

**TOWN OF WICKENBURG, ARIZONA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE**  
**YEAR ENDED JUNE 30, 2013**

**Prepared By**  
Finance Department

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## **INTRODUCTORY SECTION**

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# TOWN OF WICKENBURG

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Phoenix Line (602) 506-1622 • FAX (602) 506-1580  
Voice & TTY (928) 684-5411

October 23, 2013

Honorable Mayor, Members of the Town Council, and Citizens of the Town of Wickenburg:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Wickenburg (Town) for fiscal year ended June 30, 2013. State law requires that every local government publish within six months of the close of each fiscal year, all audited financial statements. Financial statements are to be presented in conformity with the United States Generally Accepted Accounting Principles (GAAP), audited in accordance with Generally Accepted Auditing Standards (GAAS), by a licensed certified public accountant(s). Pursuant to that requirement, we believe to the best of our knowledge that the data presented herein is accurate in all material respects and is designed to enable the reader to gain the maximum understanding of the Town's financial affairs.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive framework of internal controls intended to protect the Town's assets. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive internal control framework has been designed to provide a reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has issued an unmodified opinion on the Town of Wickenburg's financial statements for the year ended June 30, 2013. Their independent auditors' report is located at the front of the financial section of this report.

The main focus of this report is to provide information on the financial position of the Town. While this transmittal letter should help to provide a broader context to the reader of this document by providing useful information to help assess the Town's financial condition, more in-depth information can be found in the notes to the financial statements. Following this letter is the independent auditors' report and Management's Discussion and Analysis (MD&A) which provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is intended to complement this transmittal letter and should be read in conjunction with it.

## PROFILE OF THE GOVERNMENT

The Town of Wickenburg, which became incorporated on June 19, 1909, is located in Northwest Maricopa County, and the Southwest section of the State. With slightly over 21 square miles of land compared to only 13 square miles back in 2003, the Town continues to expand as annexation plans continue. The Town is empowered to levy a property tax on real property located within its boundaries and continues to keep that levy substantially below the maximum allowed. Based on the 2010 census, the population was 6,363 which was about a 4% increase from the 2005 mid-year census of 6,077.

The Town of Wickenburg operates under the Council-Manager form of government, with policymaking and legislative authority vested in the Town Council. The elected officers of the Town consist of a Mayor and six (6) Councilmembers. Commencing in 1996 the Mayor has been directly elected by the qualified electors of the Town. The term of Office of the Mayor and Councilmembers is four (4) years, with Councilmembers serving overlapping terms in the manner provided by State law.

Within twenty (20) days after an election where one or more Councilmembers is elected, the Vice Mayor shall be selected by a majority of the Council, from among its own members, for a term to run concurrent with that of the Mayor's term, if the Vice Mayor's term expires sooner, he/she shall serve until his/her successor is appointed and qualified. In the absence of the Mayor, the Vice Mayor shall perform the duties of the Mayor, and when so acting shall have all of the powers and be subject to all of the restrictions upon the Mayor. In the absence or disability of both the Mayor and Vice Mayor, the Council may designate another of its members to serve as acting Mayor who shall have all the powers, duties and responsibilities of the Mayor during such absence or disability.

The Town Council is responsible for the hiring of the Town Manager. The Town Manager is responsible for overseeing all local government related activities and implementation of the policies of the Town Council. With the exception of the Town Attorney and Magistrate, the Town Manager appoints all Department Heads subject to ratification by the Town Council. Together the Council, Management and Staff provide a full range of services including: water, electric, sanitation and wastewater; police and fire protection; a public library, community center, pool, and several parks; inspections, licenses and permits; construction and maintenance of streets and related infrastructure; programming of various recreational activities; and enforcement of both the Town Code and Local Tax Code.

## **LOCAL ECONOMY**

Effective June 1, 2009 the General Sales Tax rate was increased from 1.7% to 2.2%. On October 1, 2009 tax on Rental and Leasing of Real Property was decreased from 2.2% to 1.7%. On April 1, 2010 a Bed tax of 2% was implemented on transient lodging. Effective September 1, 2012 Council authorized a local tiered rate of 1.69% for single item purchases of \$5,000 or more.

The economy in Wickenburg is slowly improving as indicated by an increase in overall local sales tax collections of 5.53% from the prior fiscal year. The largest increase of 50.69% was seen in the Wholesale category which is 13.74% of overall collections. The largest decrease of 5.73% was in the category of Transportation, Communication & Utilities which accounts for 11.90% of overall collections. Retail which accounted for 42.21% of the total sales tax collected showed an increase of 2.79% from the prior year.

Another indication of an improving economy in the community is an increase of 74% in Building Permits & Plan Reviews without any increase in fees. This is further shown by an increase of 27.7% in the Construction sales tax category from the prior fiscal year. Overall General Fund revenues showed an increase of 12.6% during the same period.

## **LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES**

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 16.95% of total general fund revenues. In an effort to maintain strong long-term financial plans annually the Town Council has a Retreat with the Town Manager to create a Strategic Plan for the future of the Town. Department Heads are required to submit their budgets for the following fiscal year through "zero-based" budgeting for the majority of their line items which requires them to extensively analyze and plan projected expenditures for the year in more depth. In order to tie the Councils Strategic Plan with the budget, staff must submit a Five-Year Capital Improvement Plan.

For the upcoming year the Councils Strategic Plan focus on five areas: Economic Development, the Downtown Area, Public Safety, Youth & Families, and Natural Resources & Recreation. Together it is our hope these initiatives will encourage forward thinking in how the Town plans and funds the upkeep and growth of the community.

### **RELEVANT FINANCIAL POLICIES**

The Town of Wickenburg takes pride in having a comprehensive set of financial policies to assure financial stability and transparency of the Town's finances, by setting guidelines for fund balance which is an important measure of the economic stability of the Town. It is essential that the Town of Wickenburg maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for general operations. Additionally, the Town has a policy that nonrecurring (e.g., one-time) resources of inflows not be used for operating purposes.

The annual budget serves as the foundation for the Town of Wickenburg's financial planning and control. The component units of the budget consist of a fund (e.g., General Fund), department (e.g., Town Manager), and object (e.g., personnel costs). All Governmental and other funds of the Town have an annual appropriated budget. The Town of Wickenburg's financial planning and control begins with its annual budget which serves three purposes. First, for the Town Council the budget serves as a policy tool and as an expression of goals and objectives. Second, Management uses the budget as an operating guide and a control mechanism. And third, for the citizens of Wickenburg it presents a picture of the local government operations and intentions of the year.

Annually each department director is required to submit requests for appropriation to the Finance Director. The Finance Director then compiles and presents the total budget request, which is prepared by fund and department, to the Town Manager. The Town Manager then uses these requests as the starting point for developing a draft budget to be presented to the Council for review. Once the Council has reviewed and adjusted the draft budget, it becomes the tentative budget. The Council is then required to hold public hearings on the tentative budget and to adopt the tentative budget no later than the third Monday in July of each year.

In order to ensure compliance with legal provisions applicable to the annual appropriated budget the Town of Wickenburg maintains several budgetary controls. The Town Manager may at any time transfer unencumbered non capital line item appropriations of \$5,000 or less between budget lines, however transfers greater than this amount, and all transfers from capital line items must be approved by the Town Council. The Council may also appropriate additional funds by use of contingency appropriations reserved to cover emergencies or other unexpected necessary expenditures. State law requires the Town to re-budget (re-appropriate) funds for the completion of contracts which were originally budgeted for and encumbered in a previous fiscal year.

### **AWARDS AND ACKNOWLEDGEMENTS**

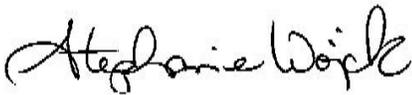
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Wickenburg for its CAFR for fiscal year ended June 30, 2012 making this the second consecutive year the Town has achieved this prestigious award. Because of budget cuts the Town discontinued participating in this program effective fiscal year ending June 30, 2006 at which time ten consecutive awards had been achieved. In order to be awarded this certificate of achievement, the Town must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable program requirements. Achieving this certificate shows our commitment to encouraging transparency in government for the Town.

This Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the program's requirements, so we are therefore submitting it to the GFOA to determine its eligibility for another certificate.

The Town has also resumed submitting its annual budget for the GFOA's Distinguished Budget Presentation Award and is happy to report the award was received for fiscal year beginning July 1, 2012. To qualify for the Distinguished Budget Presentation Award the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department; and I wish to thank each member for their assistance in providing the data necessary to prepare this report. Credit is also due to the Mayor, Town Council, and Town Manager for their unfailing support in maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Stephanie Wojcik". The signature is written in a cursive, flowing style.

Stephanie Wojcik  
Finance Director



Government Finance Officers' Association

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

Presented to

**Town of Wickenburg  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

**TOWN OF WICKENBURG, ARIZONA  
LIST OF PRINCIPAL OFFICIALS  
YEAR ENDED JUNE 30, 2013**

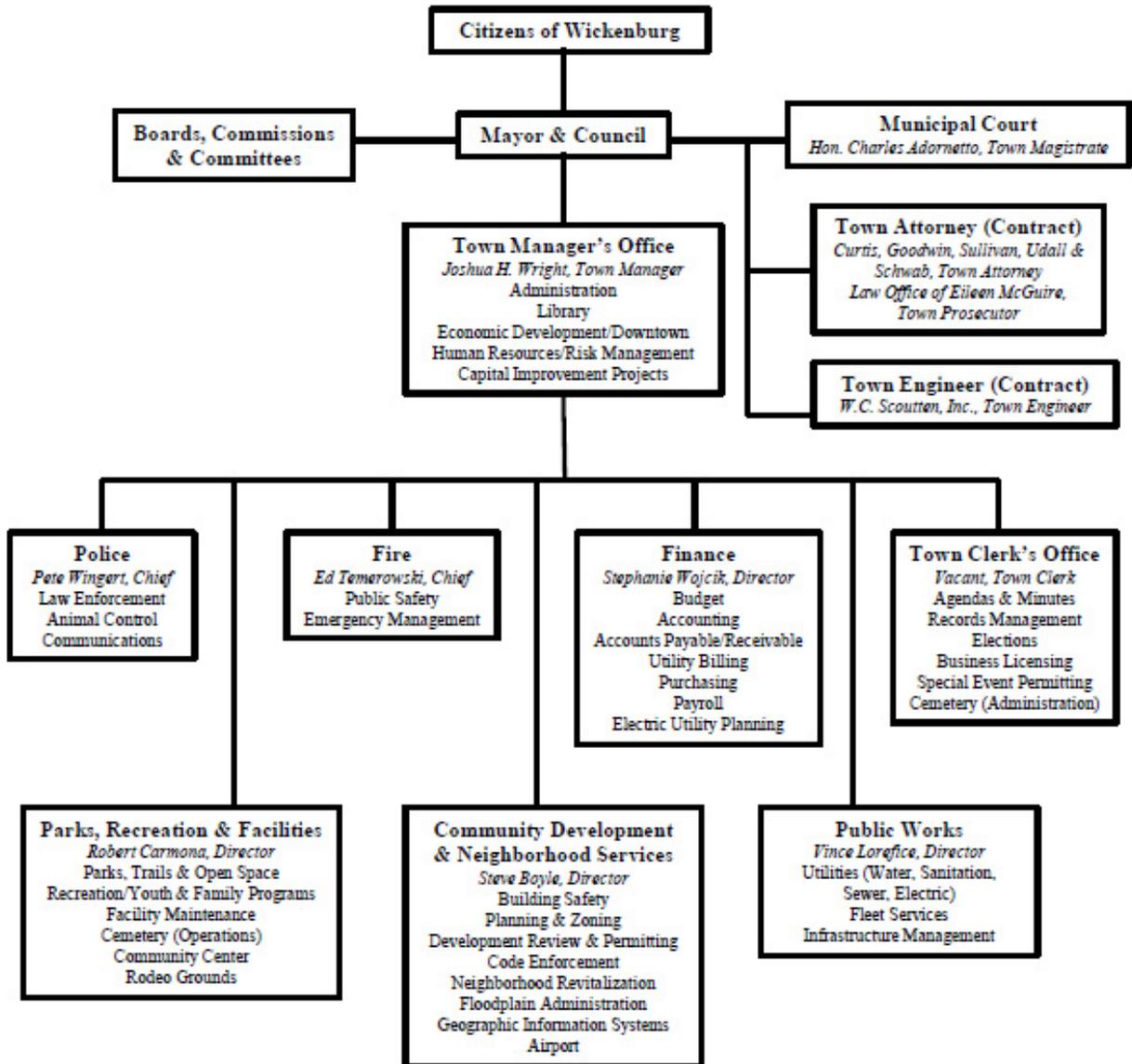
**ELECTED OFFICIALS**

Mayor	John Cook
Vice Mayor	Scott Stewart
Councilmember	Chris Band
Councilmember	Sam Crissman
Councilmember	Kelly Blunt
Councilmember	Royce Kardinal
Councilmember	Rubin Madrid

**DEPARTMENT DIRECTORS**

Town Manager	Joshua H. Wright
Finance Director	Stephanie Wojcik
Town Clerk	Vacant
Public Works Director	Vincent Lorefice
Community Development & Neighborhood Services Director	Steve Boyle
Parks, Recreation and Facilities Director	Robert Carmona
Chief of Police	Pete Wingert
Fire Chief	Ed Temerowski

**TOWN OF WICKENBURG, ARIZONA  
ORGANIZATIONAL CHART  
YEAR ENDED JUNE 30, 2013**



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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and the Town Council  
Town of Wickenburg, Arizona  
Wickenburg, Arizona

### **Report on the Financial Statements**

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 Town of Wickenburg, Arizona (Town), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town'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.

### ***Auditors' 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. 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 auditors' 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 Town'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 Town'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 Town of Wickenburg, Arizona as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison schedule of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

The prior year financial statements were restated to correct an error in recording fiduciary activity within the General Fund. A summary of the restatement is presented in Note 3.F. The auditors' opinion was not modified with respect to the restatement.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedule of agent retirement plan's funding progress on pages 11 - 19 and 62 - 63 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 Town's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Mayor and the Town Council  
Town of Wickenburg, Arizona

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.

*Clifton Larson Allen LLP*

Phoenix, Arizona  
October 23, 2013

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

As the management of the Town of Wickenburg, Arizona (Town), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town of Wickenburg, Arizona for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which begins on page 1 of this report.

**FINANCIAL HIGHLIGHTS**

- ◆ The assets of the Town of Wickenburg, Arizona exceeded its liabilities at the close of the most recent fiscal year by \$70.1 million (Net Position). Of this amount \$11.9 million (unrestricted Net Position) may be used to meet the government's ongoing obligations to citizens and creditors.
- ◆ As of the close of the current fiscal year, the Town of Wickenburg, Arizona's governmental funds reported combined ending fund balances of \$8.1 million, a decrease of \$76,413 in comparison with the prior year.
- ◆ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5.2 or 87 percent of total General Fund expenditures.
- ◆ Budgeted General Fund revenues were less than actual revenues (on a budgetary basis) by \$301,021 for fiscal year 2013. Additionally, budgeted expenditures were less than the budgetary basis expenditures in the General Fund by \$2.6 million.
- ◆ General Fund revenues were greater than expenditures by \$271,885; a positive variance of \$2.9 million from the final budget.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town of Wickenburg, Arizona's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, including the budgetary statement for the General Fund and 3) 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 Town of Wickenburg, Arizona's finances, in a manner similar to private-sector business. The statement of net position presents information on all of the Town of Wickenburg, Arizona's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town of Wickenburg, 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 Town of Wickenburg, 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 Town of Wickenburg, Arizona include general government, public safety, streets and roads, and parks and recreation. The business-type activities include water, electric, sanitation, wastewater, and airport. The government-wide financial statements can be found on pages 20 - 21 of this report.

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

**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 Town of Wickenburg, 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 Town of Wickenburg, 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. Since the governmental fund financial statements focus on near-term spendable resources, while the governmental activities on the government-wide financial statements have a longer term focus, a reconciliation of the differences between the two is provided with the fund financial statements.

The Town of Wickenburg, Arizona maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Improvements Fund, which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregate presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 22 - 27 of this report.

*Proprietary Funds* – The Town of Wickenburg, Arizona maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Wickenburg, Arizona uses enterprise funds to account for its water, electric, sanitation, wastewater and airport operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town of Wickenburg, Arizona's various functions. The Town of Wickenburg, Arizona uses internal service funds to account for its maintenance shop and fuel facility funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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 water, electric, sanitation, wastewater and airport funds, each of which are considered to be major funds of the Town of Wickenburg, Arizona. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 28 - 35 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 Town of Wickenburg, Arizona's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

The basic fiduciary fund financial statements can be found on pages 36 - 37 of this report.

**Notes to Basic Financial Statements**

The notes to basic financial statements (pages 38 - 61) 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 Town 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 Town has disclosed this information on pages 62 - 63.

**Government-Wide Financial Analysis**

**Net Position**

Net position may serve over time as useful indicators of a government's financial position. The table below reflects the condensed Statement of Net Position of the Town for June 30, 2013 and 2012 showing that assets exceeded liabilities by \$70.1 million at June 30, 2013.

**Table A-1  
The Town's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012 (Restated)	2013	2012	2013	2012 (Restated)
<b>ASSETS</b>						
Current and Other Assets	\$ 9,083,404	\$ 8,878,844	\$ 5,450,399	\$ 5,285,593	\$ 14,533,803	\$ 14,164,437
Capital Assets	30,950,737	30,579,903	28,865,661	28,909,289	59,816,398	59,489,192
Total Assets	40,034,141	39,458,747	34,316,060	34,194,882	74,350,201	73,653,629
<b>LIABILITIES</b>						
Current Liabilities	753,680	529,156	460,702	245,739	1,214,382	774,895
Non-Current Liabilities						
Due within One Year	169,032	160,818	180,804	173,766	349,836	334,584
Due in More Than One Year	368,530	407,804	2,361,422	2,523,354	2,729,952	2,931,158
Total Liabilities	1,291,242	1,097,778	3,002,928	2,942,859	4,294,170	4,040,637
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	30,862,241	30,450,042	26,367,047	26,250,840	57,229,288	56,700,882
Restricted	954,929	1,086,520	-	-	954,929	1,086,520
Unrestricted	6,925,729	6,824,407	4,946,085	5,001,183	11,871,814	11,825,590
Total Net Position	\$ 38,742,899	\$ 38,360,969	\$ 31,313,132	\$ 31,252,023	\$ 70,056,031	\$ 69,612,992

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

Net position consists of three components. The largest portion of the Town of Wickenburg, Arizona's net position (81.7%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, furniture, equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The Town of Wickenburg, Arizona uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Wickenburg, Arizona's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Town's net investment in capital assets increased \$0.5 million.

An additional portion of the Town of Wickenburg, Arizona's net position (1.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$11.9 million) may be used to meet the government's ongoing obligations to citizens and creditors. Restricted net position and unrestricted net position did not report a significant increase or decrease over the prior year. The increase in unrestricted net position is largely due to normal Town operations and is discussed on the following pages in the discussion on changes in net position. At the end of the current fiscal year, the Town of Wickenburg, Arizona is able to report positive balances in all three categories of net position for the government as a whole.

The Town's net position increased by \$0.4 million during the current fiscal year. Key elements of this increase are presented in the following condensed statement of changes in net position:

**Table A-2  
Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2012		2013	2012	2013	2012
	2013	(Restated)				
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 1,625,391	\$ 1,528,461	\$ 6,043,773	\$ 6,254,317	\$ 7,669,164	\$ 7,782,778
Operating Grants and Contributions	366,631	343,058	-	521,378	366,631	864,436
Capital Grants and Contributions	103,071	14,468	278,442	851,855	381,513	866,323
General Revenues:						
Local Taxes	3,160,234	2,689,768	-	-	3,160,234	2,689,768
State Shared Revenues	1,373,873	1,248,031	-	-	1,373,873	1,248,031
Investment Earnings (Loss)	27,589	11,607	53,293	17,423	80,882	29,030
Other	47,477	72,882	37,716	31,630	85,193	104,512
Total Revenues	6,704,266	5,908,275	6,413,224	7,676,603	13,117,490	13,584,878
<b>EXPENSES</b>						
General Government	1,708,223	1,692,571	-	-	1,708,223	1,692,571
Public Safety	3,172,900	3,043,032	-	-	3,172,900	3,043,032
Streets	558,558	579,698	-	-	558,558	579,698
Parks and Recreation	1,539,873	1,386,769	-	-	1,539,873	1,386,769
Interest	5,843	9,123	-	-	5,843	9,123
Water	-	-	1,069,013	932,002	1,069,013	932,002
Electric	-	-	1,743,668	1,718,652	1,743,668	1,718,652
Sanitation	-	-	912,508	898,147	912,508	898,147
Wastewater	-	-	910,106	869,533	910,106	869,533
Airport	-	-	1,053,759	912,464	1,053,759	912,464
Total Expenses	6,985,397	6,711,193	5,689,054	5,330,798	12,674,451	12,041,991
Change in Nets Position						
Before Transfers	(281,131)	(802,918)	724,170	2,345,805	443,039	1,542,887
Transfers	663,061	599,107	(663,061)	(599,107)	-	-
Change in Net Position	381,930	(203,811)	61,109	1,746,698	443,039	1,542,887
Net Position - Beginning of Year, Restated	38,360,969	38,564,780	31,252,023	29,505,325	69,612,992	68,070,105
Net Position - End of Year	<u>\$ 38,742,899</u>	<u>\$ 38,360,969</u>	<u>\$ 31,313,132</u>	<u>\$ 31,252,023</u>	<u>\$ 70,056,031</u>	<u>\$ 69,612,992</u>

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

*Governmental Activities* – The governmental activities had a net increase in the current year of \$0.4 million. The most significant activities accounting for this increase were increases in state shared revenues, capital grants, local tax revenue, and an increase in the transfer from the Electric Fund to the Capital Projects Fund, offset by an increase in expenses. The Town maintains sound financial management through its budget process and continues to accumulate funds for future operations. Some of the more significant changes in the current year, resulting in the net increase are as follows:

Capital grants and contributions increased \$88,603. The increase was due to an increase in RICO monies received from the State of Arizona for the purchase of police equipment. Additionally, the Town saw an increase in ADOT funding to pay for a portion of the pedestrian bridge project.

Local taxes increased \$470,466. The increase was due to an increase in property tax rates from the prior year. For fiscal year 2011-2012 the property tax rate was 0.4244 compared to 0.0483 in the prior year.

State shared revenues increased \$125,842. This increase was mainly the result of an overall increase in general State sales tax collected for the fiscal year due to the rebounding economy and an increase in State income taxes collected.

Overall, expenditures increased \$274,204. The majority of the increase was due to increases in staffing in the fire department and court. There were also increases within the departments for minor equipment and repairs and maintenance for projects that were postponed in prior years.

*Business-Type Activities* – The Water Fund reported an operating loss of \$48,789. The operating loss is mainly due to a decrease in water sales during the year along with a large increase in administrative costs. The Water Fund reported a positive change in net position of \$0.2 million as a result of a transfer in from the Capital Improvements Fund.

The Electric Fund continues to report significant operating income. In the current year, the Electric Fund reported operating income of \$0.9 million. The net operating income is the result of electricity charges far exceeding the costs to operate the utilities. The Town has dedicated these excess operating revenues to subsidize capital projects of the Town. The \$1.1 million transfer out reflects this subsidy. Revenues decreased during the fiscal year as a result of a decrease in energy usage and a decline in federal funding. Expenses increased minimally from the prior year.

The Sanitation Fund had reported operating income of \$24,078, which was less than the prior year. The decrease in operating income was the result of an increase in operating expense as well as a decrease in operating revenue. The decrease in revenues is a result of a change in Arizona State Statute which now allows private haulers within the Town limits to service commercial accounts. The increase in expense was primarily due to increased administrative costs, general maintenance of vehicles, and the replacement of aging cans.

The Wastewater Fund reported operating income of \$44,499 in the current year. The operating income decreased from the prior year by \$67,572. This decrease was due to a decline in sewer usage fees and a slight increase in salaries and administrative costs. The Wastewater Fund had a transfer in of \$161,075 resulting in a positive change in net position of \$131,595.

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

The Airport Fund realized a \$0.5 million operating loss. The loss was largely due to the current year depreciation expense and an increase in fuel costs during the fiscal year. This operating loss increased from the prior year by \$80,541. The Airport Fund reported an increase in operating revenue of \$60,754 and an increase in operating expense of \$141,295. The increase in operating expense was due to an increase in fuel costs and accordingly the increase in revenue was due to increased fuel sales.

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS**

The focus of the Town'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 Town'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 Governmental funds reported by the Town include the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

As of the end of the current fiscal year the Town's governmental funds reported combined ending fund balances of \$8.1 million, a decrease of \$76,413 in comparison with the prior year. Approximately 68% of this total amount (\$5.5 million) constitutes General Fund balance, which is available for contribution to the restricted, committed, assigned and unassigned fund balance. The table below presents fund balances at June 30, 2013.

**Table A-3  
Fund Balances**

Fund	Balance	Increase (Decrease) From 2011-12
General Fund	\$ 5,503,623	\$ 226,937
Capital Improvement Fund	1,647,608	(165,433)
Nonmajor Governmental Funds	948,603	(137,917)

The General Fund is the chief operating fund of the Town of Wickenburg, Arizona. At the end of the current fiscal year, the fund balance of the General Fund was \$5.5 million, while total fund balance reached \$8.1 million. 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 fund expenditures. General Fund balance represents 91 percent of total General Fund expenditures, while total fund balance represents 109 percent of total expenditures.

The fund balance of the Town's General Fund increased by \$0.2 million. The increase was largely due to an increase in property tax revenue (\$0.2 million), and state shared revenues (\$0.2 million), and a decrease in expenditures (\$0.3 million).

The Capital Improvement Fund reported a decrease of \$0.2 million. The decrease was the result of \$0.4 million transfer to the various enterprise funds for capital projects that were originally recorded in the Capital Projects Fund along with an increase \$0.3 million transferred into the Capital Improvement Fund from the Electric Fund

All non-major governmental funds of the Town are combined into one column on the governmental fund statements. The non-major governmental funds reported a \$138,000 decrease largely due to an increase in street and road repairs and improvements during the fiscal year.

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

**BUDGETARY HIGHLIGHTS**

Budgeted General Fund revenues of \$6.0 million were relatively equal to actual revenues of \$6.3 million, while budgeted expenditures of \$8.6 million exceeded the budgetary basis (actual) expenditures by \$2.6 million, largely due to the budgeted contingencies reported in the General Services department.

Actual revenues and expenditures did not significantly vary from the budget, with the exception of the sales tax revenue due to an increase in state shared revenue funding and budgeted contingencies previously discussed. The budget was amended to reflect lower than anticipated revenues and an increase in budgeted contingencies which was primarily due to projects being moved to the following fiscal year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Town's capital assets for its governmental activities and business-type activities as of June 30, 2013 amount to \$31.0 million and \$28.9 million, respectively (net of accumulated depreciation), a total net increase of \$0.3 million. For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures. See Note 3.A.3. in the notes to the basic financial statements for further information regarding capital assets.

During the current fiscal year, the annual depreciation expense was \$1.0 million for governmental activities assets and \$1.3 million for business-type activities assets. Additions to capital assets during the fiscal year totaled \$1.4 million for governmental activities assets and \$1.2 million for business-type activities assets.

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

**Governmental Activities**

- ◆ 4 Police Vehicles
- ◆ Police Radios
- ◆ 1 Street Sweeper
- ◆ Street Pavement Restoration Projects
- ◆ Public Service Center Improvements
- ◆ Information Technology Upgrades

**Business-type Activities**

- ◆ Airport Runway Rehabilitation
- ◆ Yucca Water Tank Improvements
- ◆ Washington Street Electrical Upgrade
- ◆ Savage Street Sewer Upgrade
- ◆ Information Technology Upgrades

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

The following table provides a breakdown of the capital assets of the Town at June 30, 2013 and 2012.

**Table A-4  
Capital Assets (Net)**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 17,044,213	\$ 17,044,213	\$ 4,853,140	\$ 4,853,140	\$ 21,897,353	\$ 21,897,353
Land Improvements	2,437,577	2,574,962	271,705	284,958	2,709,282	2,859,920
Buildings and Improvements	1,509,839	1,301,953	-	-	1,509,839	1,301,953
Infrastructure (Including Utilities)	7,773,952	7,886,158	13,717,944	13,553,271	21,491,896	21,439,429
Airport Runways and Hangars	-	-	8,492,082	8,432,000	8,492,082	8,432,000
Intangible Property	46,863	48,164	-	-	46,863	48,164
Furniture, Equipment and Vehicles	2,100,875	1,602,554	1,185,727	1,365,417	3,286,602	2,967,971
Construction in Progress	37,418	121,899	345,063	420,503	382,481	542,402
<b>Total Capital Assets</b>	<b>\$ 30,950,737</b>	<b>\$ 30,579,903</b>	<b>\$ 28,865,661</b>	<b>\$ 28,909,289</b>	<b>\$ 59,816,398</b>	<b>\$ 59,489,192</b>

**Long-term Debt**

The State imposes certain debt limitations on the Town of six percent (6%) and twenty percent (20%) of the outstanding assessed valuation of the Town. The Town's available debt margin at June 30, 2013 is \$3.7 million in the 6% capacity and \$12.3 million in the 20% capacity. Additional information on the debt limitations and capacities may be found in the statistical section of this report (page 100).

The following schedule shows the long-term obligations of the Town (both current and long-term) as of June 30, 2013 and 2012. Further detail on the Town's long-term obligations may be found in Note 3.C. and D. on pages 51 - 54.

**Table A-4  
Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Loans Payable	\$ -	\$ -	\$ 701,541	\$ 710,509	\$ 701,541	\$ 710,509
Notes Payable	-	-	1,797,073	1,947,940	1,797,073	1,947,940
Capital Leases	88,496	129,861	-	-	88,496	129,861
Compensated Absences	279,666	265,961	43,612	38,671	323,278	304,632
Other Postemployment Benefits	169,400	172,800	-	-	169,400	172,800
<b>Total Outstanding Debt</b>	<b>\$ 537,562</b>	<b>\$ 568,622</b>	<b>\$ 2,542,226</b>	<b>\$ 2,697,120</b>	<b>\$ 3,079,788</b>	<b>\$ 3,265,742</b>

**ECONOMIC FACTORS**

- ◆ An increase in local sales tax collections reflects a modest improvement in the economy.
- ◆ Construction activity is starting to pick up as shown by increased collections in various zoning and permit revenues.
- ◆ A continued effort to sustain and improve public safety needs.
- ◆ A carefully monitored five year Capital Improvement Plan to identify and replace outdated infrastructure along with new needs of our growing community.
- ◆ Improvements to facilities and technology systems.
- ◆ Improvements to downtown streetscape, construction of the long awaited pedestrian bridge, and conceptual planning for future downtown arts and cultural facilities, to bring new activities to the areas for both locals and tourists.

**TOWN OF WICKENBURG, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2013**

Each of these factors were considered in preparing the future years' budgets.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town's finances for all of those with an interest 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:

Town of Wickenburg, Arizona  
Finance Department  
155 North Tegner, Suite A  
Wickenburg, Arizona 85390  
(928)684-5451

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## **BASIC FINANCIAL STATEMENTS**

**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 8,614,539	\$ 4,759,609	\$ 13,374,148
Accounts Receivable, Net:			
Accounts Receivable	44,855	453,707	498,562
Taxes Receivable	3,289	-	3,289
Intergovernmental Receivable	356,093	32,105	388,198
Inventories	51,153	67,250	118,403
Restricted Cash and Investments	13,475	137,728	151,203
Capital Assets:			
Non-Depreciable	17,081,631	5,198,203	22,279,834
Depreciable (Net)	13,869,106	23,667,458	37,536,564
Total Assets	<u>40,034,141</u>	<u>34,316,060</u>	<u>74,350,201</u>
<b>LIABILITIES</b>			
Accounts Payable	562,811	234,645	797,456
Accrued Salaries and Benefits	177,394	31,593	208,987
Accrued Interest Payable	-	28,367	28,367
Intergovernmental Payable	-	28,309	28,309
Customer Deposits Payable	13,475	137,788	151,263
Noncurrent Liabilities:			
Due Within One Year	169,032	180,804	349,836
Due in More Than One Year	368,530	2,361,422	2,729,952
Total Liabilities	<u>1,291,242</u>	<u>3,002,928</u>	<u>4,294,170</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	30,862,241	26,367,047	57,229,288
Restricted for:			
General Government	108,562	-	108,562
Highways and Streets	291,721	-	291,721
Public Safety	6,791	-	6,791
Capital Outlay	547,855	-	547,855
Unrestricted	6,925,729	4,946,085	11,871,814
Total Net Position	<u>\$ 38,742,899</u>	<u>\$ 31,313,132</u>	<u>\$ 70,056,031</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 1,708,223	\$ 1,223,612	\$ 12,914	\$ -	\$ (471,697)		\$ (471,697)
Public Safety	3,172,900	265,231	4,923	103,071	(2,799,675)		(2,799,675)
Highways and Streets	558,558	-	348,794	-	(209,764)		(209,764)
Parks and Recreation	1,539,873	136,548	-	-	(1,403,325)		(1,403,325)
Interest and Fiscal Charges	5,843	-	-	-	(5,843)		(5,843)
Total Governmental Activities	6,985,397	1,625,391	366,631	103,071	(4,890,304)		(4,890,304)
Business-Type Activities:							
Water	1,069,013	1,020,224	-	33,000		\$ (15,789)	(15,789)
Electric	1,743,668	2,690,431	-	-		946,763	946,763
Sanitation	912,508	936,586	-	-		24,078	24,078
Wastewater	910,106	865,964	-	-		(44,142)	(44,142)
Airport	1,053,759	530,568	-	245,442		(277,749)	(277,749)
Total Business-Type Activities	5,689,054	6,043,773	-	278,442		633,161	633,161
Total Primary Government	\$ 12,674,451	\$ 7,669,164	\$ 366,631	\$ 381,513		633,161	(4,257,143)
General Revenues:							
Taxes							
Sales Taxes					2,920,165	-	2,920,165
Property Taxes					240,069	-	240,069
State Revenue Sharing - Unrestricted					649,967	-	649,967
State Sales Tax Revenue Sharing - Unrestricted					520,823	-	520,823
Auto Lieu Tax Revenue Sharing - Unrestricted					203,083	-	203,083
Investment Earnings					27,589	53,293	80,882
Other					47,477	37,716	85,193
Transfers					663,061	(663,061)	-
Total General Revenues and Transfers					5,272,234	(572,052)	4,700,182
Change in Net Position					381,930	61,109	443,039
Net Position - Beginning (As Restated)					38,360,969	31,252,023	69,612,992
Net Position - Ending					\$ 38,742,899	\$ 31,313,132	\$ 70,056,031

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 5,497,198	\$ 1,902,315	\$ 1,011,006	\$ 8,410,519
Restricted Cash and Investments	13,475	-	-	13,475
Receivables, Net:				
Accounts Receivable	39,479	-	-	39,479
Taxes Receivable	3,289	-	-	3,289
Intergovernmental Receivables	323,108	-	32,985	356,093
Total Assets	<u>\$ 5,876,549</u>	<u>\$ 1,902,315</u>	<u>\$ 1,043,991</u>	<u>\$ 8,822,855</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 187,833	\$ 254,707	\$ 91,814	\$ 534,354
Accrued Wages and Benefits	171,618	-	3,574	175,192
Customer Deposits Payable	13,475	-	-	13,475
Total Liabilities	<u>372,926</u>	<u>254,707</u>	<u>95,388</u>	<u>723,021</u>
Fund Balances:				
Restricted	6,326	-	948,603	954,929
Assigned	258,505	1,647,608	-	1,906,113
Unassigned	5,238,792	-	-	5,238,792
Total Fund Balances	<u>5,503,623</u>	<u>1,647,608</u>	<u>948,603</u>	<u>8,099,834</u>
Total Liabilities and Balances	<u>\$ 5,876,549</u>	<u>\$ 1,902,315</u>	<u>\$ 1,043,991</u>	<u>\$ 8,822,855</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA  
RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

Total Fund Balances - Total Governmental Funds \$ 8,099,834

Amounts reported for governmental activities in the statement of net position are different because:

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

Governmental fund capital assets (excluding internal service funds)	\$ 46,295,999	
Less accumulated depreciation (excluding internal service funds)	<u>(15,472,141)</u>	30,823,858

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Compensated Absences	(278,719)
Capital Leases	(88,496)
Other Postemployment Benefits	(169,400)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net asset.

355,822

Total Net Position of Governmental Activities

\$ 38,742,899

**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2013**

	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Totals
<b>REVENUES</b>				
Taxes:				
Sales Taxes	\$ 2,920,165	\$ -	\$ -	\$ 2,920,165
Property Taxes	240,069	-	-	240,069
Intergovernmental	1,445,102	-	398,473	1,843,575
Fines and Forfeitures	194,159	-	-	194,159
Licenses and Permits	98,818	-	-	98,818
Charges for Services	1,181,328	-	-	1,181,328
Rents and Royalties	151,086	-	-	151,086
Investment Earnings	21,227	-	6,362	27,589
Other	47,477	-	-	47,477
Total Revenues	<u>6,299,431</u>	<u>-</u>	<u>404,835</u>	<u>6,704,266</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,504,910	-	9,149	1,514,059
Public Safety	3,085,784	-	1,778	3,087,562
Highways and Streets	-	-	487,522	487,522
Parks and Recreation	1,389,644	-	-	1,389,644
Debt Service				
Principal Retirement	41,365	-	-	41,365
Interest on Long-Term Debt	5,843	-	-	5,843
Capital Outlay	-	873,588	44,157	917,745
Total Expenditures	<u>6,027,546</u>	<u>873,588</u>	<u>542,606</u>	<u>7,443,740</u>
Excess (Deficiency) of Revenues Over Expenditures	271,885	(873,588)	(137,771)	(739,474)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	52	1,100,000	-	1,100,052
Transfers Out	(45,000)	(391,845)	(146)	(436,991)
Total Other Financing Sources (Uses)	<u>(44,948)</u>	<u>708,155</u>	<u>(146)</u>	<u>663,061</u>
Net Change in Fund Balances	226,937	(165,433)	(137,917)	(76,413)
<b>FUND BALANCES</b>				
Beginning of Year (As Restated)	5,276,686	1,813,041	1,086,520	8,176,247
End of Year	<u>\$ 5,503,623</u>	<u>\$ 1,647,608</u>	<u>\$ 948,603</u>	<u>\$ 8,099,834</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGE IN FUND BALANCES OF THE GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

Net Change in Fund Balances - Total Governmental Funds \$ (76,413)

Amounts reported for governmental activities in the statement of activities are different 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 and reported as depreciation expense.

Expenditures for capital assets (less internal service funds)	\$ 1,386,640	
Less current year depreciation (less internal service funds)	<u>(991,986)</u>	394,654

The statement of activities reports losses arising from the disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on disposals of capital assets (less internal service funds). (82)

The issuance of long term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position.

Principal payments on capital leases		41,365
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Net change in other postemployment benefits		3,400
Net change in compensated absences (less internal service funds)		(13,205)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues of the internal service funds are reported with governmental activities. 32,211

Change in Net Position of Governmental Activities		<u>\$ 381,930</u>
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**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Sales Taxes	\$ 2,550,000	\$ 2,662,392	\$ 2,920,165	\$ 257,773
Property Taxes	250,500	191,100	240,069	48,969
Intergovernmental Revenue	1,877,549	1,433,593	1,445,102	11,509
Fines and Forfeitures	204,018	184,639	194,159	9,520
Licenses and Permits	97,619	102,412	98,818	(3,594)
Charges for Services	1,300,041	1,206,246	1,181,328	(24,918)
Rents and Royalties	175,351	151,418	151,086	(332)
Investment Earnings	5,478	20,859	21,227	368
Other	31,588	45,751	47,477	1,726
Total Revenues	<u>6,492,144</u>	<u>5,998,410</u>	<u>6,299,431</u>	<u>301,021</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Finance	257,230	246,506	244,359	2,147
Town Manager	370,219	352,957	331,845	21,112
Town Attorney	195,000	175,000	174,570	430
Town Clerk	166,024	167,850	159,390	8,460
Planning and Zoning	168,526	170,642	163,996	6,646
General Services	2,309,135	2,496,265	253,342	2,242,923
Town Court	230,573	219,234	177,408	41,826
Total General Government	<u>3,696,707</u>	<u>3,828,454</u>	<u>1,504,910</u>	<u>2,323,544</u>
Public Safety:				
Police Department	2,320,975	2,289,273	2,166,326	122,947
Fire	969,072	983,899	919,458	64,441
Total Public Safety	<u>3,290,047</u>	<u>3,273,172</u>	<u>3,085,784</u>	<u>187,388</u>
Parks and Recreation:				
Community Services	1,740,997	1,274,314	1,176,634	97,680
Library	279,834	205,050	199,800	5,250
Constellation and Rodeo Expense	48,301	63,558	13,210	50,348
Total Parks and Recreation	<u>2,069,132</u>	<u>1,542,922</u>	<u>1,389,644</u>	<u>153,278</u>
Debt Service:				
Principal	-	-	41,365	(41,365)
Interest	-	-	5,843	(5,843)
Total Debt Service	<u>-</u>	<u>-</u>	<u>47,208</u>	<u>(47,208)</u>
Total Expenditures	<u>9,055,886</u>	<u>8,644,548</u>	<u>6,027,546</u>	<u>2,617,002</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,563,742)	(2,646,138)	271,885	2,918,023

(Continued)

**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ -	\$ 52	\$ 52
Transfers Out	(50,000)	(45,000)	(45,000)	-
Total Other Financing Sources (Uses)	(50,000)	(45,000)	(44,948)	52
Net Change in Fund Balance	(2,613,742)	(2,691,138)	226,937	2,918,075
<b>FUND BALANCE</b>				
Beginning of Year (As Restated)	2,613,742	2,691,138	5,276,686	2,585,548
End of Year	\$ -	\$ -	\$ 5,503,623	\$ 5,503,623

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2013**

	Business-Type Activities			
	Water	Electric	Sanitation	Wastewater
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 1,831,530	\$ 1,319,966	\$ 958,102	\$ 549,964
Receivables, Net:				
Accounts Receivable	94,893	221,667	57,285	69,588
Intergovernmental Receivable	3,903	-	-	-
Inventory	-	-	-	-
Restricted Cash and Investments	-	137,728	-	-
Total Current Assets	<u>1,930,326</u>	<u>1,679,361</u>	<u>1,015,387</u>	<u>619,552</u>
Noncurrent Assets:				
Capital Assets:				
Non-Depreciable	843,604	26,197	-	369,162
Depreciable (Net)	4,451,212	1,657,824	202,358	8,615,223
Total Noncurrent Assets	<u>5,294,816</u>	<u>1,684,021</u>	<u>202,358</u>	<u>8,984,385</u>
Total Assets	<u>7,225,142</u>	<u>3,363,382</u>	<u>1,217,745</u>	<u>9,603,937</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	53,575	95,234	21,845	36,717
Accrued Wages and Benefits	10,345	4,741	9,876	5,110
Intergovernmental Payable	140	28,137	-	-
Interest Payable	-	-	-	28,367
Customer Deposits Payable	-	137,728	-	-
Compensated Absences	6,500	3,690	791	3,596
Notes Payable	-	-	-	165,010
Total Current Liabilities	<u>70,560</u>	<u>269,530</u>	<u>32,512</u>	<u>238,800</u>
Noncurrent Liabilities:				
Compensated Absences	7,145	2,044	2,408	14,500
Notes Payable	-	-	-	2,333,604
Total Noncurrent Liabilities	<u>7,145</u>	<u>2,044</u>	<u>2,408</u>	<u>2,348,104</u>
Total Liabilities	<u>77,705</u>	<u>271,574</u>	<u>34,920</u>	<u>2,586,904</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	5,294,816	1,684,021	202,358	6,485,771
Unrestricted	1,852,621	1,407,787	980,467	531,262
Total Net Position	<u>\$ 7,147,437</u>	<u>\$ 3,091,808</u>	<u>\$ 1,182,825</u>	<u>\$ 7,017,033</u>

See accompanying Notes to Basic Financial Statements.

<u>Business-Type Activities</u>		Governmental
<u>Airport</u>	<u>Totals</u>	Activities - Internal Service Fund
\$ 100,047	\$ 4,759,609	\$ 204,020
10,274	453,707	5,376
28,202	32,105	-
67,250	67,250	51,153
-	137,728	-
<u>205,773</u>	<u>5,450,399</u>	<u>260,549</u>
3,959,240	5,198,203	-
8,740,841	23,667,458	126,879
<u>12,700,081</u>	<u>28,865,661</u>	<u>126,879</u>
12,905,854	34,316,060	387,428
27,274	234,645	28,457
1,521	31,593	2,202
32	28,309	-
-	28,367	-
60	137,788	-
1,217	15,794	854
-	165,010	-
<u>30,104</u>	<u>641,506</u>	<u>31,513</u>
1,721	27,818	93
-	2,333,604	-
<u>1,721</u>	<u>2,361,422</u>	<u>93</u>
<u>31,825</u>	<u>3,002,928</u>	<u>31,606</u>
12,700,081	26,367,047	126,879
173,948	4,946,085	228,943
<u>\$ 12,874,029</u>	<u>\$ 31,313,132</u>	<u>\$ 355,822</u>

**TOWN OF WICKENBURG, ARIZONA**  
**STATEMENT REVENUES, EXPENSES, AND CHANGE IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2013**

	Business-Type Activities			
	Water	Electric	Sanitation	Wastewater
Operating Revenues:				
Charges for Services	\$ 1,020,224	\$ 2,690,431	\$ 936,586	\$ 865,964
Operating Expenses:				
Cost of Sales and Services	816,896	1,678,553	783,456	491,534
Depreciation	252,117	65,115	129,052	329,931
Total Operating Expenses	<u>1,069,013</u>	<u>1,743,668</u>	<u>912,508</u>	<u>821,465</u>
Operating Income (Loss)	(48,789)	946,763	24,078	44,499
Nonoperating Revenues (Expense):				
Intergovernmental	-	-	-	-
Investment Earnings	8,016	40,517	2,663	1,996
Interest Expense	-	-	-	(88,641)
Other	200	20,639	1,400	12,666
Total Nonoperating Revenues (Expenses)	<u>8,216</u>	<u>61,156</u>	<u>4,063</u>	<u>(73,979)</u>
Income (Loss) Before Contributions and Transfers	(40,573)	1,007,919	28,141	(29,480)
Capital Contributions	33,000	-	-	-
Transfers In	217,365	9,851	1,309	161,075
Transfers Out	-	(1,100,000)	-	-
Change in Net Position	209,792	(82,230)	29,450	131,595
Net Position				
Beginning of Year	6,937,645	3,174,038	1,153,375	6,885,438
End of Year	<u>\$ 7,147,437</u>	<u>\$ 3,091,808</u>	<u>\$ 1,182,825</u>	<u>\$ 7,017,033</u>

See accompanying Notes to Basic Financial Statements.

<u>Business-Type Activities</u>		Governmental
<u>Airport</u>	<u>Total</u>	Activities - Internal Service Fund
\$ 530,568	\$ 6,043,773	\$ 530,178
540,906	4,311,345	478,069
512,853	1,289,068	25,220
<u>1,053,759</u>	<u>5,600,413</u>	<u>503,289</u>
(523,191)	443,360	26,889
-	-	-
101	53,293	1,207
-	(88,641)	-
2,811	37,716	4,115
<u>2,912</u>	<u>2,368</u>	<u>5,322</u>
(520,279)	445,728	32,211
245,442	278,442	-
47,339	436,939	-
-	(1,100,000)	-
(227,498)	61,109	32,211
13,101,527	31,252,023	323,611
<u>\$ 12,874,029</u>	<u>\$ 31,313,132</u>	<u>\$ 355,822</u>

**TOWN OF WICKENBURG, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Business-Type Activities			
	Water	Electric	Sanitation	Wastewater
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 1,023,070	\$ 2,667,962	\$ 935,658	865,910
Payments to Suppliers	(476,558)	(1,456,568)	(502,928)	(320,814)
Payments to Employees	(285,514)	(115,793)	(262,302)	(129,686)
Other Receipts	200	20,639	1,400	12,666
Customer Deposits	-	6,763	-	-
Net Cash Flows from Operating Activities	261,198	1,123,003	171,828	428,076
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Intergovernmental	-	-	-	-
Transfers In	217,365	9,851	1,309	161,075
Transfers Out	-	(1,100,000)	-	-
Net Cash Flows from Noncapital Financing Activities	217,365	(1,090,149)	1,309	161,075
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital Grants and Contributions	29,097	-	-	-
Purchases of Capital Assets	(346,909)	(397,591)	(1,309)	(213,227)
Principal Paid on Capital Debt	-	-	-	(159,835)
Interest Paid on Capital Debt	-	-	-	(91,022)
Net Cash Flows from Capital and Related Financing Activities	(317,812)	(397,591)	(1,309)	(464,084)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Earnings	8,016	40,517	2,663	1,996
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	168,767	(324,220)	174,491	127,063
Cash and Cash Equivalents - Beginning of Year	1,662,763	1,781,914	783,611	422,901
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 1,831,530</b>	<b>\$ 1,457,694</b>	<b>\$ 958,102</b>	<b>\$ 549,964</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>				
Cash and Investments	\$ 1,831,530	\$ 1,319,966	\$ 958,102	\$ 549,964
Restricted Assets	-	137,728	-	-
Total Cash and Cash Equivalents	<b>\$ 1,831,530</b>	<b>\$ 1,457,694</b>	<b>\$ 958,102</b>	<b>\$ 549,964</b>

See accompanying Notes to Basic Financial Statements.

<u>Business-Type Activities</u>		Governmental Activities - Internal Service Fund
<u>Airport</u>	<u>Total</u>	
\$ 522,169	\$ 6,014,769	\$ 537,135
(493,576)	(3,250,444)	(427,593)
(34,894)	(828,189)	(63,389)
2,811	37,716	4,115
-	6,763	-
<u>(3,490)</u>	<u>1,980,615</u>	<u>50,268</u>
-	-	-
47,339	436,939	-
-	(1,100,000)	-
<u>47,339</u>	<u>(663,061)</u>	<u>-</u>
271,660	300,757	-
(286,404)	(1,245,440)	(1,484)
-	(159,835)	-
-	(91,022)	-
<u>(14,744)</u>	<u>(1,195,540)</u>	<u>(1,484)</u>
101	53,293	1,207
29,206	175,307	49,991
70,841	4,722,030	154,029
<u>\$ 100,047</u>	<u>\$ 4,897,337</u>	<u>\$ 204,020</u>
\$ 100,047	\$ 4,759,609	\$ 204,020
-	137,728	-
<u>\$ 100,047</u>	<u>\$ 4,897,337</u>	<u>\$ 204,020</u>

**TOWN OF WICKENBURG, ARIZONA  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Business-Type Activities			
	Water	Electric	Sanitation	Wastewater
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (48,789)	\$ 946,763	\$ 24,078	\$ 44,499
Depreciation Expense	252,117	65,115	129,052	329,931
Nonoperating Receipts	200	20,639	1,400	12,666
Change in Assets/Liabilities:				
Receivables, Net	2,846	(22,469)	(928)	(54)
Inventory	-	-	-	-
Intergovernmental Payables	(89)	6,978	-	-
Accounts Payable	53,575	95,234	21,845	36,717
Accrued Wages and Benefits	1,084	964	1,106	859
Customer Deposits Payable	-	6,763	-	-
Compensated Absences	254	3,016	(4,725)	3,458
Net Cash Provided (Used) by Operating Activities	\$ 261,198	\$ 1,123,003	\$ 171,828	\$ 428,076

<u>Business-Type Activities</u>		Governmental
<u>Airport</u>	<u>Total</u>	Activities - Internal Service Fund
\$ (523,191)	\$ 443,360	\$ 26,889
512,853	1,289,068	25,220
2,811	37,716	4,115
(8,399)	(29,004)	6,957
17,190	17,190	(42,242)
1	6,890	-
(8,810)	198,561	28,457
1,117	5,130	370
-	6,763	-
2,938	4,941	502
<u>\$ (3,490)</u>	<u>\$ 1,980,615</u>	<u>\$ 50,268</u>

**TOWN OF WICKENBURG, ARIZONA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2013**

	<u>Firemen Pension Trust</u>	<u>Agency Fund</u>
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalents	\$ 10,595	<u>\$ 203,730</u>
<b>Liabilities</b>		
Due to Other Entities	<u>-</u>	<u>\$ 203,730</u>
<b>Net Position</b>		
Held In Trust	<u>\$ 10,595</u>	

See accompanying Notes to Basic Financial Statements.

**TOWN OF WICKENBURG, ARIZONA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2013**

	Firemen Pension Trust
Additions:	
Contributions:	
State Insurance Premium	\$ 6,568
Investment Earnings	375
Total Additions	6,943
 Deductions	
Benefits	5,414
 Change in Net Position	 1,529
 Net Position, Beginning of Year	 9,066
Net Position, End of Year	\$ 10,595

*See accompanying Notes to Basic Financial Statements.*

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## **NOTES TO BASIC FINANCIAL STATEMENTS**

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**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Town of Wickenburg, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the Town's more significant accounting policies follows.

During the year ended June 30, 2013, the Town adopted GASB Statements No. 63 and 65. GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. The Town did not have any assets or liabilities to reclassify for the current fiscal year.

**A. Reporting Entity**

The Town 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. The accompanying financial statements present the Town and its component unit, an entity for which the Town is considered to be financially accountable.

The Town reports the following blended component unit:

The Town of Wickenburg, Arizona Public Facilities Municipal Property Corporation (APFMPC). The APFMPC is a legal separate entity comprised of a five member board approved by the Mayor and ratified by the Town Council. The APFMPC was formed to fund the construction of the wastewater treatment facility through a USDA loan. The APFMPC provides a financial benefit to the Town through the ability to issue debt. The Town has a moral obligation to pay the debt of the APFMPC.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 and other items not properly 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 and enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

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 Town 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, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

Property taxes, intergovernmental grants and aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The *Capital Improvements Fund* is a capital projects fund used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for the activities necessary to provide water services to the citizens of the Town.

The *Electric Fund* accounts for the activities necessary to provide electricity to the citizens of the Town.

The *Sanitation Fund* accounts for the activities necessary to provide trash collections to the citizens of the Town.

The *Wastewater Fund* accounts for the activities necessary to provide wastewater services to the citizens of the Town.

The *Airport Fund* accounts for the transactions related to operating the municipal airport.

Additionally, the government reports the following fund types:

The *Internal Service Funds* account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis.

The *Fire Pension Fund* accounts for the Town's Volunteer Firefighters' Relief and Pension Fund, a defined contribution plan for which the assets are held by the Town in a trustee capacity. Contributions are made by the Town as well as by the Town's firefighters.

The *Agency Fund* accounts for funds held by the Town on-behalf of Southwest Gas which controls the use of the funds for various capital expenditures incurred by Southwest Gas to provide services to the Town. Any related capital is not the property of the Town.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 internal service fund are charges to other funds. Operating expenses for the internal service fund include the cost fuel and maintenance of Town Vehicles. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, for governmental activities it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. For business-type activities, the use of restricted resources is governed by the applicable loan covenants.

**D. Assets, Liabilities, and Net Position or Equity**

**1. Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the State Treasurer, and highly liquid investments with maturities of three months or less from the date of acquisition.

Cash and investments are pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Interest earned from investments purchased with such pooled monies are allocated to each of the funds based on the average daily cash balances. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, town's or duly organized school districts, improvement districts in this state and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

**2. Accounts and Property Tax Receivables**

All trade and property taxes receivables are shown net of an allowance for uncollectibles.

Maricopa County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property attaches on the first day of January preceding assessment and levy thereof.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position or Equity (Continued)**

**3. Intergovernmental Receivables**

Intergovernmental receivables include amounts due from other government agencies and include Town sales tax (\$264,084), Highway User Revenue fuel tax (\$32,985), State sales tax (\$45,345), auto lieu (\$10,319) and miscellaneous grants (\$3,360) in the governmental funds and governmental activities column of the government-wide financial statements. Enterprise funds and business-type activities report \$32,105 in federal grants receivable.

**4. Inventories**

Inventories are recorded as expenditures at the time of purchase in the governmental funds, and are recorded as an asset and expense when consumed in the government-wide and proprietary fund financial statements.

**5. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental and business-type activities column in the government-wide financial statements and in the proprietary funds financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Infrastructure assets acquired prior to 1980 are not reported in the governmental activities column in the government-wide financial statements.

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Land Improvements	10-40 Years
Buildings and Improvements	10-40 Years
Utility Components	5-40 Years
Infrastructure	5-40 Years
Furniture and Equipment	3-10 Years
Vehicles	4-20 Years

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position or Equity (Continued)**

**6. Compensated Absences**

The liability for compensated absences reported in the government-wide and proprietary fund financial statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

**7. 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 applicable governmental activities, business-type activities or proprietary fund statements of net position.

**8. Net Position**

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets is separately reported because capital assets make up a significant portion of total net position. Restricted net position accounts for the portion of net position restricted by parties outside the Town. Unrestricted net position is the remaining net position not included in the previous two categories.

None of the restricted net position is restricted by enabling legislation.

**9. Fund Balances**

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, committed, assigned and unassigned fund balance.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as inventories, or are legally or contractually required to be maintained intact.

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position or Equity (Continued)**

**9. Fund Balances (Continued)**

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. The committed fund balances are self-imposed limitations approved by the Town's Council, which is the highest level of decision-making authority within the Town. Only the Town Council can remove or change the constraints placed on committed fund balances. The Town Council must commit fund balances before the end of the fiscal year through formal council action. Assigned fund balances are resources constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. The Town Council has authorized the Town Manager to make assignments of resources for a specific purpose. The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred, it is the Town's policy to use restricted fund balance first, then committed, assigned and unassigned fund balances as resources are available.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The Town Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Arizona Revised Statutes, the Town Manager submits a proposed budget for the fiscal year commencing the following July 1 to the Town Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in August, the expenditure limitation for the Town is legally enacted through passage of an ordinance. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total Town expenditures from the audited basic financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).

**TOWN OF WICKENBURG, ARIZONA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2013**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

4. Expenditures may not legally exceed the expenditure limitation described below of all fund types as a whole. The Town legally adopts a budget by department for the General Fund and in total by fund for other funds. The Town Manager, subject to Town Council approval, may at any time transfer any unencumbered appropriation balance or portion thereof between departments in the General and Town Council approval is required for any transfers between funds. The adopted budget cannot be amended in any way without Town Council approval.
  
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service and Capital Projects Funds on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

No supplementary budgetary appropriations were necessary during the year.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Assets**

**1. Deposits and Investments**

Deposits and investments at June 30, 2013 consist of the following:

Deposits:	
Cash on Hand	\$ 990
Cash in Bank	969,707
Investments:	
State Treasurer's Investment Pool	12,768,979
Total Deposits and Investments	13,739,676
Less:	
Restricted Assets	(151,203)
Fiduciary Funds	(214,325)
Total Cash and Investments	\$ 13,374,148

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Assets (Continued)**

**1. Deposits and Investments (Continued)**

**Deposits**

The Town's deposits at June 30, 2013 had a carrying value of \$969,707 and a bank balance of \$1,046,433. Of the bank balance, \$250,000 was covered by federal depository insurance and \$796,433 was covered by collateral held by the Town's custodial bank in the Town's name. Therefore, the Town's deposits were not exposed to any custodial credit risk.

**Investments**

The State Board of Deposit provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. The shares are not identified with specific investments and are not subject to custodial credit risk.

*Interest Rate Risk* – In accordance with its investment policy, the Town manages its exposure to declines in fair value by limiting the average maturity of its investments to six months or less. The Town's investment in the State Treasurer Pool includes \$10,681,971 invested in State of Arizona Pool 5, which has a weighted average maturity of 26 days and \$2,087,008 invested in the State of Arizona Pool 7, which has a weighted average maturity of 29 days.

*Credit Risk* – The Town does not have a policy relating to credit risk. The Town's investment in the State Treasurer's Investment Pool 5 maintains an AAAF/S1+ rating from Standard and Poor's and the Town's investment in the State Treasurer's Investment Pool 7 is invested in securities backed by the U.S. Government and has a weighted average rating of AA+.

*Concentration of Credit Risk* – The Town's investment policy does not address concentration of credit risk. The Town currently only invests in the State Treasurer's Investment Pools.

**2. Restricted Assets**

Restricted assets in the Governmental Activities and Business-Type Activities at June 30, 2013 consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Customer Deposits	\$ 13,475	\$ 137,728	\$ 151,203

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Assets (Continued)**

**3. Capital Assets**

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 17,044,213	\$ -	\$ -	\$ 17,044,213
Construction in Progress	121,899	432,386	(516,867)	37,418
Total Capital Assets, Not Being Depreciated	17,166,112	432,386	(516,867)	17,081,631
Capital Assets, Being Depreciated:				
Land and Improvements	3,946,639	30,876	-	3,977,515
Buildings and Improvements	4,239,306	304,691	(2,000)	4,541,997
Infrastructure	15,265,875	303,125	-	15,569,000
Intangible Property	52,070	-	-	52,070
Furniture and Equipment	2,297,624	443,412	(189,330)	2,551,706
Vehicles	2,893,948	390,499	(226,088)	3,058,359
Total Capital Assets, Being Depreciated	28,695,462	1,472,603	(417,418)	29,750,647
Accumulated Depreciation for:				
Land and Improvements	(1,371,677)	(168,261)	-	(1,539,938)
Buildings and Building Improvements	(2,937,353)	(96,805)	2,000	(3,032,158)
Infrastructure	(7,379,717)	(415,331)	-	(7,795,048)
Intangible Property	(3,906)	(1,301)	-	(5,207)
Furniture and Equipment	(1,430,345)	(169,608)	189,248	(1,410,705)
Vehicles	(2,158,673)	(165,900)	226,088	(2,098,485)
Total Accumulated Depreciation	(15,281,671)	(1,017,206)	417,336	(15,881,541)
Total Capital Assets, Being Depreciated, Net Governmental Activities	13,413,791	455,397	(82)	13,869,106
Capital Assets, Net	<u>\$ 30,579,903</u>	<u>\$ 887,783</u>	<u>\$ (516,949)</u>	<u>\$ 30,950,737</u>

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Assets (Continued)**

**3. Capital Assets (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 4,853,140	\$ -	\$ -	\$ 4,853,140
Construction in Progress	420,503	1,039,350	(1,114,790)	345,063
Total Capital Assets, Not Being Depreciated	5,273,643	1,039,350	(1,114,790)	5,198,203
Capital Assets, Being Depreciated:				
Land Improvements	810,403	-	-	810,403
Wells, Waterlines and Improvements	5,344,496	171,425	-	5,515,921
Electric Meters and Wires	1,543,265	465,589	(19,665)	1,989,189
Sewer Treatment Plant	7,564,450	-	-	7,564,450
Sewer Lines and Mains	3,474,178	59,350	-	3,533,528
Airport Runways and Hangars	12,879,394	519,137	-	13,398,531
Furniture, Equipment and Vehicles	5,796,283	105,379	(70,521)	5,831,141
Total Capital Assets, Being Depreciated	37,412,469	1,320,880	(90,186)	38,643,163
Accumulated Depreciation for:				
Land Improvements	(525,445)	(13,253)	-	(538,698)
Wells, Waterlines and Improvements	(1,478,592)	(183,099)	-	(1,661,691)
Electric Meters and Wires	(407,228)	(49,268)	19,665	(436,831)
Sewer Treatment Plant	(1,804,135)	(186,327)	-	(1,990,462)
Sewer Lines and Mains	(683,163)	(112,997)	-	(796,160)
Airport Runways and Hangars	(4,447,394)	(459,055)	-	(4,906,449)
Furniture, Equipment and Vehicles	(4,430,866)	(285,069)	70,521	(4,645,414)
Total Accumulated Depreciation	(13,776,823)	(1,289,068)	90,186	(14,975,705)
Total Capital Assets, Being Depreciated, Net	23,635,646	31,812	-	23,667,458
Business-Type Activities Capital Assets, Net	\$ 28,909,289	\$ 1,071,162	\$ (1,114,790)	\$ 28,865,661

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Assets (Continued)**

**3. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	\$ 385,300
Public Safety	300,915
Highways and Streets	187,769
Culture and Recreation	143,222
Total Depreciation Expense, Governmental Activities	<u>\$ 1,017,206</u>
Business-Type Activities:	
Water	\$ 252,117
Electric	65,115
Sanitation	129,052
Wastewater	329,931
Airport	512,853
Total Depreciation Expense, Business-Type Activities	<u>\$ 1,289,068</u>

**4. Construction Commitments**

The Town has active construction projects at June 30, 2013. At fiscal year end the Town's commitments with contractors were as follows:

Project	Governmental Activities															
	Spent-to-Date	Remaining Commitment														
Pedestrian Bridge	<u>\$ 37,418</u>	<u>\$ 150,108</u>														
<table border="0" style="width: 100%;"> <thead> <tr> <th rowspan="2" style="text-align: center; border-bottom: 1px solid black;">Project</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Business-Type Activities</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Spent-to-Date</th> <th style="text-align: center; border-bottom: 1px solid black;">Remaining Commitment</th> </tr> </thead> <tbody> <tr> <td>Airport Booster Station</td> <td style="text-align: right;">\$ 41,932</td> <td style="text-align: right;">\$ 56,631</td> </tr> <tr> <td>Savage Street Sewer</td> <td style="text-align: right;">75,000</td> <td style="text-align: right;">237,500</td> </tr> <tr> <td>    Total</td> <td style="text-align: right;"><u>\$ 116,932</u></td> <td style="text-align: right;"><u>\$ 294,131</u></td> </tr> </tbody> </table>			Project	Business-Type Activities		Spent-to-Date	Remaining Commitment	Airport Booster Station	\$ 41,932	\$ 56,631	Savage Street Sewer	75,000	237,500	Total	<u>\$ 116,932</u>	<u>\$ 294,131</u>
Project	Business-Type Activities															
	Spent-to-Date	Remaining Commitment														
Airport Booster Station	\$ 41,932	\$ 56,631														
Savage Street Sewer	75,000	237,500														
Total	<u>\$ 116,932</u>	<u>\$ 294,131</u>														

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Interfund Transfers**

Interfund transfers for the year ended June 30, 2013 consisted of the following:

Transfers In	Transfers Out				Total
	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Electric Fund	
General Fund	\$ -	\$ -	\$ 52	\$ -	\$ 52
Capital Improvements Fund	-	-	-	1,100,000	1,100,000
Water Fund	-	217,365	-	-	217,365
Electric Fund	-	9,851	-	-	9,851
Sanitation Fund	-	1,309	-	-	1,309
Wastewater Fund	-	160,981	94	-	161,075
Airport Fund	45,000	2,339	-	-	47,339
	<u>\$ 45,000</u>	<u>\$ 391,845</u>	<u>\$ 146</u>	<u>\$ 1,100,000</u>	<u>\$ 1,536,991</u>

The Nonmajor Governmental Funds transferred \$52 to the General Fund to close out the Debt Service Fund. The Nonmajor Governmental Funds also transferred \$94 to the Wastewater Fund to pay for costs related to development fees. The Capital Improvement Fund transferred \$217,365 to the Water Fund, \$9,851 to the Electric Fund, \$1,309 to the Sanitation Fund, \$160,981 to the Wastewater Fund, and \$2,339 to the Airport Fund to transfer assets purchased from the governmental funds to the enterprise funds. The Electric fund transferred \$1,100,000 to the Capital Improvements Fund, in accordance with Town policy, in which excess revenues from the Electric Fund are used for future capital. The General Fund transferred \$45,000 to the Airport Fund to pay for operating costs at the airport facility.

**C. Obligations Under Capital Leases**

The Town has entered into a lease agreement as lessee for financing the acquisition of vehicles. The lease agreement qualifies as a capital lease for accounting purposes and; therefore, has been recorded at the present value of the future minimum lease payments as of the inception date in the governmental activities.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Vehicles	\$ 175,169
Less: Accumulated Depreciation	(70,068)
Total	<u>\$ 105,101</u>

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Obligations Under Capital Leases (Continued)**

Current year amortization expense is included in depreciation expense.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013, were as follows:

Year Ending June 30,	Governmental Activities
2013	\$ 47,208
2014	47,307
Total Minimum Lease Payment	94,515
Less: Amount Representing Interest	(6,019)
Present Value of Minimum Lease Payments	\$ 88,496

**D. Long-Term Obligations**

The Town has a loan and notes payable issued to provide funds for the acquisition and construction of major capital facilities. The USDA Loan payable is a federal loan coupled with federal grant revenues. The loan, along with the USDA grant, is being used for improvements to the wastewater treatment facility. The loan provides for funds to be drawn as utilized. As of June 30, 2013, the Town has drawn down all available funds of the original July 2006 issue. The Town has pledged wastewater charges for services, miscellaneous revenues and interest revenues to repay \$742,000 in USDA loans through August 2046. Annual principal and interest payments on the loan is expected to require less than 5.0 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$2,184,727. Principal and interest paid for the current year and total pledged revenues were \$40,757 and \$880,626, respectively.

The Water Infrastructure Authority (WIFA) note payable was issued to provide funding for improvements to the wastewater treatment facility. The note provides for funds to be drawn as utilized. As of June 30, 2013, the Town has drawn down all available funds of the original January 2003 issue. The Town has pledged wastewater charges for services, miscellaneous revenues and interest revenues to repay \$3,000,000 in WIFA notes through July 2022. Annual principal and interest payments on the note is expected to require approximately 24.0 percent of net revenues. The total principal and interest remaining to be paid on the loan is \$2,123,633. Principal and interest paid for the current year and total pledged revenues were \$207,719 and \$880,626, respectively.

Compensated absences are paid by the applicable fund where each employee is regularly paid, primarily the General Fund for the governmental activities.

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Long-Term Obligations (Continued)**

The Town has the following loans and notes outstanding at June 30, 2013:

Description	Original Issue	Interest Rate	Maturity	Balance - End of Year
<b>Business-Type Activities:</b>				
Loans Payable:				
USDA Loan Payable	\$ 742,000	4.50%	7/1/13 - 47	<u>\$ 701,541</u>
Notes Payable				
Water Infrastructure Finance Authority (WIFA) of Arizona	\$ 3,000,000	3.16%	7/1/13 - 22	<u>\$ 1,797,073</u>

Changes in long-term obligations for the year ended June 30, 2013 are as follows:

	July 1, 2012	Additions	Retirements	June 30, 2013	Due within One Year
<b>Governmental Activities:</b>					
Other Liabilities:					
Capital Leases	\$ 129,861	\$ -	\$ (41,365)	\$ 88,496	\$ 43,226
Compensated Absences	265,961	210,168	(196,463)	279,666	122,206
Other Postemployment Benefits	172,800	-	(3,400)	169,400	3,600
Total Governmental Activities	<u>\$ 568,622</u>	<u>\$ 210,168</u>	<u>\$ (241,228)</u>	<u>\$ 537,562</u>	<u>\$ 169,032</u>
<b>Business-Type Activities:</b>					
Loans and Notes Payable:					
Loans Payable	\$ 710,509	\$ -	\$ (8,968)	\$ 701,541	\$ 9,380
Notes Payable	1,947,940	-	(150,867)	1,797,073	155,630
Total Loans and Notes Payable	2,658,449	-	(159,835)	2,498,614	165,010
Other Liabilities:					
Compensated Absences	38,671	34,985	(30,044)	43,612	15,794
Total Business-Type Activities Liabilities	<u>\$ 2,697,120</u>	<u>\$ 34,985</u>	<u>\$ (189,879)</u>	<u>\$ 2,542,226</u>	<u>\$ 180,804</u>

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Long-Term Obligations (Continued)**

Debt service requirements on long-term debt at June 30, 2013 are as follows:

Year Ended June 30,	Business-Type Activities	
	Principal	Interest
2014	\$ 165,010	\$ 83,609
2015	170,354	56,563
2016	175,873	51,786
2017	181,573	46,863
2018	187,459	41,792
2019-2023	1,032,577	384,261
2024-2028	80,564	310,761
2029-2033	100,849	296,397
2034-2038	126,243	277,110
2039-2043	158,029	251,622
2044-2047	120,083	8,982
	<u>\$ 2,498,614</u>	<u>\$ 1,809,746</u>

**E. Fund Balance Classifications**

Fund balance classifications reported in the governmental funds include the following:

	General Fund	Capital Improvements Fund	Nonmajor Governmental Funds	Totals
Spendable				
Restricted				
Court Enhancement	\$ -	\$ -	\$ 108,562	\$ 108,562
Maintenance of Highways and Streets	-	-	291,721	291,721
Police Grants	6,326	-	465	6,791
Capital Outlay	-	-	547,855	547,855
Assigned				
Cemetery Operations	176,142	-	-	176,142
Court Enhancement	30,802	-	-	30,802
Computer and Reading Program	-	-	-	-
Rodeo Grounds Operations	49,124	-	-	49,124
Miscellaneous Programs	2,437	-	-	2,437
Capital Outlay	-	1,647,608	-	1,647,608
Unassigned	5,238,792	-	-	5,238,792
	<u>\$ 5,503,623</u>	<u>\$ 1,647,608</u>	<u>\$ 948,603</u>	<u>\$ 8,099,834</u>

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Restatement**

During the fiscal year, the Town determined a portion of the franchise fee payments received from Southwest Gas Corporation should have been set aside and accounted for as a fiduciary fund. The Town is serving as an agent for these funds on behalf of Southwest Gas for future capital expenditures. Therefore, in the current year, fund balance and net position need to be restated to account for the change in beginning balances. The following table shows the effects of this restatement as of June 30, 2013.

	Net Position/ Fund Balances As Previously Stated	Restatement Due to Correction of an Error	Net Position/ Fund Balances As Restated
Governmental Funds			
General Fund	\$ 5,463,941	\$ (187,255)	\$ 5,276,686
Capital Improvements Fund	1,813,041	-	1,813,041
Nonmajor Governmental Funds	1,086,520	-	1,086,520
Total Governmental Funds	<u>\$ 8,363,502</u>	<u>\$ (187,255)</u>	<u>\$ 8,176,247</u>
Governmental Activities	<u>\$ 38,548,224</u>	<u>\$ (187,255)</u>	<u>\$ 38,360,969</u>

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

The Town of Wickenburg, Arizona 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 Town's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the Town is a participating member. The limit for basic coverage is for \$2,000,000 per occurrence on a claims made basis. Excess coverage is for an additional \$10,000,000 per occurrence on a follow form, claims made basis. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years. The Town is self-insured for claims of \$25,000 or less.

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 the authority to assess its members additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

The Town is also insured by Arizona Municipal Workers Compensation Fund for potential worker related accidents.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans**

**Firefighters' Relief and Pension Plan**

The Town of Wickenburg, Arizona's Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the Town and a board of trustees for the Town's volunteer firefighters.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. According to state statute, a volunteer firefighter who has served for 25 years or more or has reached 60 years of age and has served 20 years or more shall be eligible to receive a monthly retirement not to exceed \$150 per month, as determined by the board of trustees. Such pension, if paid, may be increased or decreased in amount, or discontinued at the discretion of the board of trustees. Pension and relief benefits may only be paid from the income of the trust fund. However, a firefighter who leaves the service without being eligible for retirement benefits is entitled to all previous deductions from his salary plus interest at a rate determined by the board of trustees. As established by state statute, in lieu of another acceptable pension plan, all volunteer firefighters must participate in the pension plan from the date they enter service.

The State of Arizona is required by statute to contribute a portion of the annual tax received on fire insurance premiums. During the fiscal year ended June 30, 2013, the State contribution was \$6,568. No employer or employee contributions were required during the fiscal year. On-behalf payments of fringe benefits and salaries for the governmental employees were recognized as revenues and expenses during the period incurred.

No pension provision changes occurred during the year that affected the required contributions made by the Town or its volunteer firefighters.

The Firefighters' Relief and Pension Fund held no securities of the Town or other related parties during the fiscal year or as of the close of the fiscal year.

**Arizona State Retirement System**

**Plan Description**

The Town contributes to a cost-sharing multiple-employer defined benefit pension plan administered by the Arizona State Retirement System. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. The system is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

**Arizona State Retirement System (Continued)**

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, AZ 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

**Funding Policy**

The Arizona State Legislature establishes and may amend active plan members' and The Town's contribution rate. For the year ended June 30, 2013, active plan members and the Town were each required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent retirement, 0.65 percent for health insurance premium, and 0.24 percent long-term disability) of the members' annual covered payroll. The Town's contributions to the System for the years ended June 30, 2013 and prior two fiscal years were equal to one hundred percent of the Town's required contributions and are as follows:

<u>Years Ended June 30,</u>	<u>Retirement Fund</u>	<u>Health Benefit Supplement Fund</u>	<u>Long-Term Disability Fund</u>
2013	\$ 189,854	\$ 12,040	\$ 4,445
2012	186,479	11,903	4,534
2011	170,290	11,151	4,725

**Public Safety Personnel Retirement System (PSPRS)**

**Plan Description**

The Town contributes to the Public Safety Personnel Retirement System (PSPRS) and the Arizona Corrections Officers Retirement Plan (ACORP), agent multiple-employers, public employee retirement systems that act as common investment and administrative agents to provide retirement and death and disability benefits for public safety personnel and dispatchers who are regularly assigned hazardous duty in the employ of the State of Arizona or a political subdivision thereof. All benefit provisions and other requirements are established by State statute. The Public Safety Personnel Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS and ACORP. Those reports may be obtained by writing to Public Safety Personnel, 3010 E. Camelback Road, Suite 200 Phoenix, AZ 85016 or by calling (602) 255-5575.

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

**Public Safety Personnel Retirement System (PSPRS) (Continued)**

**Funding Policy**

Covered employees are required to contribute 7.65 percent of their annual salary to the PSPRS and ACORP. The Town is required to contribute the remaining amounts necessary to fund the PSPRS and ACORP, as determined by the actuarial basis specified by statute. The current rate is 23.59 percent for police, 12.94 percent for firefighters and 14.14 percent for dispatchers, of annual covered payroll.

The calculations are based on the OPEB benefits provided under terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between employer and plan members. The actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The disclosures presented for the OPEB plan reflect a long-term perspective.

**Annual Pension Cost**

During the year ended June 30, 2013 the Town of Wickenburg, Arizona's annual pension cost of \$213,458 for police, \$55,796 for firefighters and \$24,685 for dispatchers was equal to the Town of Wickenburg, Arizona's required and actual contributions.

**Three-Year Trend Information**

**Police**

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
2011	\$ 172,785	100.0 %	\$ -
2012	182,236	100.0	-
2013	213,458	100.0	-

Fiscal Year Ended June 30,	Annual OPEB Cost	Percent Contributed	OPEB Benefit Obligation
2011	\$ 14,084	100.0 %	\$ -
2012	14,076	100.0	-
2013	14,083	100.0	-

**TOWN OF WICKENBURG, ARIZONA  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

**Public Safety Personnel Retirement System (PSPRS) (Continued)**

**Three-Year Trend Information**

**Fire**

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
2011	\$ 42,993	100.0 %	\$ -
2012	43,452	100.0	-
2013	55,796	100.0	-

Fiscal Year Ended June 30,	Annual OPEB Cost	Percent Contributed	OBEB Benefit Obligation
2011	\$ 3,800	100.0 %	\$ -
2012	4,247	100.0	-
2013	4,622	100.0	-

**ACORP Dispatchers**

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
2011	\$ 33,216	100.0 %	\$ -
2012	18,209	100.0	-
2013	24,685	100.0	-

Fiscal Year Ended June 30,	Annual OPEB Cost	Percent Contributed	OBEB Benefit Obligation
2011	\$ 5,272	100.0 %	\$ -
2012	4,215	100.0	-
2013	2,248	100.0	-

Historical trend information is presented in order for a reader to assess the progress made in accumulating sufficient assets to pay pension benefits as they become payable.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

**Public Safety Personnel Retirement System (PSPRS) (Continued)**

The required contribution for the annual pension cost and OPEB cost were determined as part of the June 30, 2011 actuarial valuation using an entry age actuarial funding method. Significant actuarial assumptions used in determining the entry age actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 5.0% per year compounded annually, and (c) additional projected salary increases of 5.0% to 9.0% per year attributable to seniority/merit. Although no specific price inflation assumption was required, a price inflation assumption on the order of 3.0% to 4.0% would be consistent with the other economic assumptions. There was no specific healthcare cost trend rate assumption used for the OPEB plan.

The actuarial value of the Town of Wickenburg, Arizona's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a seven-year period. The Town of Wickenburg, Arizona's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2012, was 24 years.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

**Funded Status and Funding Progress**

As of June 30, 2012, the plan was 59.7, 99.6 and 63.9 percent funded for police, fire and dispatchers, respectively. The actuarial accrued liability for benefits was \$4.0 million, \$728K and \$621K, for police, fire and dispatchers, respectively. The actuarial value of assets was \$2.4 million, \$725K and \$397K, resulting in an unfunded actuarial accrued liability of (UAAL) of \$1.6 million, \$3K and \$224K, respectively. The covered payroll (annual payroll of active employees covered by the plan) was \$936K, \$444K, and \$179K, for police, fire and dispatchers; and the ratio of the UAAL to the covered payroll was 174.1%, 0.7% and 124.9%, respectively.

As of June 30, 2012, the most recent actuarial valuation date, the other postemployment benefits (health insurance subsidy) was 0 percent funded for police, fire and dispatchers, respectively. The actuarial accrued liability for benefits was \$148K, \$36K and \$19K, for police, fire and dispatchers, respectively. The actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability of (UAAL) of \$148K, \$36K and \$19K, respectively. The covered payroll (annual payroll of active employees covered by the plan) was \$936K, \$444K, and \$179K, for police, fire and dispatchers; and the ratio of the UAAL to the covered payroll was 15.9%, 8.2% and 10.8%, respectively.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Retirement Plans (Continued)**

**Public Safety Personnel Retirement System (PSPRS) (Continued)**

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**C. Postemployment Benefits Other Than Pension Benefits**

**Plan Description**

The Town provides \$1,200 annually toward other postemployment insurance (medical) benefits obtained through the Arizona State Retirement system for all eligible employees. Currently, two retired employees participate in the plan; and five employees may become eligible upon retirement. The plan has been discontinued; however, employees who had 10 years or more of service with the Town prior to July 1, 2002 were grandfathered into the plan. Upon retirement, the employee must have more than 25 years of service with the Town to be eligible and must participate in one of the Arizona State sponsored insurance plans. The plan is not accounted for as a trust fund and an irrevocable trust has not been established for the plan.

**Benefits Provided**

The Town provides postretirement insurance (medical) benefits (OPEB), in accordance with the Towns retirement policy. The Town currently has two employees utilizing the benefits; three employees eligible, but not yet retired; and two employees who may become eligible after 25 years of service.

**Funding Policy**

For each eligible retiree, the Town makes annual contributions capped at \$1,200. The expenditures are recorded on a pay-as-you-go basis and net of any subsidies received from the Arizona State Retirement System or Public Safety Personnel Retirement Program. During the year ended June 30, 2013 the Town had made \$3,400 of contributions to this program.

**Assumptions**

An actuarial report was not conducted for this plan. Therefore, to accurately measure the liability of the postemployment benefits, the Town needed to make some assumptions. The Town made the assumption that each member participating would have an average life-span of 84 years for females and 80 years for males. This assumption is consistent with the actuarial performed for the Public Safety Personnel Retirement System. The Town also made the assumption that the average retirement age of the participating employees would be when the employee turns 62 years of age. Lastly, the assumption was made that the five remaining eligible employees will stay employed at the Town until they reach 25 years of service. There was no specific healthcare cost trend rate assumptions used for this analysis.

**TOWN OF WICKENBURG, ARIZONA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Postemployment Benefits Other Than Pension Benefits**

The Town elected to record the entire liability in prior years. This liability represents the estimated benefits to be paid to all eligible employees. Because the liability is not material to the financial statements all required disclosures of GASB Statement Number 45 have been excluded. This does not represent a material departure from Generally Accepted Accounting Principles.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**TOWN OF WICKENBURG, ARIZONA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
JUNE 30, 2013**

**Public Safety Personnel Retirement System  
Police**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ 1,967,668	\$ 3,259,001	60.4 %	\$ (1,291,333)	\$ 848,786	(152.1)%
2011	2,218,386	3,746,757	59.2	(1,528,371)	874,887	(174.7)
2012	2,416,139	4,045,905	59.7	(1,629,766)	936,356	(174.1)

**Other Postemployment Benefits (Health Insurance Subsidy)**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ -	\$ 123,809	- %	\$ (123,809)	\$ 848,786	(14.6)%
2011	-	149,177	-	(149,177)	874,887	(17.1)
2012	-	148,497	-	(148,497)	936,356	(15.9)

**Fire**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ 427,925	\$ 449,520	95.2 %	\$ (21,595)	\$ 419,325	(5.2)%
2011	540,132	574,850	94.0	(34,718)	423,500	(8.2)
2012	725,485	728,440	99.6	(2,955)	444,373	(0.7)

**Other Postemployment Benefits (Health Insurance Subsidy)**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ -	\$ 18,732	- %	\$ (18,732)	\$ 419,325	(4.5)%
2011	-	32,187	-	(32,187)	423,500	(7.6)
2012	-	36,386	-	(36,386)	444,373	(8.2)

**TOWN OF WICKENBURG, ARIZONA  
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
SCHEDULE OF FUNDING PROGRESS  
JUNE 30, 2013**

**Public Safety Personnel Retirement System  
ACORP**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ 348,507	\$ 493,824	70.6 %	\$ (145,317)	\$ 212,743	(68.3)%
2011	379,854	554,674	68.5	(174,820)	172,761	(101.2)
2012	397,001	620,959	63.9	(223,958)	179,348	(124.9)

**Other Postemployment Benefits (Health Insurance Subsidy)**

Valuation Date June 30,	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2010	\$ -	\$ 35,057	- %	\$ (35,057)	\$ 212,743	(16.5)%
2011	-	22,648	-	(22,648)	172,761	(13.1)
2012	-	19,406	-	(19,406)	179,348	(10.8)

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

*Highway User Revenue Fund (HURF)* - Used to account for the Town's share of motor fuel tax revenues and lottery proceeds.

*Grants Fund* - Used to account for the activities of various grants and contributions received by the Town.

*Judicial Court Enhancement Fund (JCEF) and Local Court Enhancement Fund (LCEF)* - Used to account for court funds received to improve the Town court.

### **DEBT SERVICE FUND**

*Debt Service Fund* - Used to account for the servicing of long-term debt not financed by proprietary funds. Currently, the Town only accounts for funds accumulated to pay long-term vested compensated absences.

### **CAPITAL PROJECTS FUND**

*Development Fees Fund* - Used to account for monies collected from developers to fund acquisition or construction of major capital facilities.

**TOWN OF WICKENBURG, ARIZONA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2013**

	Special Revenue			Debt Service	
	HURF	Grants	JCEF and LCEF	Total Special Revenue	Debt Service
<b>ASSETS</b>					
Cash and Investments	\$ 311,022	\$ 43,567	\$ 108,562	\$ 463,151	\$ -
Receivables, Net:					
Intergovernmental Receivable	32,985	-	-	32,985	-
Total Assets	<u>\$ 344,007</u>	<u>\$ 43,567</u>	<u>\$ 108,562</u>	<u>\$ 496,136</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts Payable	\$ 48,712	\$ 43,102	\$ -	\$ 91,814	\$ -
Accrued Wages and Benefits	3,574	-	-	3,574	-
Total Liabilities	<u>52,286</u>	<u>43,102</u>	<u>-</u>	<u>95,388</u>	<u>-</u>
Fund Balances:					
Restricted	291,721	465	108,562	400,748	-
Total Fund Balances	<u>291,721</u>	<u>465</u>	<u>108,562</u>	<u>400,748</u>	<u>-</u>
Total Liabilities and Balances	<u>\$ 344,007</u>	<u>\$ 43,567</u>	<u>\$ 108,562</u>	<u>\$ 496,136</u>	<u>\$ -</u>

<u>Capital Projects</u>	
<u>Development Fees</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 547,855	\$ 1,011,006
-	32,985
<u>\$ 547,855</u>	<u>\$ 1,043,991</u>

\$ -	\$ 91,814
-	3,574
<u>-</u>	<u>95,388</u>

547,855	948,603
<u>547,855</u>	<u>948,603</u>
<u>\$ 547,855</u>	<u>\$ 1,043,991</u>

**TOWN OF WICKENBURG, ARIZONA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGE IN FUND BALANCES  
YEAR ENDED JUNE 30, 2013**

	Special Revenue			Debt Service	
	HURF	Grants	JCEF and LCEF	Total Special Revenue	Debt Service
<b>REVENUES</b>					
Intergovernmental Revenue	\$ 348,794	\$ 45,935	\$ 3,744	\$ 398,473	\$ -
Investment Earnings	2,701	143	466	3,310	-
Total Revenues	351,495	46,078	4,210	401,783	-
<b>EXPENDITURES</b>					
Current					
General Government	-	1,000	8,149	9,149	-
Public Safety	-	1,778	-	1,778	-
Highways and Streets	487,522	-	-	487,522	-
Capital Outlay	-	44,157	-	44,157	-
Total Expenditures	487,522	46,935	8,149	542,606	-
Excess (Deficiency) of Revenues Over Expenditures	(136,027)	(857)	(3,939)	(140,823)	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers Out	-	-	-	-	(52)
Net Change in Fund Balances	(136,027)	(857)	(3,939)	(140,823)	(52)
<b>FUND BALANCES</b>					
Beginning of Year	427,748	1,322	112,501	541,571	52
End of Year	\$ 291,721	\$ 465	\$ 108,562	\$ 400,748	\$ -

<u>Capital Projects</u>		Total Nonmajor Governmental Funds
Development Fees		
\$ -	\$	398,473
3,052		6,362
<u>3,052</u>		<u>404,835</u>
		9,149
		1,778
		487,522
		44,157
		<u>542,606</u>
		(137,771)
		(146)
		(137,917)
		1,086,520
544,897		<u>948,603</u>
<u>\$ 547,855</u>	\$	<u>948,603</u>

**TOWN OF WICKENBURG, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**CAPITAL IMPROVEMENT FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Other	\$ 1,795,492	\$ 1,813,041	\$ -	\$ (1,813,041)
<b>EXPENDITURES</b>				
Capital Outlay	2,895,492	2,878,041	873,588	2,004,453
Excess (Deficiency) of Revenues Over Expenditures	(1,100,000)	(1,065,000)	(873,588)	191,412
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,100,000	1,100,000	1,100,000	-
Transfers Out	-	(35,000)	(391,845)	(356,845)
Total Other Financing Sources (Uses)	1,100,000	1,065,000	708,155	(356,845)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	(165,433)	(165,433)
Fund Balances - Beginning of Year	-	-	1,813,041	1,813,041
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,647,608</b>	<b>\$ 1,647,608</b>

**TOWN OF WICKENBURG, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**HURF FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenue	\$ 358,094	\$ 334,984	\$ 348,794	\$ 13,810
Investment Earnings	486	2,689	2,701	12
Total Revenues	<u>358,580</u>	<u>337,673</u>	<u>351,495</u>	<u>13,822</u>
<b>EXPENDITURES</b>				
Current:				
Highways and Streets	<u>734,637</u>	<u>734,613</u>	<u>487,522</u>	<u>247,091</u>
Excess (Deficiency) of Revenues Over Expenditures	(376,057)	(396,940)	(136,027)	260,913
Fund Balances - Beginning of Year	<u>376,057</u>	<u>396,940</u>	<u>427,748</u>	<u>30,808</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 291,721</u></u>	<u><u>\$ 291,721</u></u>

**TOWN OF WICKENBURG, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GRANTS FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenue	\$ 1,782,142	\$ 1,816,299	\$ 45,935	\$ (1,770,364)
Investment Earnings	1	138	143	5
Total Revenues	<u>1,782,143</u>	<u>1,816,437</u>	<u>46,078</u>	<u>(1,770,359)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	496	1,000	1,000	-
Public Safety	1,782,142	1,772,602	1,778	1,770,824
Capital Outlay	-	44,157	44,157	-
Total Expenditures	<u>1,782,638</u>	<u>1,817,759</u>	<u>46,935</u>	<u>1,770,824</u>
Excess (Deficiency) of Revenues Over Expenditures	(495)	(1,322)	(857)	465
Fund Balances - Beginning of Year	<u>495</u>	<u>1,322</u>	<u>1,322</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 465</u></u>	<u><u>\$ 465</u></u>

**TOWN OF WICKENBURG, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
JCEF AND LCEF FUND  
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenue	\$ 4,358	\$ 3,666	\$ 3,744	\$ 78
Investment Earnings	140	462	466	4
Total Revenues	<u>4,498</u>	<u>4,128</u>	<u>4,210</u>	<u>82</u>
<b>EXPENDITURES</b>				
Current:				
General Government	<u>109,961</u>	<u>116,627</u>	<u>8,149</u>	<u>108,478</u>
Excess (Deficiency) of Revenues Over Expenditures	(105,463)	(112,499)	(3,939)	108,560
Fund Balances - Beginning of Year	<u>105,463</u>	<u>112,499</u>	<u>112,501</u>	<u>2</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 108,562</u></u>	<u><u>\$ 108,562</u></u>

**TOWN OF WICKENBURG, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**DEVELOPMENT FEES FUND**  
**YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 1,550	\$ -	\$ -	\$ -
Investment Earnings	688	2,136	3,052	916
Total Revenues	<u>2,238</u>	<u>2,136</u>	<u>3,052</u>	<u>916</u>
<b>EXPENDITURES</b>				
Capital Outlay	<u>547,621</u>	<u>546,967</u>	<u>-</u>	<u>546,967</u>
Excess (Deficiency) of Revenues Over Expenditures	(545,383)	(544,831)	3,052	547,883
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(300)</u>	<u>(94)</u>	<u>(94)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(545,683)	(544,925)	2,958	547,883
Fund Balances - Beginning of Year	<u>545,683</u>	<u>544,925</u>	<u>544,897</u>	<u>(28)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 547,855</u></u>	<u><u>\$ 547,855</u></u>

## **INTERNAL SERVICE FUNDS**

*Maintenance Shop Fund* - accounts for transactions relating to the accumulation of and costs associated with the maintenance shop.

*Fuel Facility Fund* - accounts for transactions relating to fuel usage by the Town's various departments.

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**TOWN OF WICKENBURG, ARIZONA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2013**

	Maintenance Shop	Fuel Facility	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 64,977	\$ 139,043	\$ 204,020
Receivables, Net:			
Accounts Receivable	-	5,376	5,376
Inventory	-	51,153	51,153
Total Current Assets	<u>64,977</u>	<u>195,572</u>	<u>260,549</u>
Noncurrent Assets:			
Depreciable (Net)	<u>88,742</u>	<u>38,137</u>	<u>126,879</u>
Total Assets	<u>153,719</u>	<u>233,709</u>	<u>387,428</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	2,224	26,233	28,457
Accrued Wages and Benefits	2,202	-	2,202
Compensated Absences	854	-	854
Total Current Liabilities	<u>5,280</u>	<u>26,233</u>	<u>31,513</u>
Noncurrent Liabilities			
Compensated Absences	<u>93</u>	<u>-</u>	<u>93</u>
Total Liabilities	<u>5,373</u>	<u>26,233</u>	<u>31,606</u>
<b>NET POSITION</b>			
Investment in Capital Assets	88,742	38,137	126,879
Unrestricted	<u>59,604</u>	<u>169,339</u>	<u>228,943</u>
Total Net Position	<u>\$ 148,346</u>	<u>\$ 207,476</u>	<u>\$ 355,822</u>

**TOWN OF WICKENBURG, ARIZONA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGE IN FUND NET POSITION  
YEAR ENDED JUNE 30, 2013**

	Maintenance Shop	Fuel-Facility	Totals
Operating Revenues:			
Charges for Services	\$ 184,537	\$ 345,641	\$ 530,178
Operating Expenses:			
Cost of Sales and Services	136,550	341,519	478,069
Depreciation	12,392	12,828	25,220
Total Operating Expenses	<u>148,942</u>	<u>354,347</u>	<u>503,289</u>
Operating Income (Loss)	35,595	(8,706)	26,889
Nonoperating Revenue			
Investment Earnings	212	995	1,207
Other Income	-	4,115	4,115
Total Nonoperating Revenues (Expenses)	<u>212</u>	<u>5,110</u>	<u>5,322</u>
Change in Net Position	35,807	(3,596)	32,211
Net Position			
Beginning of Year	112,539	211,072	323,611
End of Year	<u>\$ 148,346</u>	<u>\$ 207,476</u>	<u>\$ 355,822</u>

**TOWN OF WICKENBURG, ARIZONA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2013**

	Maintenance Shop	Fuel-Facility	Totals
<b>Cash Flows from Operating Activities:</b>			
Receipts from Customers	\$ 184,537	\$ 352,598	\$ 537,135
Payments to Suppliers	(70,065)	(357,528)	(427,593)
Payments to Employees	(63,389)	-	(63,389)
Nonoperating Receipts	-	4,115	4,115
Net Cash Flows from Operating Activities	<u>51,083</u>	<u>(815)</u>	<u>50,268</u>
<b>Cash Flows from Capital and Financing Activities</b>			
Purchases of Capital Assets	(1,484)	-	(1,484)
<b>Cash Flows from Investing Activities:</b>			
Investment Earnings	<u>212</u>	<u>995</u>	<u>1,207</u>
Net Change in Cash and Cash Equivalents	49,811	180	49,991
Cash and Cash Equivalents, Beginning of Year	15,166	138,863	154,029
Cash and Cash Equivalents, End of Year	<u>\$ 64,977</u>	<u>\$ 139,043</u>	<u>\$ 204,020</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>			
Operating Income (Loss)	\$ 35,595	\$ (8,706)	\$ 26,889
Depreciation Expense	12,392	12,828	25,220
Nonoperating Receipts	-	4,115	4,115
<b>Change in Assets/Liabilities:</b>			
Receivables, Net	-	6,957	6,957
Inventory	-	(42,242)	(42,242)
Accounts Payable	2,224	26,233	28,457
Accrued Wages and Benefits	370	-	370
Compensated Absences	502	-	502
Net Cash Provided (Used) by Operating Activities	<u>\$ 51,083</u>	<u>\$ (815)</u>	<u>\$ 50,268</u>

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## **AGENCY FUND**

*Southwest Gas Fund* - accounts for funds held by the Town on-behalf of Southwest Gas which controls the use of the funds for various capital expenditures incurred by Southwest Gas to provide services to the Town. Any related capital is not the property of the Town.

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**TOWN OF WICKENBURG, ARIZONA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 YEAR ENDED JUNE 30, 2013**

	(Restated) Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Assets:				
Cash and Investments	\$ 187,255	\$ 16,475	\$ -	\$ 203,730
Liabilities:				
Due to Southwest Gas	\$ 187,255	\$ 16,475	\$ -	\$ 203,730

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## **STATISTICAL SECTION (UNAUDITED)**

This section of the Town of Wickenburg, Arizona's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

### **Financial Trends**

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

### **Revenue Capacity**

*These schedules contain information to help the reader assess the government's most significant local revenue source, the sales tax.*

### **Debt Capacity**

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

### **Operating Information**

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

*See the table of contents for page numbers of the schedules that encompass the above sections.*

**TOWN OF WICKENBURG, ARIZONA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2004	2005	2006	2007
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 7,717,522	\$ 9,671,064	\$ 10,349,366	\$ 10,554,472
Restricted	653,863	463,013	522,096	608,916
Unrestricted	2,233,926	4,291,919	5,153,375	8,070,720
Total Governmental Activities Net Position	<u>\$ 10,605,311</u>	<u>\$ 14,425,996</u>	<u>\$ 16,024,837</u>	<u>\$ 19,234,108</u>
<b>Business-Type Activities:</b>				
Net Investment in Capital Assets	\$ 7,920,612	\$ 8,141,297	\$ 11,166,140	\$ 16,972,894
Unrestricted	3,518,161	2,474,552	2,944,724	3,385,207
Total Business-Type Activities Net Position	<u>\$ 11,438,773</u>	<u>\$ 10,615,849</u>	<u>\$ 14,110,864</u>	<u>\$ 20,358,101</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$ 15,638,134	\$ 17,812,361	\$ 21,515,506	\$ 27,527,366
Restricted	653,863	463,013	522,096	608,916
Unrestricted	5,752,087	6,766,471	8,098,099	11,455,927
Total Primary Government Net Position	<u>\$ 22,044,084</u>	<u>\$ 25,041,845</u>	<u>\$ 30,135,701</u>	<u>\$ 39,592,209</u>

Source: The Town's Finance Department.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ 30,644,847	\$ 31,049,610	\$ 31,549,248	\$ 31,012,482	\$ 30,450,042	\$ 30,862,241
442,910	458,880	922,832	1,071,246	1,086,520	954,929
9,623,924	10,473,418	6,433,345	6,646,058	6,824,407	6,925,729
<u>\$ 40,711,681</u>	<u>\$ 41,981,908</u>	<u>\$ 38,905,425</u>	<u>\$ 38,729,786</u>	<u>\$ 38,360,969</u>	<u>\$ 38,742,899</u>
\$ 18,225,257	\$ 24,303,687	\$ 24,684,190	\$ 26,168,876	\$ 26,250,840	\$ 26,367,047
2,893,969	431,417	3,031,742	3,336,449	5,001,183	4,946,085
<u>\$ 21,119,226</u>	<u>\$ 24,735,104</u>	<u>\$ 27,715,932</u>	<u>\$ 29,505,325</u>	<u>\$ 31,252,023</u>	<u>\$ 31,313,132</u>
\$ 48,870,104	\$ 55,353,297	\$ 56,233,438	\$ 57,181,358	\$ 56,700,882	\$ 57,229,288
442,910	458,880	922,832	1,071,246	1,086,520	954,929
12,517,893	10,904,835	9,465,087	9,982,507	11,825,590	11,871,814
<u>\$ 61,830,907</u>	<u>\$ 66,717,012</u>	<u>\$ 66,621,357</u>	<u>\$ 68,235,111</u>	<u>\$ 69,612,992</u>	<u>\$ 70,056,031</u>

**TOWN OF WICKENBURG, ARIZONA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2004	2005	2006	2007
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 1,853,087	\$ 1,687,981	\$ 2,237,314	\$ 2,283,650
Public Safety	1,690,098	1,764,572	1,980,580	2,618,068
Highways and Streets	372,006	535,891	678,058	596,797
Culture and Recreation	1,196,285	1,333,716	1,256,979	1,369,617
Interest	-	-	-	-
Total Governmental Activities	<u>5,111,476</u>	<u>5,322,160</u>	<u>6,152,931</u>	<u>6,868,132</u>
Business-Type Activities:				
Water	676,221	645,360	719,087	852,409
Electric	1,476,528	1,426,725	1,732,514	1,923,687
Sanitation	893,931	700,069	711,906	984,373
Wastewater	488,024	578,573	670,357	739,521
Ambulance	253,904	-	-	-
Airport	428,858	605,304	409,181	278,270
Total Business-Type Activities	<u>4,217,466</u>	<u>3,956,031</u>	<u>4,243,045</u>	<u>4,778,260</u>
Total Primary Government Expenses	<u>\$ 9,328,942</u>	<u>\$ 9,278,191</u>	<u>\$ 10,395,976</u>	<u>\$ 11,646,392</u>
<b>Program Revenues</b>				
Governmental Activities:				
Fines, Fees and Charges for Services:				
General Government	\$ 1,220,177	\$ 1,313,627	\$ 1,458,414	\$ 1,679,420
Public Safety	66,068	70,895	89,577	200,564
Parks and Recreation	90,410	108,149	105,065	114,525
Operating Grants and Contributions	528,228	511,906	484,340	716,735
Capital Grants and Contributions	357,457	1,490,895	798,909	1,222,717
Total Governmental Activities Program Revenues	<u>2,262,340</u>	<u>3,495,472</u>	<u>2,936,305</u>	<u>3,933,961</u>
Business-Type Activities:				
Charges for Services:				
Water	621,374	611,049	677,444	742,389
Electric	2,437,896	2,304,809	2,349,201	2,684,382
Sanitation	710,246	745,791	938,152	965,647
Wastewater	503,650	532,149	685,302	737,652
Ambulance	541	-	-	-
Airport	304,384	400,307	311,140	72,055
Operating Grants and Contributions	26,678	-	-	-
Capital Grants and Contributions	281,142	503,358	2,851,064	5,956,425
Total Business-Type Activities Program Revenues	<u>4,885,911</u>	<u>5,097,463</u>	<u>7,812,303</u>	<u>11,158,550</u>
Total Primary Government Program Revenues	<u>\$ 7,148,251</u>	<u>\$ 8,592,935</u>	<u>\$ 10,748,608</u>	<u>\$ 15,092,511</u>

Source: The Town's Finance Department.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ 2,297,534	\$ 2,156,263	\$ 2,448,439	\$ 1,805,845	\$ 1,692,571	\$ 1,708,223
2,832,843	2,952,753	3,024,310	2,864,629	3,043,032	3,172,900
617,680	591,034	654,264	818,492	579,698	558,558
1,428,928	1,392,640	1,412,673	1,232,216	1,386,769	1,539,873
-	-	8,764	14,042	9,123	5,843
<u>7,176,985</u>	<u>7,092,690</u>	<u>7,548,450</u>	<u>6,735,224</u>	<u>6,711,193</u>	<u>6,985,397</u>
1,099,883	830,036	934,325	879,729	932,002	1,069,013
1,951,198	2,022,286	1,820,299	1,636,855	1,718,652	1,743,668
852,460	951,155	844,027	871,199	898,147	912,508
822,291	934,673	757,093	705,241	869,533	910,106
-	-	-	-	-	-
534,421	582,215	828,897	860,037	912,464	1,053,759
<u>5,260,253</u>	<u>5,320,365</u>	<u>5,184,641</u>	<u>4,953,061</u>	<u>5,330,798</u>	<u>5,689,054</u>
<u>\$ 12,437,238</u>	<u>\$ 12,413,055</u>	<u>\$ 12,733,091</u>	<u>\$ 11,688,285</u>	<u>\$ 12,041,991</u>	<u>\$ 12,674,451</u>
\$ 1,785,338	\$ 1,424,338	\$ 1,353,865	\$ 1,244,450	\$ 1,055,427	\$ 1,223,612
291,061	240,122	241,708	255,538	253,854	265,231
89,221	76,897	96,071	158,465	219,180	136,548
536,395	462,105	412,415	393,616	343,058	366,631
1,942,841	94,700	15,612	-	14,468	103,071
<u>4,644,856</u>	<u>2,298,162</u>	<u>2,119,671</u>	<u>2,052,069</u>	<u>1,885,987</u>	<u>2,095,093</u>
1,042,272	1,000,735	981,830	990,288	1,075,723	1,020,224
2,749,267	2,989,839	2,800,247	2,747,183	2,834,863	2,690,431
976,284	989,213	984,410	988,572	986,863	936,586
854,334	610,817	724,361	826,827	887,806	865,964
-	-	-	-	-	-
74,787	182,982	330,119	413,640	469,814	530,568
-	-	-	75,837	521,378	-
1,405,408	12,937	202,119	629,442	851,855	278,442
<u>7,102,352</u>	<u>5,786,523</u>	<u>6,023,086</u>	<u>6,671,789</u>	<u>7,628,302</u>	<u>6,322,215</u>
<u>\$ 11,747,208</u>	<u>\$ 8,084,685</u>	<u>\$ 8,142,757</u>	<u>\$ 8,723,858</u>	<u>\$ 9,514,289</u>	<u>\$ 8,417,308</u>

(Continued)

**TOWN OF WICKENBURG, ARIZONA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2004	2005	2006	2007
(Concluded)				
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (2,849,136)	\$ (1,826,688)	\$ (3,216,626)	\$ (2,934,171)
Business-Type Activities	668,445	1,141,432	3,569,258	6,380,290
Total Primary Government Net Expense	<u>\$ (2,180,691)</u>	<u>\$ (685,256)</u>	<u>\$ 352,632</u>	<u>\$ 3,446,119</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes:				
Sales Taxes	\$ 1,784,323	\$ 2,074,090	\$ 2,657,966	\$ 2,953,746
Property Taxes	232,666	248,001	285,444	327,745
State Revenue Sharing	458,241	467,176	532,082	689,956
State Sales Tax Revenue Sharing	427,549	470,798	544,642	1,169,325
Auto Lieu Tax Revenue Sharing	205,570	217,068	243,966	251,201
Investment Earnings	39,200	68,951	137,134	242,645
Other	48,792	33,756	128,759	96,762
Transfers	(10,551)	2,067,533	285,474	412,062
Total Governmental Activities	<u>3,185,790</u>	<u>5,647,373</u>	<u>4,815,467</u>	<u>6,143,442</u>
Business-Type Activities:				
Investment Earnings	100,867	94,078	199,118	247,729
Other	207,197	9,099	12,113	31,280
Transfers	10,551	(2,067,533)	(285,474)	(412,062)
Total Business-Type Activities	<u>318,615</u>	<u>(1,964,356)</u>	<u>(74,243)</u>	<u>(133,053)</u>
Total Primary Government	<u>\$ 3,504,405</u>	<u>\$ 3,683,017</u>	<u>\$ 4,741,224</u>	<u>\$ 6,010,389</u>
<b>Change in Net Position</b>				
Governmental Activities	\$ 336,654	\$ 3,820,685	\$ 1,598,841	\$ 3,209,271
Business-Type Activities	987,060	(822,924)	3,495,015	6,247,237
Total Primary Government	<u>\$ 1,323,714</u>	<u>\$ 2,997,761</u>	<u>\$ 5,093,856</u>	<u>\$ 9,456,508</u>

Source: The Town's Finance Department.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ (2,532,129)	\$ (4,794,528)	\$ (5,428,779)	\$ (4,683,155)	\$ (4,825,206)	\$ (4,890,304)
1,842,099	466,158	838,445	1,718,728	2,296,752	633,161
<u>\$ (690,030)</u>	<u>\$ (4,328,370)</u>	<u>\$ (4,590,334)</u>	<u>\$ (2,964,427)</u>	<u>\$ (2,528,454)</u>	<u>\$ (4,257,143)</u>
\$ 3,286,921	\$ 2,868,333	\$ 2,745,028	\$ 2,651,164	\$ 2,679,830	\$ 2,920,165
364,889	367,374	9,832	9,757	9,938	240,069
855,216	908,276	784,604	591,491	537,042	649,967
558,500	483,506	445,963	466,798	497,207	520,823
256,080	208,281	203,588	199,200	213,782	203,083
239,332	(4,154)	11,368	9,409	11,607	27,589
26,578	131,381	267,888	21,892	72,882	47,477
1,380,478	1,101,758	(2,115,975)	557,805	599,107	663,061
<u>6,967,994</u>	<u>6,064,755</u>	<u>2,352,296</u>	<u>4,507,516</u>	<u>4,621,395</u>	<u>5,272,234</u>
275,948	(10,557)	11,279	9,570	17,423	53,293
23,556	28,664	15,129	41,097	31,630	37,716
(1,380,478)	(1,101,758)	2,115,975	(557,805)	(599,107)	(663,061)
<u>(1,080,974)</u>	<u>(1,083,651)</u>	<u>2,142,383</u>	<u>(507,138)</u>	<u>(550,054)</u>	<u>(572,052)</u>
<u>\$ 5,887,020</u>	<u>\$ 4,981,104</u>	<u>\$ 4,494,679</u>	<u>\$ 4,000,378</u>	<u>\$ 4,071,341</u>	<u>\$ 4,700,182</u>
\$ 4,435,865	\$ 1,270,227	\$ (3,076,483)	\$ (175,639)	\$ (203,811)	\$ 381,930
761,125	(617,493)	2,980,828	1,211,590	1,746,698	61,109
<u>\$ 5,196,990</u>	<u>\$ 652,734</u>	<u>\$ (95,655)</u>	<u>\$ 1,035,951</u>	<u>\$ 1,542,887</u>	<u>\$ 443,039</u>

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**TOWN OF WICKENBURG, ARIZONA  
 GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)**

<u>Fiscal Year</u>	<u>Sales Taxes</u>	<u>Property Taxes</u>	<u>Total</u>
2004	\$ 1,784,323	\$ 232,666	\$ 2,016,989
2005	2,074,090	247,850	2,321,940
2006	2,657,966	285,444	2,943,410
2007	3,546,469	327,745	3,874,214
2008	3,286,921	364,889	3,651,810
2009	2,868,333	358,742	3,227,075
2010	2,745,028	29,081	2,774,109
2011	2,651,164	9,757	2,660,921
2012	2,679,830	9,938	2,689,768
2013	2,920,165	240,069	3,160,234

Source: The Town's Finance Department.

**TOWN OF WICKENBURG, ARIZONA  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)**

	Fiscal Year			
	2004	2005	2006	2007
General Fund:				
Unreserved	\$ 1,224,381	\$ 1,385,668	\$ 2,267,364	\$ 3,512,474
Nonspendable				
Restricted				
Assigned				
Unassigned				
Total General Fund	<u>\$ 1,224,381</u>	<u>\$ 1,385,668</u>	<u>\$ 2,267,364</u>	<u>\$ 3,512,474</u>
All Other Governmental Funds:				
Reserved	\$ 5,640	\$ 5,640	\$ -	\$ -
Unreserved, Reported In:				
Special Revenue Funds	676,701	658,444	718,852	1,094,991
Capital Projects Funds	928,168	2,678,221	2,659,821	4,058,580
Debt Service Funds	41,196	36,545	29,059	20,966
Restricted				
Assigned				
Total All Other Governmental Funds	<u>\$ 1,465,509</u>	<u>\$ 1,651,705</u>	<u>\$ 3,378,850</u>	<u>\$ 3,407,732</u>

Source: The Town's Finance Department.

Note: 2011 was the first year the Town implemented GASB Statement No. 54.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ 3,996,286	\$ 4,169,876	\$ 4,321,874			
					\$ 6,326
			\$ 103,164	\$ 284,577	258,505
			4,653,920	4,992,109	5,238,792
<u>\$ 3,996,286</u>	<u>\$ 4,169,876</u>	<u>\$ 4,321,874</u>	<u>\$ 4,757,084</u>	<u>\$ 5,276,686</u>	<u>\$ 5,503,623</u>
\$ -	\$ -	\$ -			
940,750	828,555	918,159			
5,320,793	6,036,102	2,371,945			
15,809	10,931	4,673			
			\$ 1,071,246	\$ 1,086,520	\$ 948,603
			2,161,796	1,813,041	1,647,608
<u>\$ 5,174,537</u>	<u>\$ 6,277,352</u>	<u>\$ 3,294,777</u>	<u>\$ 3,233,042</u>	<u>\$ 2,899,561</u>	<u>\$ 2,596,211</u>

**TOWN OF WICKENBURG, ARIZONA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**(UNAUDITED)**

	Fiscal Year			
	2004	2005	2006	2007
<b>Revenues</b>				
Taxes	\$ 2,017,241	\$ 2,321,940	\$ 2,938,071	\$ 3,283,049
Intergovernmental	1,806,976	2,163,190	2,588,494	3,860,209
Fines and Forfeitures	179,188	203,777	200,541	161,151
Licenses and Permits	233,425	204,908	181,053	211,045
Charges for Services	842,622	1,007,256	1,126,254	1,228,912
Rents and Royalties	99,484	102,877	137,086	185,289
Contributions and Donations	89,760	994,653	15,445	189,725
Investment Earnings	35,974	60,723	123,987	228,141
Other	104,347	41,868	136,881	304,874
Total Revenues	<u>5,409,017</u>	<u>7,101,192</u>	<u>7,447,812</u>	<u>9,652,395</u>
<b>Expenditures</b>				
General Government	1,796,111	3,078,919	2,291,109	2,077,471
Public Safety	1,397,424	1,658,947	1,830,130	2,499,704
Highways and Streets	247,983	372,077	857,369	412,789
Parks and Recreation	1,024,123	1,139,550	1,159,791	1,280,195
Principal Expense	-	-	-	-
Interest Expense	-	-	-	-
Capital Outlay	663,336	1,030,800	678,669	782,383
Total Expenditures	<u>5,128,977</u>	<u>7,280,293</u>	<u>6,817,068</u>	<u>7,052,542</u>
Excess of Revenues Over (Under) Expenditures	280,040	(179,101)	630,744	2,599,853
<b>Other Financing Sources (Uses)</b>				
Transfers In	557,840	2,207,776	537,080	623,017
Transfers Out	(92,198)	(140,243)	(251,606)	(210,955)
Proceeds from Sale of Capital Assets	-	-	-	-
Capital Lease Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>465,642</u>	<u>2,067,533</u>	<u>285,474</u>	<u>412,062</u>
Net Change in Fund Balance	<u>\$ 745,682</u>	<u>\$ 1,888,432</u>	<u>\$ 916,218</u>	<u>\$ 3,011,915</u>
Debt Service as Percentage of Noncapital Expenditures	0%	0%	0%	0%

Source: The Town's Finance Department.

Fiscal Year

2008	2009	2010	2011	2012	2013
\$ 3,650,097	\$ 3,227,075	\$ 2,774,109	\$ 2,660,921	\$ 2,689,768	\$ 3,160,234
3,617,807	2,066,368	1,855,682	1,633,271	1,605,557	1,843,575
221,539	319,793	307,518	229,554	168,396	194,159
218,691	184,702	150,471	127,221	93,747	98,818
1,227,322	1,035,041	1,028,744	1,098,069	1,099,047	1,181,328
188,570	173,327	171,605	195,639	189,520	151,086
531,225	110,882	31,694	17,834	-	-
233,815	(1,862)	9,160	9,411	11,608	27,589
336,076	137,199	278,208	29,862	72,882	47,477
<u>10,225,142</u>	<u>7,252,525</u>	<u>6,607,191</u>	<u>6,001,782</u>	<u>5,930,525</u>	<u>6,704,266</u>
2,949,794	2,528,094	2,098,924	1,646,024	1,418,615	1,514,059
3,115,667	2,851,393	3,337,153	2,842,246	2,868,072	3,087,562
649,234	359,643	527,992	512,460	298,645	487,522
1,627,083	1,392,821	1,375,764	1,140,260	1,249,848	1,389,644
-	-	-	114,581	166,708	41,365
-	-	-	14,042	9,123	5,843
1,846,725	450,506	971,603	91,668	145,245	917,745
<u>10,188,503</u>	<u>7,582,457</u>	<u>8,311,436</u>	<u>6,361,281</u>	<u>6,156,256</u>	<u>7,443,740</u>
36,639	(329,932)	(1,704,245)	(359,499)	(225,731)	(739,474)
1,667,527	1,265,080	1,684,503	1,374,468	1,625,941	1,100,052
(117,539)	(163,322)	(3,800,478)	(816,663)	(1,026,834)	(436,991)
-	-	-	-	-	-
-	-	391,407	175,169	-	-
<u>1,549,988</u>	<u>1,101,758</u>	<u>(1,724,568)</u>	<u>732,974</u>	<u>599,107</u>	<u>663,061</u>
<u>\$ 1,586,627</u>	<u>\$ 771,826</u>	<u>\$ (3,428,813)</u>	<u>\$ 373,475</u>	<u>\$ 373,376</u>	<u>\$ (76,413)</u>
0%	0%	0%	2%	3%	0%

**TOWN OF WICKENBURG, ARIZONA**  
**SALES TAX COLLECTIONS BY CATEGORY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Sales Category:	Fiscal Year				
	2004	2005	2006	2007	2008
Construction	\$ 209,867	\$ 277,202	\$ 353,631	\$ 436,062	\$ 280,395
Mining & Manufacturing	39,527	66,555	67,074	72,149	70,709
Transportation, Communications and Utilities	73,048	112,260	184,348	244,914	274,774
Wholesale Trade	18,532	92,018	208,190	169,383	164,757
Retail Trade	962,267	1,086,774	1,127,349	1,152,515	1,131,392
Restaurants and Bars	159,827	197,993	230,073	674,419	674,184
Real Estate, Rental and Leases, Finance and Insurance	99,221	140,865	157,898	260,382	139,049
Accommodations, Arts & Entertainment	73,204	72,320	74,509	254,503	282,200
Services & Administration	55,077	52,714	64,719	52,940	59,022
Other	103,517	11,954	28,206	41,401	70,183
Total	<u>\$ 1,794,087</u>	<u>\$ 2,110,655</u>	<u>\$ 2,495,997</u>	<u>\$ 3,358,668</u>	<u>\$ 3,146,665</u>
City Sales Tax Rate	1.19% for single items over \$10,000, otherwise 1.7%				

Source: Arizona Department of Revenue.

Fiscal Year

2009	2010	2011	2012	2013
\$ 366,976 79,001	\$ 265,769 75,351	\$ 118,702 67,597	\$ 106,240 68,919	\$ 135,618 72,745
269,512	385,351	358,528	349,500	329,482
127,359	167,282	214,173	252,588	380,625
1,084,494	1,161,454	1,115,003	1,137,218	1,168,892
627,680	317,394	264,990	263,358	253,770
193,931	210,937	209,630	213,920	208,725
223,365	124,509	130,625	152,034	146,950
58,356	57,122	56,634	63,878	67,081
70,867	24,987	41,514	16,795	5,584
<u>\$ 3,101,541</u>	<u>\$ 2,790,156</u>	<u>\$ 2,577,396</u>	<u>\$ 2,624,450</u>	<u>\$ 2,769,472</u>
1.19% for single items over \$10,000, otherwise 1.7%	1.19% for single items over \$10,000, otherwise 2.2%	1.19% for single items over \$10,000, otherwise 2.2%	1.19% for single items over \$10,000, otherwise 2.2%	1.69% for single items over \$5,000, otherwise 2.2%

**TOWN OF WICKENBURG, ARIZONA  
 DIRECT AND OVERLAPPING SALES TAX RATES  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

Fiscal Year	City Direct Rate	Maricopa County
2004	1.19% for single items over \$10,000, otherwise 1.7%	0.70 %
2005	1.19% for single items over \$10,000, otherwise 1.7%	0.70
2006	1.19% for single items over \$10,000, otherwise 1.7%	0.70
2007	1.19% for single items over \$10,000, otherwise 1.7%	0.70
2008	1.19% for single items over \$10,000, otherwise 1.7%	0.70
2009	1.19% for single items over \$10,000, otherwise 1.7%	0.70
2010	1.19% for single items over \$10,000, otherwise 2.2%	0.70
2011	1.19% for single items over \$10,000, otherwise 2.2%	0.70
2012	1.19% for single items over \$10,000, otherwise 2.2%	0.70
2013	1.69% for single items over \$5,000, otherwise 2.2%	0.70

Source: The Town's Finance Department and Maricopa County Treasurer.

**TOWN OF WICKENBURG, ARIZONA**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Assessed Value							
Fiscal Year	Residential	Commercial, Industrial and Military	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
2004	\$ 20,298,561	\$ 26,499,579	\$ (8,481,935)	\$ 38,316,205	0.6142	\$ 334,729,258	11.447 %
2005	22,040,684	29,187,401	(7,085,685)	44,142,400	0.6142	362,852,359	12.165
2006	28,174,764	30,426,392	(7,969,316)	50,631,840	0.5833	434,124,156	11.663
2007	29,055,746	45,382,592	(11,155,290)	63,283,048	0.5250	549,269,223	11.521
2008	47,041,623	55,100,884	(14,522,433)	87,620,074	0.4772	764,745,522	11.457
2009	55,467,072	64,160,819	(18,528,239)	101,099,652	0.0114	908,071,598	11.133
2010	53,720,619	75,517,476	(22,205,465)	107,032,630	0.0109	958,703,780	11.164
2011	45,239,260	77,954,772	(23,141,850)	100,052,182	0.0142	924,274,983	10.825
2012	32,555,222	60,651,279	(21,079,190)	72,127,311	0.0483	697,884,951	10.335
2013	27,927,849	52,650,738	(19,063,286)	61,515,301	0.4244	600,658,951	10.241

Source: The Maricopa County Treasurer.

**TOWN OF WICKENBURG, ARIZONA  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Year	Town			Total Town Rate
	Basic Rate	General Obligation Debt Service Rate	Redevelopment Debt Service Rate	
2003	0.6142	-	-	0.6500
2004	0.6142	-	-	0.6142
2005	0.6142	-	-	0.6142
2006	0.5833	-	-	0.5833
2007	0.5250	-	-	0.5250
2008	0.4772	-	-	0.4772
2009	0.0114	-	-	0.0114
2010	0.0109	-	-	0.0109
2011	0.0142	-	-	0.0142
2012	0.0483	-	-	0.0483
2013	0.4244	-	-	0.4244

Source: The Maricopa County Treasurer.

Overlapping Rates

<u>School District</u>	<u>Community College</u>	<u>County</u>	<u>Rate Total</u>
6.3869	1.0785	2.1435	10.2589
7.9098	1.0372	2.1738	11.7350
5.7053	1.0315	2.1444	9.4954
5.7482	1.0646	1.6800	9.0761
6.3518	0.9760	1.4958	9.3486
4.6976	0.9386	1.3956	7.5090
4.5499	0.8844	1.6906	7.1363
3.5599	0.9728	1.0508	5.5944
4.4520	1.2082	1.2407	6.9151
3.4020	0.2215	1.4679	5.1397
3.7838	0.2444	1.4637	5.9163

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**TOWN OF WICKENBURG, ARIZONA  
PRINCIPAL PROPERTY TAXPAYERS  
JUNE 30, 2013 AND NINE YEARS PRIOR  
(UNAUDITED)**

Taxpayer	Fiscal Year			Fiscal Year		
	2013			2004		
	Taxable Assessed Value	Rank	% of Assessed Value	Taxable Assessed Value	Rank	% of Assessed Value
Arizona Public Service	\$ 2,116,125	1	3.44%	\$ 768,241	2	2.01%
BNSF Railway Company	928,508	2	1.51%			0.00%
Southwest Gas Corporation	846,213	3	1.38%	369,863	8	0.97%
GVD Commercial Properties	606,468	4	0.99%	694,460	3	1.81%
Paradise Plaza LLC	514,299	5	0.84%	425,000	7	1.11%
Remuda Ranch Company	504,683	6	0.82%			0.00%
Guru Nanak Investments LLC	383,804	7	0.62%			0.00%
Los Vierjos Inn LLC	360,750	8	0.59%	490,019	4	1.28%
Schuck Keith/Cynthia Trust	337,487	9	0.55%			0.00%
Qwest Corporation	267,242	10	0.43%	771,436	1	2.01%
Snedecor William/Roberta Trust	265,236	11	0.43%			0.00%
KBJ Properties LLC	254,011	12	0.41%			0.00%
Wickenburg Holdings	251,689	13	0.41%			0.00%
JDM Business Ventures	249,280	14	0.41%			0.00%
Wickenburg Country Club	241,532	15	0.39%			0.00%
Rancho Grande Wickenburg LLC	-		0.00%	361,501	9	0.94%
Green Real Estate	-		0.00%	448,116	5	1.17%
Benner-Nawman, Inc.	-		0.00%	342,609	10	0.89%
Meadows Holdings	-		0.00%	429,646	6	1.12%
Bromm Wickenburg LLC	-		0.00%	207,955	14	0.54%
Wickenburg Investment LLC	-		0.00%	214,097	13	0.56%
Stadel Darrel & Debra	-		0.00%	202,001	15	0.53%
Lawyers Title Of Az TR 1960	-		0.00%	254,214	11	0.66%
McKeever, Gerald & Jill	-		0.00%	215,615	12	0.56%
	<u>\$ 8,127,327</u>		<u>13.21%</u>	<u>\$ 6,194,773</u>		<u>16.17%</u>

Source: The Maricopa County Treasurer.

**TOWN OF WICKENBURG, ARIZONA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>
2004	\$ 237,671	\$ 230,915	97.16 %	\$ 6,754
2005	248,153	242,219	97.61	5,867
2006	285,562	280,884	98.36	4,602
2007	332,323	319,913	96.27	12,279
2008	363,366	346,324	95.31	16,878
2009	376,851	347,821	92.30	28,191
2010	10,000	9,368	93.68	632
2011	10,000	9,297	92.97	680
2012	10,031	9,663	96.33	-
2013	249,512	238,427	95.56	-

Source: The Maricopa County Treasurer.

<u>Total Tax Collections</u>	<u>Ratio of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio of Delinquent Taxes to Tax Levy</u>
\$ 237,669	100.00 %	\$ 2	-
248,086	99.97	67	-
285,486	99.97	76	-
332,192	99.96	131	0.04
363,202	99.95	164	0.05
376,012	99.78	839	0.22
10,000	100.00	-	-
9,977	99.77	23	0.23
9,663	96.33	368	3.67
238,427	95.56	11,085	4.44

**TOWN OF WICKENBURG, ARIZONA**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	Governmental Activities	Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	Water Revenue Bonds	Term Notes and Loans	Capital Leases			
2004	\$ -	\$ 171,000	\$ 191,184	\$ 93,875	\$ 790,907	0.49 %	\$ 156
2005	-	88,000	201,637	26,295	688,034	0.35	111
2006	-	-	868,056	386,471	1,603,709	0.81	258
2007	-	-	3,153,172	315,266	3,821,878	1.92	608
2008	-	-	3,253,507	241,138	3,836,707	1.92	610
2009	-	-	3,113,396	163,969	3,277,365	1.64	521
2010	235,981	-	2,963,245	83,633	3,282,859	1.65	522
2011	296,569	-	2,813,273	-	3,109,842	1.56	489
2012	129,861	-	2,658,449	-	2,788,310	1.40	438
2013	88,496	-	2,498,614	-	2,587,110	1.30	407

Source: The Town's Finance Department.

**TOWN OF WICKENBURG, ARIZONA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2013**  
**(UNAUDITED)**

Governmental Unit	Outstanding Debt	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
<b>Debt Repaid with Property Taxes</b>			
Maricopa County	\$ 120,350,000	0.15 %	\$ 18,052,500
Maricopa County Community College District	61,623,000	0.15 %	92,435,250
Wickenburg Unified School District No. 9	12,900,000	42.75 %	551,475,000
Town of Wickenburg, Arizona	88,496	100.00 %	88,496
Subtotal, Overlapping Debt			<u>662,051,246</u>
Town of Wickenburg, Arizona Direct Debt			88,496
			<u><u>\$ 662,139,742</u></u>

Source: Maricopa County Treasurer's Office.

(1) Proportion applicable to the Town of Wickenburg, Arizona, is computed on the ratio of secondary assessed valuation for 2012-13.

Note: The above schedule only includes direct debt of the Town and overlapping governments that are paid with property tax revenues (general obligation bonded debt). General obligation bonded debt is paid from property tax allocations calculated from the secondary assessed valuation and therefore has an impact on overlapping governments.

**TOWN OF WICKENBURG, ARIZONA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year				
	2004	2005	2006	2007	2008
20% Debt Limit	\$ 8,206,297	\$ 9,298,657	\$ 10,126,368	\$ 12,656,610	\$ 17,524,015
Total Applicable to Limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 8,206,297</u>	<u>\$ 9,298,657</u>	<u>\$ 10,126,368</u>	<u>\$ 12,656,610</u>	<u>\$ 17,524,015</u>
 Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	 -	 -	 -	 -	 -

	Fiscal Year				
	2004	2005	2006	2007	2008
6% Debt Limit	\$ 2,461,889	\$ 2,789,597	\$ 3,037,910	\$ 3,796,983	\$ 5,257,205
Total Applicable to Limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 2,461,889</u>	<u>\$ 2,789,597</u>	<u>\$ 3,037,910</u>	<u>\$ 3,796,983</u>	<u>\$ 5,257,205</u>
 Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	 -	 -	 -	 -	 -

Source: The Town's Finance Department and the Maricopa County Assessor's Office.

Note: The Town did not have any debt subject to the debt limit.



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**TOWN OF WICKENBURG, ARIZONA**  
**CALCULATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2013**  
**(UNAUDITED)**

Net Secondary Assessed Valuation		<u>\$ 61,515,301</u>
Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds		
<hr/>		
Debt Limit - 20% of Secondary Net Assessed Valuation		\$ 12,303,060
Debt Applicable to Limit		
General Obligation Bonds Outstanding	\$ -	
Less Amount Set Aside for Repayment of Debt	-	
Net Debt Applicable to Limit	<u>-</u>	<u>-</u>
20% Legal Debt Margin		<u>\$ 12,303,060</u>
 <hr/>		
All Other General Obligation Bonds		
<hr/>		
Debt Limit - 6% of Secondary Net Assessed Valuation		\$ 3,690,918
Debt Applicable to Limit		
General Obligation Bonds Outstanding	\$ -	
Less Amount Set Aside for Repayment of Debt	-	
Net Debt Applicable to Limit	<u>-</u>	<u>-</u>
All Other General Obligation Bonds Debt Margin		<u>3,690,918</u>
Total Legal Debt Margin		<u>\$ 15,993,978</u>

Source: Maricopa County Assessor's Office.

Note: The Town did not have any debt subject to the debt limit.

**TOWN OF WICKENBURG, ARIZONA  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

Loans Water Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2004	\$ 621,374	\$ 662,196	\$ (40,822)	\$ 83,000	\$ 14,025	(0.42)
2005	611,049	644,446	(33,397)	88,000	914	(0.38)
2006	677,444	719,087	(41,643)	-	-	N/A
2007	742,389	852,409	(110,020)	-	-	N/A
2008	1,042,272	1,099,883	(57,611)	-	-	N/A
2009	1,000,735	830,036	170,699	-	-	N/A
2010	981,830	934,325	47,505	-	-	N/A
2011	990,288	879,729	110,559	-	-	N/A
2012	1,075,723	932,002	143,721	-	-	N/A
2013	1,020,224	1,069,013	(48,789)	-	-	N/A

Source: Town of Wickenburg Internal Records.

Water Infrastructure Finance Authority Bonds and USDA Loan

Less:					
Utility Service Charges	Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
\$ 503,650	\$ 481,224	\$ 22,426	\$ 9,000	\$ 6,800	1.42
532,149	576,495	(44,346)	103,773	19,678	(0.36)
685,302	668,388	16,914	121,368	1,969	0.14
737,652	722,030	15,622	125,200	17,491	0.11
854,334	757,878	96,456	134,801	64,413	0.48
610,817	822,501	(211,684)	140,111	112,172	(0.84)
724,361	656,174	68,187	150,151	100,919	0.27
826,827	574,624	252,203	149,972	130,617	0.90
887,806	775,735	112,071	154,824	93,798	0.45
865,964	821,465	44,499	159,835	90,904	0.18

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**TOWN OF WICKENBURG, ARIZONA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

Fiscal Year	Population	Personal Income (Thousands of Dollars)	Per Capita Personal Income	Median Age	Percent of High School Graduates (1)	School Enrollment	Unemployment Rate
2004	5,082	\$ 161,180,712	\$ 31,716	48.4	\$ -	1,156	2.3 %
2005	6,224	197,400,384	31,716	48.0	29	1,432	2.3
2006	6,224	197,400,384	31,716	48.0	-	1,536	2.3
2007	6,285	199,335,060	31,716	48.0	-	1,470	1.6
2008	6,285	199,335,060	31,716	48.0	-	1,470	1.6
2009	6,285	199,335,060	31,716	48.0	-	1,470	1.6
2010	6,285	199,335,060	31,716	48.0	-	1,470	1.6
2011	6,285	199,335,060	31,716	48.0	-	1,516	3.8
2012	6,363	199,335,060	31,716	52.7	-	1,516	8.1
2013	6,363	199,335,060	31,716	52.7	-	1,516	8.1

Sources: Annual CAFR, [www.census.gov](http://www.census.gov), and <http://commerce.state.az.us/doclib/COMMUNE/wickenburg.pdf#search='u.s.%20wickenburg'>

(1) Information was not available for all years.

**TOWN OF WICKENBURG, ARIZONA  
PRINCIPAL EMPLOYERS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Employer	Fiscal Year					
	2004			2005		
	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
Wickenburg Unified School District	180	2	14.47%	180	2	14.52%
Meadows	153	3	12.30%	153	3	12.34%
Wickenburg Comm. Hospital	85	5	6.83%	85	5	6.85%
Rosewood			0.00%			0.00%
Remuda Ranch	360	1	28.94%	360	1	29.03%
Los Cab	150	4	12.06%	150	4	12.10%
Town of Wickenburg	72	7	5.79%	79	7	6.37%
Safeway	80	6	6.43%	80	6	6.45%
Basha's	60	8	4.82%	60	8	4.84%
Anita's/Nans's			0.00%			0.00%
Bear Cat	48	10	3.86%	48	9	3.87%
Benner Nawman	56	9	4.50%	45	10	3.63%
	<u>1,244</u>		<u>100.00%</u>	<u>1,240</u>		<u>100.00%</u>

Employer	Fiscal Year					
	2009			2010		
	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
Wickenburg Unified School District						
Meadows	264	2	17.53%	223	2	17.77%
Wickenburg Comm. Hospital	186	3	12.35%	151	3	12.03%
Rosewood	119	5	7.90%	119	6	9.48%
Remuda Ranch			0.00%			0.00%
Los Cab	492	1	32.67%	326	1	25.98%
Town of Wickenburg	150	4	9.96%	130	4	10.36%
Safeway	84	7	5.58%	90	7	7.17%
Basha's	90	6	5.98%	90	5	7.17%
Anita's/Nans's	57	8	3.78%	66	8	5.26%
Bear Cat			0.00%			0.00%
Benner Nawman	45	9	2.99%	45	9	3.59%
	19	10	1.26%	15	10	1.20%
	<u>1,506</u>		<u>100.00%</u>	<u>1,255</u>		<u>100.00%</u>

Source: The Wickenburg Sun.

Fiscal Year								
2006			2007			2008		
Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
220	2	16.02%	271	2	18.10%	255	2	16.87%
170	3	12.38%	167	3	11.16%	182	3	12.04%
112	5	8.16%	104	6	6.95%	116	5	7.67%
		0.00%			0.00%			0.00%
425	1	30.95%	451	1	30.13%	496	1	32.80%
150	4	10.92%	165	4	11.02%	150	4	9.92%
76	7	5.54%	87	7	5.81%	87	7	5.75%
80	6	5.83%	110	5	7.35%	96	6	6.35%
61	8	4.44%	60	8	4.01%	60	8	3.97%
		0.00%			0.00%			0.00%
45	9	3.28%	48	9	3.21%	48	9	3.17%
34	10	2.48%	34	10	2.27%	22	10	1.46%
<u>1,373</u>		<u>100.00%</u>	<u>1,497</u>		<u>100.00%</u>	<u>1,512</u>		<u>100.00%</u>

Fiscal Year								
2011			2012			2013		
Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
170	2	14.99%	180	2	16.42%	254	1	19.11%
168	3	14.81%	168	3	15.33%	197	2	14.82%
155	4	13.67%	135	4	12.32%	180	3	13.54%
		0.00%			0.00%	160	4	12.04%
217	1	19.14%	200	1	18.25%	141	5	10.61%
130	5	11.46%	120	5	10.95%	140	6	10.53%
83	7	7.32%	83	7	7.57%	86	7	6.47%
90	6	7.94%	80	6	7.30%	85	8	6.40%
66	8	5.82%	60	8	5.47%	60	9	4.51%
		0.00%			0.00%	26	10	1.96%
40	9	3.53%	55	9	5.02%			0.00%
15	10	1.32%	15	10	1.37%			0.00%
<u>1,134</u>		<u>100.00%</u>	<u>1,096</u>		<u>100.00%</u>	<u>1,329</u>		<u>100.00%</u>

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**TOWN OF WICKENBURG, ARIZONA**  
**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Function	Full Time Equivalent Employees									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Mayor & Council	7	7	7	7	7	7	7	7	7	7
Management Services	3	3	3	3	2	2	2	2	2	2
Finance	2	2	2	2	4	4	4	4	4	4
Planning	2	3	3	3	2	2	1	1	1	1
Building	1	1	1	2	1	1	1	1	1	1
Court	3	4	4	4	3	3	4	4	4	4
Clerk	2	2	2	2	2	2	2	2	2	2
Attorney	-	-	-	-	-	-	-	-	-	-
Airport	-	-	-	-	-	-	-	-	-	1
Police										
Officers	11	11	13	14	14	14	13	14	15	17
Dispatchers	5	6	6	6	6	6	5	6	6	5
Other	2	2	2	2	3	3	2	2	2	2
Fire										
Firefighters	2	1	1	7	10	10	10	10	10	13
Ambulance	-	-	-	-	-	-	-	-	-	-
PW & CIP Admin	-	-	-	-	-	-	-	-	-	3
Refuse Collection	6	4	4	4	4	4	4	5	5	4
Other Public Works										
Electric	3	2	2	2	2	2	-	1	1	1
Streets	3	3	5	5	4	4	2	2	2	2
Maintenance Shop	1	2	2	2	1	1	1	1	1	1
Parks and Recreation	13	12	12	13	11	11	12	10	9	10
Library	6	6	6	6	6	6	4	4	4	4
Water	4	4	4	4	5	5	6	5	5	5
Wastewater	2	5	4	3	4	4	2	2	2	2
<b>Total</b>	<b>78</b>	<b>80</b>	<b>83</b>	<b>91</b>	<b>91</b>	<b>91</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>91</b>

Source: The Town of Wickenburg's Internal Records.

**TOWN OF WICKENBURG, ARIZONA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Function	Fiscal Year				
	2004	2005	2006	2007	2008
General Government					
Building Permits Issued	207	193	200	296	91
Building Inspection Conducted	1,863	1,737	1,800	2,008	667
Police					
Physical Arrests	313	235	238	302	243
Parking Violations	8	9	18	18	24
Traffic Violations	2,259	3,701	3,857	2,943	2,673
Fire					
Emergency Responses	115	156	212	320	689
Fires Extinguished	46	81	150	169	104
Inspections	14	22	16	20	24
Refuse Collection					
Refuse Collections (Tons/Day)	23	25	26	29	30
Recyclables Collected (Tons/Day)	-	-	-	1	1
Other Public Works					
Street Resurfacing (Miles)	4	2	2	3	-
Potholes Repaired	60	60	60	75	55
Parks and Recreation					
Community Center Admissions	479	425	450	445	296
Library					
Volumes in Collection	41,547	41,996	42,920	43,627	40,717
Total Volumes Borrowed	148,034	144,513	134,687	137,684	115,945
Water					
New Connections	50	41	30	17	21
Water Main Breaks	3	3	3	5	1
Average Daily Consumption (Thousand of Gallons)	637	307	627	568	1,423
Wastewater					
Average Daily Sewage Treatment (Thousands of Gallons)	389	360	247	302	462

Source: The Town of Wickenburg's Internal Records.

Fiscal Year				
2009	2010	2011	2012	2013
133	151	154	135	135
868	817	702	811	756
291	210	310	338	395
9	6	-	-	8
2,765	1,897	1,906	1,911	1,911
681	918	995	745	836
86	170	68	40	84
32	27	52	26	24
27	25	14	12	12
1	1	1	2	2
1	3	3	-	-
125	150	13	14	10
278	248	274	356	364
40,802	42,497	42,042	41,278	42,487
121,862	133,651	101,513	72,656	65,915
5	8	9	3	4
4	-	-	2	6
1,468	955	1,778	1,103	1,315
477	464	501	467	388

**TOWN OF WICKENBURG, ARIZONA  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Function	Fiscal Year				
	2004	2005	2006	2007	2008
Police					
Stations	1	1	1	1	1
Patrol Units	12	13	13	19	19
Fire Stations	1	1	1	1	1
Refuse Collection					
Collection Trucks	4	4	4	4	4
Other Public Works					
Streets (Miles)	45	45	45	75	78
Highways (Miles)	6	6	6	7	7
Streetlights	167	167	167	190	190
Traffic Signals	2	3	3	3	3
Parks and Recreation					
Acreage	363	363	363	363	363
Playgrounds	3	3	3	3	3
Baseball and Softball Diamonds	5	5	5	5	5
Community Centers	1	1	1	1	1
Water					
Water Mains (Miles)	41.0	41.0	41.0	60.0	63.2
Fire Hydrants	470.0	480.0	480.0	500.0	557.0
Storage Capacity (Thousands of Gallons)	4.4	4.4	4.4	4.4	4.3
Wastewater					
Sanitary Sewers (Miles)	38.0	38.0	38.0	40.5	43.0
Storm Sewers (Miles)	4.5	4.5	4.5	4.5	4.5
Maximum Daily Treatment Capacity (Thousands of Gallons)	800,000	800,000	800,000	1,200,000	1,200,000

Source: The Town of Wickenburg's Internal Records.

Fiscal Year				
2009	2010	2011	2012	2013
1	1	1	1	1
19	22	22	19	20
1	1	1	1	1
5	6	6	6	6
78	79	79	79	79
7	7	7	7	7
200	200	200	200	200
3	3	3	3	3
363	403	403	403	403
3	5	5	5	5
5	5	5	5	5
1	1	1	1	1
63.4	64.5	64.5	64.5	64.5
563.0	570.0	570.0	570.0	570.0
4.3	4.3	4.3	4.3	4.3
44.1	44.1	44.1	44.1	44.1
4.5	4.5	4.5	4.5	4.5
1,200,000	800,000	800,000	800,000	800,000

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