport	377,774	48,086	-
Total business-type activities	<u>2,426,361</u>	<u>2,061,647</u>	<u>-</u>
Total primary government	<u>\$ 20,849,963</u>	<u>\$ 2,778,049</u>	<u>\$ 2,881,798</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
\$ -	\$ (3,058,943)	\$ -	\$ (3,058,943)
151,071	(6,080,318)	-	(6,080,318)
394,184	(3,819,609)	-	(3,819,609)
-	(1,081,921)	-	(1,081,921)
-	(171,793)	-	(171,793)
-	(67,563)	-	(67,563)
<u>545,255</u>	<u>(14,280,147)</u>	<u>-</u>	<u>(14,280,147)</u>
-	-	(266,397)	(266,397)
-	-	231,371	231,371
-	-	-	-
1,515,001	-	1,185,313	1,185,313
<u>1,515,001</u>	<u>-</u>	<u>1,150,287</u>	<u>1,150,287</u>
<u>\$ 2,060,256</u>	<u>(14,280,147)</u>	<u>1,150,287</u>	<u>(13,129,860)</u>
	4,915,030	-	4,915,030
	1,691,080	-	1,691,080
	309,864	-	309,864
	3,296,361	-	3,296,361
	10,648	2,347	12,995
	107,802	-	107,802
	(139,134)	139,134	-
	<u>10,191,651</u>	<u>141,481</u>	<u>10,333,132</u>
	(4,088,496)	1,291,768	(2,796,728)
	<u>51,364,119</u>	<u>23,945,629</u>	<u>75,309,748</u>
	<u>\$ 47,275,623</u>	<u>\$ 25,237,397</u>	<u>\$ 72,513,020</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2017

	General	Grants	Impact Fees
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,909,620	\$ 10,804	\$ 361,258
Taxes receivable	106,912	-	-
Accounts receivable	-	-	-
Due from other governments	751,692	808,632	-
Prepaid	322,706	-	-
Due from other funds	436,144	-	-
Total assets	<u>\$ 3,527,074</u>	<u>\$ 819,436</u>	<u>\$ 361,258</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 244,191	\$ 101,831	\$ -
Accrued payroll and employee benefits	135,407	5,777	-
Due to other funds	-	378,506	-
Total liabilities	<u>379,598</u>	<u>486,114</u>	<u>-</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue	83,494	-	-
Total deferred inflows of resources	<u>83,494</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>			
Nonspendable	436,144	-	-
Restricted for			
Highways and streets	-	90,815	-
Transit purposes	-	16,788	-
Court purposes	-	-	-
Public safety purposes	-	339,626	-
Capital improvements	-	6,465	361,258
Assigned for			
Capital projects	-	-	-
Unassigned	2,627,838	(120,372)	-
Total fund balance	<u>3,063,982</u>	<u>333,322</u>	<u>361,258</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,527,074</u>	<u>\$ 819,436</u>	<u>\$ 361,258</u>

See accompanying notes to financial statements.

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 907,990	\$ 1,332,111	\$ 313,112	\$ 4,834,895
180,369	-	-	287,281
-	-	23,608	23,608
-	42,384	84,549	1,687,257
-	-	-	322,706
-	-	47,639	483,783
<u>\$ 1,088,359</u>	<u>\$ 1,374,495</u>	<u>\$ 468,908</u>	<u>\$ 7,639,530</u>
\$ 1,793	\$ 59,465	\$ 69,670	\$ 476,950
-	-	21,259	162,443
-	-	105,277	483,783
<u>1,793</u>	<u>59,465</u>	<u>196,206</u>	<u>1,123,176</u>
-	-	-	83,494
-	-	-	83,494
-	-	-	436,144
-	1,315,030	-	1,405,845
-	-	121,461	138,249
-	-	95,855	95,855
-	-	-	339,626
-	-	-	367,723
1,086,566	-	55,386	1,141,952
-	-	-	2,507,466
<u>1,086,566</u>	<u>1,315,030</u>	<u>272,702</u>	<u>6,432,860</u>
<u>\$ 1,088,359</u>	<u>\$ 1,374,495</u>	<u>\$ 468,908</u>	<u>\$ 7,639,530</u>

See accompanying notes to financial statements.



CITY OF COOLIDGE, ARIZONA  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION  
 GOVERNMENTAL FUNDS  
 June 30, 2017

Total governmental fund balances \$ 6,432,860

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	102,057,647	
Less accumulated depreciation	<u>(44,890,013)</u>	57,167,634

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.

Property taxes		83,494
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Interest payable on long-term debt is not reported in the  
 governmental funds.

(24,863)

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

Compensated absences	(441,711)	
Capital leases	(369,161)	
Landfill closure and postclosure care payable	(716,025)	
Loans payable	(1,345,775)	
Bonds payable	(2,550,000)	
Net pension liabilities	<u>(13,545,913)</u>	(18,968,585)

Deferred outflows and inflows of resources related to pensions are  
 applicable to future reporting periods and, therefore, are not reported  
 in the funds.

2,585,083

Net position of governmental activities

\$ 47,275,623

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2017

	General	Grants	Impact Fees
<b>Revenue</b>			
Taxes	\$ 5,674,280	\$ -	\$ -
Intergovernmental	3,296,361	1,927,591	-
Fines and forfeitures	285,227	21,905	-
Licenses and permits	134,397	-	-
Charges for services	246,845	-	39,358
Investment income	3,558	359	761
Miscellaneous	45,990	-	-
Total revenue	<u>9,686,658</u>	<u>1,949,855</u>	<u>40,119</u>
<b>Expenditures</b>			
<b>Current</b>			
General government	2,699,502	-	-
Public safety	5,591,944	740,974	-
Highways and streets	-	731,973	-
Culture and recreation	1,121,064	-	-
Redevelopment and housing	414,630	182,414	-
Capital outlay	72,817	611,823	282,180
<b>Debt service</b>			
Principal	-	-	-
Interest and debt cost	-	-	-
Debt issuance costs	-	-	-
Total expenditures	<u>9,899,957</u>	<u>2,267,184</u>	<u>282,180</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(213,299)</u>	<u>(317,329)</u>	<u>(242,061)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Face amount of loan proceeds	-	-	-
Transfers in	-	-	-
Transfers out	<u>(145,863)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(145,863)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(359,162)	(317,329)	(242,061)
Fund balance, beginning of year	<u>3,423,144</u>	<u>650,651</u>	<u>603,319</u>
Fund balance, end of year	<u>\$ 3,063,982</u>	<u>\$ 333,322</u>	<u>\$ 361,258</u>

See accompanying notes to financial statements.

Capital Projects	Road Tax Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,227,758	\$ -	\$ 5,127	\$ 6,907,165
-	490,872	999,760	6,714,584
-	-	6,437	313,569
-	-	39,054	173,451
-	-	-	286,203
2,175	3,334	153	10,340
6,000	-	8,127	60,117
<u>1,235,933</u>	<u>494,206</u>	<u>1,058,658</u>	<u>14,465,429</u>
159,991	-	-	2,859,493
-	-	-	6,332,918
-	1,248,274	1,435,058	3,415,305
-	-	-	1,121,064
-	-	6,108	603,152
300,445	767,794	81,653	2,116,712
131,130	26,156	425,000	582,286
8,771	3,655	106,800	119,226
-	-	53,533	53,533
<u>600,337</u>	<u>2,045,879</u>	<u>2,108,152</u>	<u>17,203,689</u>
<u>635,596</u>	<u>(1,551,673)</u>	<u>(1,049,494)</u>	<u>(2,738,260)</u>
-	2,550,000	-	2,550,000
-	-	1,118,750	1,118,750
<u>(730,392)</u>	<u>(381,629)</u>	<u>-</u>	<u>(1,257,884)</u>
<u>(730,392)</u>	<u>2,168,371</u>	<u>1,118,750</u>	<u>2,410,866</u>
(94,796)	616,698	69,256	(327,394)
<u>1,181,362</u>	<u>698,332</u>	<u>203,446</u>	<u>6,760,254</u>
<u>\$ 1,086,566</u>	<u>\$ 1,315,030</u>	<u>\$ 272,702</u>	<u>\$ 6,432,860</u>

See accompanying notes to financial statements.



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, 2017

Net change in fund balances - total governmental funds \$ (327,394)

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	2,116,712	
Less current year depreciation	<u>(3,562,573)</u>	(1,445,861)

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		8,811
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Interest expense in the Statement of Activities differs from the  
 amount reported in governmental funds because accrued  
 interest was calculated for loans payable for the Statement  
 of Activities, but is expensed when due for the governmental  
 fund statements.

		12,367
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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.

Capital leases repayments	157,286	
Debt principal repayments	464,296	
Bond proceeds	(2,550,000)	
Increase in landfill closure and post closure care costs	<u>(9,084)</u>	(1,937,502)

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.

Decrease in compensated absences		31,674
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City pension contributions are reported as expenditures in the  
 governmental funds when made. However, they are reported as  
 deferred outflows of resources in the Statement of Net Position  
 because the reported net pensions liability is measured a year before  
 the City's report date. Pension expense, which is the change in the  
 net pension liability adjusted for changes in deferred outflows and  
 inflows of resources related to pensions, is reported in the  
 Statement of Activities.

City pension contributions	1,169,041	
Pension expense	<u>(1,599,632)</u>	<u>(430,591)</u>

Change in net position of governmental activities \$ (4,088,496)

CITY OF COOLIDGE, ARIZONA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET  
TO ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 5,529,347	\$ 5,529,347	\$ 5,674,280	\$ 144,933
Intergovernmental	3,289,665	3,289,665	3,296,361	6,696
Fines and forfeitures	268,652	268,652	285,227	16,575
Licenses and permits	193,150	193,150	134,397	(58,753)
Charges for services	238,149	238,149	246,845	8,696
Investment income	6,000	6,000	3,558	(2,442)
Miscellaneous	243,030	243,030	45,990	(197,040)
Total revenue	<u>9,767,993</u>	<u>9,767,993</u>	<u>9,686,658</u>	<u>(81,335)</u>
Expenditures				
Current				
General government	5,505,886	5,505,886	2,772,319	2,733,567
Public safety	5,672,774	5,672,774	5,591,944	80,830
Culture and recreation	1,114,397	1,114,397	1,121,064	(6,667)
Redevelopment and housing	498,565	498,565	414,630	83,935
Total expenditures	<u>12,791,622</u>	<u>12,791,622</u>	<u>9,899,957</u>	<u>2,891,665</u>
Excess (deficiency) of revenue over expenditures	<u>(3,023,629)</u>	<u>(3,023,629)</u>	<u>(213,299)</u>	<u>2,810,330</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(130,342)</u>	<u>(130,342)</u>	<u>(145,863)</u>	<u>(15,521)</u>
Total other financing sources (uses)	<u>(130,342)</u>	<u>(130,342)</u>	<u>(145,863)</u>	<u>(15,521)</u>
Net change in fund balance	(3,153,971)	(3,153,971)	(359,162)	2,794,809
Fund balance, beginning of year	<u>3,153,971</u>	<u>3,153,971</u>	<u>3,423,144</u>	<u>269,173</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,063,982</u>	<u>\$ 3,063,982</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
 GRANTS FUND  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET  
 TO ACTUAL  
 Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	\$ 17,318,745	\$ 17,318,745	\$ 1,927,591	\$ (15,391,154)
Fines and forfeitures	133,695	133,695	21,905	(111,790)
Investment income	-	-	359	359
Total revenue	<u>17,452,440</u>	<u>17,452,440</u>	<u>1,949,855</u>	<u>(15,502,585)</u>
Expenditures				
Current				
Public safety	4,011,558	4,011,558	799,232	3,212,326
Highways and streets	2,986,638	2,986,638	600,150	2,386,488
Culture and recreation	6,727	6,727	-	6,727
Redevelopment and housing	10,447,517	10,447,517	320,696	10,126,821
Capital outlay	-	-	547,106	(547,106)
Total expenditures	<u>17,452,440</u>	<u>17,452,440</u>	<u>2,267,184</u>	<u>15,185,256</u>
Net change in fund balance	-	-	(317,329)	(317,329)
Fund balance, beginning of year	-	-	650,651	650,651
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 333,322</u>	<u>\$ 333,322</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2017

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Liquid Waste</u>	<u>Solid Waste</u>	<u>Liquid Waste Impact Fees</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,153,088	\$ 295,186	\$ 66,745
Accounts receivables, net	14,364	118,777	-
Due from other funds	61,912	-	-
Total current assets	<u>1,229,364</u>	<u>413,963</u>	<u>66,745</u>
<b>Noncurrent assets</b>			
Non-depreciable capital assets	1,380,853	-	-
Depreciable assets, net	19,523,093	173,378	-
Total noncurrent assets	<u>20,903,946</u>	<u>173,378</u>	<u>-</u>
Total assets	<u>22,133,310</u>	<u>587,341</u>	<u>66,745</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	<u>71,211</u>	<u>113,937</u>	<u>-</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	15,091	39,249	-
Accrued payroll and benefits	4,442	4,795	-
Customer deposits	-	105,503	-
Due to other funds	-	-	-
Compensated absences	15,307	13,913	-
Current portion of loans payable	109,687	-	-
Current portion of capital leases	-	-	-
Total current liabilities	<u>144,527</u>	<u>163,460</u>	<u>-</u>
<b>Noncurrent liabilities</b>			
Compensated absences	10,204	9,275	-
Loans payable	1,056,488	-	-
Capital leases	-	-	-
Net pension liability	381,493	610,388	-
Total noncurrent liabilities	<u>1,448,185</u>	<u>619,663</u>	<u>-</u>
Total liabilities	<u>1,592,712</u>	<u>783,123</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	<u>46,977</u>	<u>75,163</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	19,737,771	173,378	-
Restricted for			
Debt service	43,177	-	-
Development	14,761	-	-
Capital projects	-	-	66,745
Unrestricted (deficit)	769,123	(330,386)	-
Total net position	<u>\$ 20,564,832</u>	<u>\$ (157,008)</u>	<u>\$ 66,745</u>

See accompanying notes to financial statements.

<u>Airport</u>	<u>Total</u>
\$ -	\$ 1,515,019
-	133,141
-	61,912
-	1,710,072
190,819	1,571,672
5,141,229	24,837,700
5,332,048	26,409,372
5,332,048	28,119,444
10,681	195,829
1,535	55,875
2,865	12,102
-	105,503
61,912	61,912
6,061	35,281
-	109,687
47,972	47,972
120,345	428,332
4,042	23,521
-	1,056,488
391,243	391,243
57,224	1,049,105
452,509	2,520,357
572,854	2,948,689
7,047	129,187
4,892,833	24,803,982
-	43,177
-	14,761
-	66,745
(130,005)	308,732
\$ 4,762,828	\$ 25,237,397

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2017

	<u>Business-type Activities--Enterprise Funds</u>		
	<u>Liquid Waste</u>	<u>Solid Waste</u>	<u>Liquid Waste Impact Fees</u>
Operating revenue			
Charges for service	<u>\$ 867,099</u>	<u>\$ 1,146,462</u>	<u>\$ -</u>
Operating expenses			
Costs of services	541,522	857,341	-
Depreciation	<u>554,996</u>	<u>57,750</u>	<u>-</u>
Total operating expenses	<u>1,096,518</u>	<u>915,091</u>	<u>-</u>
Operating income (loss)	<u>(229,419)</u>	<u>231,371</u>	<u>-</u>
Nonoperating revenue (expenses)			
Investment revenue	1,871	373	103
Interest expense	<u>(36,978)</u>	<u>-</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>(35,107)</u>	<u>373</u>	<u>103</u>
Income (loss) before capital contributions, and transfers	(264,526)	231,744	103
Capital contributions	-	-	-
Transfers in	-	-	-
Transfers out	<u>(39,326)</u>	<u>(81,543)</u>	<u>-</u>
Change in net position	(303,852)	150,201	103
Total net position, beginning of year	<u>20,868,684</u>	<u>(307,209)</u>	<u>66,642</u>
Total net position, end of year	<u>\$ 20,564,832</u>	<u>\$ (157,008)</u>	<u>\$ 66,745</u>

See accompanying notes to financial statements.

<u>Airport</u>	<u>Total</u>
\$ 48,086	\$ 2,061,647
239,728	1,638,591
<u>111,033</u>	<u>723,779</u>
<u>350,761</u>	<u>2,362,370</u>
<u>(302,675)</u>	<u>(300,723)</u>
-	2,347
<u>(27,013)</u>	<u>(63,991)</u>
<u>(27,013)</u>	<u>(61,644)</u>
(329,688)	(362,367)
1,515,001	1,515,001
260,003	260,003
<u>-</u>	<u>(120,869)</u>
1,445,316	1,291,768
<u>3,317,512</u>	<u>23,945,629</u>
<u>\$ 4,762,828</u>	<u>\$ 25,237,397</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2017

	<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	\$ 891,011	\$ 1,181,966	\$ -
Payments to suppliers	(304,982)	(427,036)	-
Payments to employees	(276,363)	(437,235)	-
Net cash provided (used) by operating activities	<u>309,666</u>	<u>317,695</u>	<u>-</u>
Cash flows from noncapital and related financing activities			
Transfers in	-	-	-
Transfers out	(39,326)	(81,543)	-
Received from other funds	-	-	-
Payment to other funds	(61,912)	-	-
Net cash provided (used) for noncapital and related financing activities	<u>(101,238)</u>	<u>(81,543)</u>	<u>-</u>
Cash flows from capital and financing activities			
Contributions from grants	-	-	-
Interest paid	(36,978)	-	-
Purchase of capital assets	(95,466)	-	-
Proceeds from sale of capital assets	-	-	-
Principal payments on leases	-	-	-
Principal payments of notes payable	(106,233)	-	-
Net cash provided (used) for capital and related financing activities	<u>(238,677)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Investment income	1,871	373	103
Net cash provided (used) by investing activities	<u>1,871</u>	<u>373</u>	<u>103</u>
Net increase (decrease) in cash and cash equivalents	(28,378)	236,525	103
Cash and cash equivalents, beginning of year	<u>1,181,466</u>	<u>58,661</u>	<u>66,642</u>
Cash and cash equivalents, end of year	<u>\$ 1,153,088</u>	<u>\$ 295,186</u>	<u>\$ 66,745</u>

See accompanying notes to financial statements.

Airport	Total
\$ 48,086	\$ 2,121,063
(130,241)	(862,259)
(100,709)	(814,307)
<u>(182,864)</u>	<u>444,497</u>
260,003	260,003
-	(120,869)
61,912	61,912
-	(61,912)
<u>321,915</u>	<u>139,134</u>
1,515,001	1,515,001
(27,013)	(63,991)
(1,609,275)	(1,704,741)
-	-
(45,897)	(45,897)
-	(106,233)
<u>(167,184)</u>	<u>(405,861)</u>
<u>-</u>	<u>2,347</u>
<u>-</u>	<u>2,347</u>
(28,133)	180,117
<u>28,133</u>	<u>1,334,902</u>
<u>\$ -</u>	<u>\$ 1,515,019</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2017

	<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)	\$ (229,419)	\$ 231,371	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	554,996	57,750	-
Bad debt	(32,398)	(10,631)	-
Pension expense	20,853	29,747	-
Employer pension contributions	(21,515)	(30,807)	-
(Increase) decrease in:			
Accounts receivables	23,912	4,710	-
Increase (decrease) in:			
Accounts payable	(8,507)	11,679	-
Accrued payroll and benefits	837	7	-
Customer deposits	-	30,794	-
Compensated absences	907	(6,925)	-
Net cash provided (used) by operating activities	<u>\$ 309,666</u>	<u>\$ 317,695</u>	<u>\$ -</u>

See accompanying notes to financial statements.

<u>Airport</u>	<u>Total</u>
\$ (302,675)	\$ (300,723)
111,033	723,779
-	(43,029)
7,887	58,487
(7,986)	(60,308)
-	28,622
(2,529)	643
1,303	2,147
-	30,794
<u>10,103</u>	<u>4,085</u>
<u>\$ (182,864)</u>	<u>\$ 444,497</u>

See accompanying notes to financial statements.

CITY OF COOLIDGE, ARIZONA  
 STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 June 30, 2017

	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 13,817
Investments	222,958
Accounts receivable	<u>744</u>
Total assets	<u>237,519</u>
<b>NET POSITION</b>	
Held in trust for investment trust participants	<u><u>\$ 237,520</u></u>

CITY OF COOLIDGE, ARIZONA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year Ended June 30, 2017

	<u>Pension Trust</u>
Additions	
State fire insurance premiums	\$ 4,815
Contributions	3,886
Investment income:	
Interest and dividends	6,347
Unrealized gain/(loss)	<u>6,449</u>
Total additions	<u>21,497</u>
Deductions	
Professional/technical services	<u>13,083</u>
Change in net position	(57,611)
Net position, beginning of year	<u>295,131</u>
Net position, end of year	<u><u>\$ 237,520</u></u>

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

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, 2017

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, 2017, 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, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Balances - Governmental Funds (Continued)

Unassigned - all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance.

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, 2017

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:

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

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

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 Fund

Pension trust fund – City's Volunteer Firefighter's Relief and Pension Fund

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, 2017

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 acquisition value at the date of donation.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

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:

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

J. 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, 2017

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 2017.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

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.

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 June 2015, the GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Town implemented this standard during this fiscal period.

In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB 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 all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2017. Upon implementation, it is anticipated that this Statement will cause a restatement of beginning net position of the Governmental Activities, Business-type Activities, and the proprietary funds.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In December 2015, the GASB issued Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The Town implemented this standard during this fiscal period.

In March 2016, the GASB issued Statement 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In March 2017, the GASB issued Statement 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2017, the GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 CASH AND INVESTMENTS

Arizona Revised Statutes (A.R.S.) authorize the City to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds, notes, and other evidences of indebtedness; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper issued by corporations organized and doing business in the United States; specified bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the Town Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 2 CASH AND INVESTMENTS (Continued)

*Credit risk*

Statutes have the following requirements for credit risk:

1. Commercial paper must be of prime quality and be rated within the top two ratings by a nationally recognized rating agency.
2. Bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars must be rated "A" or better at the time of purchase by at least two nationally recognized rating agencies.
3. Fixed income securities must carry one of the two highest ratings by Moody's investor's service and Standard and Poor's rating service. If only one of the above-mentioned services rates the security, it must carry the highest rating of that service.

*Custodial credit risk*

Statutes require collateral for deposits at 102 percent of all deposits federal depository insurance does not cover.

*Concentration of credit risk*

Statutes do not include any requirements for concentration of credit risk

*Interest rate risk*

Statutes require that public monies invested in securities and deposits have a maximum maturity of 5 years. The maximum maturity for investments in repurchase agreements is 180 days.

*Foreign currency risk*

Statutes do not allow foreign investments unless the investment is denominated in United States dollars.

The City's investment policy states that the City will conform with Arizona Revised Statutes. The City does not have a formal investment policy with respect to custodial credit risk, concentration of credit risk, or foreign currency risk.

*Deposits*—At June 30, 2017, the carrying amount of the Town's total cash in bank was \$6,016,188, and the bank balances were \$6,281,653. Of the bank balances, \$620,595 was covered by federal depository insurance or similar insurance. The remainder was covered by collateral held by the pledging financial institution in the City's name.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 2 CASH AND INVESTMENTS (Continued)

*Investments*—The City reported investments in the State Treasurer’s Investment Pool 7 with a reported amount of \$234,126. The State Treasurer’s Investment Pool 7 is unrated.

The City’s Pension Trust Fund had investments in mutual funds of \$222,958 at June 30, 2017, categorized within the fair value hierarchy established by generally accepted accounting principles as level 1. Investments categorized as Level 1 are valued using prices quoted in active market for those investments.

The State Board of Investment provides oversight for the State Treasurer’s pools. The fair value of a participant’s position in the pool approximates the value of that participant’s pool shares and the participant’s shares are not identified with specific investments.

A reconciliation of cash, deposits, and investments to amounts shown on the statements of net position follows:

	Governmental activities	Business-type activities	Pension trust funds	Total
Cash and cash equivalents:				
Cash on hand	\$ 7,309	\$ 122	\$ -	\$ 7,431
Amount of deposits	4,593,460	1,514,897	13,817	6,122,174
State Treasurer’s investment pool 7	234,126	-	-	234,126
Total	<u>\$ 4,834,895</u>	<u>\$ 1,515,019</u>	<u>\$ 13,817</u>	<u>\$ 6,363,731</u>

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

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	\$ 106,912	\$ -	\$ 180,369	-	\$ -	\$ 287,281
Accounts	-	-	-	-	23,608	23,608
	<u>106,912</u>	<u>-</u>	<u>180,369</u>	<u>-</u>	<u>23,608</u>	<u>310,889</u>
Less:						
Allowance	-	-	-	-	-	-
Net Receivables	<u>\$ 106,912</u>	<u>\$ -</u>	<u>\$ 180,369</u>	<u>\$ -</u>	<u>\$ 23,608</u>	<u>\$ 310,889</u>

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2017.

Business-type Activities:

	Liquid Waste Fund	Solid Waste Fund	Liquid Waste Impact Fees Fund	Airport Fund	Total
Receivables:					
Accounts	301,432	531,779	\$ -	\$ -	\$ 833,211
Less:					
Allowance	(287,068)	(413,002)	-	-	(700,070)
Net Receivables	<u>\$ 14,364</u>	<u>\$ 118,777</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 133,141</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 (\$32,398) and (\$10,631), respectively.

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2017 follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,249,876	\$ 37,898	\$ -	\$ 1,287,774
Construction in progress	211,278	1,488,051	(824,672)	874,657
Total capital assets not being	1,461,154	1,525,949	(824,672)	2,162,431
Capital assets being depreciated:				
Infrastructure	73,830,905	907,968	-	74,738,873
Buildings and improvements	15,584,234	8,360	-	15,592,594
Vehicles, furniture and equipment	9,064,642	499,107	-	9,563,749
Total capital assets being depreciated	98,479,781	1,415,435	-	99,895,216
Less accumulated depreciation for:				
Infrastructure	(30,375,272)	(2,627,298)	-	(33,002,570)
Buildings and improvements	(4,775,081)	(324,255)	-	(5,099,336)
Vehicles, furniture and equipment	(6,177,087)	(611,020)	-	(6,788,107)
Total accumulated depreciation	(41,327,440)	(3,562,573)	-	(44,890,013)
Total capital assets, being depreciated, net	57,152,341	(2,147,138)	-	55,005,203
Governmental activities capital assets, net	\$ 58,613,495	\$ (621,189)	\$ (824,672)	\$ 57,167,634
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 1,111,515	\$ 41,703	\$ -	\$ 1,153,218
Construction in progress	547,812	14,844	(144,202)	418,454
Total capital assets not being	1,659,327	56,547	(144,202)	1,571,672
Capital assets being depreciated:				
Land improvements	3,437,604	1,696,930	-	5,134,534
Airport hangar and improvements	115,160	-	-	115,160
Sewer treatment plant and collection system	25,144,432	56,167	-	25,200,599
Vehicles, machinery and equipment	2,168,688	39,300	-	2,207,988
Total capital assets being depreciated	30,865,884	1,792,397	-	32,658,281
Less accumulated depreciation for:				
Land improvements	(551,979)	(83,912)	-	(635,891)
Airport hangar and improvements	(78,206)	(1,719)	-	(79,925)
Sewer treatment plant and collection system	(5,344,481)	(490,915)	-	(5,835,396)
Vehicles, machinery and equipment	(1,122,136)	(147,233)	-	(1,269,369)
Total accumulated depreciation	(7,096,802)	(723,779)	-	(7,820,581)
Total capital assets, being depreciated, net	23,769,082	1,068,618	-	24,837,700
Business-type activities capital assets, net	\$ 25,428,409	\$ 1,125,165	\$ (144,202)	\$ 26,409,372

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 4 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 285,007
Public safety	391,883
Highways and streets	2,707,554
Culture and recreation	178,129
Total depreciation expense	<u>\$ 3,562,573</u>
Business-type activities:	
Wastewater	\$ 554,996
Sanitation	57,750
Airport	111,033
Total depreciation expense	<u>\$ 723,779</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, 2017, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2017	Due Within One Year
Governmental activities:				
Greater Arizona Development Authority Note	2.00%	03/01/14-2023	\$ 1,245,000	\$ -
Premium amortization			100,775	-
Total Governmental activities			<u>\$ 1,345,775</u>	<u>\$ -</u>
Business-type activities:				
Water Infrastructure Finance Authority Note	3.75%	07/01/98 - 18	\$ 81,729	\$ 40,112
Water Infrastructure Finance Authority Note	2.97%	07/01/10 - 29	1,084,446	69,575
Total Business-type activities			<u>\$ 1,166,175</u>	<u>\$ 109,687</u>
Total			<u>\$ 2,511,950</u>	<u>\$ 109,687</u>

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 5 LOANS PAYABLE (Continued)

Annual debt service requirements to maturity on the loans payable at June 30, 2017 are summarized as follows:

Fiscal year ending June 30,	Governmental Activities			Business-type Activities		Total	
	Principal	Premium Amortization	Interest	Principal	Interest	Principal	Interest
2018	\$ -	\$ 15,704	\$ 12,971	\$ 109,687	\$ 33,466	\$ 109,687	\$ 46,437
2019	230,000	28,319	23,281	113,257	29,838	343,257	53,119
2020	240,000	22,794	18,076	73,766	26,900	313,766	44,976
2021	250,000	18,114	13,136	75,956	24,679	325,956	37,815
2022	255,000	11,843	8,032	78,210	22,391	333,210	30,423
2023-2027	270,000	4,001	2,749	427,278	75,188	697,278	77,937
2028-2032	-	-	-	288,021	12,264	288,021	12,264
Total	<u>\$ 1,245,000</u>	<u>\$ 100,775</u>	<u>\$ 78,245</u>	<u>\$ 1,166,175</u>	<u>\$ 224,726</u>	<u>\$ 2,411,175</u>	<u>\$ 302,971</u>

NOTE 6 CAPITAL LEASES

Leases at June 30, 2017, 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.	\$ 26,917
Lease with option to purchase equipment (Mini Pumper). Annual installments of \$67,308 plus interest at 2.58%, due through January 2019.	131,534
Lease with option to purchase equipment (Fire Tender). Annual installments of \$36,296.42 including interest at 1.902%, due through February 2020.	<u>210,710</u>
	<u>\$ 369,161</u>

Business activities:

Lease with option to purchase equipment (Fuel Tanks). Annual installments of \$66,463 plus interest at 4.43%, due through April 2025.	<u>\$ 439,215</u>
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CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 6 CAPITAL LEASES (CONTINUED)

The minimum lease payments by year are:

Fiscal year ending June 30,	Governmental Activities	Business Activities
2017	\$ 167,076	\$ 66,462
2018	139,900	66,462
2019	72,593	66,462
2020	-	66,462
2021	-	66,462
2022-2026	-	188,311
Total minimum lease payments	379,569	520,621
Less: amount representing interest	(10,408)	(81,406)
Present value of future minimum lease payments	369,161	439,215
Less: current portion	(160,830)	(47,972)
Noncurrent portion	<u>\$ 208,331</u>	<u>\$ 391,243</u>

Leased Capital Assets

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

Asset	Governmental Activities	Business-type Activities
Equipment	\$ 797,346	\$ 500,548
Less accumulated depreciation	(230,430)	(41,986)
Total	<u>\$ 566,916</u>	<u>\$ 458,562</u>

NOTE 7 BONDS PAYABLE

In November 2016 the City issued \$2,550,000 of pledged excise tax revenue obligation series 2016 bonds at a stated interest rate of 1.95% to finance the acquisition, construction, installation and equipping of certain street and sidewalk improvements, and other projects for the City. The bonds are secured and payable from pledged excise tax. The bonds mature in July 2031.

A summary of the long-term bond payable at June 30,2017 is as follows:

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2017	Due Within One Year
City of Coolidge Excise Tax Revenue Obligation, Series 2016	1.95%	7/1/2031	2,550,000	167,000

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 7 BONDS PAYABLE (CONTINUED)

Annual debt service requirements to maturity on governmental bonds payable at June 30, 2017 is as follows:

Fiscal year ending June 30,	Principal	Interest
2017	\$ 167,000	\$ 48,097
2018	150,000	45,006
2019	153,000	42,052
2020	155,000	39,049
2021	159,000	35,987
2022-2026	841,000	131,810
2027-2031	925,000	45,796
Total	<u>\$ 2,550,000</u>	<u>\$ 387,797</u>

NOTE 8 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 \$455,032 and \$260,993, 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, 2017. 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, 2017

NOTE 9 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 473,385	\$ 159,416	\$ (191,090)	\$ 441,711	\$ 265,027
Loans payable	1,670,000	-	(425,000)	1,245,000	-
Bond payable	-	2,550,000	-	2,550,000	167,000
Loan premium	159,692	-	(58,917)	100,775	15,704
Capital leases	526,447	-	(157,286)	369,161	160,830
Landfill closure and postclosure costs	706,941	9,084	-	716,025	-
Net pension liability	12,436,227	1,109,686	-	13,545,913	-
Governmental activities long-term liabilities	<u>\$ 15,972,692</u>	<u>\$ 3,828,186</u>	<u>\$ (832,293)</u>	<u>\$ 18,968,585</u>	<u>\$ 608,561</u>
<b>Business-type activities:</b>					
Compensated absences	\$ 54,717	\$ 30,239	\$ (26,154)	\$ 58,802	\$ 35,281
Notes payable	1,272,408	-	(106,233)	1,166,175	109,687
Capital leases	485,112	-	(45,897)	439,215	47,972
Net pension liability	1,014,484	34,621	-	1,049,105	-
Business-type activities long-term liabilities	<u>\$ 2,826,721</u>	<u>\$ 64,860</u>	<u>\$ (178,284)</u>	<u>\$ 2,713,297</u>	<u>\$ 192,940</u>

NOTE 10 INTERFUND TRANSFERS

Interfund transfers – During the year ended June 30, 2017, the City transferred funds to cover shared expenses and interfund borrowings. Transfers made between funds during the year are as follows:

Fund	Transfers	
	Out	In
General Fund	\$ 145,863	\$ -
Impact Fees Fund	-	-
Capital Projects Fund	730,392	-
Road Tax Capital Projects Fund	381,629	-
Non-Major Governmental Funds	-	1,118,750
Liquid Waste Fund	39,326	-
Solid Waste Fund	81,543	-
Airport	-	260,003
Total	<u>\$ 1,378,753</u>	<u>\$ 1,378,753</u>

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 11      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, 2017; 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.

NOTE 12      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.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The City contributes to the pension plans described below. The plans are component units of the State of Arizona.

At June 30, 2017, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

<b>Statement of Net Position and Statement of Activities</b>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net pension liabilities	\$ 13,545,913	\$ 1,049,105	\$ 14,595,018
Deferred outflows of resources	3,629,025	195,829	3,824,854
Deferred inflows of resources	1,043,942	129,187	1,173,129
Pension expense	1,599,632	66,633	1,666,265

The City reported \$1,169,041 of pension expenditures in the governmental funds related to all pension plans to which it contributes.

**A. Arizona State Retirement System**

**Plan Description** – City employees not covered by the other pension plans described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at [www.azasrs.gov](http://www.azasrs.gov).

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Benefits Provided** – The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

ASRS	Retirement	
	Initial membership date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* any years age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

\*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member’s death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member’s account balance that includes the member’s contributions and employer’s contributions, plus interest earned.

**Contributions** – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2017, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.48 percent (11.34 percent for retirement and 0.14 percent for long-term disability) of the members’ annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 11.48 percent (10.78 percent for retirement, 0.56 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members’ annual covered payroll. The City’s contributions to the pension plan for the year ended June 30,

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

2017, were \$479,809. The City's contributions for the current and two preceding years for OPEB, all of which were equal to the required contributions, were as follows:

ASRS	<u>Health Benefit Supplement Fund</u>	<u>Long-term Disability Fund</u>
Year ended June 30,		
2017	\$ 24,581	\$ 6,145
2016	21,268	5,104
2015	25,740	5,235

During fiscal year 2017, the City paid for ASRS pension and OPEB contributions as follows: 86.25 percent from the General Fund, 5 percent from the Liquid Waste Fund, 8 percent from the Solid Waste Fund, and 0.75 percent from the Airport Fund.

**Pension Liability** – At June 30, 2017, the City reported a liability of \$7,629,853 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2015, to the measurement date of June 30, 2016. The total pension liability as of June 30, 2016, reflects a change in actuarial assumption for a decrease in loads for future potential permanent benefit increases.

The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The City's proportion measured as of June 30, 2016, was .04727 percent, which was an decrease of .0001 from its proportion measured as of June 30, 2015.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Pension Expense and Deferred Outflows/Inflows of Resources** – For the year ended June 30, 2017, the City recognized pension expense for ASRS of \$484,605. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ASRS	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 46,366	\$ 524,878
Changes of assumptions or other inputs	-	403,680
Net difference between projected and actual earnings on pension plan investments	826,822	-
Changes in proportion and differences between City contributions and proportionate share of contributions	71,213	10,978
City contributions subsequent to the measurement date	<u>479,809</u>	<u>-</u>
 Total	 <u>\$ 1,424,210</u>	 <u>\$ 939,536</u>

The \$479,809 reported as deferred outflows of resources related to ASRS pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year ended June 30,	
2018	\$ (301,423)
2019	(261,449)
2020	335,899
2021	231,838
2020	-
Thereafter	-

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Actuarial Assumptions** – The significant actuarial assumptions used to measure the total pension liability are as follows:

**ASRS**

Actuarial valuation date	June 30, 2015
Actuarial roll forward date	June 30, 2016
Actuarial cost method	Entry age normal
Investment rate of return	8%
Projected salary increases	3 - 6.75%
Inflation	3%
Permanent benefit increase	Included
Mortality rates	1994 GAM Scale BB

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2012.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.75 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**ASRS**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity	58%	6.73%
Fixed income	25%	3.70%
Real estate	10%	4.25%
Multi-asset class	5%	3.41%
Commodities	2%	3.84%
Total	100%	

**Discount Rate** – The discount rate used to measure the ASRS total pension liability was 8 percent, which is less than the long-term expected rate of return of 8.75 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Sensitivity of the City’s Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate** – The following table presents the City’s proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7 percent) or 1 percentage point higher (9 percent) than the current rate:

ASRS	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's proportionate share of the net pension liability	\$ 9,728,642	\$ 7,629,853	\$ 5,947,083

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report.

**B. Public Safety Personnel Retirement System**

**Plan Descriptions** – City police and fire employees participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan (agent plans). A seven-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The PSPRS issue publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS Web site at [www.psprs.com](http://www.psprs.com).

**Benefits Provided** – The PSPRS provide retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	<b>Initial membership date:</b>	
	<b>Before January 1, 2012</b>	<b>On or after January 1, 2012</b>
<b>Retirement and Disability</b>		
Years of service and age required to receive benefit	20 years any age 15 years age 62	25 years and age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 20 years
Benefit percent		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited services over 20 years, not to exceed 80%	2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to	
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
<b>Survivor Benefit</b>		
Retired Members	80% of retired member's pension benefit	
Active Members	80% if accidental disability retirement benefit or 100% of average monthly compensation if death was result of injuries received on the job	

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on excess investment earning. In addition, the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Employees Covered by Benefit Terms** – At June 30, 2017, the following employees were covered by the agent pension plans’ benefit terms:

<b>PSPRS</b>	<u><b>PSPRS Police</b></u>	<u><b>PSPRS Fire</b></u>
Inactive employees or beneficiaries currently receiving benefits	15	-
Inactive employees entitled to but not yet receiving benefits	4	1
Active employees	<u>28</u>	<u>5</u>
Total	<u><u>47</u></u>	<u><u>6</u></u>

**Contributions and Annual OPEB Cost** – State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2017, are indicated below. Rates are a percentage of active members’ annual covered payroll.

<b>PSPRS</b>	<u><b>PSPRS Police</b></u>	<u><b>PSPRS Fire</b></u>
Active Members - Pension	11.65%	11.65%
City-		
Pension	35.39%	14.21%
Health insurance premium benefit	0.00%	0.00%

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

For the agent plans, the City's contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2017, were:

<b>Pension</b>	<u><b>PSPRS Police</b></u>	<u><b>PSPRS Fire</b></u>
Contributions Made	\$ 652,826	\$ 48,653
<b>Health Insurance Premium Benefit</b>		
Annual OPEB cost	-	-
Contributions made	-	-

During fiscal year 2017, the City paid for 100 percent of PSPRS pension and OPEB contributions from the General Fund.

**Pension Liability (Asset)** – At June 30, 2017, the City reported the following net pension liability (asset):

	<u><b>Net Pension Liability</b></u> <u><b>(Asset)</b></u>
PSPRS Police	\$ 6,893,053
PSPRS Fire	\$ 72,112

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liabilities as of June 30, 2016, reflect the following changes of benefit terms and actuarial assumptions.

- In May 2016 voters approved Proposition 124 that authorized certain statutory adjustments to PSPRS' automatic cost-of-living adjustments. The statutory adjustments change the basis for cost-of-living adjustments from excess investment earnings to the change in the consumer price index, limited to a maximum annual increase of 2 percent.
- Laws 2016, Chapter 2, changed the benefit formula and contribution requirements for members hired on or after July 1, 2017.
- The investment rate of return actuarial assumption was decreased from 7.85 percent to 7.50 percent for PSPRS plans.

The net pension liabilities measured at June 30, 2017, will reflect changes of actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2016. The change in the City's net pension liabilities as a result of these changes is not known.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Pension Actuarial Assumptions** – The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2016
Actuarial cost method	Entry age normal
Discount rate	7.50%
Projected salary increases	4.0%-80%
Inflation	4.0%
Permanent benefit increase	Included
Mortality rates	RP-2000 mortality table (adjusted by 105% for both males and females)

Actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2011.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.50 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Arithmetic Real Rate of Return</u>
Short term investments	2%	0.75%
Absolute return	5%	4.11%
Risk parity	4%	5.13%
Fixed Income	7%	2.92%
Real assets	8%	4.77%
GTAA	10%	4.38%
Private Equity	11%	9.50%
Real estate	10%	4.48%
Credit opportunities	13%	7.08%
Non-U.S. equity	14%	8.25%
U.S. equity	16%	6.23%
Total	<u>100%</u>	

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Pension Discount Rates** – The discount rate used to measure the PSPRS total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability (Asset)**

	Increase (Decrease)		
	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>PSPRS Police</b>			
Balances at June 30, 2016	\$ 11,288,958	\$ 5,216,314	\$ 6,072,644
Changes for the year			
Service Cost	334,563	-	334,563
Interest on the total pension liability	862,355	-	862,355
Changes of benefit terms	179,887	-	179,887
Differences between expected and actual experience in the measurement of the pension liability	(239,382)	-	(239,382)
Changes of assumptions or other inputs	472,637	-	472,637
Contributions-employer	-	632,418	(632,418)
Contributions-employee	-	202,170	(202,170)
Net investment income	-	30,292	(30,292)
Benefit payments, including refunds of employee contributions	(941,645)	(941,645)	-
Administrative expense	-	(4,759)	4,759
Other changes	-	(70,470)	70,470
Net changes	668,415	(151,994)	820,409
Balances at June 30, 2017	\$ 11,957,373	\$ 5,064,320	\$ 6,893,053
<b>PSPRS Fire</b>			
Balances at June 30, 2016	\$ 248,109	\$ 388,349	\$ (140,240)
Changes for the year			
Service Cost	70,140	-	70,140
Interest on the total pension liability	22,230	-	22,230
Changes of benefit terms	66,493	-	66,493
Differences between expected and actual experience in the measurement of the pension liability	195,658	-	195,658
Changes of assumptions or other inputs	32,519	-	32,519
Contributions-employer	-	47,704	(47,704)
Contributions-employee	-	33,645	(33,645)
Net investment income	-	2,688	(2,688)
Administrative expense	-	(788)	788
Other changes	-	91,439	(91,439)
Net changes	387,040	174,688	212,352
Balances at June 30, 2017	\$ 635,149	\$ 563,037	\$ 72,112

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate** – The following table presents the City's net pension liabilities calculated using the discount rate of 7.50 percent, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

PSPRS	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PSPRS Police			
Rate	6.50%	7.50%	8.50%
Net pension liability (asset)	\$ 8,523,954	\$ 6,893,053	\$ 5,558,650
PSPRS Fire			
Rate	6.50%	7.50%	8.50%
Net pension liability (asset)	\$ 197,517	\$ 72,112	\$ (29,347)

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS financial reports.

**Pension Expense** – For the year ended June 30, 2017, the City recognized the following pension expense:

	<u>Pension Expense</u>
PSPRS Police	\$ 1,150,455
PSPRS Fire	\$ 31,205

**Pension Deferred Outflows/Inflows of Resources** – At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS Police	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 71,564	\$ (233,592)
Changes of assumptions or other inputs	1,052,862	-
Net difference between projected and actual earnings on pension plan investments	320,979	-
City contributions subsequent to the measurement date	655,877	-
Total	<u>\$ 2,101,282</u>	<u>\$ (233,592)</u>
PSPRS Fire	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 188,354	\$ -
Changes of assumptions or other inputs	29,238	-
Net difference between projected and actual earnings on pension plan investments	30,798	-
City contributions subsequent to the measurement date	50,972	-
Total	<u>\$ 299,362</u>	<u>\$ -</u>

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

The amounts reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	PSPRS Police	PSPRS Fire
2018	\$ 302,917	\$ 33,874
2019	302,919	33,876
2020	354,218	36,765
2021	208,931	33,783
2022	42,415	26,875
Thereafter	413	83,217

**Agent Plan OPEB Actuarial Assumptions** – The health insurance premium benefit contribution requirements for the year ended June 30, 2017, were established by the June 30, 2015, actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the reported amounts' value and assumptions about the probability of events in the future. Amounts determined regarding the plans' funded status and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding progress for the health insurance premium benefit presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on (1) the plans as understood by the City and plans' members and include the types of benefits in force at the valuation date, and (2) the pattern of sharing benefit costs between the City and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

The significant actuarial methods and assumptions were used to establish the fiscal year 2017 contribution requirements:

Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	21 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	7.85%
Projected salary increases	4%-8%
Wage growth	4.0%

**PSPRS - OPEB Funded Status**

**Agent Plan OPEB Trend Information** – Annual OPEB cost information for the health insurance premium benefit for the current and two preceding years:

PSPRS Police					
2017	\$	-	100%	\$	-
2016		-	100%		(73,156)
2015		23,523	100%		(107,746)
PSPRS Fire					
2017	\$	1,429	100%	\$	-
2016		1,524	100%		3,510
2015		1,401	100%		(1,553)

CITY OF COOLIDGE, ARIZONA  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

**Agent Plan OPEB Funded Status** – The health insurance premium benefit plans' funded status as of the most recent valuation date, June 30, 2016, along with the actuarial assumptions and methods used in those valuations follow.

	<u>PSPRS Police</u>	<u>PSPRS Fire</u>
Actuarial value of assets (a)	\$ 347,706	\$ 15,099
Actuarial accrued liability (b)	\$ 274,550	\$ 18,609
Unfunded actuarial accrued liability (funding excess) (b) - (a)	\$ (73,156)	\$ 3,510
Funded ratio (a)/(b)	126.65%	81.14%
Annual covered payroll (c)	\$ 1,787,196	\$ 331,947
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (b) - (a) / (c)	0.00%	1.06%

The actuarial methods and assumptions for the most recent valuation date are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period	20 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value; 20% corridor
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4%-8%
Wage growth	4%

CITY OF COOLIDGE, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2017

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS - Continued

Pension Trust Fund – City’s Volunteer Fireman’s Relief and Pension Plan

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

The assets of the plan are valued annually and the earnings or loss is distributed among the participant’s accounts in the plan. The only expenditures being made from this fund are administration fees, retirement payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age sixty-two (62) or twenty years of credited service. Volunteer fire fighters are 50% vested after 20 years of service with a 10% increase for each additional year. Fire fighters are fully vested after 25 years of service. As of June 30, 2017, 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, 2017, was \$24,910 and the City’s required and actual contributions amounted to \$1,943.

As of June 30, 2017, the plan’s assets consisted of the following:

Money market funds	\$ 13,817
Mutual funds	<u>222,958</u>
	<u>\$ 236,775</u>

The plan has never had an actuarial valuation; however, benefits cannot exceed plan assets. The fair 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.

***REQUIRED SUPPLEMENTARY INFORMATION***

CITY OF COOLIDGE, ARIZONA  
 Required Supplementary Information  
 Schedule of the City's Proportionate  
 Share of the Net Pension Liability  
 Cost-Sharing Pension Plans  
 June 30, 2017

**Arizona State Retirement System**

	Reporting Fiscal Year (Measurement Date)			
	2017 (2016)	2016 (2015)	2015 (2014)	2014 through 2008
City's proportion of the net pension liability	0.047270%	0.047370%	0.046532%	Information not available
City's proportionate share of the net pension liability	\$ 7,629,853	\$ 7,378,067	\$ 6,885,172	Information not available
City's covered-employee payroll	\$ 4,450,918	\$ 4,378,839	\$ 4,121,359	
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	171.42%	168.49%	167.06%	
Plan fiduciary net position as a percentage of the total pension liability	67.06%	68.35%	69.49%	

See accompanying notes to pension plan schedules.

**CITY OF COOLIDGE, ARIZONA**  
**Required Supplementary Information**  
**Schedule of Changes in the City's**  
**Net Pension Liability (Asset) and Related Ratios**  
**Agent Pension Plans**  
**June 30, 2017**

<b>PSPRS Police</b>	<b>Reporting Fiscal Year</b>			
	<b>(Measurement Date)</b>			
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014 through</b>
	<b>(2016)</b>	<b>(2015)</b>	<b>(2014)</b>	<b>2008</b>
Total pension liability				Information not available
Service cost	\$ 334,563	\$ 269,661	\$ 274,282	
Interest on the total pension liability	862,355	821,813	692,377	
Changes of benefit terms	179,887	-	237,141	
Differences between expected and actual experience in the measurement of the pension liability	(239,382)	105,542	(63,784)	
Changes of assumptions or other inputs	472,637	-	1,234,699	
Benefit payments, including refunds of employee contributions	(941,645)	(484,369)	(962,705)	
Net change in total pension liability	668,415	712,647	1,412,010	
Total pension liability - beginning	11,288,958	10,576,311	9,164,301	
Total pension liability - ending (a)	<u>\$ 11,957,373</u>	<u>\$ 11,288,958</u>	<u>\$ 10,576,311</u>	
Plan fiduciary net position				
Contributions - employer	\$ 632,418	\$ 426,541	\$ 351,195	
Contributions - employee	202,170	190,449	158,597	
Net investment income	30,292	180,905	622,292	
Benefit payments, including refunds of employee contributions	(941,645)	(484,369)	(962,705)	
Administrative expense	(4,759)	(4,789)	-	
Other changes	(70,470)	(14,229)	(267,658)	
Net change in plan fiduciary net position	(151,994)	294,508	(98,279)	
Plan fiduciary net position - beginning	5,216,314	4,921,806	5,020,085	
Plan fiduciary net position - ending (b)	<u>\$ 5,064,320</u>	<u>\$ 5,216,314</u>	<u>\$ 4,921,806</u>	
City's net pension liability (asset) - ending (a) - (b)	<u>\$ 6,893,053</u>	<u>\$ 6,072,644</u>	<u>\$ 5,654,505</u>	
Plan fiduciary net position as a percentage of the total pension liability	42.35%	46.21%	46.54%	
Covered-employee payroll	\$ 1,787,196	\$ 1,592,879	\$ 1,431,955	
City's net pension liability (asset) as a percentage of covered-employee payroll	385.69%	381.24%	394.88%	

See accompanying notes to pension plan schedules.

CITY OF COOLIDGE, ARIZONA  
Required Supplementary Information  
Schedule of Changes in the City's  
Net Pension Liability (Asset) and Related Ratios  
Agent Pension Plans  
June 30, 2017

**PSPRS Fire**

	Reporting Fiscal Year (Measurement Date)			2014 through 2008
	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability				Information not available
Service cost	\$ 70,140	\$ 35,035	\$ 32,174	
Interest on the total pension liability	22,230	15,726	11,890	
Changes of benefit terms	66,493	-	(859)	
Differences between expected and actual experience in the measurement of the pension liability	195,658	14,533	3,850	
Changes of assumptions or other inputs	32,519	-	384	
Benefit payments, including refunds of employee contributions	-	-	-	
Net change in total pension liability	387,040	65,294	47,439	
Total pension liability - beginning	248,109	182,815	135,376	
Total pension liability - ending (a)	<u>\$ 635,149</u>	<u>\$ 248,109</u>	<u>\$ 182,815</u>	
Plan fiduciary net position				
Contributions - employer	\$ 47,704	\$ 35,935	\$ 29,331	
Contributions - employee	33,645	27,932	17,779	
Net investment income	2,688	12,165	35,053	
Benefit payments, including refunds of employee contributions	-	-	-	
Administrative expense	(788)	(687)	-	
Other changes	91,439	(252)	-	
Net change in plan fiduciary net position	174,688	75,093	82,163	
Plan fiduciary net position - beginning	388,349	313,256	238,927	
Plan fiduciary net position - ending (b)	<u>\$ 563,037</u>	<u>\$ 388,349</u>	<u>\$ 321,090</u>	
City's net pension liability (asset) - ending (a) - (b)	<u>\$ 72,112</u>	<u>\$ (140,240)</u>	<u>\$ (138,275)</u>	
Plan fiduciary net position as a percentage of the total pension liability	88.65%	156.52%	175.64%	
Covered-employee payroll	\$ 331,947	\$ 259,053	\$ 171,777	
City's net pension liability (asset) as a percentage of covered-employee payroll	21.72%	-54.14%	-80.50%	

See accompanying notes to pension plan schedules.

**CITY OF COOLIDGE, ARIZONA**  
**Required Supplementary Information**  
**Schedule of City's Pension Contributions**  
**June 30, 2017**

<b>Arizona State Retirement System</b>	<b>Reporting Fiscal Year</b>				<b>2013 through 2008</b>
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	
Statutorily required contribution	\$ 479,809	\$ 475,104	\$ 448,816	\$ 448,816	Information not available
City's contributions in relation to the statutorily required contribution	<u>(479,809)</u>	<u>(475,104)</u>	<u>(448,816)</u>	<u>(448,816)</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered-employee payroll	\$ 4,450,918	\$ 4,378,839	\$ 4,121,359	\$ 4,194,542	
City's contributions as a percentage of covered-employee payroll	10.78%	10.85%	10.89%	10.70%	

<b>PSPRS Police</b>	<b>Reporting Fiscal Year</b>				<b>2013 through 2008</b>
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	
Actuarially determined contribution	\$ 652,826	\$ 632,418	\$ 426,541	\$ 351,195	Information not available
City's contributions in relation to the actuarially determined contribution	<u>(652,826)</u>	<u>(632,418)</u>	<u>(426,541)</u>	<u>(351,195)</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered-employee payroll	\$ 1,879,372	\$ 1,787,196	\$ 1,592,879	\$ 1,431,955	
City's contributions as a percentage of covered-employee payroll	34.74%	35.39%	26.78%	24.53%	

<b>PSPRS Fire</b>	<b>Reporting Fiscal Year</b>				<b>2013 through 2008</b>
	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	
Actuarially determined contribution	\$ 48,653	\$ 47,704	\$ 35,935	\$ 29,331	Information not available
City's contributions in relation to the actuarially determined contribution	<u>(48,653)</u>	<u>(47,704)</u>	<u>(35,935)</u>	<u>(29,331)</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered-employee payroll	\$ 342,382	\$ 331,947	\$ 259,053	\$ 171,777	
City's contributions as a percentage of covered-employee payroll	14.21%	14.37%	13.87%	17.08%	

See accompanying notes to pension plan schedules.

CITY OF COOLIDGE, ARIZONA  
 Required Supplementary Information  
 Notes to Pension Plan Schedules  
 June 30, 2017

NOTE 1      ACTUARIALLY DETERMINED CONTRIBUTION RATES

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent closed for unfunded actuarial accrued liability, open for excess
Remaining amortization period as of the 2015 actuarial valuation	21 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	7-year smoothed market value; 80%/120% corridor
Actuarial assumptions:	
Investment rate of return	In 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%
Projected salary increases	In 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% to 4.0% - 8.0%. In 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5%.
Wage growth	In 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	RP-2000 mortality table (adjusted by 105% for both males and females)

CITY OF COOLIDGE, ARIZONA  
 Required Supplementary Information  
 Schedule of Agent OPEB Plans' Funding Progress  
 June 30, 2017

**Health Insurance Premium Benefit - PSPRS Police**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
06/30/17	\$ 347,706	\$ 274,550	\$ (73,156)	126.6 %	\$1,787,196	0.00 %
06/30/16	347,790	240,044	(107,746)	144.9 %	1,592,879	0.00 %
06/30/15	316,856	228,035	(88,821)	139.0 %	1,431,955	0.00 %

**Health Insurance Premium Benefit - PSPRS Fire**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding (Liability) Excess (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
06/30/17	\$ 15,099	\$ 18,609	\$ 3,510	81.1%	\$ 331,947	1.06%
06/30/16	10,919	9,366	(1,553)	116.6%	259,053	0.00%
06/30/15	-	6,998	6,998	0.0%	171,777	4.07%

CITY OF COOLIDGE, ARIZONA  
Required Supplementary Information  
Notes to Schedule of Agent OPEB Plans' Funding Progress  
June 30, 2017

NOTE 2      FACTORS THAT AFFECT THE IDENTIFICATION OF TRENDS

Beginning in fiscal year 2014, PSPRS established separate funds for pension benefits and health insurance premium benefits. Previously, the plan recorded both pension and health insurance premium contributions in the same Pension Fund. During fiscal year 2014, the plan transferred prior-year health insurance premium benefit contributions that exceeded benefit payments from the plan's Pension Fund to the new Health Insurance Fund.

***OTHER SUPPLEMENTARY INFORMATION***

**COMBINING FUND FINANCIAL STATEMENTS**

CITY OF COOLIDGE, ARIZONA  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 June 30, 2017

	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 104,285	\$ 95,855
Accounts receivable - net	-	23,558	-
Due from other governments	84,547	-	-
Due from other funds	-	47,639	-
Total assets	<u>\$ 84,547</u>	<u>\$ 175,482</u>	<u>\$ 95,855</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 25,135	\$ 44,535	\$ -
Accrued payroll and employee benefits	11,773	9,486	-
Due to other funds	47,639	-	-
Total liabilities	<u>84,547</u>	<u>54,021</u>	<u>-</u>
<b>FUND BALANCES</b>			
Restricted for			
Transit purposes	-	121,461	-
Court purposes	-	-	95,855
Assigned for			
Capital projects	-	-	-
Total fund balance	<u>-</u>	<u>121,461</u>	<u>95,855</u>
Total liabilities and fund balance	<u>\$ 84,547</u>	<u>\$ 175,482</u>	<u>\$ 95,855</u>

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ 57,638	\$ 15,874	\$ 39,460	\$ 313,112
-	50	-	\$ 23,608
-	-	2	84,549
-	-	-	47,639
<u>\$ 57,638</u>	<u>\$ 15,924</u>	<u>\$ 39,462</u>	<u>\$ 468,908</u>
\$ -	\$ -	\$ -	\$ 69,670
-	-	-	21,259
57,638	-	-	105,277
<u>57,638</u>	<u>-</u>	<u>-</u>	<u>196,206</u>
-	-	-	121,461
-	-	-	95,855
-	15,924	39,462	55,386
-	15,924	39,462	272,702
<u>\$ 57,638</u>	<u>\$ 15,924</u>	<u>\$ 39,462</u>	<u>\$ 468,908</u>

CITY OF COOLIDGE, ARIZONA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 Year Ended June 30, 2017

REVENUE	Special Revenue		
	Highway User Fund	Transit	Court Surcharge
Taxes	\$ -	\$ -	\$ -
Intergovernmental	929,086	70,674	-
Fines and forfeitures	-	-	6,437
Charges for services	-	39,054	-
Investment income	-	-	143
Miscellaneous	333	7,602	-
Total revenue	<u>929,419</u>	<u>117,330</u>	<u>6,580</u>
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Highways and streets	1,156,720	278,338	-
Redevelopment and housing	-	-	-
Capital outlay	-	81,653	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Debt issuance costs	-	-	-
Total expenditures	<u>1,156,720</u>	<u>359,991</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(227,301)</u>	<u>(242,661)</u>	<u>6,580</u>
OTHER FINANCING SOURCES (USES)			
Transfers	<u>227,301</u>	<u>306,116</u>	<u>-</u>
Net change in fund balances	-	63,455	6,580
Fund balance, beginning of year	<u>-</u>	<u>58,006</u>	<u>89,275</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 121,461</u>	<u>\$ 95,855</u>

Debt Service	Capital Projects		Total Non-Major Governmental Funds
	Sandia CFD	Martin Valley CFD	
\$ -	1,388	3,739	\$ 5,127
-	-	-	999,760
-	-	-	6,437
-	-	-	39,054
-	5	5	153
-	91	101	8,127
-	1,484	3,845	1,058,658
-	-	-	-
-	-	-	-
-	-	-	1,435,058
-	2,086	4,022	6,108
-	-	-	81,653
425,000	-	-	425,000
106,800	-	-	106,800
53,533	-	-	53,533
585,333	2,086	4,022	2,108,152
(585,333)	(602)	(177)	(1,049,494)
585,333	-	-	1,118,750
-	(602)	(177)	69,256
-	16,526	39,639	203,446
\$ -	\$ 15,924	\$ 39,462	\$ 272,702



***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, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenue				
Charges for services	\$ 83,196	\$ 83,196	\$ 39,359	\$ (43,837)
Investment income	520	520	761	241
Total revenue	<u>83,716</u>	<u>83,716</u>	<u>40,120</u>	<u>(43,596)</u>
Expenditures				
Current				
General government	413,055	413,055	-	413,055
Public safety	-	-	-	-
Capital outlay	197,161	197,161	282,180	(85,019)
Debt service				
Principal	-	-	-	-
Interest and debt cost	-	-	-	-
Total expenditures	<u>610,216</u>	<u>610,216</u>	<u>282,180</u>	<u>328,036</u>
Excess (deficiency) of revenue over expenditures	<u>(526,500)</u>	<u>(526,500)</u>	<u>(242,060)</u>	<u>284,440</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(526,500)	(526,500)	(242,060)	284,440
Fund balance, beginning of year	<u>526,500</u>	<u>526,500</u>	<u>603,319</u>	<u>76,819</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 361,259</u>	<u>\$ 361,259</u>

CITY OF COOLIDGE, ARIZONA  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
 AND ACTUAL  
 Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 1,200,000	\$ 1,200,000	\$ 1,227,758	\$ 27,758
Investment income	1,600	1,600	2,175	575
Total revenue	<u>1,201,600</u>	<u>1,201,600</u>	<u>1,235,933</u>	<u>34,333</u>
Expenditures				
Current				
General government	-	-	154,264	(154,264)
Capital outlay	1,333,804	1,333,804	306,172	1,027,632
Debt service				
Principal	139,901	139,901	131,130	8,771
Interest and debt cost	-	-	8,771	(8,771)
Total expenditures	<u>1,473,705</u>	<u>1,473,705</u>	<u>600,337</u>	<u>873,368</u>
Excess (deficiency) of revenue over expenditures	<u>(272,105)</u>	<u>(272,105)</u>	<u>635,596</u>	<u>907,701</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(671,513)</u>	<u>(671,513)</u>	<u>(730,392)</u>	<u>(58,879)</u>
Total other financing sources (uses)	<u>(671,513)</u>	<u>(671,513)</u>	<u>(730,392)</u>	<u>(58,879)</u>
Net change in fund balance	(943,618)	(943,618)	(94,796)	848,822
Fund balance, beginning of year	<u>943,618</u>	<u>943,618</u>	<u>1,181,362</u>	<u>237,744</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,086,566</u>	<u>\$ 1,086,566</u>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	\$ 470,500	\$ 470,500	\$ 490,874	\$ 20,374
Investment income	1,200	1,200	3,334	2,134
Total revenue	<u>471,700</u>	<u>471,700</u>	<u>494,208</u>	<u>22,508</u>
Expenditures				
Current				
Highways and streets	1,300,000	1,300,000	154	1,299,846
Capital outlay	1,701,841	1,701,841	2,015,914	(314,073)
Debt service				
Principal	29,811	29,811	26,156	3,655
Interest and debt cost	-	-	3,655	(3,655)
Total expenditures	<u>3,031,652</u>	<u>3,031,652</u>	<u>2,045,879</u>	<u>985,773</u>
Excess (deficiency) of revenue over expenditures	<u>(2,559,952)</u>	<u>(2,559,952)</u>	<u>(1,551,671)</u>	<u>1,008,281</u>
OTHER FINANCING SOURCES (USES)				
Face amount of loan proceeds	2,550,000	2,550,000	-	2,550,000
Transfers	(493,267)	(493,267)	(381,629)	(111,638)
Total other financing sources (uses)	<u>2,056,733</u>	<u>2,056,733</u>	<u>(381,629)</u>	<u>2,438,362</u>
Net change in fund balance	(503,219)	(503,219)	(1,933,300)	(1,430,081)
Fund balance, beginning of year	<u>503,219</u>	<u>503,219</u>	<u>698,331</u>	<u>195,112</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,234,969)</u>	<u>\$ (1,234,969)</u>

***OTHER SUPPLEMENTARY INFORMATION***

**BUDGETARY COMPARISON SCHEDULES**

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



CITY OF COOLIDGE, ARIZONA  
HIGHWAY USER FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Intergovernmental	\$ 892,588	\$ 892,588	\$ 929,086	\$ 36,498
Miscellaneous	-	-	333	333
Total revenue	<u>892,588</u>	<u>892,588</u>	<u>929,419</u>	<u>36,831</u>
Expenditures				
Current				
Highways and streets	1,231,527	1,231,527	1,156,721	74,806
Total expenditures	<u>1,231,527</u>	<u>1,231,527</u>	<u>1,156,721</u>	<u>74,806</u>
Excess (deficiency) of revenue over expenditures	<u>(338,939)</u>	<u>(338,939)</u>	<u>(227,302)</u>	<u>111,637</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>338,939</u>	<u>338,939</u>	<u>227,302</u>	<u>(111,637)</u>
Total other financing sources (uses)	<u>338,939</u>	<u>338,939</u>	<u>227,302</u>	<u>(111,637)</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>	<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, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenue				
Intergovernmental	\$ 47,116	\$ 47,116	\$ 70,674	\$ 23,558
Charges for services	53,817	53,817	39,054	(14,763)
Contributions	6,650	6,650	-	(6,650)
Miscellaneous	-	-	7,602	7,602
Total revenue	<u>107,583</u>	<u>107,583</u>	<u>117,330</u>	<u>9,747</u>
Expenditures				
Current				
Highways and streets	445,253	445,253	359,992	85,261
Total expenditures	<u>445,253</u>	<u>445,253</u>	<u>359,992</u>	<u>85,261</u>
Excess (deficiency) of revenue over expenditures	<u>(337,670)</u>	<u>(337,670)</u>	<u>(242,662)</u>	<u>95,008</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	314,112	314,112	306,116	(7,996)
Total other financing sources (uses)	<u>314,112</u>	<u>314,112</u>	<u>306,116</u>	<u>(7,996)</u>
Net change in fund balance	(23,558)	(23,558)	63,454	87,012
Fund balance, beginning of year	<u>23,558</u>	<u>23,558</u>	<u>58,005</u>	<u>81,563</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,459</u>	<u>\$ 168,575</u>

CITY OF COOLIDGE, ARIZONA  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Debt service				
Principal	383,274	383,274	453,254	(69,980)
Interest and debt cost	-	-	78,546	(78,546)
Total expenditures	<u>383,274</u>	<u>383,274</u>	<u>585,332</u>	<u>(148,526)</u>
Excess (deficiency) of revenue over expenditures	<u>(383,274)</u>	<u>(383,274)</u>	<u>(585,332)</u>	<u>(202,058)</u>
OTHER FINANCING SOURCES (USES)				
Transfers	<u>383,274</u>	<u>383,274</u>	<u>585,332</u>	<u>202,058</u>
Total other financing sources (uses)	<u>383,274</u>	<u>383,274</u>	<u>585,332</u>	<u>202,058</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  
SANDIA COMMUNITY FACILITIES DISTRICT CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 1,879	\$ 1,879	\$ 1,388	\$ (491)
Investment income	10	10	5	(5)
Total revenue	<u>1,889</u>	<u>1,889</u>	<u>1,393</u>	<u>(496)</u>
Expenditures				
Current				
Redevelopment and housing	16,779	16,779	2,085	14,694
Total expenditures	<u>16,779</u>	<u>16,779</u>	<u>2,085</u>	<u>14,694</u>
Excess (deficiency) of revenue over expenditures	<u>(14,890)</u>	<u>(14,890)</u>	<u>(692)</u>	<u>14,198</u>
Net change in fund balance	(14,890)	(14,890)	(692)	14,198
Fund balance, beginning of year	<u>14,890</u>	<u>14,890</u>	<u>16,526</u>	<u>1,636</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,834</u>	<u>\$ 15,834</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue				
Taxes	\$ 3,768	\$ 3,768	\$ 3,739	\$ (29)
Investment income	10	10	5	(5)
Miscellaneous	-	-	101	101
Total revenue	<u>3,778</u>	<u>3,778</u>	<u>3,845</u>	<u>67</u>
Expenditures				
Current				
Redevelopment and housing	41,338	41,338	4,022	37,316
Total expenditures	<u>41,338</u>	<u>41,338</u>	<u>4,022</u>	<u>37,316</u>
Excess (deficiency) of revenue over expenditures	<u>(37,560)</u>	<u>(37,560)</u>	<u>(177)</u>	<u>37,383</u>
Net change in fund balance	(37,560)	(37,560)	(177)	37,383
Fund balance, beginning of year	<u>37,560</u>	<u>37,560</u>	<u>39,638</u>	<u>2,078</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,461</u>	<u>\$ 39,461</u>

CITY OF COOLIDGE, ARIZONA  
LIQUID WASTE IMPACT FEES ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 64,800	\$ 64,800	\$ -	\$ (64,800)
Total operating revenue	<u>64,800</u>	<u>64,800</u>	<u>-</u>	<u>(64,800)</u>
Operating expenses				
Costs of services	122,500	122,500	-	122,500
Depreciation	-	-	-	-
Total operating expenses	<u>122,500</u>	<u>122,500</u>	<u>-</u>	<u>122,500</u>
Operating income (loss)	<u>(57,700)</u>	<u>(57,700)</u>	<u>-</u>	<u>57,700</u>
Nonoperating revenue (expenses)				
Investment revenue	90	90	103	13
Total nonoperating revenue (expenses)	<u>90</u>	<u>90</u>	<u>103</u>	<u>13</u>
Income (loss) before capital contributions, and transfers	<u>(57,610)</u>	<u>(57,610)</u>	<u>103</u>	<u>57,713</u>
Change in net position	(57,610)	(57,610)	103	57,713
Total net position, beginning of year	<u>57,610</u>	<u>57,610</u>	<u>66,642</u>	<u>9,032</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,745</u>	<u>\$ 66,745</u>

CITY OF COOLIDGE, ARIZONA  
SOLID WASTE ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 1,280,663	\$ 1,280,663	\$ 1,146,462	\$ (134,201)
Total operating revenue	<u>1,280,663</u>	<u>1,280,663</u>	<u>1,146,462</u>	<u>(134,201)</u>
Operating expenses				
Costs of services	1,238,226	1,238,226	857,341	380,885
Depreciation	-	-	57,750	(57,750)
Total operating expenses	<u>1,238,226</u>	<u>1,238,226</u>	<u>915,091</u>	<u>323,135</u>
Operating income (loss)	<u>42,437</u>	<u>42,437</u>	<u>231,371</u>	<u>188,934</u>
Nonoperating revenue (expenses)				
Investment revenue	<u>150</u>	<u>150</u>	<u>373</u>	<u>223</u>
Total nonoperating revenue (expenses)	<u>150</u>	<u>150</u>	<u>373</u>	<u>223</u>
Income (loss) before capital contributions, and transfers	42,587	42,587	231,744	189,157
Transfers out	<u>(81,543)</u>	<u>(81,543)</u>	<u>(81,543)</u>	<u>-</u>
Change in net position	(38,956)	(38,956)	150,201	189,157
Total net position, beginning of year	<u>38,956</u>	<u>38,956</u>	<u>(307,209)</u>	<u>(346,165)</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (157,008)</u>	<u>\$ (157,008)</u>

CITY OF COOLIDGE, ARIZONA  
LIQUID WASTE IMPACT FEES ENTERPIRSE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 64,800	\$ 64,800	\$ -	\$ (64,800)
Total operating revenue	<u>64,800</u>	<u>64,800</u>	<u>-</u>	<u>(64,800)</u>
Operating expenses				
Costs of services	122,500	122,500	-	122,500
Depreciation	-	-	-	-
Total operating expenses	<u>122,500</u>	<u>122,500</u>	<u>-</u>	<u>122,500</u>
Operating income (loss)	<u>(57,700)</u>	<u>(57,700)</u>	<u>-</u>	<u>57,700</u>
Nonoperating revenue (expenses)				
Investment revenue	90	90	103	13
Total nonoperating revenue (expenses)	<u>90</u>	<u>90</u>	<u>103</u>	<u>13</u>
Income (loss) before capital contributions, and transfers	<u>(57,610)</u>	<u>(57,610)</u>	<u>103</u>	<u>57,713</u>
Change in net position	(57,610)	(57,610)	103	57,713
Total net position, beginning of year	<u>57,610</u>	<u>57,610</u>	<u>66,642</u>	<u>9,032</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,745</u>	<u>\$ 66,745</u>

CITY OF COOLIDGE, ARIZONA  
AIRPORT ENTERPRISE FUND  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenue				
Charges for service	\$ 41,916	\$ 41,916	\$ 48,088	\$ 6,172
Total operating revenue	<u>41,916</u>	<u>41,916</u>	<u>48,088</u>	<u>6,172</u>
Operating expenses				
Costs of services	355,119	355,119	239,726	115,393
Depreciation	-	-	111,033	(111,033)
Total operating expenses	<u>355,119</u>	<u>355,119</u>	<u>350,759</u>	<u>4,360</u>
Operating income (loss)	<u>(313,203)</u>	<u>(313,203)</u>	<u>(302,671)</u>	<u>10,532</u>
Nonoperating revenue (expenses)				
Interest expense	(66,463)	(66,463)	(27,013)	39,450
Loss on disposal of capital asset	-	-	(2,576)	(2,576)
Total nonoperating revenue (expenses)	<u>(66,463)</u>	<u>(66,463)</u>	<u>(29,589)</u>	<u>36,874</u>
Income (loss) before capital contributions, and transfers	(379,666)	(379,666)	(332,260)	47,406
Capital contributions from grants	-	-	1,515,001	1,515,001
Transfers in	<u>379,666</u>	<u>379,666</u>	<u>260,003</u>	<u>(119,663)</u>
Change in net position	-	-	1,442,744	1,442,744
Total net position, beginning of year	<u>-</u>	<u>-</u>	<u>3,317,511</u>	<u>3,317,511</u>
Total net position, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,760,255</u>	<u>\$ 4,760,255</u>



***OTHER SUPPLEMENTARY INFORMATION***

**CAPITAL ASSETS**



CITY OF COOLIDGE  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE BY SOURCE  
 June 30, 2017

**Governmental funds capital assets**

Land	\$	1,287,774
Buildings and improvements		15,592,594
Vehicles, machinery and equipment		9,563,749
Infrastructure		74,738,873
Construction in progress		874,657
		<hr/>
<b>Total governmental funds capital assets</b>	<b>\$</b>	<b>102,057,647</b>
		<hr/> <hr/>

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

Government funds	\$	102,057,647
		<hr/>
<b>Total governmental funds capital assets</b>	<b>\$</b>	<b>102,057,647</b>
		<hr/> <hr/>

CITY OF COOLIDGE  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 June 30, 2017

Function and Activity	Land	Buildings and Improvements	Vehicles, Machinery and Equipment
General Government	\$ 799,630	\$ 3,342,010	\$ 1,817,984
Highways and Streets	43,046	1,081,738	4,192,719
Public Safety	118,504	4,046,429	3,225,931
Culture and Recreation	326,594	7,435,976	270,619
Total governmental funds capital assets	<u>\$ 1,287,774</u>	<u>\$ 15,906,153</u>	<u>\$ 9,507,253</u>

Infrastructure	Construction in Progress	Total
\$ -	\$ -	\$ 5,959,624
74,289,405	874,657	80,481,565
192,405	-	7,583,269
-	-	8,033,189
<u>\$ 74,481,810</u>	<u>\$ 874,657</u>	<u>\$ 102,057,647</u>

CITY OF COOLIDGE  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
 June 30, 2017

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 01, 2016	Additions	Deductions	June 30, 2017
General Government	\$ 5,921,726	\$ 37,898	\$ -	\$ 5,959,624
Highways and Streets	78,824,826	1,656,739	-	80,481,565
Public Safety	7,483,113	100,156	-	7,583,269
Culture and Recreation	7,711,270	321,919	-	8,033,189
Total governmental funds capital assets	<u>\$ 99,940,935</u>	<u>\$ 2,116,712</u>	<u>\$ -</u>	<u>\$ 102,057,647</u>

## STATISTICAL SECTION

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

	Fiscal Year				
	2017	2016	2015	2014	2013
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 53,069,698	\$ 56,257,356	\$ 56,083,450	\$ 53,694,745	\$ 55,668,079
Restricted	1,965,669	2,099,583	2,402,506	1,974,832	1,907,475
Unrestricted	<u>(7,759,744)</u>	<u>(6,992,820)</u>	<u>(6,341,385)</u>	<u>5,070,031</u>	<u>4,541,654</u>
Total Governmental Activities Net Position	<u>47,275,623</u>	<u>51,364,119</u>	<u>52,144,571</u>	<u>60,739,608</u>	<u>62,117,208</u>
<b>Business-type Activities</b>					
Net Investment in Capital Assets	24,803,982	23,670,890	23,184,413	24,160,069	23,827,841
Restricted	124,683	136,686	137,586	165,517	167,019
Unrestricted	<u>308,732</u>	<u>138,053</u>	<u>607,724</u>	<u>667,991</u>	<u>376,411</u>
Total Business-type Activities Net Position	<u>25,237,397</u>	<u>23,945,629</u>	<u>23,929,723</u>	<u>24,993,577</u>	<u>24,371,271</u>
<b>Primary Government</b>					
Net Investment in Capital Assets	77,873,680	79,928,246	79,267,863	77,854,814	79,495,920
Restricted	2,090,352	2,236,269	2,540,092	2,140,349	2,074,494
Unrestricted	<u>(7,451,012)</u>	<u>(6,854,767)</u>	<u>(5,733,661)</u>	<u>5,738,022</u>	<u>4,918,065</u>
Total Primary Government Net Position	<u>\$ 72,513,020</u>	<u>\$ 75,309,748</u>	<u>\$ 76,074,294</u>	<u>\$ 85,733,185</u>	<u>\$ 86,488,479</u>

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

Table 1

Fiscal Year				
2012	2011	2010	2009	2008
\$ 57,354,851	\$ 58,981,146	\$ 60,590,221	\$ 60,576,123	\$ 56,207,935
2,460,226	2,896,898	3,377,216	4,933,700	5,314,529
<u>4,926,034</u>	<u>4,718,631</u>	<u>2,971,682</u>	<u>3,347,070</u>	<u>4,251,207</u>
<u>64,741,111</u>	<u>66,596,675</u>	<u>66,939,119</u>	<u>68,856,893</u>	<u>65,773,671</u>
23,009,425	23,137,047	23,426,566	22,659,188	22,457,036
232,058	271,287	244,382	763,986	869,853
<u>584,748</u>	<u>709,301</u>	<u>687,527</u>	<u>458,073</u>	<u>428,939</u>
<u>23,826,231</u>	<u>24,117,635</u>	<u>24,358,475</u>	<u>23,881,247</u>	<u>23,755,828</u>
80,364,276	82,118,193	84,016,787	83,235,311	78,664,971
2,692,284	3,168,185	3,621,598	5,697,686	6,184,382
<u>5,510,782</u>	<u>5,427,932</u>	<u>3,659,209</u>	<u>3,805,143</u>	<u>4,680,146</u>
<u>\$ 88,567,342</u>	<u>\$ 90,714,310</u>	<u>\$ 91,297,594</u>	<u>\$ 92,738,140</u>	<u>\$ 89,529,499</u>

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

	Fiscal Year			
	2017	2016	2015	2014
Expenses				
Governmental Activities:				
General Government	\$ 3,142,157	\$ 2,965,310	\$ 3,756,244	\$ 3,044,700
Public safety	7,135,145	6,940,532	6,839,973	5,857,764
Highways and streets	6,176,392	5,212,204	4,918,698	4,803,538
Transportation	-	-	-	-
Culture and recreation	1,299,193	1,194,570	1,194,697	1,090,040
Redevelopment and housing	603,152	964,348	1,053,911	992,036
Interest on Long-term Debt	67,563	48,955	69,722	111,078
Total Governmental Activities Expenses	<u>\$ 18,423,602</u>	<u>\$ 17,325,919</u>	<u>\$ 17,833,245</u>	<u>\$ 15,899,156</u>
Business-type Activities				
Liquid waste	\$ 1,133,496	\$ 1,215,539	\$ 1,142,278	\$ 1,113,447
Solid waste	915,091	979,909	959,881	959,575
Liquid waste impact fees	-	-	-	3,990
Solid waste impact fees	-	-	-	-
Other enterprise funds <sup>+</sup>	377,774	299,648	192,884	122,873
Total Business-type Activities Expenses	<u>\$ 2,426,361</u>	<u>\$ 2,495,096</u>	<u>\$ 2,295,043</u>	<u>\$ 2,199,885</u>
Total Primary Government Expenses	<u>\$ 20,849,963</u>	<u>\$ 19,821,015</u>	<u>\$ 20,128,288</u>	<u>\$ 18,099,041</u>

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

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

Table 2

Fiscal Year						
2013	2012	2011	2010	2009	2008	
\$ 2,508,220	\$ 2,501,833	\$ 2,885,857	\$ 3,104,535	\$ 3,089,919	\$ 3,258,080	
5,895,157	5,900,691	5,061,857	5,182,718	5,027,245	4,795,539	
4,298,605	4,421,687	4,463,941	3,819,264	3,953,393	4,755,972	
-	-	-	-	-	-	
1,036,188	1,053,273	901,294	954,825	925,084	951,912	
710,347	916,594	1,506,637	1,883,403	2,257,917	2,023,618	
129,105	139,697	166,222	173,270	226,066	313,485	
<u>\$ 14,577,622</u>	<u>\$ 14,933,775</u>	<u>\$ 14,985,808</u>	<u>\$ 15,118,015</u>	<u>\$ 15,479,624</u>	<u>\$ 16,098,606</u>	
\$ 1,110,775	\$ 1,120,950	\$ 1,030,066	\$ 1,155,920	\$ 1,086,783	\$ 935,975	
1,063,751	1,041,663	1,042,725	893,302	909,606	952,094	
380	-	5,051	46,355	23,010	18,904	
-	-	470	9,923	26,857	19,064	
121,826	114,103	64,943	102,608	136,184	124,050	
<u>\$ 2,296,732</u>	<u>\$ 2,276,716</u>	<u>\$ 2,143,255</u>	<u>\$ 2,208,108</u>	<u>\$ 2,182,440</u>	<u>\$ 2,050,087</u>	
<u>\$ 16,874,354</u>	<u>\$ 17,210,491</u>	<u>\$ 17,129,063</u>	<u>\$ 17,326,123</u>	<u>\$ 17,662,064</u>	<u>\$ 18,148,693</u>	

continued

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

	Fiscal Year			
	2017	2016	2015	2014
Program Revenue				
Governmental Activities:				
Fees, Fines and Charges for Services:				
General Government	\$ 74,234	\$ 100,570	\$ 59,230	\$ 107,107
Public safety	414,890	419,816	456,827	460,374
Highway and streets	39,924	51,436	58,740	90,663
Transportation	-	-	-	-
Culture and recreation	96,161	102,677	95,440	93,968
Redevelopment and housing	91,193	153,477	121,277	81,388
Interest on long-term debt	-	-	-	-
Operating Grants and Contributions	2,881,798	3,418,148	3,406,637	2,151,450
Capital Grants and Contributions	545,255	2,225,648	4,776,109	1,966,407
Total Governmental Activities Program Revenues	<u>\$ 4,143,455</u>	<u>\$ 6,471,772</u>	<u>\$ 8,974,260</u>	<u>\$ 4,951,357</u>
Business-type Activities				
Charges for Services:				
Liquid waste	\$ 867,099	\$ 877,136	\$ 857,995	\$ 994,391
Solid waste	1,146,462	1,135,455	1,122,502	1,031,434
Liquid waste impact fees	-	9,026	5,656	-
Solid waste impact fees	-	-	-	-
Other enterprise funds <sup>+</sup>	48,086	84,424	40,973	63,110
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	1,515,001	437,783	100,878	57,032
Total Business-type Activities Revenues	<u>3,576,648</u>	<u>2,543,824</u>	<u>2,128,004</u>	<u>2,145,967</u>
Total Primary Government Revenues	<u>\$ 7,720,103</u>	<u>\$ 9,015,596</u>	<u>\$ 11,102,264</u>	<u>\$ 7,097,324</u>
Net (Expense)/Revenue				
Governmental Activities	\$ (14,280,147)	\$ (10,854,147)	\$ (8,858,985)	\$ (10,947,799)
Business-type Activities	1,150,287	48,728	(167,039)	(53,918)
Total Primary Government Net Revenue	<u>\$ (13,129,860)</u>	<u>\$ (10,805,419)</u>	<u>\$ (9,026,024)</u>	<u>\$ (11,001,717)</u>

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

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

Table 2

Fiscal Year					
2013	2012	2011	2010	2009	2008
\$ 80,878	\$ 266,048	\$ 154,360	\$ 146,116	\$ 194,339	\$ 78,650
440,238	352,314	444,401	25,516	46,480	57,871
95,249	66,212	18,272	26,996	19,100	26,190
-	-	-	-	-	-
103,583	107,561	117,708	380,973	297,968	281,668
112,186	115,924	77,722	174,800	303,002	796,488
-	-	-	-	-	-
2,214,444	2,472,170	2,858,145	2,125,970	2,853,636	1,678,488
219,014	1,251,550	1,919,637	2,344,111	6,680,438	8,523,642
<u>\$ 3,265,592</u>	<u>\$ 4,631,779</u>	<u>\$ 5,590,245</u>	<u>\$ 5,224,482</u>	<u>\$ 10,394,963</u>	<u>\$ 11,442,997</u>
\$ 832,203	\$ 840,139	\$ 914,912	\$ 861,102	\$ 899,488	\$ 721,406
850,001	860,889	811,908	766,776	916,157	998,075
12,203	-	-	-	-	-
50	-	-	-	-	-
68,094	40,494	42,266	63,025	64,930	50,856
-	-	-	-	-	-
1,140,935	250,158	20,033	800,927	290,109	9,529,705
<u>2,903,486</u>	<u>1,991,680</u>	<u>1,789,119</u>	<u>2,491,830</u>	<u>2,170,684</u>	<u>11,300,042</u>
<u>\$ 6,169,078</u>	<u>\$ 6,623,459</u>	<u>\$ 7,379,364</u>	<u>\$ 7,716,312</u>	<u>\$ 12,565,647</u>	<u>\$ 22,743,039</u>
\$ (11,312,030)	\$ (10,301,996)	\$ (9,395,563)	\$ (9,893,533)	\$ (5,084,661)	\$ (4,655,609)
606,754	(285,036)	(354,136)	283,722	(11,756)	9,249,955
<u>\$ (10,705,276)</u>	<u>\$ (10,587,032)</u>	<u>\$ (9,749,699)</u>	<u>\$ (9,609,811)</u>	<u>\$ (5,096,417)</u>	<u>\$ 4,594,346</u>

continued

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

	Fiscal Year			
	2017	2016	2015	2014
Governmental Revenues and Other Changes in Net Position				
Governmental Activities				
Sales taxes	\$ 4,915,030	\$ 4,788,139	\$ 5,057,608	\$ 5,424,593
Property taxes	1,691,080	1,612,172	1,483,083	1,472,607
Sales taxes, levied for capital projects	-	-	-	-
Franchise taxes	309,864	313,642	315,851	309,842
Impact Fees	-	-	-	-
State shared revenues-not restricted* to specific programs	3,296,361	3,183,150	3,101,728	2,920,381
Investment income	10,648	10,964	9,044	10,721
Miscellaneous	107,802	48,620	130,605	106,792
Transfers in (out)	<u>(139,134)</u>	<u>117,008</u>	<u>(86,961)</u>	<u>(674,737)</u>
Total Governmental Activities	<u>\$ 10,191,651</u>	<u>\$ 10,073,695</u>	<u>\$ 10,010,958</u>	<u>\$ 9,570,199</u>
Business-type activities				
Impact Fees	\$ -	\$ -	\$ -	\$ -
Investment income	2,347	2,229	1,522	1,487
Miscellaneous	-	81,957	-	-
Transfers in (out)	<u>139,134</u>	<u>(117,008)</u>	<u>86,961</u>	<u>674,737</u>
Total Business-type Activities	<u>\$ 141,481</u>	<u>\$ (32,822)</u>	<u>\$ 88,483</u>	<u>\$ 676,224</u>
Changes in Net Position				
Governmental Activities	\$ (4,088,496)	\$ (780,452)	\$ 1,151,973	\$ (1,377,600)
Business-type Activities	<u>1,291,768</u>	<u>15,906</u>	<u>(78,556)</u>	<u>622,306</u>
Total Primary Government	<u>\$ (2,796,728)</u>	<u>\$ (764,546)</u>	<u>\$ 1,073,417</u>	<u>\$ (755,294)</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					
2013	2012	2011	2010	2009	2008
\$ 4,779,474	\$ 4,836,847	\$ 6,037,445	\$ 4,927,926	\$ 4,785,811	\$ 5,289,729
755,791	707,216	699,862	648,648	621,989	596,476
-	-	-	-	-	-
304,603	294,566	282,896	269,567	268,359	276,939
-	-	-	-	-	-
2,671,289	2,442,437	1,947,219	2,168,886	2,411,507	4,107,361
13,347	16,081	13,528	28,712	118,242	282,126
100,450	140,834	114,123	46,316	32,889	169,007
63,173	8,451	(41,954)	(114,296)	(70,914)	(45,019)
<u>\$ 8,688,127</u>	<u>\$ 8,446,432</u>	<u>\$ 9,053,119</u>	<u>\$ 7,975,759</u>	<u>\$ 8,167,883</u>	<u>\$ 10,676,619</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,459	2,083	1,306	5,065	20,057	63,820
-	-	70,036	74,145	46,204	12,056
(63,173)	(8,451)	41,954	114,296	70,914	45,019
<u>\$ (61,714)</u>	<u>\$ (6,368)</u>	<u>\$ 113,296</u>	<u>\$ 193,506</u>	<u>\$ 137,175</u>	<u>\$ 120,895</u>
\$ (2,623,903)	\$ (1,855,564)	\$ (342,444)	\$ (1,917,774)	\$ 3,083,222	\$ 6,021,010
545,040	(291,404)	(240,840)	477,228	125,419	9,370,850
<u>\$ (2,078,863)</u>	<u>\$ (2,146,968)</u>	<u>\$ (583,284)</u>	<u>\$ (1,440,546)</u>	<u>\$ 3,208,641</u>	<u>\$ 15,391,860</u>

concluded

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

	Fiscal Year				
	2017	2016	2015	2014	2013
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	818,216
Unassigned	<u>2,627,838</u>	<u>3,423,144</u>	<u>3,800,044</u>	<u>4,829,748</u>	<u>3,868,150</u>
<b>Total General Fund</b>	<b><u>\$ 2,627,838</u></b>	<b><u>\$ 3,423,144</u></b>	<b><u>\$ 3,800,044</u></b>	<b><u>\$ 4,829,748</u></b>	<b><u>\$ 4,686,366</u></b>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved Reported in:					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Restricted Reported in:					
Special Revenue Funds	550,638	797,932	928,508	650,332	764,850
Capital Projects Funds	2,762,854	2,483,013	2,881,192	2,592,146	2,050,640
Assigned Reported in:					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	55,386	56,165	51,260	47,596	45,112
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total All Other Governmental Funds</b>	<b><u>\$ 3,368,878</u></b>	<b><u>\$ 3,337,110</u></b>	<b><u>\$ 3,860,960</u></b>	<b><u>\$ 3,290,074</u></b>	<b><u>\$ 2,860,602</u></b>

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

Table 3

Fiscal Year				
2012	2011	2010	2009	2008
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	3,181,090	3,443,906	5,210,254
-	-	-	-	-
1,176,292	270,029	-	-	-
<u>4,203,097</u>	<u>5,394,109</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 5,379,389</u>	<u>\$ 5,664,138</u>	<u>\$ 3,181,090</u>	<u>\$ 3,443,906</u>	<u>\$ 5,210,254</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	(230,265)	532,632	1,764,768
-	-	3,249,442	4,122,021	3,188,892
530,638	367,514	-	-	-
1,929,588	2,416,631	-	-	-
-	-	-	-	-
653,179	101,304	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 3,113,405</u>	<u>\$ 2,885,449</u>	<u>\$ 3,019,177</u>	<u>\$ 4,654,653</u>	<u>\$ 4,953,660</u>

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

	Fiscal Year			
	2017	2016	2015	2014
<b>Revenues</b>				
Taxes*	\$ 6,907,165	\$ 6,710,810	\$ 6,838,109	\$ 7,210,953
Intergovernmental	6,714,584	6,626,016	6,669,404	7,442,155
Fines and forfeits	313,569	323,925	299,864	311,363
Licenses and permits	173,451	248,713	222,106	203,549
Charges for services	286,203	406,358	369,263	327,933
Investment income	10,340	10,969	9,057	10,941
Contributions	-	-	-	14,802
Impact Fees	-	-	-	-
Miscellaneous	60,117	66,297	63,276	79,875
Total Revenues	<u>14,465,429</u>	<u>14,393,088</u>	<u>14,471,079</u>	<u>15,601,571</u>
<b>Expenditures</b>				
General Government	2,859,493	2,667,269	3,267,085	2,765,525
Public Safety	6,332,918	6,506,055	6,133,110	5,448,528
Highways and streets	3,415,305	2,546,173	2,336,161	2,439,948
Transportation	-	-	-	-
Culture and recreation	1,121,064	1,019,173	998,677	944,927
Redevelopment and housing	603,152	964,348	1,011,905	992,036
Capital outlay	2,116,712	1,021,897	1,333,597	1,966,407
Debt Service:				
Principal retirement	582,286	587,730	340,606	592,154
Interest and debt cost	119,226	98,201	91,171	139,930
Debt issuance cost	53,533	-	-	46,560
Total Expenditures	<u>17,203,689</u>	<u>15,410,846</u>	<u>15,512,312</u>	<u>15,336,015</u>
Excess of Revenues over (under) Expenditures	<u>(2,738,260)</u>	<u>(1,017,758)</u>	<u>(1,041,233)</u>	<u>265,556</u>
<b>Other financing sources (uses)</b>				
Face amount of loan proceeds	2,550,000	-	-	1,910,000
Capital Lease Agreements	-	-	669,376	-
Loan Premium	-	-	-	237,035
Transfer in	1,118,750	1,044,788	1,058,457	1,157,437
Transfer out	(1,257,884)	(927,780)	(1,145,418)	(1,087,174)
Debt Service Principal	-	-	-	(1,910,000)
Total Other Financing Sources and (Uses)	<u>2,410,866</u>	<u>117,008</u>	<u>582,415</u>	<u>307,298</u>
Net Change in Fund Balances	<u>\$ (327,394)</u>	<u>\$ (900,750)</u>	<u>\$ (458,818)</u>	<u>\$ 572,854</u>
Debt Service as a Percentage of Noncapital Expenditures	4.65%	4.77%	3.05%	5.48%

\* 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					
2013	2012	2011	2010	2009	2008
\$ 5,790,671	\$ 5,974,331	\$ 7,060,301	\$ 5,846,069	\$ 5,675,326	\$ 6,145,070
5,100,205	5,920,328	7,079,949	6,080,668	5,957,770	6,091,908
275,791	332,160	242,598	271,954	188,310	163,586
218,389	197,113	111,167	205,140	331,254	837,581
367,123	188,339	574,849	431,690	413,699	1,211,551
20,417	16,081	13,528	28,712	118,242	282,126
27,402	150,775	525,717	-	-	300,017
-	-	-	-	-	-
43,368	125,419	47,616	82,451	71,965	98,886
<u>11,843,366</u>	<u>12,904,546</u>	<u>15,655,725</u>	<u>12,946,684</u>	<u>12,756,566</u>	<u>15,130,725</u>
2,273,784	2,262,925	2,435,724	2,794,304	2,919,227	3,139,750
5,463,294	5,479,771	4,646,790	5,009,946	5,039,661	4,849,279
1,950,523	1,998,605	2,035,519	1,592,245	1,536,435	2,078,617
-	-	-	-	-	-
891,075	899,145	739,544	785,494	780,092	992,596
710,347	916,594	1,500,298	1,340,225	2,062,057	1,929,594
1,174,094	893,924	1,310,535	2,566,784	1,733,953	1,585,902
379,490	366,460	426,661	453,244	488,622	906,574
137,248	152,366	169,380	188,438	128,941	240,024
-	-	-	-	-	-
<u>12,979,855</u>	<u>12,969,790</u>	<u>13,264,451</u>	<u>14,730,680</u>	<u>14,688,988</u>	<u>15,722,336</u>
<u>(1,136,489)</u>	<u>(65,244)</u>	<u>2,391,274</u>	<u>(1,783,996)</u>	<u>(1,932,422)</u>	<u>(591,611)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,091,541	1,019,171	2,268,337	751,123	889,558	385,326
(1,028,368)	(1,010,720)	(2,310,291)	(865,419)	(1,022,491)	(430,345)
127,490	-	-	-	-	-
<u>190,663</u>	<u>8,451</u>	<u>(41,954)</u>	<u>(114,296)</u>	<u>(132,933)</u>	<u>(45,019)</u>
<u>\$ (945,826)</u>	<u>\$ (56,793)</u>	<u>\$ 2,349,320</u>	<u>\$ (1,898,292)</u>	<u>\$ (2,065,355)</u>	<u>\$ (636,630)</u>
4.38%	4.30%	4.99%	5.28%	4.77%	8.11%

Table 5

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

Industry	Fiscal Year					
	2017*			2008		
	Tax Paid	Rank	Percentage of Total	Tax Paid	Rank	Percentage of Total
Retail Trade	\$ 2,930,144	1	60.72%	\$ 2,577,500	1	48.49%
Construction	227,322	5	4.71%	1,584,135	2	29.80%
Communications & Utilities	716,504	2	14.85%	517,897	3	9.74%
Restaurants/Bars	306,567	4	6.35%	269,470	4	5.07%
Real Estate, Rental, Leasing & Fire Insurance	364,346	3	7.55%	156,230	5	2.94%
Manufacture	57,118	7	1.18%	60,219	7	1.13%
Wholesale Trade	50,961	8	1.06%	27,658	8	0.52%
All Other	<u>173,034</u>	6	<u>3.59%</u>	<u>122,867</u>	6	<u>2.31%</u>
Total	<u>\$ 4,825,995</u>		<u>100.00%</u>	<u>\$ 5,315,977</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, 2017  
(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	Loan Premium	Capital Leases*	Loans				
2017	\$ 2,550,000	\$ 1,245,000	\$ 100,775	\$ 369,161	\$ 1,166,175	\$ 5,431,111	44.21%	457.09	
2016	\$ -	\$ 1,670,000	\$ 159,692	\$ 526,447	\$ 1,757,520	\$ 4,113,659	30.87%	346.06	
2015	\$ -	\$ 1,875,000	\$ 199,680	\$ 909,176	\$ 1,904,319	\$ 4,888,175	34.02%	400.37	
2014	\$ -	\$ 2,147,035	\$ 237,035	\$ 545,407	\$ 1,474,942	\$ 4,404,419	33.05%	364.79	
2013	\$ -	\$ 2,270,000		\$ 777,560	\$ 1,571,456	\$ 4,619,016	37.60%	378.33	
2012	\$ -	\$ 2,450,000		\$ 849,560	\$ 1,691,914	\$ 4,991,474	44.39%	419.91	
2011	\$ -	\$ 2,625,000		\$ 1,041,020	\$ 1,808,656	\$ 5,474,676	53.65%	448.41	
2010	\$ -	\$ 2,790,000		\$ 1,302,681	\$ 702,463	\$ 4,795,144	52.33%	403.39	
2009	\$ -	\$ 2,950,000		\$ 1,599,330	\$ 400,064	\$ 4,949,394	60.93%	416.55	
2008	\$ -	\$ 3,105,000		\$ 1,837,912	\$ 559,457	\$ 5,502,369	77.69%	455.72	

Note: The City of Coolidge did not issue general obligation bonds in fiscal year 2015 and the nine years preceding 2015.

Table 8

City of Coolidge  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2017  
(Unaudited)

Governmental Unit	Bonded Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
<b>Debt repaid with property taxes and special assessment liens</b>			
Coolidge Unified School District	\$ 30,110,000	2.3411%	\$ 704,909
Central Arizona College	79,820,000	2.3411%	1,868,677
Pinal County Arizona	-	2.3411%	-
Subtotal, overlapping debt			<u>2,573,586</u>
City direct debt	4,264,936	100%	<u>4,264,936</u>
Total direct and overlapping debt			<u><u>\$ 6,838,522</u></u>

(a) Proportion applicable to the City of Coolidge, Arizona is computed on the ratio of secondary assessed valuation for 2016-2017.

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			
	2008	2009	2010	2011
Secondary Assessed Value	\$ 83,001,211	\$ 64,841,251	\$ 61,937,311	\$ 45,965,151
<b>20% Limitation</b>				
Debt Limit Equal to 20% of Assessed Valuation	\$ 16,600,242	\$ 12,968,250	\$ 12,387,462	\$ 9,193,030
Total Debt Applicable to 20% Limit	-	-	-	-
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 16,600,242</u>	<u>\$ 12,968,250</u>	<u>\$ 12,387,462</u>	<u>\$ 9,193,030</u>
Total Net Debt Applicable to the 20% Limit as a Percentage of 20% Debt Limit	0.00%	0.00%	0.00%	0.00%
<b>6% Limitation</b>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 4,980,073	\$ 3,890,475	\$ 3,716,239	\$ 2,757,909
Total Debt Applicable to 6% Limit	-	-	-	-
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 4,980,073</u>	<u>\$ 3,890,475</u>	<u>\$ 3,716,239</u>	<u>\$ 2,757,909</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.

Fiscal year					
2012	2013	2014	2015	2016	2017
\$ 44,433,513	\$ 41,049,162	\$ 41,249,290	\$ 41,950,010	\$ 52,418,173	\$ 59,404,007,785
\$ 8,886,703	\$ 8,209,832	\$ 8,249,858	\$ 8,390,002	\$ 10,483,635	\$ 11,880,801,557
-	-	-	-	-	-
<u>\$ 8,886,703</u>	<u>\$ 8,209,832</u>	<u>\$ 8,249,858</u>	<u>\$ 8,390,002</u>	<u>\$ 10,483,635</u>	<u>\$ 11,880,801,557</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 2,666,011	\$ 2,462,950	\$ 2,474,957	\$ 2,517,001	\$ 3,145,090	\$ 3,564,240,467
-	-	-	-	-	-
<u>\$ 2,666,011</u>	<u>\$ 2,462,950</u>	<u>\$ 2,474,957</u>	<u>\$ 2,517,001</u>	<u>\$ 3,145,090</u>	<u>\$ 3,564,240,467</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Revenue Bonds				
Fiscal Year Ended June 30	Excise Tax Revenue	Debt Service		Percent Coverage
		Principal	Interest	
2016	\$8,470,641.00	\$ -	\$ -	0%

Note The City of Coolidge pledged revenue debt in the fiscal year ended 2017 however no excise revenue was used to pay debt in the current year. 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 excise taxes.

Table 11

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

Fiscal Year	City Population*	County Population*	County Personal Income <sup>+</sup> (in thousands)	County Per Capita Personal Income	School Enrollment	Education Level in Years of Schooling	City Unemployment Rate
2007	11,721	327,670	6,041,934	18	4,317	13 to 16	8.3%
2008	12,311	350,558	7,082,536	20	4,682	13 to 16	12.2%
2009	13,073	368,244	8,123,138	22	4,365	13 to 16	20.2%
2010	12,159	356,303	9,163,740	26	4,470	13 to 16	19.6%
2011	11,825	375,770	10,204,342	27	5,033	13 to 16	20.4%
2012	12,074	382,992	11,244,944	29	3,743	13 to 16	16.2%
2013	11,882	387,365	12,285,546	32	3,660	13 to 16	16.0%
2014	11,887	389,350	13,326,148	34	3,660	13 to 16	6.5%
2015	12,209	401,918	14,366,750	36	3,660	13 to 16	6.5%
2016	12,311	413,312	11,255,255	27	3,232	13 to 16	7.4%
2017	12,528	418,540	11,689,781	28	2,127	13 to 16	5.7%

Sources: Central Arizona Governments, Bureau of Economic Analysis, Arizona Department of Commerce, Bureau of Labor and Statistics, Arizona Department of Education, US Census Bureau.

\* 2012 amounts estimated based on a nine year trend

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

Table 12

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

Major Employer <sup>1</sup>	Fiscal Year			Fiscal Year		
	2017			2008		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
Coolidge Schools	257	1	23.93%	517	1	45.15%
Wal Mart	192	2	17.88%	200	3	17.47%
City of Coolidge	175	3	16.29%	217	2	18.95%
Bright International	135	5	12.57%	30	6	2.62%
Imagine Schools	75	4	6.98%	Not open	9	0.00%
Safeway	78	6	7.26%	62	10	0.00%
McDonalds	60	7	5.59%	43	4	3.76%
Garrett Motors	43	8	4.00%	40	7	3.49%
Shopes IGA	33	10	3.07%	26	5	2.27%
Crop Production Services	26	9	2.42%	10	8	0.87%
Total	<u>1,074</u>			<u>1,145</u>		

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

Table 13

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

Fiscal Year	Function/Program						Total
	General Government	Public Safety	Highways and Streets	Transportation	Culture and Recreation	Redevelopment and Housing	
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
2015	33.10	78.75	9.75	12.50	26.53	5.05	165.68
2016	34.70	79.00	10.75	12.50	26.53	4.30	167.78
2017	35.40	77.75	11.05	12.50	26.91	4.60	168.21

Source: City Budget

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

Function	Fiscal Year			
	2017	2016	2015	2014
<b>General Government</b>				
# Registered voters*	6,084	5,780	5,457	5,373
# Votes cast last primary election*	0	1,439	-	1,421
<i>City Court</i>				
Charges filed/charges adjudicated (resolved)	4,884	4,256	4,125	4,347
<i>Communications &amp; Public Information</i>				
News releases/media updates	21	20	21	22
Traffic construction alerts	10	6	7	3
Total newsletter pages sent to citizens	16	16	16	16
Web pages created/updated	110	117	111	105
Number of visits to website	663,826	731,456	581,872	444,079
Number of web pages viewed	668,830	733,145	583,095	445,665
Number of graphics/photography projects completed	97	94	91	92
<b>Police</b>				
# Total arrests	1,104	1,212	1,132	1,322
# Moving violations citations	1,046	1,172	923	962
Total calls for service	26,917	29,195	26,205	26,118
Total 911 calls	8,562	8,837	9,039	7,455
Total Part I Crimes	646	635	593	663
<i>n/a = not available</i>				
<b>Fire</b>				
# All Emergency Responses	1,638	1,061	881	885
# Fire/Haz Mat Responses	150	88	121	87
# Emergency Medical Responses	1,143	594	497	565
# Other Responses (False Alarms, Mutual Aid, Extrication, rescue, etc.)	345	379	263	233
<b>Financial Services</b>				
# accounts payable checks issued	3,004	3,024	3,150	4,499
# purchase orders	71	66	68	63
<b>Planning and Development</b>				
Customer wait-time (in minutes) at One Stop Shop	1	1	1	1
Total Number of Permits Issued	271	212	236	402

\* 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

Table 14

Fiscal Year						
2013	2012	2011	2010	2009	2008	2007
5,320	5,525	-	5,233	-	4,345	-
-	893	-	827	-	548	-
2,732	3,639	3,696	4,317	1,368	2,254	2,119
21	22	24	21	20	16	10
5	3	2	5	3	2	2
16	16	16	17	20	16	52
109	102	91	72	59	42	20
409,164	501,743	252,823	436,367	143,322	243,644	212,010
410,124	502,668	253,120	436,480	25,608	23,652	19,465
87	83	78	65	61	48	29
1,160	1,179	1,216	1,212	1,492	1,651	1,624
1,291	1,256	1,081	1,411	1,639	1,957	1,712
24,167	22,892	23,222	26,154	28,546	33,237	32,367
7,899	2,925	3,561	5,894	7,311	7,154	5,923
718	734	748	542	791	720	850
796	811	849	872	834	847	434
139	197	166	84	128	110	187
430	475	507	513	475	486	72
227	139	176	275	231	251	175
6,663	6,466	7,004	7,362	7,670	9,099	8,445
54	69	64	37	116	237	304
1	1	1	1	<1	<1	5
222	231	234	306	300	588	684

continued  
Table 14

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

Function	Fiscal Year			
	2017	2016	2015	2014
<b>Human Resources</b>				
# of new hires (FT & PT)	57	67	63	50
# of new hires (Vol)	0	4	-	7
HR Operating cost as percentage of city payroll	0.01	0.01%	0.01%	0.01%
<b>Parks, Recreation and Library</b>				
# attending Park & Recreation facilities annually (Aquatics)	217,212	217,093	217,391	217,389
# of square feet of medians and rights of way maintained	1,606,233	1,606,233	1,606,233	1,606,233
# of Library visits annually	74,530	79,159	80,106	86,869
# of Library materials checked out annually	65,388	72,112	76,598	84,852
<b>Economic Vitality</b>				
Sales Tax growth (% annual change)	3%	-4%	-3%	10%
Construction Tax (% annual change)	-6	5%	-50%	68%
<b>Municipal Services</b>				
# of homes serviced by Residential Refuse Collection	3,800	3,800	3,600	3,591
Tons of refuse and garbage hauled to transfer station/landfill	5,300	5,180	6,190	6,080
<b>Transit Services</b>				
Passenger Trips	36,673	49,144	56,450	53,861
Project Miles	221,611	225,018	204,491	224,534
Vehicle Service Hours	15,022	15,266	13,688	14,616
<b>Wastewater</b>				
Sewer Service Connections	3,714	3,714	3,713	3,713
Sewage Treated (millions gallons per day)	0.65	0.65	0.65	0.65
Sewage Treated (millions gallons per year)	196	196	196	196
<b>Other Public Works</b>				
Street resurfacing (miles)	5.38	12.98	6.90	7.72
Potholes repaired (estimate)	4,900	5,200	4,500	5,000
Streets/Roads Maintained (miles)	215	212	211	194
<b>Citizen &amp; Neighborhood Resources</b>				
# of new Code Enforcement cases processed per year	432	284	432	527
# of Animal control calls for service	928	1,155	823	519
<b>Neighborhood Revitalization</b>				
# Home Emergency Repair (roofs, heating, air conditioning, etc.)	0	1	-	-
# Houses rehabilitated or replaced	3	4	6	5

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

Fiscal Year						
<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
64	52	55	46	55	40	44
-	3	4	3	-	-	1
0.01%	0.01%	0.01%	0.01%	0.02%	0.00%	0.00%
217,354	217,026	212,771	207,738	206,100	201,978	197,939
1,606,233	1,606,233	1,606,233	1,606,233	2,637,329	2,637,329	2,637,329
85,515	87,554	95,273	94,660	90,854	62,077	21,744
84,411	89,531	102,603	95,001	88,039	60,636	35,010
-1%	-22%	27%	-3%	-9%	-23%	21%
-37%	-77%	87%	-4%	-21%	-38%	148%
3,513	3,597	3,593	3,517	3,587	3,505	3,155
6,480	6,630	5,757	6,105	9,535	9,348	8,528
52,277	35,851	39,602	21,397	19,613	21,184	23,170
272,966	202,884	229,317	68,651	87,197	65,573	65,324
14,674	11,558	10,938	7,113	5,819	5,645	5,122
3,713	3,763	3,736	3,498	3,737	3,603	3,258
0.63	0.62	0.66	0.67	0.74	0.87	0.73
179	227	240	221	270	318	266
5.10	0.25	1	-	-	-	3
6,000	6,000	5,200	5,200	5,200	5,200	5,200
194	194	194	194	194	180	160
307	313	134	415	859	1,101	537
1,370	1,116	-	-	-	-	-
-	1	2	9	12	3	13
4	5	9	3	7	4	2

concluded

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

Function	Fiscal Year				
	2017	2016	2015	2014	2013
<b>Public Safety</b>					
Police:					
Stations	1	1	1	1	1
Police Vehicles	37	36	31	38	29
Fire Stations					
Stations	3	3	3	3	3
Fire Apparatus	7	8	7	6	6
Other Vehicles	2	3	3	3	3
<b>Highways and Streets</b>					
Street (miles)	215	212	211	194	194
Streetlights	785	781	781	781	781
Traffic signals (City does not own)	7	7	7	7	7
<b>Culture and Recreation</b>					
Parks	12	12	12	12	12
Parks Acreage	91	91	91	91	91
Swimming Pools (City does not own)	1	1	1	1	1
Tennis Courts (City does not own)	8	8	8	4	8
Community Centers	1	1	1	1	1
Libraries	1	1	1	1	1
<b>Transit</b>					
Buses	11	11	11	11	7
Bus Stops	41	41	41	41	133
<b>Wastewater</b>					
Sanitary Sewers (miles)	73	73	73	73	73
Storm Sewers (miles)	3	3	3	3	3
Treatment capacity (thousands of gallons)	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD

Table 15

Fiscal Year					
2012	2011	2010	2009	2008	2007
1	1	1	1	1	1
28	30	32	40	40	37
3	3	3	2	2	2
6	6	6	5	5	5
3	3	3	3	3	3
194	194	194	194	194	194
781	781	780	772	760	726
7	7	7	7	7	6
12	12	12	13	12	12
91	91	91	201	186	186
1	1	1	1	1	1
8	8	8	8	8	8
1	1	2	2	2	2
1	1	1	1	1	1
7	8	8	5	5	6
133	131	120	120	120	65
73	73	73	73	73	73
3	3	3	3	3	3
2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD	2.0 MGD