

## NOTICE OF MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Central Yavapai Fire District Board of Directors and the general public that the **Central Yavapai Fire District** will hold a meeting open to the public on **Tuesday, January 17, 2017 at 4:00 p.m.** The meeting will be held at **Town of Prescott Valley, Library Auditorium, 7401 E. Civic Circle, Prescott Valley, Arizona**. The Board may vote to go into Executive Session on any agenda item, pursuant to A.R.S. §38-431.03(A)(3) for discussion and consultation for legal advice with the District's Attorney on matters as set forth in the agenda item. The following topics and any variables thereto, will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

1. CALL TO ORDER/ ROLL CALL OF BOARD MEMBERS

2. PLEDGE OF ALLEGIANCE

3. CALL TO THE PUBLIC

- A. Those wishing to address the Central Yavapai Fire District Board need not request permission in advance. However, we ask that you complete a Call To Public Form for the record. The Board is not permitted to discuss or take action on any item raised in the Call to the Public due to restrictions of the Open Meeting Law; however, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct the staff to review the matter or the matter may be placed on a future agenda. Individuals may be limited to speak for three (3) minutes with a total of 30 minutes allotted for Call to the Public per meeting.

4. CONSENT AGENDA

All matters listed under consent agenda are considered to be routine by the Central Yavapai Fire District Board and will be enacted by one motion. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately for discussion and possible action.

- A. Approve Regular Session Minutes - December 20, 2016
- B. Approve Executive Session Minutes - December 20, 2016
- C. Approve General Fund Financial Statements
- D. Approve Bond Debt Service Financial Statements
- E. Transfer December Revenues from Central Yavapai Fire District to Central Arizona Fire and Medical Authority in the Amount of \$930,168.49

5. NEW BUSINESS

- A. Discussion of CAFMA FY 2017-2018 Budget Development Schedule
- B. Discussion Regarding FY 2016 Audit Findings and Reports
- C. Discussion and Possible Approval to Retain \$100,000 from CAFMA Distribution for CYFD Legal Expenses Specific to ACE Distribution Lawsuit

6. VOTE TO GO INTO EXECUTIVE SESSION

- A. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) and Instruction to District Legal Counsel Pursuant to A.R.S. §38-431.03(A)(4) Re: Training Center Drainage

7. OLD BUSINESS

- A. Discussion and Possible Action Related to Training Center Drainage Issues

8. ADJOURNMENT

~~~~~  
If any disabled person needs any type of accommodation, please notify  
Central Yavapai Fire District at (928) 772-7711 prior to the scheduled meeting time.



CENTRAL YAVAPAI FIRE DISTRICT  
BOARD OF DIRECTORS  
REGULAR SESSION

DECEMBER 20, 2016

MINUTES

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS

Board Chairman Rutherford called the Central Yavapai Fire District (CYFD) Board of Director's meeting to order on Tuesday, December 20, 2016 at 4:00 p.m. at the Central Arizona Fire and Medical Authority Station 61, 1133 W. Road 3 North, Chino Valley, Arizona.

Members Present: Board Chairman Steve Rutherford, Board Clerk Bob Page, Board Members Darlene Packard, ViciLee Jacobs, Jeff Wasowicz, and Matt Zurcher

Members Absent: Board Member Tom Steele

Staff: Assistant Chief of Planning and Logistics Scott Bliss, Assistant Chief of Administration Dave Tharp, Administrative Manager Susanne Dixon, Administrative Assistant Kylee Burch

Others in Attendance: Attorney Nick Cornelius

2. PLEDGE OF ALLEGIANCE

Chairman Rutherford led the recitation of the Pledge of Allegiance

3. PRESENTATIONS

a. Exiting Board Member Appreciation – Steve Rutherford, Bob Page

Chief Tharp thanked Chairman Rutherford and Clerk Page for their dedication and service to the District and the community and presented them each with a plaque.

4. SWEAR IN AND SEAT BOARD MEMBERS

Board Chairman Rutherford swore in and seated incumbent Board Member ViciLee Jacobs and new Board Members Jeff Wasowicz, and Matt Zurcher.

Board Chairman Rutherford and Board Clerk Page congratulated the new members and excused themselves from the meeting.

5. NEW BUSINESS

a. Appoint Fire Board Chairperson and Clerk

Attorney Cornelius introduced himself to the Board and instructed them to appoint the new Chairperson and Clerk, noting that Director Steele was absent from the meeting. He explained the nomination process and indicated it is appropriate for the nomination process to occur in open meeting; however if there was a need for legal counsel, they would go into executive session.

Director Wasowicz nominated Director Packard for the position of Chairperson; Director Zurcher seconded the motion. MOTION CARRIED

AYES: Packard, Wasowicz, Zurcher

NAYS: Jacobs

Chairwoman Packard nominated Director Wasowicz for the position of Clerk; Director Zurcher seconded the motion. MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

b. Discuss and Appoint Board Members to Central Arizona Fire and Medical Authority (CAFMA) Board of Directors

Attorney Cornelius explained that two members from the CYFD Board and two members from the CVFD Board will be appointed to the CAFMA Board, again noting Director Steele's absence. He then explained how the fifth member of the CAFMA Board is selected.

Chairwoman Packard nominated Director Wasowicz to serve on the CAFMA Board; Director Zurcher seconded the motion. MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

Director Jacobs nominated herself to serve on the CAFMA Board. Motion died due to failure of a second.

Director Zurcher nominated Chairwoman Packard to serve on the CAFMA Board; Director Wasowicz seconded the motion. MOTION CARRIED.

AYES: Packard, Wasowicz, Zurcher

NAYS: Jacobs

## 6. CALL TO THE PUBLIC

There were no public comments

## 7. CONSENT AGENDA

All matters listed under consent agenda are considered to be routine by the Central Yavapai Fire District Board and will be enacted by one motion. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately for discussion and possible action.

- a. Approve Regular Session Minutes - November 15, 2016
- b. Approve Executive Session Minutes - November 15, 2016
- c. Approve Special Session Minutes - November 22, 2016
- d. Approve General Fund Financial Statements
- e. Approve Bond Debt Service Financial Statements
- f. Transfer November Revenues from Central Yavapai Fire District to Central Arizona Fire and Medical Authority in the Amount of \$3,230,456.14
- g. Approve Amendments to Fire Board Policy 3.5 Board Officer Duties

Attorney Cornelius instructed the new Board members concerning the Consent Agenda. Director Wasowicz inquired regarding approving minutes for the previous meeting; Attorney Cornelius stated the new members could approve the previous minutes as they had been provided a copy in advance, or if they did not feel comfortable, they could abstain from voting.

Director Jacobs made a motion to approve the Consent Agenda; Director Zurcher seconded the motion. MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

## 8. NEW BUSINESS CONTINUED

- a. Fiscal Year Ending June 30, 2016 Audit Presentation by HintonBurdick CPAs & Advisors; Discussion and Possible Acceptance of Audit

Chief Tharp explained the rules requiring an individual audit and stated this item will be on next month's agenda for discussion and any questions.

Steve Palmer of HintonBurdick presented the audit results. He stated he was pleased to be able to issue an unmodified opinion. There were no material weaknesses or significant deficiencies found; our financial reports present fairly the financial position of the organization.

Mr. Palmer highlighted portions of their report, including the organization's net position, governmental long term debt, and net pension liabilities. He indicated that expenditures have outpaced revenues in the past few years; however this is normal for a government entity. Chief Bliss asked for confirmation that the reported expenses include capital purchases, but revenue does not reflect the transfer of funds from the Capital Replacement Fund to cover those expenses; Mr. Palmer confirmed that is correct.

Chairwoman Packard thanked Senior Staff for their excellent work.

Director Zurcher made a motion to accept the audit; Director Jacobs seconded the motion. MOTION CARRIED

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

9. VOTE TO GO INTO EXECUTIVE SESSION

- a. Legal Advice Pursuant to A.R.S. §38-431.03(A)(3) and Instruction to District Legal Counsel Pursuant to A.R.S. §38-431.03(A)(4) Re: Training Center Drainage

Director Jacobs made a motion to go into Executive Session; Director Wasowicz seconded the motion. MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

Chairwoman Packard recessed the public meeting to go into Executive Session at 4:29 p.m.

Director Jacobs made a motion to reconvene in open session; Director Zurcher seconded the motion. MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

Chairwoman Packard reconvened the public session at 4:58 p.m.

10. OLD BUSINESS

- a. Discussion and Possible Action Related to Training Center Drainage Issues

Attorney Cornelius is directed to move forward as discussed in Executive Session.

## 11. ADJOURNMENT

Director Zurcher made a motion to adjourn; Director Wasowicz seconded the motion.  
MOTION CARRIED.

AYES: Jacobs, Packard, Wasowicz, Zurcher

NAYS: None

Chairwoman Packard adjourned the meeting at 4:59 p.m.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Clerk

**CENTRAL YAVAPAI FIRE DISTRICT**  
Income Statement  
(Original Budget to Actual Comparison)  
For the period of 12/1/2016 Through 12/31/2016

|                                      | Account   | Actual                   | Current Period<br>Budget | Variance                 | %            | Actual                   | Year To Date<br>Budget | Variance                 | %              |
|--------------------------------------|-----------|--------------------------|--------------------------|--------------------------|--------------|--------------------------|------------------------|--------------------------|----------------|
| <b><u>Revenues</u></b>               |           |                          |                          |                          |              |                          |                        |                          |                |
| Real Estate Tax                      | 400000000 | \$867,284.48             | \$0.00                   | \$867,284.48             | 0.0 %        | \$8,324,804.96           | \$14,116,233.00        | \$ (5,791,428.04)        | (41.0)%        |
| Personal Property Tax                | 410000000 | 29,412.04                | 0.00                     | 29,412.04                | 0.0          | 182,161.32               | 0.00                   | 182,161.32               | 0.0            |
| Fire District Assistance Tax         | 420000000 | 24,922.96                | 0.00                     | 24,922.96                | 0.0          | 197,414.06               | 313,900.00             | (116,485.94)             | (37.1)         |
| Cell Tower Lease Revenue             | 477500000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 2,687.50                 | 38,000.00              | (35,312.50)              | (92.9)         |
| State of AZ/Off-District Fires       | 480000000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 24,910.70                | 0.00                   | 24,910.70                | 0.0            |
| Interest Income-General Fund         | 490000000 | 3,549.01                 | 0.00                     | 3,549.01                 | 0.0          | 6,916.99                 | 0.00                   | 6,916.99                 | 0.0            |
| Interest Income-Cap Rsv Fund         | 490100000 | 589.03                   | 0.00                     | 589.03                   | 0.0          | 2,754.18                 | 0.00                   | 2,754.18                 | 0.0            |
| Misc. Income                         | 510000000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 155.91                   | 0.00                   | 155.91                   | 0.0            |
| Communications Contracting Revenue   | 514041000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 21,815.34                | 0.00                   | 21,815.34                | 0.0            |
| Donations                            | 540000000 | 5,000.00                 | 0.00                     | 5,000.00                 | 0.0          | 5,000.00                 | 0.00                   | 5,000.00                 | 0.0            |
| Grant-FEMA-SAFER                     | 543050005 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 0.00                     | 65,000.00              | (65,000.00)              | (100.0)        |
| Warehouse Purchasing Group           | 570000000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 1,403.67                 | 0.00                   | 1,403.67                 | 0.0            |
| <b>Net Revenues</b>                  |           | <b>\$930,757.52</b>      | <b>\$0.00</b>            | <b>\$930,757.52</b>      | <b>0.0 %</b> | <b>\$8,770,024.63</b>    | <b>\$14,533,133.00</b> | <b>\$ (5,763,108.37)</b> | <b>(39.7)%</b> |
| <b><u>Personnel Expenses</u></b>     |           |                          |                          |                          |              |                          |                        |                          |                |
| SWAT Response / Coverage             | 611030250 | \$0.00                   | \$0.00                   | \$0.00                   | 0.0 %        | \$ (2,142.71)            | \$0.00                 | \$2,142.71               | 0.0 %          |
| Fire Authority Funding               | 670010000 | 3,230,456.14             | 0.00                     | (3,230,456.14)           | 0.0          | 14,385,217.24            | 14,449,633.00          | 64,415.76                | 0.4            |
| <b>Total Personnel Expenses</b>      |           | <b>\$3,230,456.14</b>    | <b>\$0.00</b>            | <b>\$ (3,230,456.14)</b> | <b>0.0 %</b> | <b>\$14,383,074.53</b>   | <b>\$14,449,633.00</b> | <b>\$66,558.47</b>       | <b>0.5 %</b>   |
| <b><u>Supply Expenses</u></b>        |           |                          |                          |                          |              |                          |                        |                          |                |
| Radio/Pager Maintenance              | 628041000 | \$0.00                   | \$0.00                   | \$0.00                   | 0.0 %        | \$216.43                 | \$0.00                 | \$ (216.43)              | 0.0 %          |
| <b>Total Supply Expenses</b>         |           | <b>\$0.00</b>            | <b>\$0.00</b>            | <b>\$0.00</b>            | <b>0.0 %</b> | <b>\$216.43</b>          | <b>\$0.00</b>          | <b>\$ (216.43)</b>       | <b>0.0 %</b>   |
| <b><u>Service Expenses</u></b>       |           |                          |                          |                          |              |                          |                        |                          |                |
| Audit & Accounting                   | 640010000 | \$10,426.76              | \$0.00                   | \$ (10,426.76)           | 0.0 %        | \$11,255.24              | \$2,000.00             | \$ (9,255.24)            | (462.8)%       |
| Other Prof Services/Admin            | 640510000 | 62,896.65                | 0.00                     | (62,896.65)              | 0.0          | 62,896.65                | 75,500.00              | 12,603.35                | 16.7           |
| Legal Services - Routine             | 641010000 | 1,449.30                 | 0.00                     | (1,449.30)               | 0.0          | 3,703.29                 | 5,000.00               | 1,296.71                 | 25.9           |
| Legal Services - Non-Routine         | 641010600 | 6,391.50                 | 0.00                     | (6,391.50)               | 0.0          | 27,612.70                | 0.00                   | (27,612.70)              | 0.0            |
| Fire Board Expenses                  | 644110000 | 67.72                    | 0.00                     | (67.72)                  | 0.0          | 67.72                    | 1,000.00               | 932.28                   | 93.2           |
| Misc/Admin                           | 661010000 | 0.00                     | 0.00                     | 0.00                     | 0.0          | 3,092.25                 | 0.00                   | (3,092.25)               | 0.0            |
| <b>Total Service Expenses</b>        |           | <b>\$81,231.93</b>       | <b>\$0.00</b>            | <b>\$ (81,231.93)</b>    | <b>0.0 %</b> | <b>\$108,627.85</b>      | <b>\$83,500.00</b>     | <b>\$ (25,127.85)</b>    | <b>(30.1)%</b> |
| <b>Total Expenses</b>                |           | <b>\$3,311,688.07</b>    |                          | <b>\$ (3,311,688.07)</b> |              | <b>\$14,491,918.81</b>   | <b>\$14,533,133.00</b> | <b>\$41,214.19</b>       | <b>0.3 %</b>   |
| <b>Income (Loss) from Operations</b> |           | <b>\$ (2,380,930.55)</b> | <b>\$0.00</b>            | <b>\$ (2,380,930.55)</b> | <b>0.0 %</b> | <b>\$ (5,721,894.18)</b> | <b>\$0.00</b>          | <b>\$ (5,721,894.18)</b> | <b>0.0 %</b>   |
| <b><u>Contingency</u></b>            |           |                          |                          |                          |              |                          |                        |                          |                |
| Funded Contingency/Admin             | 780010000 | \$0.00                   | \$0.00                   | \$0.00                   | 0.0 %        | \$0.00                   | \$ (20,000.00)         | \$20,000.00              | 100.0 %        |
| <b>Total Contingency</b>             |           | <b>\$0.00</b>            | <b>\$0.00</b>            | <b>\$0.00</b>            | <b>0.0 %</b> | <b>\$0.00</b>            | <b>\$ (20,000.00)</b>  | <b>\$20,000.00</b>       | <b>100.0 %</b> |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Income Statement**  
 (Original Budget to Actual Comparison)  
 For the period of 12/1/2016 Through 12/31/2016

| Account           | Current Period                 |                      |                                |                     | Year To Date                   |                             |                                |                          |
|-------------------|--------------------------------|----------------------|--------------------------------|---------------------|--------------------------------|-----------------------------|--------------------------------|--------------------------|
|                   | Actual                         | Budget               | Variance                       | %                   | Actual                         | Budget                      | Variance                       | %                        |
| Net Income (Loss) | <u><u>\$(2,380,930.55)</u></u> | <u><u>\$0.00</u></u> | <u><u>\$(2,380,930.55)</u></u> | <u><u>0.0 %</u></u> | <u><u>\$(5,721,894.18)</u></u> | <u><u>\$(20,000.00)</u></u> | <u><u>\$(5,701,894.18)</u></u> | <u><u>(28509.5)%</u></u> |



1/9/17  
4:36:29 PM

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Balance Sheet**  
**As of 12/31/2016**

**Assets**

**Current Assets**

|                                |                |                |
|--------------------------------|----------------|----------------|
| Cash with Yavapai County       | \$2,925,277.89 |                |
| Capital Reserve Fund           | (383,487.40)   |                |
| Taxes Receivable               | 326,371.94     |                |
| Misc. Receivables              | 291,033.76     |                |
| Retiree / Insurance Receivable | (4,824.18)     |                |
| Total Current Assets           | <hr/>          | \$3,154,372.01 |

**Total Assets**

---

**\$3,154,372.01**

---

**Liabilities and Net Assets**

**Current Liabilities**

|                                  |              |                |
|----------------------------------|--------------|----------------|
| Accounts Payable                 | \$505,122.41 |                |
| Accrued Wages                    | 472,521.68   |                |
| Accrued Payroll Expenses         | 127,789.44   |                |
| Credit Card                      | 3,032.35     |                |
| Federal Tax Withheld             | (0.03)       |                |
| PSPRS Withheld                   | 0.04         |                |
| State Retirement Withheld        | (11,763.82)  |                |
| State Retirement Service Purch 1 | (42.54)      |                |
| Vol. Pension & Relief Withheld   | (30.81)      |                |
| FF Association Dues Withheld     | (24.00)      |                |
| Credit Union Monies Withheld     | 0.62         |                |
| Health Insurance Withheld        | 23,488.30    |                |
| Dental Insurance Withheld        | 5,320.87     |                |
| Supplemental Insurance Withheld  | 71.34        |                |
| Deferred Revenue                 | 248,692.97   |                |
| Total Current Liabilities        | <hr/>        | \$1,374,178.82 |

**Total Liabilities**

---

**\$1,374,178.82**

---

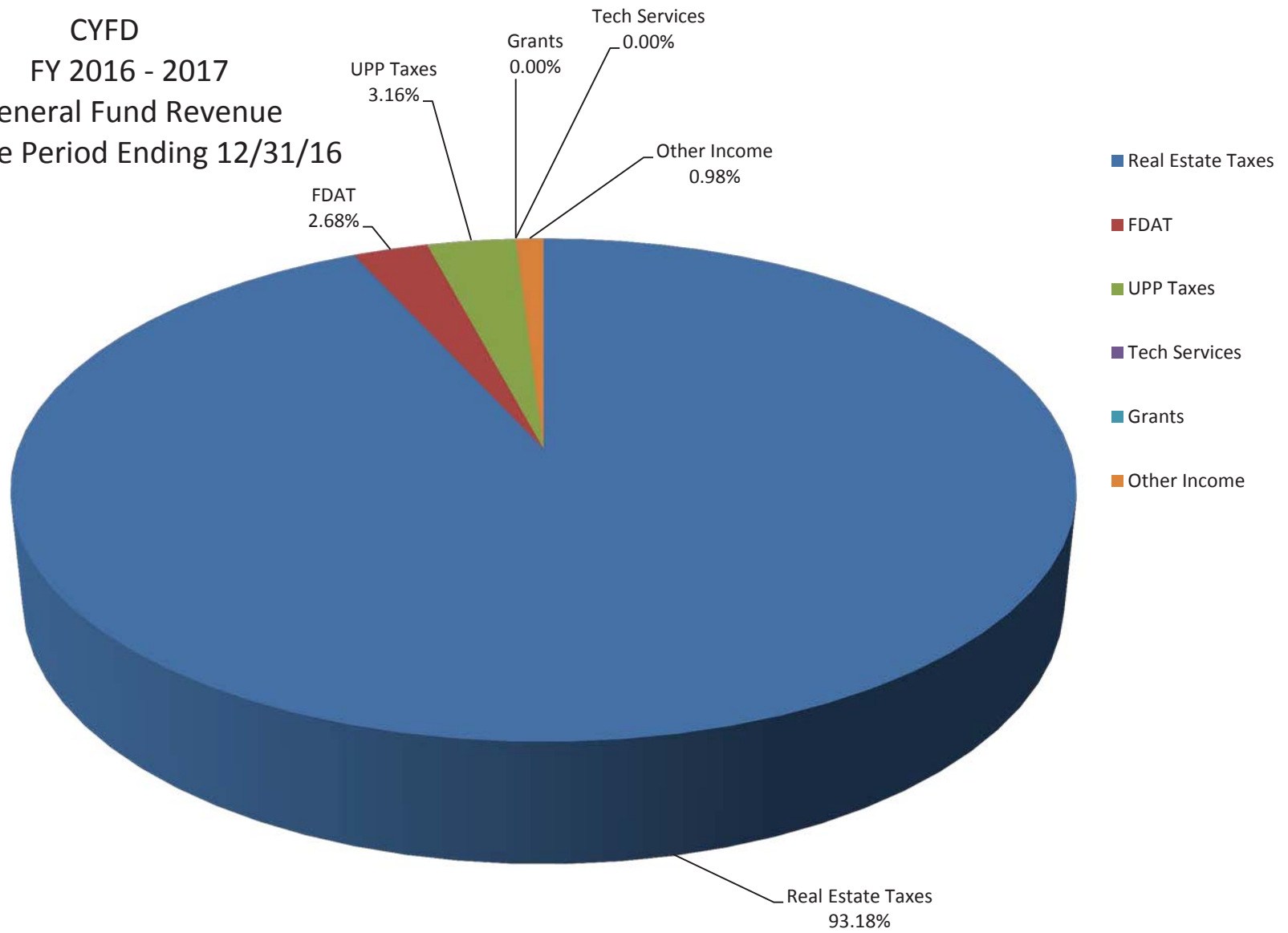
**Net Assets**

|                                  |                      |                                   |
|----------------------------------|----------------------|-----------------------------------|
| Fund Balance                     | \$7,502,087.37       |                                   |
| Current Year Net Assets          | <hr/> (5,721,894.18) |                                   |
| Total Net Assets                 |                      | <hr/> 1,780,193.19                |
| Total Liabilities and Net Assets |                      | <hr/> <b>\$3,154,372.01</b> <hr/> |

**CENTRAL YAVAPAI FIRE DISTRICT****REVENUE**

|                   | Current<br>Month Revenue | YTD<br>Budget |        |
|-------------------|--------------------------|---------------|--------|
| Real Estate Taxes | \$ 867,284               | \$ 14,116,233 | 93.18  |
| FDAT              | \$ 24,923                | \$ 313,900    | 2.68   |
| UPP Taxes         | \$ 29,412                | \$ -          | 3.16   |
| Tech Services     | \$ -                     | \$ 38,000     | 0.00   |
| Grants            | \$ -                     | \$ 65,000     | 0.00   |
| Other Income      | \$ 9,138                 | \$ -          | 0.98   |
|                   | \$ 930,758               | \$ 14,533,133 | 100.00 |

CYFD  
FY 2016 - 2017  
General Fund Revenue  
For the Period Ending 12/31/16

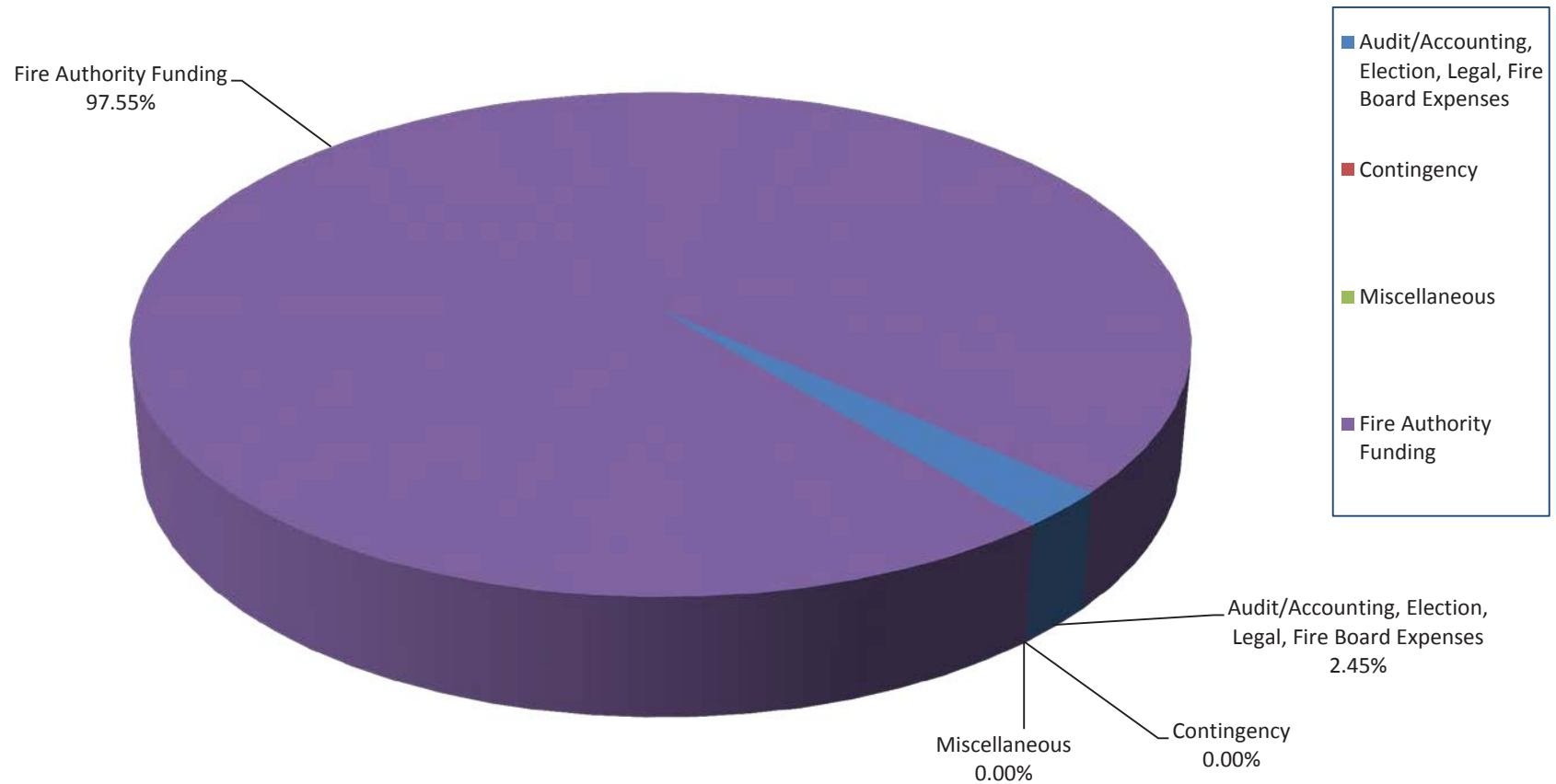


# CENTRAL YAVAPAI FIRE DISTRICT

## EXPENSES

|                                                              | Current Month<br>Actual | YTD Budget    |        |
|--------------------------------------------------------------|-------------------------|---------------|--------|
| Audit/Accounting,<br>Election, Legal, Fire<br>Board Expenses | \$ 81,232               | \$ 83,500     | 2.45   |
| Contingency                                                  | \$ -                    | \$ -          | 0.00   |
| Miscellaneous                                                | \$ -                    |               | 0.00   |
| Fire Authority<br>Funding                                    | \$ 3,230,456            | \$ 14,449,633 | 97.55  |
|                                                              | \$ 3,311,688            | \$ 14,533,133 | 100.00 |

CYFD  
FY 2016 - 2017  
General Fund Expenditures  
For the Period Ending 12/31/16



**Central Yavapai Fire District**  
**General Fund Tax Collection Information**

| Total Levy Month | FY 04-05<br>Collected | FY 05-06<br>Collected | FY 06-07<br>Collected | FY 07-08<br>Collected | FY 08-09<br>Collected | FY 09-10<br>Collected | FY 10-11<br>Collected | FY 11-12<br>Collected | FY 12-13<br>Collected | FY 13-14<br>Collected | FY 14-15<br>Collected | FY 15-16<br>Collected | FY 16-17<br>Collected |
|------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| July             | \$90,827              | \$96,915              | \$83,783              | \$87,156              | \$110,039             | \$132,171             | \$160,816             | \$97,118              | \$98,218              | \$49,130              | \$52,496              | \$78,757              | \$50,468              |
| %                | 1.8561%               | 1.9390%               | 1.1706%               | 1.3917%               | 0.8173%               | 0.986%                | 1.199%                | 0.807%                | 0.849%                | 0.429%                | 0.425%                | 0.593%                | 0.358%                |
| % To Date        | 1.8561%               | 1.9390%               | 1.1706%               | 1.3917%               | 0.8173%               | 0.9857%               | 1.1993%               | 0.8072%               | 0.8492%               | 0.4286%               | 0.4249%               | 0.5929%               | 0.3575%               |
| August           | \$19,394              | \$33,539              | \$29,902              | \$29,493              | \$43,363              | \$54,230              | \$67,211              | \$67,725              | \$53,505              | \$31,390              | \$16,334              | \$33,291              | \$26,519              |
| %                | 0.8204%               | 0.4024%               | 0.3082%               | 0.3634%               | 0.3221%               | 0.404%                | 0.501%                | 0.563%                | 0.463%                | 0.274%                | 0.132%                | 0.251%                | 0.188%                |
| % To Date        | 2.6765%               | 2.3414%               | 1.4788%               | 1.7551%               | 1.1394%               | 1.3902%               | 1.7005%               | 1.3702%               | 1.3118%               | 0.7024%               | 0.5571%               | 0.8435%               | 0.5454%               |
| September        | \$539,210             | \$70,431              | \$177,924             | \$43,626              | \$107,451             | \$54,153              | \$117,450             | \$77,250              | \$838,823             | \$648,107             | \$1,095,501           | \$1,245,953           | \$789,429             |
| %                | 0.6101%               | 1.9306%               | 3.9653%               | 0.4126%               | 0.7981%               | 0.404%                | 0.876%                | 0.642%                | 7.253%                | 5.654%                | 8.866%                | 9.379%                | 5.592%                |
| % To Date        | 3.2866%               | 4.2720%               | 5.4441%               | 2.1677%               | 1.9375%               | 1.7941%               | 2.5764%               | 2.0123%               | 8.5645%               | 6.3562%               | 9.4233%               | 10.2226%              | 6.1377%               |
| October          | \$1,927,176           | \$2,875,353           | \$3,215,840           | \$4,532,443           | \$5,218,751           | \$4,889,830           | \$4,830,888           | \$3,857,770           | \$4,051,242           | \$3,652,128           | \$4,537,288           | \$4,753,774           | \$3,589,494           |
| %                | 29.4660%              | 34.7343%              | 32.5873%              | 37.6731%              | 38.763%               | 36.469%               | 36.027%               | 32.065%               | 35.028%               | 31.860%               | 36.722%               | 35.785%               | 25.428%               |
| % To Date        | 32.7526%              | 39.0064%              | 38.0313%              | 39.8408%              | 40.7001%              | 38.2627%              | 38.6034%              | 34.0777%              | 43.5926%              | 38.2159%              | 46.1451%              | 46.0074%              | 31.5659%              |
| November         | \$1,286,650           | \$1,314,493           | \$1,569,999           | \$1,445,614           | \$1,464,437           | \$1,810,813           | \$1,771,286           | \$2,173,940           | \$1,136,001           | \$1,662,046           | \$776,001             | \$1,053,509           | \$3,154,358           |
| %                | 23.1259%              | 17.1466%              | 17.5005%              | 16.1786%              | 10.877%               | 13.505%               | 13.210%               | 18.070%               | 9.822%                | 14.499%               | 6.280%                | 7.930%                | 22.346%               |
| % To Date        | 55.8785%              | 56.1530%              | 55.5318%              | 56.0194%              | 51.5773%              | 51.7678%              | 51.8130%              | 52.1474%              | 53.4147%              | 52.7149%              | 52.4255%              | 53.9379%              | 53.9115%              |
| December         | \$196,952             | \$436,441             | \$487,646             | \$518,402             | \$653,937             | \$804,068             | \$703,572             | \$598,094             | \$657,523             | \$682,390             | \$822,849             | \$847,617             | \$896,697             |
| %                | 2.8328%               | 2.8396%               | 2.8162%               | 3.2900%               | 4.8572%               | 5.9968%               | 5.2470%               | 4.9713%               | 5.6851%               | 5.9529%               | 6.6596%               | 6.3806%               | 6.3522%               |
| % To Date        | 58.7113%              | 58.9926%              | 58.3480%              | 59.3094%              | 56.4344%              | 57.7646%              | 57.0600%              | 57.1187%              | 59.0998%              | 58.6678%              | 59.0851%              | 60.3185%              | 60.2637%              |
| January          | \$144,098             | \$182,929             | \$233,164             | \$418,982             | \$429,557             | \$418,693             | \$440,523             | \$471,527             | \$316,971             | \$345,369             | \$323,603             | \$302,609             | \$0                   |
| %                | 2.5007%               | 2.0818%               | 1.4652%               | 1.4671%               | 3.1906%               | 3.1226%               | 3.2853%               | 3.9193%               | 2.7406%               | 3.0129%               | 2.6190%               | 2.2779%               | 0.0000%               |
| % To Date        | 61.2120%              | 61.0744%              | 59.8132%              | 60.7765%              | 59.6250%              | 60.8872%              | 60.3453%              | 61.0380%              | 61.8405%              | 61.6806%              | 61.7041%              | 62.5964%              | 60.2637%              |
| February         | \$97,852              | \$263,264             | \$278,975             | \$364,994             | \$418,260             | \$491,337             | \$579,652             | \$452,569             | \$404,624             | \$354,364             | \$337,873             | \$351,342             | \$0                   |
| %                | 2.5771%               | 1.7459%               | 1.8239%               | 1.6772%               | 3.1067%               | 3.6644%               | 4.3228%               | 3.7617%               | 3.4985%               | 3.0913%               | 2.7345%               | 2.6448%               | 0.0000%               |
| % To Date        | 63.7891%              | 62.8203%              | 61.6371%              | 62.4537%              | 62.7317%              | 64.5516%              | 64.6681%              | 64.7997%              | 65.3389%              | 64.7719%              | 64.4386%              | 65.2412%              | 60.2637%              |
| March            | \$154,631             | \$371,324             | \$361,669             | \$535,404             | \$589,848             | \$622,420             | \$585,713             | \$469,035             | \$388,803             | \$444,942             | \$486,368             | \$526,700             | \$0                   |
| %                | 2.2141%               | 2.0772%               | 2.2658%               | 2.2945%               | 4.3811%               | 4.6420%               | 4.3680%               | 3.8986%               | 3.3617%               | 3.8815%               | 3.9363%               | 3.9648%               | 0.0000%               |
| % To Date        | 66.0032%              | 64.8975%              | 63.9029%              | 64.7482%              | 67.1128%              | 69.1937%              | 69.0361%              | 68.6983%              | 68.7006%              | 68.6534%              | 68.3749%              | 69.2061%              | 60.2637%              |
| April            | \$1,458,917           | \$1,771,951           | \$2,150,211           | \$2,612,277           | \$3,055,585           | \$3,015,293           | \$3,016,004           | \$2,866,023           | \$2,744,532           | \$2,658,334           | \$3,204,400           | \$3,444,316           | \$0                   |
| %                | 21.1757%              | 18.1462%              | 21.9855%              | 18.9281%              | 22.6955%              | 22.4882%              | 22.4923%              | 23.8222%              | 23.7299%              | 23.1902%              | 25.9343%              | 25.9277%              | 0.0000%               |
| % To Date        | 87.1789%              | 83.0437%              | 85.8884%              | 83.6763%              | 89.8083%              | 91.6819%              | 91.5284%              | 92.5205%              | 92.4305%              | 91.8436%              | 94.3092%              | 95.1337%              | 60.2637%              |
| May              | \$831,445             | \$488,790             | \$577,825             | \$793,414             | \$879,374             | \$916,959             | \$947,777             | \$798,148             | \$740,157             | \$716,914             | \$380,081             | \$416,552             | \$0                   |
| %                | 11.3797%              | 14.9929%              | 10.8976%              | 14.6802%              | 6.5316%               | 6.8387%               | 7.0682%               | 6.6341%               | 6.3996%               | 6.2541%               | 3.0761%               | 3.1357%               | 0.0000%               |
| % To Date        | 98.5586%              | 98.0365%              | 96.7860%              | 98.3565%              | 96.3399%              | 98.5206%              | 98.5966%              | 99.1546%              | 98.8301%              | 98.0977%              | 97.3853%              | 98.2694%              | 60.2637%              |
| June             | \$114,278             | \$116,499             | \$159,436             | \$136,155             | \$145,703             | \$170,884             | \$174,933             | \$177,193             | \$161,596             | \$161,606             | \$181,986             | \$200,523             | \$0                   |
| %                | 0.9877%               | 1.7911%               | 2.0166%               | 1.3217%               | 1.0822%               | 1.2745%               | 1.3046%               | 1.4728%               | 1.3972%               | 1.4098%               | 1.4729%               | 1.5095%               | 0.0000%               |
| % To Date        | 99.5463%              | 99.8277%              | 98.8026%              | 99.6782%              | 97.4221%              | 99.7951%              | 99.9012%              | 100.6274%             | 100.2273%             | 99.5075%              | 98.8582%              | 99.7789%              | 60.2637%              |
| TOTALS           | \$6,310,280           | \$7,110,845           | \$8,354,861           | \$10,038,188          | \$13,116,306          | \$13,380,852          | \$13,395,823          | \$12,106,390          | \$11,591,996          | \$11,406,720          | \$12,214,780          | \$13,254,943          | \$8,506,966           |
| Delinquency      | 0.4537%               | 0.1723%               | 1.1974%               | 0.3218%               | 2.5779%               | 0.2049%               | 0.0988%               | -0.6274%              | -0.2273%              | 0.4925%               | 1.1418%               | 0.2211%               | 39.7363%              |



**Central Yavapai Fire District  
FDAT Collection Information**

| Total Levy Month | FY 04-05<br>\$300,000<br>Collected | FY 05-06<br>\$300,000<br>Collected | FY 06-07<br>\$300,000<br>Collected | FY 07-08<br>\$300,000<br>Collected | FY 08-09<br>\$300,000<br>Collected | FY 09-10<br>\$300,000<br>Collected | FY 10-11<br>\$300,000<br>Collected | FY 11-12<br>\$300,000<br>Collected | FY 12-13<br>\$338,000<br>Collected | FY 13-14<br>\$309,352<br>Collected | FY 14-15<br>\$313,900<br>Collected | FY 15-16<br>\$313,900<br>Collected | FY 16-17<br>\$313,900<br>Collected |
|------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| July             | \$4,703                            | \$4,168                            | \$2,975                            | \$2,464                            | \$1,301                            | \$3,143                            | \$3,697                            | \$2,595                            | \$3,064                            | \$1,979                            | \$1,836                            | \$2,501                            | \$1,423                            |
| %                | 2.1203%                            | -0.8239%                           | 5.0433%                            | 2.0287%                            | 0.4338%                            | 1.048%                             | 1.232%                             | 0.865%                             | 0.907%                             | 0.640%                             | 0.585%                             | 0.797%                             | 0.453%                             |
| % To Date        | 2.1203%                            | -0.8239%                           | 5.0433%                            | 2.0287%                            | 0.4338%                            | 1.0476%                            | 1.2324%                            | 0.8651%                            | 0.9066%                            | 0.6398%                            | 0.5848%                            | 0.7966%                            | 0.4533%                            |
| August           | \$1,604                            | \$1,731                            | \$1,333                            | \$1,258                            | \$1,226                            | \$1,248                            | \$1,915                            | \$1,736                            | \$1,536                            | \$902                              | \$823                              | \$1,456                            | \$661                              |
| %                | 1.0461%                            | 0.6483%                            | 0.4096%                            | 0.4382%                            | 0.4085%                            | 0.416%                             | 0.638%                             | 0.579%                             | 0.455%                             | 0.291%                             | 0.262%                             | 0.464%                             | 0.211%                             |
| % To Date        | 3.1664%                            | -0.1756%                           | 5.4529%                            | 2.4669%                            | 0.8423%                            | 1.4636%                            | 1.8709%                            | 1.4439%                            | 1.3611%                            | 0.9312%                            | 0.8471%                            | 1.2606%                            | 0.6638%                            |
| September        | \$21,474                           | \$1,724                            | \$2,051                            | \$868                              | \$1,745                            | \$1,257                            | \$2,388                            | \$1,448                            | \$19,621                           | \$15,016                           | \$25,478                           | \$26,332                           | \$8,777                            |
| %                | 0.5869%                            | 0.9866%                            | 0.0000%                            | 0.3293%                            | 0.582%                             | 0.419%                             | 0.796%                             | 0.483%                             | 5.805%                             | 4.854%                             | 8.117%                             | 8.389%                             | 2.796%                             |
| % To Date        | 3.7533%                            | 0.8109%                            | 5.4529%                            | 2.7962%                            | 1.4240%                            | 1.8825%                            | 2.6670%                            | 1.9266%                            | 7.1662%                            | 5.7853%                            | 8.9637%                            | 9.6492%                            | 3.4600%                            |
| October          | \$82,848                           | \$96,135                           | \$102,106                          | \$97,685                           | \$101,806                          | \$99,555                           | \$96,016                           | \$93,006                           | \$101,218                          | \$95,055                           | \$78,715                           | \$97,909                           | \$86,411                           |
| %                | 28.7499%                           | 29.9224%                           | 26.7685%                           | 33.8371%                           | 33.9354%                           | 33.185%                            | 32.005%                            | 31.002%                            | 29.946%                            | 30.727%                            | 25.076%                            | 31.191%                            | 27.528%                            |
| % To Date        | 32.5032%                           | 30.7333%                           | 32.2214%                           | 36.6333%                           | 35.3594%                           | 35.0674%                           | 34.6725%                           | 32.9286%                           | 37.1125%                           | 36.5125%                           | 34.0402%                           | 40.8405%                           | 30.9882%                           |
| November         | \$62,790                           | \$59,803                           | \$55,973                           | \$56,540                           | \$50,916                           | \$52,928                           | \$50,646                           | \$59,997                           | \$53,327                           | \$50,582                           | \$58,108                           | \$43,410                           | \$75,219                           |
| %                | 26.5042%                           | 22.8299%                           | 24.3841%                           | 20.2237%                           | 16.9722%                           | 17.6426%                           | 16.8819%                           | 19.9989%                           | 15.7772%                           | 16.3508%                           | 18.5116%                           | 13.8292%                           | 23.9628%                           |
| % To Date        | 59.0074%                           | 53.5633%                           | 56.6055%                           | 56.8570%                           | 52.3315%                           | 52.7100%                           | 51.5544%                           | 52.9274%                           | 52.8897%                           | 52.8633%                           | 52.5518%                           | 54.6697%                           | 54.9510%                           |
| December         | \$8,615                            | \$18,356                           | \$14,523                           | \$14,149                           | \$14,552                           | \$17,550                           | \$19,555                           | \$15,865                           | \$18,751                           | \$17,866                           | \$19,303                           | \$20,201                           | \$24,923                           |
| %                | 2.6880%                            | 3.1634%                            | 3.0781%                            | 3.4052%                            | 4.8505%                            | 5.8501%                            | 6.5184%                            | 5.2883%                            | 5.5476%                            | 5.7753%                            | 6.1494%                            | 6.4354%                            | 7.9398%                            |
| % To Date        | 61.6954%                           | 56.7267%                           | 59.6835%                           | 60.2621%                           | 57.1821%                           | 58.5602%                           | 58.0728%                           | 58.2157%                           | 58.4373%                           | 58.6386%                           | 58.7012%                           | 61.1051%                           | 62.8908%                           |
| January          | \$8,021                            | \$9,532                            | \$9,359                            | \$12,416                           | \$11,850                           | \$12,187                           | \$11,920                           | \$12,904                           | \$12,073                           | \$20,052                           | \$11,243                           | \$10,565                           | \$0                                |
| %                | 3.2227%                            | 2.4080%                            | 2.3099%                            | 2.0084%                            | 3.9501%                            | 4.0624%                            | 3.9733%                            | 4.3013%                            | 3.5719%                            | 6.4819%                            | 3.5817%                            | 3.3658%                            | 0.0000%                            |
| % To Date        | 64.9180%                           | 59.1347%                           | 61.9934%                           | 62.2705%                           | 61.1321%                           | 62.6225%                           | 62.0461%                           | 62.5170%                           | 62.0092%                           | 65.1205%                           | 62.2829%                           | 64.4709%                           | 62.8908%                           |
| February         | \$4,527                            | \$7,787                            | \$9,793                            | \$10,562                           | \$9,794                            | \$11,387                           | \$10,332                           | \$10,894                           | \$11,450                           | \$8,863                            | \$7,979                            | \$7,946                            | \$0                                |
| %                | 2.8210%                            | 1.9308%                            | 1.8404%                            | 2.4433%                            | 3.265%                             | 3.796%                             | 3.444%                             | 3.631%                             | 3.388%                             | 2.865%                             | 2.542%                             | 2.531%                             | 0.000%                             |
| % To Date        | 67.7390%                           | 61.0655%                           | 63.8338%                           | 64.7138%                           | 64.3968%                           | 66.4183%                           | 65.4902%                           | 66.1482%                           | 65.3968%                           | 67.9857%                           | 64.8248%                           | 67.0023%                           | 62.8908%                           |
| March            | \$5,620                            | \$16,226                           | \$12,337                           | \$12,305                           | \$12,699                           | \$13,595                           | \$14,808                           | \$12,280                           | \$11,003                           | \$10,149                           | \$12,656                           | \$12,018                           | \$0                                |
| %                | 2.2914%                            | 1.4983%                            | 1.9114%                            | 2.0156%                            | 4.2329%                            | 4.5315%                            | 4.9361%                            | 4.0932%                            | 3.2554%                            | 3.2808%                            | 4.0319%                            | 3.8284%                            | 0.0000%                            |
| % To Date        | 70.0304%                           | 62.5638%                           | 65.7452%                           | 66.7294%                           | 68.6297%                           | 70.9498%                           | 70.4262%                           | 70.2414%                           | 68.6522%                           | 71.2665%                           | 68.8567%                           | 70.8307%                           | 62.8908%                           |
| April            | \$51,786                           | \$45,356                           | \$45,679                           | \$33,339                           | \$39,613                           | \$55,561                           | \$57,997                           | \$43,738                           | \$56,579                           | \$58,042                           | \$65,056                           | \$35,416                           | \$0                                |
| %                | 17.9575%                           | 14.3693%                           | 16.6549%                           | 17.3709%                           | 13.2045%                           | 18.5203%                           | 19.3324%                           | 14.5794%                           | 16.7394%                           | 18.7624%                           | 20.7249%                           | 11.2825%                           | 0.0000%                            |
| % To Date        | 87.9878%                           | 76.9331%                           | 82.4001%                           | 84.1002%                           | 81.8342%                           | 89.4701%                           | 89.7587%                           | 84.8208%                           | 85.3916%                           | 90.0289%                           | 89.5816%                           | 82.1132%                           | 62.8908%                           |
| May              | \$43,885                           | \$34,199                           | \$37,793                           | \$50,251                           | \$44,834                           | \$31,295                           | \$25,244                           | \$44,155                           | \$43,984                           | \$31,386                           | \$22,095                           | \$51,376                           | \$0                                |
| %                | 13.5009%                           | 18.7327%                           | 15.3767%                           | 15.0484%                           | 14.9446%                           | 10.4317%                           | 8.4146%                            | 14.7184%                           | 13.0130%                           | 10.1458%                           | 7.0389%                            | 16.3671%                           | 0.0000%                            |
| % To Date        | 101.4887%                          | 95.6658%                           | 97.7768%                           | 99.1487%                           | 96.7788%                           | 99.9019%                           | 98.1733%                           | 99.5391%                           | 98.4046%                           | 100.1747%                          | 96.6206%                           | 98.4803%                           | 62.8908%                           |
| June             | \$4,629                            | \$3,699                            | \$4,194                            | \$3,396                            | \$3,537                            | \$3,134                            | \$4,100                            | \$4,540                            | \$5,694                            | \$4,028                            | \$4,150                            | \$6,266                            | \$0                                |
| %                | 0.9351%                            | 1.7492%                            | 1.8785%                            | 1.4651%                            | 1.1790%                            | 1.0447%                            | 1.3665%                            | 1.5132%                            | 1.6847%                            | 1.3019%                            | 1.3221%                            | 1.9962%                            | 0.0000%                            |
| % To Date        | 102.4238%                          | 97.4149%                           | 99.6553%                           | 100.6138%                          | 97.9578%                           | 100.9465%                          | 99.5398%                           | 101.0524%                          | 100.0894%                          | 101.4767%                          | 97.9427%                           | 100.4765%                          | 62.8908%                           |
| TOTALS           | \$307,271                          | \$292,245                          | \$298,966                          | \$301,841                          | \$293,873                          | \$302,840                          | \$298,619                          | \$303,157                          | \$338,302                          | \$313,920                          | \$307,442                          | \$315,396                          | \$197,414                          |
| Delinquency      | -2.4238%                           | 2.5851%                            | 0.3447%                            | -0.6138%                           | 2.0422%                            | -0.9465%                           | 0.4602%                            | -1.0524%                           | -0.0894%                           | -1.4767%                           | 2.0573%                            | -0.4765%                           | 37.1092%                           |



## 2016 - 2017 Cash Flow by Month : January Board Meeting

|                                                              | Actual           |                  |                  |                  |                  |                    | Projected        |                  |                  |                  |                  |                  |
|--------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                                              | July             | Aug.             | Sept.            | Oct.             | Nov.             | Dec.               | Jan.             | Feb.             | March            | April            | May              | June             |
| <b>Revenues:</b>                                             |                  |                  |                  |                  |                  |                    |                  |                  |                  |                  |                  |                  |
| Property Taxes                                               | 50,468           | 26,519           | 789,429          | 3,589,494        | 3,154,358        | 896,697            | 1,176,353        | 1,176,353        | 1,176,353        | 1,176,353        | 1,176,353        | 1,176,353        |
| FDAT                                                         | 1,423            | 661              | 8,777            | 86,411           | 75,219           | 24,923             | 26,158           | 26,158           | 26,158           | 26,158           | 26,158           | 26,158           |
| Fee for Service                                              | 24,503           | -                | -                | -                | -                | -                  | 3,167            | 3,167            | 3,167            | 3,167            | 3,167            | 3,167            |
| Interest Income                                              | 1,070            | 457              | 539              | -                | 880              | 4,138              | -                | -                | -                | -                | -                | -                |
| Grants                                                       | -                | -                | -                | -                | -                | -                  | 5,417            | 5,417            | 5,417            | 5,417            | 5,417            | 5,417            |
| Miscellaneous Non Levy                                       | 28,631           | -                | -                | 425              | -                | 5,000              | -                | -                | -                | -                | -                | -                |
| <b>RevenueTotals:</b>                                        | <b>106,095</b>   | <b>27,637</b>    | <b>798,746</b>   | <b>3,676,330</b> | <b>3,230,457</b> | <b>930,758</b>     | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> |
| <b>Expenditures:</b>                                         |                  |                  |                  |                  |                  |                    |                  |                  |                  |                  |                  |                  |
| Audit/Accounting,<br>Election, Legal,<br>Fire Board Expenses | -                | 3,798            | -                | 10,913           | 9,592            | 81,232             | 6,958            | 6,958            | 6,958            | 6,958            | 6,958            | 6,958            |
| Fire Authority Funding                                       | -                | 115,320          | 55,670           | 798,744          | 3,676,329        | 3,230,456          | 1,204,136        | 1,204,136        | 1,204,136        | 1,204,136        | 1,204,136        | 1,204,136        |
| Miscellaneous                                                | (2,143)          | 3,032            | -                | -                | 216              | -                  | -                | -                | -                | -                | -                | -                |
| <b>ExpenditureTotals:</b>                                    | <b>(2,143)</b>   | <b>122,151</b>   | <b>55,670</b>    | <b>809,657</b>   | <b>3,686,138</b> | <b>3,311,688</b>   | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> | <b>1,211,094</b> |
| <b>Monthly Net Cash</b>                                      | <b>108,238</b>   | <b>(94,514)</b>  | <b>743,076</b>   | <b>2,866,673</b> | <b>(455,680)</b> | <b>(2,380,930)</b> | <b>(0)</b>       | <b>(0)</b>       | <b>(0)</b>       | <b>(0)</b>       | <b>(0)</b>       | <b>(0)</b>       |
| <b>Cumulative Net Cash</b>                                   | <b>2,642,816</b> | <b>2,548,302</b> | <b>3,291,378</b> | <b>6,158,051</b> | <b>5,702,371</b> | <b>3,321,441</b>   | <b>3,321,441</b> | <b>3,321,441</b> | <b>3,321,441</b> | <b>3,321,441</b> | <b>3,321,441</b> | <b>3,321,441</b> |
| <b>Cash Balance</b>                                          | <b>2,534,578</b> | <b>2,440,065</b> | <b>3,183,141</b> | <b>6,049,814</b> | <b>5,594,133</b> | <b>3,213,203</b>   | <b>3,213,203</b> | <b>3,213,203</b> | <b>3,213,203</b> | <b>3,213,203</b> | <b>3,213,203</b> | <b>3,213,203</b> |
| <b>Capital Reserve<br/>\$7,670.58</b>                        | <b>7,077</b>     | <b>7,078</b>     | <b>7,079</b>     | <b>7,080</b>     | <b>7,082</b>     | <b>7,671</b>       | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         | <b>-</b>         |



The Central Yavapai Fire District Board of Directors have reviewed and approved the following financial documents to include Income Statements, Balance Sheets, and Bank Reconciliations with supporting documents, Revenue and Expenditure Graphs, and Cash Flow Projections in compliance with A.R.S. § 48-805, 807.

CYFD General Fund

CYFD Bond Debt Service

|                        |       |
|------------------------|-------|
| _____                  | _____ |
| Fire Board Chairperson | Date  |

|                  |       |
|------------------|-------|
| _____            | _____ |
| Fire Board Clerk | Date  |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**CHECK RECONCILIATION DECEMBER, 2016**

**Reconciliation:**

|                                |                   |
|--------------------------------|-------------------|
| Beginning Balance:             | \$ 5,306,797.47   |
| Deposits:                      | \$ 930,168.49     |
| Transfer Out - Fire Authority: | \$ (3,230,456.14) |
| Transfer In - Reserve Pension: | \$ -              |
| Disbursements:                 | \$ (81,231.93)    |
| Fiscal Year Adjustments:       | \$ -              |

**Ending Balance:** \$ **2,925,277.89**

**Difference Between Balances:** \$ -

**Deposits Per Bank Statement:**

|                                |                 |
|--------------------------------|-----------------|
| Real Estate Taxes:             | \$ 867,284.48   |
| Personal Property Taxes:       | \$ 29,412.04    |
| Fire District Assistance Tax:  | \$ 24,922.96    |
| Fire District Deposit:         | \$ 5,000.00     |
| Transfer Out-Fire Authority:   | \$ 3,230,456.14 |
| Transfer In (Reserve Pension): | \$ -            |
| NSF Check Returned:            | \$ -            |
| Adjustments (Warrants Issued): | \$ -            |
| Interest Income:               | \$ 3,549.01     |

**Ending Balance:** \$ **4,160,624.63**

**Bank Statement Balance:**

|                       |                 |
|-----------------------|-----------------|
| Balance Per Bank:     | \$ 3,329,175.27 |
| Outstanding Checks:   | \$ (403,897.38) |
| Outstanding Deposits: | \$ -            |
| Adjustments:          | \$ -            |
| Voided Checks:        | \$ -            |

**Ending Balance:** \$ **2,925,277.89**

**G/L Ending Balance:** \$ **2,925,277.89**

Outstanding Checks For Prior Months: \$ -  
**Ending Balance:** \$ **2,925,277.89**

**Bank Reconciliation Register:**

|                                      |                        |
|--------------------------------------|------------------------|
| Checks From Accounts Payable:        | \$ 81,231.93           |
| Checks From Payroll:                 | \$ -                   |
| <b>Total Checks:</b>                 | <b>\$ 81,231.93</b>    |
| Deposits From Accounts Receivable:   | \$ -                   |
| Journal Entries From General Ledger: | \$ 4,160,624.63        |
| NSF Checks Returned:                 |                        |
| Outstanding Deposit:                 |                        |
| <b>Ending Balance:</b>               | <b>\$ 4,160,624.63</b> |

**Reconciliation Approved By:**

Scott Freitag, Fire Chief

**Reconciliation Reviewed By:**

David Tharp, Assistant Chief of Administration

**Reconciliation Prepared By:**

Debbie Spingola, Finance Manager

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Bank Reconciliation Summary**  
For the Bank Statement ending: 12/31/2016

| BANK CONTROL ID: CYFD - GENERAL FUND |          | DESC: GENERAL FUND | ACCOUNT NO: 1100      |
|--------------------------------------|----------|--------------------|-----------------------|
| Beginning Balance:                   | 12/01/16 |                    | \$5,695,436.57        |
| Deposits and Credits:                |          |                    | \$930,168.49          |
| Checks and Charges:                  |          |                    | (\$3,296,429.79)      |
| Adjustments:                         |          |                    | \$0.00                |
| Ending Balance Per Reconciliation:   |          |                    | <u>\$3,329,175.27</u> |
| Ending Balance Per Bank Statement:   | 12/31/16 |                    | \$3,329,175.27        |
| * Outstanding Deposits and Credits:  | 12/31/16 |                    | \$0.00                |
| * Outstanding Checks and Charges:    | 12/31/16 |                    | (\$403,897.38)        |
| Ending Book Balance:                 | 12/31/16 |                    | <u>\$2,925,277.89</u> |

\* Outstanding amounts are all outstanding credits and charges dated prior or equal to the Reconciliation date.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**BR Checks and Charges Cleared**  
For the Bank Statement ending: 12/31/16

| CYFD                              |                    | General Fund                    |        |         | 1100                         |
|-----------------------------------|--------------------|---------------------------------|--------|---------|------------------------------|
| Date                              | Document           | Description                     | Module | Company | Amount                       |
| 12/05/16                          | 70060075           | Central Ariz. Fire&Medical Auth | AP     | CYFD    | \$1,240.00                   |
| 12/05/16                          | 70060076           | Yavapai County Elections        | AP     | CYFD    | \$62,896.65                  |
| 12/19/16                          | 70060078           | Erie & Associates, Inc          | AP     | CYFD    | \$536.00                     |
| 12/19/16                          | 70060079           | The Klinger Group               | AP     | CYFD    | \$741.00                     |
| 12/19/16                          | 70060080           | SC Audit & Accounting Solution  | AP     | CYFD    | \$560.00                     |
| 12/27/16                          | Cash With Yav.Cty. | Fire Authority Funding          | GL     | CYFD    | \$3,230,456.14               |
| TOTAL CHECKS AND CHARGES CLEARED: |                    |                                 |        |         | <u><u>\$3,296,429.79</u></u> |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**BR Checks and Charges Outstanding**  
 For the Bank Statement ending: 12/31/16

| CYFD                                  |                      | General Fund                  |        |         | 1100                |
|---------------------------------------|----------------------|-------------------------------|--------|---------|---------------------|
| Date                                  | Document             | Description                   | Module | Company | Amount              |
| 06/30/15                              | Correct ending balan | To correct balances corrupted | GL     | CYFD    | \$388,639.10        |
| 12/19/16                              | 70060077             | Awards Etc                    | AP     | CYFD    | \$67.72             |
| 12/29/16                              | 70060081             | Burch & Cracchiolo, P.A.      | AP     | CYFD    | \$3,011.00          |
| 12/29/16                              | 70060082             | Erie & Associates, Inc        | AP     | CYFD    | \$161.00            |
| 12/29/16                              | 70060083             | Hinton Burdick CPA            | AP     | CYFD    | \$8,626.76          |
| 12/29/16                              | 70060084             | Kendhammer & Partners, L.L.P. | AP     | CYFD    | \$3,391.80          |
| TOTAL CHECKS AND CHARGES OUTSTANDING: |                      |                               |        |         | <u>\$403,897.38</u> |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**BR Deposits and Credits Cleared**  
For the Bank Statement ending: 12/31/16

| CYFD                                | General Fund       | General Fund                   |        |         | 1100                |
|-------------------------------------|--------------------|--------------------------------|--------|---------|---------------------|
| Date                                | Document           | Description                    | Module | Company | Amount              |
| 12/31/16                            | Cash With Yav Cty  | Donation - M&I Windows Charita | GL     | CYFD    | \$5,000.00          |
| 12/31/16                            | Cash With Yav.Cty. | Tax and Interest Revenue       | GL     | CYFD    | \$925,168.49        |
| TOTAL DEPOSITS AND CREDITS CLEARED: |                    |                                |        |         | <u>\$930,168.49</u> |

CENTRAL YAVAPAI FIRE DISTRICT  
BR Deposits and Credits Outstanding  
For the Bank Statement ending:

| Date | Document | Description | Module | Company | Amount |
|------|----------|-------------|--------|---------|--------|
|------|----------|-------------|--------|---------|--------|

TOTAL DEPOSITS AND CREDITS OUTSTANDING:

# CENTRAL YAVAPAI FIRE DISTRICT

## Bank Reconciliation Register

| Document Number                                    | Date     | BR Status | Void? | Description                    | Date Cleared | Amount                |
|----------------------------------------------------|----------|-----------|-------|--------------------------------|--------------|-----------------------|
| <b>MODULE: CHECKS FROM ACCOUNTS PAYABLE</b>        |          |           |       |                                |              |                       |
| <b>BANK CONTROL ID: CYFD - GENERAL FUND</b>        |          |           |       |                                |              |                       |
| 70060075                                           | 12/05/16 | Marked    | No    | Central Ariz.Fire&Medical Auth | 01/09/17     | \$1,240.00            |
| 70060076                                           | 12/05/16 | Marked    | No    | Yavapai County Elections       | 01/09/17     | \$62,896.65           |
| 70060077                                           | 12/19/16 | Retrieved | No    | Awards Etc                     |              | \$67.72               |
| 70060078                                           | 12/19/16 | Marked    | No    | Erie & Associates, Inc         | 01/09/17     | \$536.00              |
| 70060079                                           | 12/19/16 | Marked    | No    | The Klinger Group              | 01/09/17     | \$741.00              |
| 70060080                                           | 12/19/16 | Marked    | No    | SC Audit & Accounting Solution | 01/09/17     | \$560.00              |
| 70060081                                           | 12/29/16 | Retrieved | No    | Burch & Cracchiolo, P.A.       |              | \$3,011.00            |
| 70060082                                           | 12/29/16 | Retrieved | No    | Erie & Associates, Inc         |              | \$161.00              |
| 70060083                                           | 12/29/16 | Retrieved | No    | Hinton Burdick CPA             |              | \$8,626.76            |
| 70060084                                           | 12/29/16 | Retrieved | No    | Kendhammer & Partners, L.L.P.  |              | \$3,391.80            |
| <b>SUB TOTAL FOR BANK:</b>                         |          |           |       |                                |              | <b>\$81,231.93</b>    |
| <b>TOTAL FOR MODULE:</b>                           |          |           |       |                                |              | <b>\$81,231.93</b>    |
| <b>MODULE: JOURNAL ENTRIES FROM GENERAL LEDGER</b> |          |           |       |                                |              |                       |
| <b>BANK CONTROL ID: CYFD - GENERAL FUND</b>        |          |           |       |                                |              |                       |
| Cash With Yav Cty                                  | 12/31/16 | Marked    | No    | Donation - M&I Windows Charita | 01/09/17     | \$5,000.00            |
| Cash With Yav.Cty.                                 | 12/27/16 | Marked    | No    | Fire Authority Funding         | 01/09/17     | \$3,230,456.14        |
| Cash With Yav.Cty.                                 | 12/31/16 | Marked    | No    | Tax and Interest Revenue       | 01/09/17     | \$925,168.49          |
| <b>SUB TOTAL FOR BANK:</b>                         |          |           |       |                                |              | <b>\$4,160,624.63</b> |
| <b>TOTAL FOR MODULE:</b>                           |          |           |       |                                |              | <b>\$4,160,624.63</b> |



CENTRAL YAVAPAI FIRE DISTRICT  
BR Adjustments Report  
For the Bank Statement ending:

| Date | Document | Description | GL Account | Offset Amt | Adj. Amt |
|------|----------|-------------|------------|------------|----------|
|------|----------|-------------|------------|------------|----------|

DOCUMENT:

ADJUSTMENT DOCUMENT " TOTAL:

TOTAL FOR ALL ADJUSTMENTS:

Fiscal Year  
2016-17[illegible]

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 6  
\*\*\*\*\*

|                | (---Period---) | (-----Y-T-D-----) |       |               |
|----------------|----------------|-------------------|-------|---------------|
| Begin Balance: | 5,695,436.57   | 2,534,578.14      |       |               |
| Income . . . : | 930,168.49     | 8,806,688.38      |       |               |
| LOC Advance .: | .00            | .00               |       |               |
| Expense . . .: | 3,296,429.79-  | 8,012,091.25-     | LOC : | .00           |
| LOC Payments : | .00            | .00               | Out : | .00           |
| Cash Balance : | 3,329,175.27   | 3,329,175.27      | End : | 3,329,175.27  |
|                |                |                   | Levy: | 14,120,376.07 |
|                |                |                   | Coll: | 8,359,143.80  |
|                |                |                   | Adj : | 1,917.10-     |
|                |                |                   | Out : | 5,759,315.17  |

Transaction Summary By Source  
Source Description

Beginning Balance: 5,695,436.57 2,534,578.14  
Monthly Yearly

|       |                                  |               |               |
|-------|----------------------------------|---------------|---------------|
| 07376 | Transfer in                      | .00           | 25,000.00     |
| 20051 | 2005 UPP Taxes                   | .00           | 42.83         |
| 20061 | 2006 UPP Taxes                   | .00           | 24.85         |
| 20071 | 2007 UPP Taxes                   | .00           | 56.25         |
| 20081 | 2008 UPP Taxes                   | .00           | 57.25         |
| 20082 | 2008 RE Taxes                    | .00           | 1.93          |
| 20091 | 2009 UPP Taxes                   | .00           | 65.12         |
| 20092 | 2009 RE Taxes                    | .00           | 1.20          |
| 20101 | 2010 UPP Taxes                   | 3.36          | 115.54        |
| 20102 | 2010 RE Taxes                    | .00           | 1.36          |
| 20111 | 2011 UPP Taxes                   | .00           | 177.70        |
| 20121 | 2012 UPP Taxes                   | .00           | 152.49        |
| 20122 | 2012 RE Taxes                    | 525.61        | 490.62-       |
| 20131 | 2013 UPP Taxes                   | 10.73         | 390.04        |
| 20132 | 2013 RE Taxes                    | 670.01-       | 842.09-       |
| 20141 | 2014 UPP Taxes                   | .00           | 480.36        |
| 20142 | 2014 RE Taxes                    | 336.06-       | 302.84-       |
| 20151 | 2015 UPP Taxes                   | 219.59        | 4,222.24      |
| 20152 | 2015 RE Taxes                    | 31,684.37     | 143,668.87    |
| 20161 | 2016 UPP Taxes                   | 29,178.36     | 176,376.65    |
| 20162 | 2016 RE Taxes                    | 837,131.79    | 8,182,767.15  |
| 37122 | Fire District Deposit            | 5,000.00      | 70,391.05     |
| 37150 | FDAT Distributions               | 24,922.96     | 197,414.06    |
| 38108 | Interest on Investments ICM      | 1,695.25      | 2,179.34      |
| 38109 | Interest on Investments St Treas | 1,395.92      | 4,208.99      |
| 38120 | Interest on Transwestern loan    | 457.84        | 528.66        |
| 91032 | Warrants Redeemed                | 65,973.65-    | 135,571.36-   |
| 91702 | Transfer out                     | 3,230,456.14- | 7,876,519.89- |

Ending Balances: 3,329,175.27 3,329,175.27

|                        |              |
|------------------------|--------------|
| Real Estate Taxes:     | 867,284.48   |
| UPP Taxes:             | 29,412.04    |
| FDAT:                  | 24,922.96    |
| Interest:              | 3,549.01     |
| Fire District Deposit: | 5,000.00     |
| Total:                 | \$930,168.49 |

Transfer Out:  
Fire Authority Funding: \$3,230,456.14

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 1  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                    | Begin Balance:                | 5,695,436.57      |
|-------------------------|--------|--------------------|-------------------------------|-------------------|
| Date                    | Source | Description        | Notes                         | Debits/Credits    |
| 12/01                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004423 11,349.77 |
| 12/01                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004423 245.65    |
| 12/01                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004423 10,505.83 |
| 12/01                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014078 492.79 |
| 12/02                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004424 712.05    |
| 12/02                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004424 564.13    |
| 12/02                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004424 28,379.35 |
| 12/02                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014081 642.83 |
| 12/05                   | 20122  | 2012 RE Taxes      | TAX DISTRIBUTION              | 0004425 205.17-   |
| 12/05                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004425 129.52    |
| 12/05                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004425 682.70    |
| 12/05                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004425 25,213.33 |
| 12/05                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014084 847.21 |
| 12/06                   | 20122  | 2012 RE Taxes      | TAX DISTRIBUTION              | 0004426 222.91-   |
| 12/06                   | 20132  | 2013 RE Taxes      | TAX DISTRIBUTION              | 0004426 7.20-     |
| 12/06                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004426 1,325.08  |
| 12/06                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004426 767.85    |
| 12/06                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004426 33,523.01 |
| 12/06                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014087 869.26 |
| 12/07                   | 20132  | 2013 RE Taxes      | TAX DISTRIBUTION              | 0004427 58.66-    |
| 12/07                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004427 276.50    |
| 12/07                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004427 652.96    |
| 12/07                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004427 31,625.93 |
| 12/07                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014090 891.99 |
| 12/08                   | 20131  | 2013 UPP Taxes     | TAX DISTRIBUTION              | 0004428 10.73     |
| 12/08                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004428 71.48     |
| 12/08                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004428 331.99    |
| 12/08                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004428 31,447.28 |
| 12/08                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014093 888.75 |
| 12/09                   | 20132  | 2013 RE Taxes      | TAX DISTRIBUTION              | 0004429 47.41-    |
| 12/09                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004429 1,677.85  |
| 12/09                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004429 1,040.23  |
| 12/09                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004429 22,931.84 |
| 12/09                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI | 1000014096 825.11 |
| 12/12                   | 20122  | 2012 RE Taxes      | TAX DISTRIBUTION              | 0004430 24.82-    |
| 12/12                   | 20132  | 2013 RE Taxes      | TAX DISTRIBUTION              | 0004430 53.15-    |
| 12/12                   | 20142  | 2014 RE Taxes      | TAX DISTRIBUTION              | 0004430 12.00-    |
| 12/12                   | 20152  | 2015 RE Taxes      | TAX DISTRIBUTION              | 0004430 1,697.50  |
| 12/12                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION              | 0004430 876.26    |
| 12/12                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION              | 0004430 27,538.90 |

Debit Page Totals:

.00

Credit Page Totals:

238,404.34

Page End Totals:

5,933,840.91

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 2  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                               | Notes                                    | Debits/Credits |
|-------------------------|--------|-------------------------------|------------------------------------------|----------------|
| Date                    | Source | Description                   |                                          |                |
| 12/12                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014099 | 796.80         |
| 12/13                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004431                 | 815.45         |
| 12/13                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004431                 | 2,291.68       |
| 12/13                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004430                 | 764.03         |
| 12/13                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004431                 | 31,063.91      |
| 12/13                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014102 | 666.46         |
| 12/14                   | 20132  | 2013 RE Taxes                 | TAX DISTRIBUTION 0004432                 | 442.77-        |
| 12/14                   | 20151  | 2015 UPP Taxes                | TAX DISTRIBUTION 0004432                 | 29.60          |
| 12/14                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004432                 | 1,718.63       |
| 12/14                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004432                 | 496.57         |
| 12/14                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004432                 | 73,590.11      |
| 12/14                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014105 | 1,218.24       |
| 12/15                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004433                 | 627.29         |
| 12/15                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004433                 | 796.14         |
| 12/15                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004433                 | 27,125.07      |
| 12/15                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014108 | 1,496.90       |
| 12/15                   | 38120  | Interest on Transwestern Loan | INVESTMENT INTEREST 1000014110           | 457.84         |
| 12/16                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION 0004434                 | 12.34-         |
| 12/16                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION 0004434                 | 172.46-        |
| 12/16                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004434                 | 397.73         |
| 12/16                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004434                 | 698.36         |
| 12/16                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004434                 | 35,396.43      |
| 12/16                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014112 | 609.98         |
| 12/19                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004435                 | 1,381.40       |
| 12/19                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004435                 | 672.66         |
| 12/19                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004434                 | 90.06          |
| 12/19                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004435                 | 32,009.60      |
| 12/19                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014115 | 1,075.62       |
| 12/19                   | 91032  | Warrants Redeemed             | PAID WARRANTS 1000014117                 | 1,240.00-      |
| 12/20                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION 0004436                 | 6.59-          |
| 12/20                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION 0004436                 | 81.27-         |
| 12/20                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004436                 | 502.25         |
| 12/20                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION 0004436                 | 462.39         |
| 12/20                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION 0004436                 | 45,406.79      |
| 12/20                   | 37150  | FDAT Distributions            | DISTRIBUTE FIRE DISTRICT ASSI 1000014118 | 864.41         |
| 12/20                   | 91032  | Warrants Redeemed             | PAID WARRANTS 1000014120                 | 62,896.65-     |
| 12/21                   | 20101  | 2010 UPP Taxes                | TAX DISTRIBUTION 0004437                 | 3.36           |
| 12/21                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION 0004437                 | 53.78-         |
| 12/21                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION 0004437                 | 1.44-          |
| 12/21                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION 0004437                 | 1,326.85       |

Debit Page Totals: 64,136.65- Credit Page Totals: 502,486.30 Page End Totals: 6,133,786.22

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 3  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                                  | Notes                         | Debits/Credits        |
|-------------------------|--------|----------------------------------|-------------------------------|-----------------------|
| Date                    | Source | Description                      |                               |                       |
| 12/21                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004437 6,734.99      |
| 12/21                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004437 49,239.96     |
| 12/21                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014121 933.33     |
| 12/22                   | 20132  | 2013 RE Taxes                    | TAX DISTRIBUTION              | 0004438 60.82-        |
| 12/22                   | 20151  | 2015 UPP Taxes                   | TAX DISTRIBUTION              | 0004438 104.65        |
| 12/22                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004438 220.50        |
| 12/22                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004438 510.84        |
| 12/22                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004438 43,609.77     |
| 12/22                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014124 1,334.90   |
| 12/23                   | 20142  | 2014 RE Taxes                    | TAX DISTRIBUTION              | 0004439 68.89-        |
| 12/23                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004439 85.09         |
| 12/23                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004439 248.45        |
| 12/23                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004438 474.95        |
| 12/23                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004439 52,253.34     |
| 12/23                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014127 1,432.39   |
| 12/27                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004440 1,166.23      |
| 12/27                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004440 38,654.90     |
| 12/27                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014130 1,206.75   |
| 12/27                   | 91032  | Warrants Redeemed                | PAID WARRANTS                 | 1000014132 560.00-    |
| 12/27                   | 91702  | Transfer out                     | CENTRAL AZ FIRE & MED AUTH EM | 1007253 3,230,456.14- |
| 12/28                   | 20151  | 2015 UPP Taxes                   | TAX DISTRIBUTION              | 0004441 54.36         |
| 12/28                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004441 605.62        |
| 12/28                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004441 7,697.21      |
| 12/28                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004441 52,941.64     |
| 12/28                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014133 859.39     |
| 12/29                   | 20151  | 2015 UPP Taxes                   | TAX DISTRIBUTION              | 0004442 30.98         |
| 12/29                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004442 3,191.57      |
| 12/29                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004442 1,629.14      |
| 12/29                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004442 56,792.79     |
| 12/29                   | 37122  | Fire District Deposit            | CENTRAL YAVAPAI FIRE DISTRICT | 0042653 5,000.00      |
| 12/29                   | 37150  | FDAT Distributions               | DISTRIBUTE FIRE DISTRICT ASSI | 1000014136 1,245.58   |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014139 268.95     |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014140 266.45     |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014141 300.71     |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014142 338.50     |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014143 520.64     |
| 12/29                   | 38109  | Interest on Investments St Treas | INVESTMENT INTEREST           | 1000014138 2.11       |
| 12/29                   | 38109  | Interest on Investments St Treas | INVESTMENT INTEREST           | 1000014144 1,393.81   |
| 12/29                   | 91032  | Warrants Redeemed                | PAID WARRANTS                 | 1000014145 1,277.00-  |
| 12/30                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004443 2,406.01      |

Debit Page Totals: 3,296,429.79- Credit Page Totals: 836,113.09 Page End Totals: 3,235,119.87

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 4  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                    |                                          |                |
|-------------------------|--------|--------------------|------------------------------------------|----------------|
| Date                    | Source | Description        | Notes                                    | Debits/Credits |
| 12/30                   | 20161  | 2016 UPP Taxes     | TAX DISTRIBUTION 0004443                 | 1,778.16       |
| 12/30                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION 0004442                 | 467.03         |
| 12/30                   | 20162  | 2016 RE Taxes      | TAX DISTRIBUTION 0004443                 | 86,085.94      |
| 12/30                   | 37150  | FDAT Distributions | DISTRIBUTE FIRE DISTRICT ASSI 1000014146 | 5,724.27       |
| Ending Debit Totals:    |        | 3,296,429.79-      | Ending Credit Totals:                    | 930,168.49     |
|                         |        |                    | Ending Balance:                          | 3,329,175.27   |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60040-0000 Central Yavapai Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 5  
\*\*\*\*\*

| Account               | Fund | Stat   | Payee | Warrant   | Amount    | Issue Date | Date       | Voucher |
|-----------------------|------|--------|-------|-----------|-----------|------------|------------|---------|
| 6-60040-0000          | 600  | PAID / |       | 00060075  | 1,240.00  | 12/05/2016 | 12/19/2016 |         |
| 6-60040-0000          | 600  | PAID / |       | 00060076  | 62,896.65 | 12/05/2016 | 12/20/2016 |         |
| 6-60040-0000          | 600  | PAID / |       | 00060078  | 536.00    | 12/19/2016 | 12/29/2016 |         |
| 6-60040-0000          | 600  | PAID / |       | 00060079  | 741.00    | 12/19/2016 | 12/29/2016 |         |
| 6-60040-0000          | 600  | PAID / |       | 00060080  | 560.00    | 12/19/2016 | 12/27/2016 |         |
| Status Subtotal       | :    |        | 5     | 65,973.65 |           |            |            |         |
| Fund Subtotal         | :    |        | 5     | 65,973.65 |           |            |            |         |
| Total Paid Warrants:  |      |        | 5     | 65,973.65 |           |            |            |         |
| Total Outstanding . : |      |        |       | .00       |           |            |            |         |
| Total Void Warrants:  |      |        |       | .00       |           |            |            |         |
| Total Registered . :  |      |        |       | .00       |           |            |            |         |



1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60340-0000 Central Yavapai Fire Dist. Capital Reser Date Range: 12/01/2016 to 12/31/2016 Page: 3  
\*\*\*\*\*

|                 | (---Period---) | (-----Y-T-D-----) |       |          |                 |
|-----------------|----------------|-------------------|-------|----------|-----------------|
| Begin Balance:  | 7,081.55       | 6,513,613.75      |       |          |                 |
| Income . . . :  | 589.03         | 2,754.18          |       |          |                 |
| LOC Advance . : | .00            | .00               |       |          |                 |
| Expense . . . : | .00            | 6,508,697.35-     | LOC : | .00      | Levy: 49,073.38 |
| LOC Payments :  | .00            | .00               | Out : | .00      | Coll: 32,784.76 |
| Cash Balance :  | 7,670.58       | 7,670.58          | End : | 7,670.58 | Adj : 39.50-    |
|                 |                |                   |       |          | Out : 16,249.12 |

Transaction Summary By Source  
Source Description

| Beginning Balance:                     | 7,081.55 | 6,513,613.75  |
|----------------------------------------|----------|---------------|
|                                        | Monthly  | Yearly        |
| 38108 Interest on Investments ICM      | 589.21   | 1,474.10      |
| 38109 Interest on Investments St Treas | 1.37     | 1,279.44      |
| 38120 Interest on Transwestern Loan    | .45      | .64           |
| 91702 Transfer out                     | .00      | 6,508,697.35- |
| Ending Balances:                       | 7,670.58 | 7,670.58      |

Interest: \$589.03

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60340-0000 Central Yavapai Fire Dist. Capital Reser Date Range: 12/01/2016 to 12/31/2016 Page: 1  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                                  |                       |        | Begin Balance:  | 7,081.55       |
|-------------------------|--------|----------------------------------|-----------------------|--------|-----------------|----------------|
| Date                    | Source | Description                      | Notes                 |        |                 | Debits/Credits |
| 12/15                   | 38120  | Interest on Transwestern Loan    | INVESTMENT INTEREST   |        | 1000014110      | .45            |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST   |        | 1000014139      | 584.19         |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST   |        | 1000014140      | .54            |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST   |        | 1000014141      | .81            |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST   |        | 1000014142      | .91            |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST   |        | 1000014143      | .76            |
| 12/29                   | 38109  | Interest on Investments St Treas | INVESTMENT INTEREST   |        | 1000014144      | 1.37           |
| Ending Debit Totals:    |        | .00                              | Ending Credit Totals: | 589.03 | Ending Balance: | 7,670.58       |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60340-0000 Central Yavapai Fire Dist. Capital Reser Date Range: 12/01/2016 to 12/31/2016 Page: 2  
\*\*\*\*\*

| Account              | Fund Stat Payee | Warrant | Amount | Issue Date | Date | Voucher |
|----------------------|-----------------|---------|--------|------------|------|---------|
| Status Subtotal      | :               |         | .00    |            |      |         |
| Fund Subtotal        | :               |         | .00    |            |      |         |
| Total Paid Warrants: |                 |         | .00    |            |      |         |
| Total Outstanding. : |                 |         | .00    |            |      |         |
| Total Void Warrants: |                 |         | .00    |            |      |         |
| Total Registered . : |                 |         | .00    |            |      |         |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**GL Trial Balance Worksheet**  
For The Period of 12/1/2016 through 12/31/2016

| Account      | Description              | Balances              |                     |                       |                       | Adjustments |
|--------------|--------------------------|-----------------------|---------------------|-----------------------|-----------------------|-------------|
|              |                          | Beginning             | Debits              | Credits               | Ending                |             |
| 1100.0.0.000 | Cash with Yavapai County | \$5,306,797.47        | \$930,168.49        | \$3,311,688.07        | \$2,925,277.89        |             |
| TOTALS:      |                          | <u>\$5,306,797.47</u> | <u>\$930,168.49</u> | <u>\$3,311,688.07</u> | <u>\$2,925,277.89</u> |             |

\* Inactive accounts are marked and appear in grey.

**Central Yavapai Fire Bond Debt Service**  
**Income Statement**  
(Original Budget to Actual Comparison)  
For the period of 12/1/2016 Through 12/31/2016

|                                                     | Account | Actual                | Current Period<br>Budget | Variance              | %            | Actual                  | Year To Date<br>Budget | Variance                | %            |
|-----------------------------------------------------|---------|-----------------------|--------------------------|-----------------------|--------------|-------------------------|------------------------|-------------------------|--------------|
| <b><u>General &amp; Administrative Expenses</u></b> |         |                       |                          |                       |              |                         |                        |                         |              |
| Bond Debt Service Principal Payment                 | 600000  | \$0.00                | \$0.00                   | \$0.00                | 0.0 %        | \$915,000.00            | \$0.00                 | \$(915,000.00)          | 0.0 %        |
| Bond Debt Service Interest Expense                  | 610000  | 188,487.75            | 0.00                     | (188,487.75)          | 0.0          | 607,646.57              | 0.00                   | (607,646.57)            | 0.0          |
| Professional Services                               | 640500  | 0.00                  | 0.00                     | 0.00                  | 0.0          | 1,275.00                | 0.00                   | (1,275.00)              | 0.0          |
| <b>Total General &amp; Administrative Expenses</b>  |         | <b>\$188,487.75</b>   | <b>\$0.00</b>            | <b>\$(188,487.75)</b> | <b>0.0 %</b> | <b>\$1,523,921.57</b>   | <b>\$0.00</b>          | <b>\$(1,523,921.57)</b> | <b>0.0 %</b> |
| <b>Total Expenses</b>                               |         | <b>\$188,487.75</b>   |                          | <b>\$(188,487.75)</b> |              | <b>\$1,523,921.57</b>   |                        | <b>\$(1,523,921.57)</b> |              |
| <b>Income (Loss) from Operations</b>                |         | <b>\$(188,487.75)</b> | <b>\$0.00</b>            | <b>\$(188,487.75)</b> | <b>0.0 %</b> | <b>\$(1,523,921.57)</b> | <b>\$0.00</b>          | <b>\$(1,523,921.57)</b> | <b>0.0 %</b> |
| <b><u>Other Income (Expense)</u></b>                |         |                       |                          |                       |              |                         |                        |                         |              |
| Bond Debt Service Tax Revenue                       | 420000  | \$83,540.66           | \$0.00                   | \$83,540.66           | 0.0 %        | \$2,124,068.43          | \$0.00                 | \$2,124,068.43          | 0.0 %        |
| Bond Debt Service Interest Revenue                  | 430000  | 664.48                | 0.00                     | 664.48                | 0.0          | 5,819.86                | 0.00                   | 5,819.86                | 0.0          |
| <b>Total Other Income (Expense)</b>                 |         | <b>\$84,205.14</b>    | <b>\$0.00</b>            | <b>\$84,205.14</b>    | <b>0.0 %</b> | <b>\$2,129,888.29</b>   | <b>\$0.00</b>          | <b>\$2,129,888.29</b>   | <b>0.0 %</b> |
| <b>Net Income (Loss)</b>                            |         | <b>\$(104,282.61)</b> | <b>\$0.00</b>            | <b>\$(104,282.61)</b> | <b>0.0 %</b> | <b>\$605,966.72</b>     | <b>\$0.00</b>          | <b>\$605,966.72</b>     | <b>0.0 %</b> |

1/9/17  
4:31:51 PM

**Central Yavapai Fire Bond Debt Service**  
**Balance Sheet**  
**As of 12/31/2016**

**Assets**

**Current Assets**

|                             |                |                       |
|-----------------------------|----------------|-----------------------|
| Cash / Bond Debt Service    | \$1,068,287.77 |                       |
| Property Tax Receivable     | 35,584.23      |                       |
| Deferred Revenue - Prop Tax | (23,435.00)    |                       |
| Total Current Assets        |                | \$1,080,437.00        |
| <b>Total Assets</b>         |                | <b>\$1,080,437.00</b> |

**Net Assets**

|                                  |              |                |
|----------------------------------|--------------|----------------|
| Retained Earnings                | \$474,470.28 |                |
| Current Year Net Assets          | 605,966.72   |                |
| Total Net Assets                 |              | 1,080,437.00   |
| Total Liabilities and Net Assets |              | \$1,080,437.00 |

1/9/17  
4:28:34 PM

**Central Yavapai Fire Bond Debt Service**  
**Bank Reconciliation Summary**  
For the Bank Statement ending: 12/31/2016

Page: 1

| BANK CONTROL ID: CYFDA - CASH/BOND BUILDING FUND |          | DESC: CASH/BOND BUILDING FUND | ACCOUNT NO: 1100      |
|--------------------------------------------------|----------|-------------------------------|-----------------------|
| Beginning Balance:                               | 12/01/16 |                               | \$1,172,570.38        |
| Deposits and Credits:                            |          |                               | \$84,205.14           |
| Checks and Charges:                              |          |                               | (\$188,487.75)        |
| Adjustments:                                     |          |                               | \$0.00                |
| Ending Balance Per Reconciliation:               |          |                               | <u>\$1,068,287.77</u> |
| Ending Balance Per Bank Statement:               | 12/31/16 |                               | \$1,068,287.77        |
| * Outstanding Deposits and Credits:              | 12/31/16 |                               | \$0.00                |
| * Outstanding Checks and Charges:                | 12/31/16 |                               | \$0.00                |
| Ending Book Balance:                             | 12/31/16 |                               | <u>\$1,068,287.77</u> |

1/9/17  
4:28:55 PM

**Central Yavapai Fire Bond Debt Service**  
**BR Checks and Charges Cleared**  
For the Bank Statement ending: 12/31/16

Page: 1

|              |                                |                                |             |
|--------------|--------------------------------|--------------------------------|-------------|
| <b>CYFDA</b> | <b>Cash/Bond Building Fund</b> | <b>Cash/Bond Building Fund</b> | <b>1100</b> |
|--------------|--------------------------------|--------------------------------|-------------|

| <u>Date</u>                       | <u>Document</u> | <u>Description</u>    | <u>Module</u> | <u>Company</u> | <u>Amount</u>       |
|-----------------------------------|-----------------|-----------------------|---------------|----------------|---------------------|
| 12/31/16                          | BDS Cash        | BDS Interest Payments | GL            | CYFBDS         | \$188,487.75        |
| TOTAL CHECKS AND CHARGES CLEARED: |                 |                       |               |                | <u>\$188,487.75</u> |



**Central Yavapai Fire Bond Debt Service**  
**BR Checks and Charges Outstanding**  
For the Bank Statement ending:

| <u>Date</u> | <u>Document</u> | <u>Description</u> | <u>Module</u> | <u>Company</u> | <u>Amount</u> |
|-------------|-----------------|--------------------|---------------|----------------|---------------|
|-------------|-----------------|--------------------|---------------|----------------|---------------|

TOTAL CHECKS AND CHARGES OUTSTANDING:

**Central Yavapai Fire Bond Debt Service**  
BR Deposits and Credits Cleared  
For the Bank Statement ending: 12/31/16

| CYFDA                               |          | Cash/Bond Building Fund      | Cash/Bond Building Fund |         |             | 1100 |
|-------------------------------------|----------|------------------------------|-------------------------|---------|-------------|------|
| Date                                | Document | Description                  | Module                  | Company | Amount      |      |
| 12/31/16                            | BDS Cash | BDS Tax and Interest Revenue | GL                      | CYFBDS  | \$84,205.14 |      |
| TOTAL DEPOSITS AND CREDITS CLEARED: |          |                              |                         |         | \$84,205.14 |      |

Central Yavapai Fire Bond Debt Service  
BR Deposits and Credits Outstanding  
For the Bank Statement ending:

| Date | Document | Description | Module | Company | Amount |
|------|----------|-------------|--------|---------|--------|
|------|----------|-------------|--------|---------|--------|

TOTAL DEPOSITS AND CREDITS OUTSTANDING:

**Central Yavapai Fire Bond Debt Service**  
**Bank Reconciliation Register**

| Document Number                                         | Date     | BR Status | Void? | Description                  | Date Cleared | Amount              |
|---------------------------------------------------------|----------|-----------|-------|------------------------------|--------------|---------------------|
| <b>MODULE: JOURNAL ENTRIES FROM GENERAL LEDGER</b>      |          |           |       |                              |              |                     |
| <b>BANK CONTROL ID: CYFDA - CASH/BOND BUILDING FUND</b> |          |           |       |                              |              |                     |
| BDS Cash                                                | 12/31/16 | Marked    | No    | BDS Tax and Interest Revenue | 01/09/17     | \$84,205.14         |
| BDS Cash                                                | 12/31/16 | Marked    | No    | BDS Interest Payments        | 01/09/17     | \$188,487.75        |
| <b>SUB TOTAL FOR BANK:</b>                              |          |           |       |                              |              | <b>\$272,692.89</b> |
| <b>TOTAL FOR MODULE:</b>                                |          |           |       |                              |              | <b>\$272,692.89</b> |

Central Yavapai Fire Bond Debt Service  
BR Adjustments Report  
For the Bank Statement ending:

| Date | Document | Description | GL Account | Offset Amt | Adj. Amt |
|------|----------|-------------|------------|------------|----------|
|------|----------|-------------|------------|------------|----------|

DOCUMENT:

ADJUSTMENT DOCUMENT " TOTAL:

TOTAL FOR ALL ADJUSTMENTS:

**Central Yavapai Fire Bond Debt Service**  
GL Account Ledger - Detail By Period  
12/1/2016 through 12/31/2016

| Batch                                   | Journal | Entry # | Date     | Job | Document | Description                     | Debits             | Credits             | Balance               |
|-----------------------------------------|---------|---------|----------|-----|----------|---------------------------------|--------------------|---------------------|-----------------------|
| 1100.00                                 |         |         |          |     |          | <b>CASH / BOND DEBT SERVICE</b> |                    |                     | <b>\$1,172,570.38</b> |
| 131                                     | A       | 452     | 12/31/16 |     | BDS Cash | BDS Tax and Interest Revenue    | 84,205.14          | -                   | 1,256,775.52          |
| 132                                     | A       | 459     | 12/31/16 |     | BDS Cash | BDS Interest Payments           | -                  | 188,487.75          | 1,068,287.77          |
| <b>CASH / BOND DEBT SERVICE TOTALS:</b> |         |         |          |     |          |                                 | <b>\$84,205.14</b> | <b>\$188,487.75</b> | <b>\$1,068,287.77</b> |
| <b>TOTAL OF LEDGER:</b>                 |         |         |          |     |          |                                 | <b>\$84,205.14</b> | <b>\$188,487.75</b> | <b>\$1,068,287.77</b> |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60240-0000 Central Yavapai Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 5  
\*\*\*\*\*

|                 | (---Period---) | (---Y-T-D---) |       |              |       |              |
|-----------------|----------------|---------------|-------|--------------|-------|--------------|
| Begin Balance:  | 1,172,570.38   | 463,827.05    |       |              |       |              |
| Income . . . :  | 84,205.14      | 793,248.47    |       |              |       |              |
| LOC Advance ..  | .00            | .00           |       |              |       |              |
| Expense . . . : | 188,487.75-    | 188,787.75-   | LOC : | .00          | Levy: | 1,312,352.97 |
| LOC Payments :  | .00            | .00           | Out : | .00          | Coll: | 776,904.04   |
| Cash Balance :  | 1,068,287.77   | 1,068,287.77  | End : | 1,068,287.77 | Adj : | 178.16-      |
|                 |                |               |       |              | Out : | 535,270.77   |

Transaction Summary By Source  
Source Description

|                                                   | Beginning Balance: | 1,172,570.38<br>Monthly | 463,827.05<br>Yearly |
|---------------------------------------------------|--------------------|-------------------------|----------------------|
| 20051 2005 UPP Taxes                              |                    | .00                     | 4.88                 |
| 20061 2006 UPP Taxes                              |                    | .00                     | 2.65                 |
| 20071 2007 UPP Taxes                              |                    | .00                     | 4.78                 |
| 20081 2008 UPP Taxes                              |                    | .00                     | 5.78                 |
| 20082 2008 RE Taxes                               |                    | .00                     | .19                  |
| 20091 2009 UPP Taxes                              |                    | .00                     | 6.39                 |
| 20092 2009 RE Taxes                               |                    | .00                     | .12                  |
| 20101 <del>2010 UPP Taxes</del>                   |                    | <del>.37</del>          | 12.76                |
| 20102 2010 RE Taxes                               |                    | .00                     | .15                  |
| 20111 2011 UPP Taxes                              |                    | .00                     | 21.26                |
| 20121 2012 UPP Taxes                              |                    | .00                     | 18.37                |
| 20122 <del>2012 RE Taxes</del>                    |                    | <del>63.37-</del>       | 59.16-               |
| 20131 <del>2013 UPP Taxes</del>                   |                    | <del>1.31</del>         | 47.56                |
| 20132 <del>2013 RE Taxes</del>                    |                    | <del>81.79-</del>       | 102.78-              |
| 20141 2014 UPP Taxes                              |                    | .00                     | 50.49                |
| 20142 <del>2014 RE Taxes</del>                    |                    | <del>35.36-</del>       | 31.86-               |
| 20151 <del>2015 UPP Taxes</del>                   |                    | <del>22.05</del>        | 424.04               |
| 20152 <del>2015 RE Taxes</del>                    |                    | <del>3,182.21</del>     | 14,428.97            |
| 20161 <del>2016 UPP Taxes</del>                   |                    | <del>2,711.81</del>     | 16,392.38            |
| 20162 <del>2016 RE Taxes</del>                    |                    | <del>77,803.43</del>    | 760,511.66           |
| 38108 <del>Interest on Investments ICM</del>      |                    | <del>270.83</del>       | 545.68               |
| 38109 <del>Interest on Investments St Treas</del> |                    | <del>221.13</del>       | 878.92               |
| 38120 <del>Interest on Transwestern Loan</del>    |                    | <del>72.53</del>        | 85.24                |
| 92190 Bond Interest Payment                       |                    | 188,487.75-             | 188,487.75-          |
| 92195 Bond Redemption Payment                     |                    | .00                     | 300.00-              |
| Ending Balances:                                  | 1,068,287.77       | 1,068,287.77            | 1,068,287.77         |

|                    |             |
|--------------------|-------------|
| Real Estate Taxes: | 80,805.12   |
| UPP Taxes:         | 2,735.54    |
| Interest:          | 664.48      |
| Total:             | \$84,205.14 |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60240-0000 Central Yavapai Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 1  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                |                  |         | Begin Balance: | 1,172,570.38 |
|-------------------------|--------|----------------|------------------|---------|----------------|--------------|
| Date                    | Source | Description    | Notes            |         | Debits/Credits |              |
| 12/01                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004423 | 1,139.90       |              |
| 12/01                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004423 | 22.84          |              |
| 12/01                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004423 | 976.40         |              |
| 12/02                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004424 | 71.53          |              |
| 12/02                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004424 | 52.42          |              |
| 12/02                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004424 | 2,637.63       |              |
| 12/05                   | 20122  | 2012 RE Taxes  | TAX DISTRIBUTION | 0004425 | 24.70-         |              |
| 12/05                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004425 | 13.00          |              |
| 12/05                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004425 | 63.46          |              |
| 12/05                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004425 | 2,343.34       |              |
| 12/06                   | 20122  | 2012 RE Taxes  | TAX DISTRIBUTION | 0004426 | 26.89-         |              |
| 12/06                   | 20132  | 2013 RE Taxes  | TAX DISTRIBUTION | 0004426 | .90-           |              |
| 12/06                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004426 | 133.08         |              |
| 12/06                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004426 | 71.37          |              |
| 12/06                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004426 | 3,115.66       |              |
| 12/07                   | 20132  | 2013 RE Taxes  | TAX DISTRIBUTION | 0004427 | 7.18-          |              |
| 12/07                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004427 | 27.77          |              |
| 12/07                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004427 | 60.69          |              |
| 12/07                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004427 | 2,939.36       |              |
| 12/08                   | 20131  | 2013 UPP Taxes | TAX DISTRIBUTION | 0004428 | 1.31           |              |
| 12/08                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004428 | 7.18           |              |
| 12/08                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004428 | 30.85          |              |
| 12/08                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004428 | 2,922.83       |              |
| 12/09                   | 20132  | 2013 RE Taxes  | TAX DISTRIBUTION | 0004429 | 5.79-          |              |
| 12/09                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004429 | 168.53         |              |
| 12/09                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004429 | 96.67          |              |
| 12/09                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004429 | 2,131.28       |              |
| 12/12                   | 20122  | 2012 RE Taxes  | TAX DISTRIBUTION | 0004430 | 3.01-          |              |
| 12/12                   | 20132  | 2013 RE Taxes  | TAX DISTRIBUTION | 0004430 | 6.49-          |              |
| 12/12                   | 20142  | 2014 RE Taxes  | TAX DISTRIBUTION | 0004430 | 1.28-          |              |
| 12/12                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004430 | 170.47         |              |
| 12/12                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004430 | 81.44          |              |
| 12/12                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004430 | 2,559.46       |              |
| 12/13                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004431 | 81.91          |              |
| 12/13                   | 20161  | 2016 UPP Taxes | TAX DISTRIBUTION | 0004431 | 212.98         |              |
| 12/13                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004430 | 71.01          |              |
| 12/13                   | 20162  | 2016 RE Taxes  | TAX DISTRIBUTION | 0004431 | 2,887.11       |              |
| 12/14                   | 20132  | 2013 RE Taxes  | TAX DISTRIBUTION | 0004432 | 54.01-         |              |
| 12/14                   | 20151  | 2015 UPP Taxes | TAX DISTRIBUTION | 0004432 | 2.97           |              |
| 12/14                   | 20152  | 2015 RE Taxes  | TAX DISTRIBUTION | 0004432 | 172.61         |              |
| Debit Page Totals:      |        |                |                  |         | .00            |              |
| Credit Page Totals:     |        |                |                  |         | 25,136.81      |              |
| Page End Totals:        |        |                |                  |         | 1,197,707.19   |              |



1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60240-0000 Central Yavapai Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 2  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                               | Notes               | Debits/Credits   |
|-------------------------|--------|-------------------------------|---------------------|------------------|
| Date                    | Source | Description                   |                     |                  |
| 12/14                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004432 46.15    |
| 12/14                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004432 6,839.39 |
| 12/15                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004433 63.01    |
| 12/15                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004433 73.98    |
| 12/15                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004433 2,520.99 |
| 12/15                   | 38120  | Interest on Transwestern Loan | INVESTMENT INTEREST | 1000014110 72.53 |
| 12/16                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION    | 0004434 1.48-    |
| 12/16                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION    | 0004434 18.18-   |
| 12/16                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004434 39.97    |
| 12/16                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004434 64.90    |
| 12/16                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004434 3,289.78 |
| 12/19                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004435 138.74   |
| 12/19                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004435 62.52    |
| 12/19                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004434 8.38     |
| 12/19                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004435 2,975.06 |
| 12/20                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION    | 0004436 .79-     |
| 12/20                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION    | 0004436 8.53-    |
| 12/20                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004436 50.46    |
| 12/20                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004436 42.99    |
| 12/20                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004436 4,220.07 |
| 12/21                   | 20101  | 2010 UPP Taxes                | TAX DISTRIBUTION    | 0004437 .37      |
| 12/21                   | 20122  | 2012 RE Taxes                 | TAX DISTRIBUTION    | 0004437 6.50-    |
| 12/21                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION    | 0004437 .14-     |
| 12/21                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004437 133.24   |
| 12/21                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004437 625.95   |
| 12/21                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004437 4,576.39 |
| 12/22                   | 20132  | 2013 RE Taxes                 | TAX DISTRIBUTION    | 0004438 7.42-    |
| 12/22                   | 20151  | 2015 UPP Taxes                | TAX DISTRIBUTION    | 0004438 10.51    |
| 12/22                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004438 22.14    |
| 12/22                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004438 47.47    |
| 12/22                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004438 4,053.09 |
| 12/23                   | 20142  | 2014 RE Taxes                 | TAX DISTRIBUTION    | 0004439 7.23-    |
| 12/23                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004439 8.54     |
| 12/23                   | 20161  | 2016 UPP Taxes                | TAX DISTRIBUTION    | 0004439 23.09    |
| 12/23                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004438 44.15    |
| 12/23                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004439 4,856.48 |
| 12/27                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004440 117.12   |
| 12/27                   | 20162  | 2016 RE Taxes                 | TAX DISTRIBUTION    | 0004440 3,592.57 |
| 12/28                   | 20151  | 2015 UPP Taxes                | TAX DISTRIBUTION    | 0004441 5.46     |
| 12/28                   | 20152  | 2015 RE Taxes                 | TAX DISTRIBUTION    | 0004441 60.82    |
| Debit Page Totals:      |        | .00                           | Credit Page Totals: | 63,772.85        |
|                         |        |                               | Page End Totals:    | 1,236,343.23     |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60240-0000 Central Yavapai Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 3  
\*\*\*\*\*

| T R A N S A C T I O N S |        |                                  | Notes                         | Debits/Credits     |
|-------------------------|--------|----------------------------------|-------------------------------|--------------------|
| Date                    | Source | Description                      |                               |                    |
| 12/28                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004441 715.38     |
| 12/28                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004441 4,920.38   |
| 12/28                   | 92190  | Bond Interest Payment            | US BANK BOND PYMT-WIRE#310480 | 0004279 79,287.75- |
| 12/28                   | 92190  | Bond Interest Payment            | US BANK BOND PYMT-WIRE#310530 | 0004280 15,875.00- |
| 12/28                   | 92190  | Bond Interest Payment            | ZIONS BOND PYMT-WIRE#31048774 | 0004281 93,325.00- |
| 12/29                   | 20151  | 2015 UPP Taxes                   | TAX DISTRIBUTION              | 0004442 3.11       |
| 12/29                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004442 320.55     |
| 12/29                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004442 151.40     |
| 12/29                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004442 5,278.34   |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014139 131.52  |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014140 48.24   |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014141 53.98   |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014142 61.69   |
| 12/29                   | 38108  | Interest on Investments ICM      | INVESTMENT INTEREST           | 1000014143 75.40   |
| 12/29                   | 38109  | Interest on Investments St Treas | INVESTMENT INTEREST           | 1000014138 .33     |
| 12/29                   | 38109  | Interest on Investments St Treas | INVESTMENT INTEREST           | 1000014144 220.79  |
| 12/30                   | 20152  | 2015 RE Taxes                    | TAX DISTRIBUTION              | 0004443 241.64     |
| 12/30                   | 20161  | 2016 UPP Taxes                   | TAX DISTRIBUTION              | 0004443 165.26     |
| 12/30                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004442 43.41      |
| 12/30                   | 20162  | 2016 RE Taxes                    | TAX DISTRIBUTION              | 0004443 8,000.87   |
| Ending Debit Totals:    |        | 188,487.75-                      | Ending Credit Totals:         | 84,205.14          |
|                         |        |                                  | Ending Balance:               | 1,068,287.77       |

1/04/17  
9:46:50

Yavapai County Treasurer  
Monthly Statement

TR046DSR  
C00623

\* Account Number: 6-60240-0000 Central Yavapai Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 4  
\*\*\*\*\*

| Account              | Fund Stat Payee | Warrant | Amount | Issue Date | Date | Voucher |
|----------------------|-----------------|---------|--------|------------|------|---------|
| Status Subtotal      | :               |         | .00    |            |      |         |
| Fund Subtotal        | :               |         | .00    |            |      |         |
| Total Paid Warrants: |                 |         | .00    |            |      |         |
| Total Outstanding. : |                 |         | .00    |            |      |         |
| Total Void Warrants: |                 |         | .00    |            |      |         |
| Total Registered . : |                 |         | .00    |            |      |         |

**Central Yavapai Fire Bond Debt Service**  
GL Trial Balance Worksheet  
For The Period of 12/1/2016 through 12/31/2016

| Account | Description              | Balances              |                    |                     |                       | Adjustments |
|---------|--------------------------|-----------------------|--------------------|---------------------|-----------------------|-------------|
|         |                          | Beginning             | Debits             | Credits             | Ending                |             |
| 1100.00 | Cash / Bond Debt Service | \$1,172,570.38        | \$84,205.14        | \$188,487.75        | \$1,068,287.77        |             |
| TOTALS: |                          | <u>\$1,172,570.38</u> | <u>\$84,205.14</u> | <u>\$188,487.75</u> | <u>\$1,068,287.77</u> |             |

\* Inactive accounts are marked and appear in grey.

TO: Fire Board  
FROM: Chief Freitag  
DATE: January 10, 2017

SUBJECT: DISCUSSION OF THE CAFMA FY 2017-2018 BUDGET DEVELOPMENT  
SCHEDULE

---

*As a reminder, the budget development of each district will be minimal comparative to the JPA; therefore, not all aspects of this schedule will be applicable. We will provide budget updates and have a budget workshop in April; however, as a reminder, the detailed budget will be presented to the CAFMA Board for approval.*

*If you have any questions, please call Assistant Chief of Administration Tharp or myself at 772-7711.*



## 2017 – 2018 FISCAL YEAR

### BUDGET DEVELOPMENT SCHEDULE

|          |    |          |                                                                                                  |
|----------|----|----------|--------------------------------------------------------------------------------------------------|
| January  | 17 | 1400 hrs | Establish Budget Schedule/ Capital Replacement Schedule                                          |
| January  | 26 | 1700 hrs | All Base Budget changes submitted to Appropriate Chiefs with written justifications              |
| February | 1  | 1700 hrs | All Base Budget changes to Assistant Chief Admin                                                 |
| February | 06 | 0900 hrs | Senior Staff Discuss Base Budget's                                                               |
| February | 09 | 1700 hrs | PIR's / special requests must be submitted to Assistant Chiefs with written justifications       |
| February | 14 | 0900 hrs | Wage & Benefit Committee Meeting – discuss requests                                              |
| February | 16 |          | Obtain Final Assessed Value from Yavapai County                                                  |
| February | 21 | 1400 hrs | Board Meeting – Discuss Budget Guidelines/ Fiscal Projections                                    |
| March    | 1  | 0900 hrs | Wage & Benefit Committee Meeting – finalize requests                                             |
| March    | 06 |          | Senior Staff Discuss Base Budgets and PIR's / special requests                                   |
| March    | 21 | 1400 hrs | Board Meeting – Budget Progress Report, Present Salary & Benefit Requests – Labor Representative |
| April    | 4  | TBD      | Fire Board Special Budget Workshop -                                                             |
| April    | 18 | 1400 hrs | Board Meeting – Present Draft Budget                                                             |
| May      | 16 | 1400 hrs | Board Meeting – Approve Tentative Budget                                                         |
| May      | 18 |          | Publish and Post Tentative Budget (website & 3 public locations)                                 |
| June     | 20 | 1400 hrs | Board Meeting - <b><u>Public Hearing &amp; Final Budget Adoption</u></b>                         |
| June     | 22 | ASAP     | Deliver Budget to Yavapai County (Due August 1 <sup>st</sup> )                                   |
| July     | 01 |          | Beginning of New Budget and Fiscal Year                                                          |
| August   | 01 |          | Tax Rate Set by Yavapai County Board of Supervisors                                              |

TO: Fire Board  
FROM: Chief Freitag  
DATE: January 11, 2017

SUBJECT: DISCUSSION REGARDING FY 2016 AUDIT FINDINGS AND REPORTS

*While Hinton Burdick provided a broad overview of the FY 2016 Audit and presented the report to the Board at the December Board Meeting, we would like to provide a short presentation of some of the areas of the report and offer an opportunity for any questions to be addressed by the Board members. A copy of the FY 2016 Audit report and Communication to Govern Letters are attached for your review.*

*If you have any questions, please call Assistant Chief of Administration Tharp or myself at 772-7711.*

**CENTRAL YAVAPAI FIRE DISTRICT**  
**FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2016**  
**WITH REPORT OF**  
**CERTIFIED PUBLIC ACCOUNTANTS**



# CENTRAL YAVAPAI FIRE DISTRICT

## TABLE OF CONTENTS

|                                                                                                                                                     | <u>Page</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Independent Auditors' Report.....                                                                                                                   | 1           |
| Board of Directors.....                                                                                                                             | 3           |
| Management's Discussion and Analysis.....                                                                                                           | 5           |
| Basic Financial Statements:                                                                                                                         |             |
| Government-wide Financial Statements:                                                                                                               |             |
| Statement of Net Position.....                                                                                                                      | 15          |
| Statement of Activities .....                                                                                                                       | 16          |
| Fund Financial Statements:                                                                                                                          |             |
| Balance Sheet - Governmental Funds .....                                                                                                            | 17          |
| Reconciliation of the Balance Sheet of Governmental<br>Funds to the Statement of Net Position .....                                                 | 18          |
| Statement of Revenues, Expenditures and Changes in Fund Balances -<br>Governmental Funds .....                                                      | 19          |
| Reconciliation of the Statement of Revenues, Expenditures and Changes<br>in Fund Balances of Governmental Funds to the Statement of Activities..... | 20          |
| Statement of Net Position – Pension Trust Fiduciary Fund .....                                                                                      | 21          |
| Statement of Activities – Pension Trust Fiduciary Fund.....                                                                                         | 22          |
| Notes to the Financial Statements.....                                                                                                              | 23          |
| Required Supplementary Information                                                                                                                  |             |
| Schedule of Revenues, Expenditures and Changes in Fund Balance<br>General Fund – Budget and Actual.....                                             | 53          |
| Schedule of the Proportionate Share of the Net Pension Liability - ASRS .....                                                                       | 54          |
| Schedule of Contributions – ASRS.....                                                                                                               | 55          |
| Schedule of Changes in the Net Pension Liability and Related Ratios-PSPRS.....                                                                      | 56          |
| Schedule of Contributions-PSPRS.....                                                                                                                | 57          |
| Schedule of Agent OPEB Plan Funding Progress-PSPRS.....                                                                                             | 58          |
| Notes to the Pension Plan Schedules .....                                                                                                           | 59          |

Other Communications from Independent Auditors:

Independent Auditors’ Report on Internal Control Over Financial Reporting  
and on Compliance and other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards* ..... 64

## Independent Auditors' Report

To the Board of Directors of  
Central Yavapai Fire District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Central Yavapai Fire District, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Central Yavapai Fire District, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of the proportionate share of the net pension liability-ASRS, the schedule of contributions-ASRS, the schedule of changes in the net pension liability and related ratios-PSPRS, the schedule of contributions-PSPRS, the schedule of agent OPEB plan funding progress-PSPRS and the related notes to the pension plan schedules 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2016, on our consideration of the Central Yavapai Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Yavapai Fire District's internal control over financial reporting and compliance.



HintonBurdick, PLLC  
Flagstaff, Arizona  
December 5, 2016

## **BOARD OF DIRECTORS**

|                         |                 |
|-------------------------|-----------------|
| <b>Steve Rutherford</b> | <b>Chairman</b> |
| <b>Bob Page</b>         | <b>Clerk</b>    |
| <b>Vici Lee Jacobs</b>  | <b>Member</b>   |
| <b>Darlene Packard</b>  | <b>Member</b>   |
| <b>Tom Steele</b>       | <b>Member</b>   |

## **CHIEF OFFICERS**

|                         |                                          |
|-------------------------|------------------------------------------|
| <b>Scott Freitag</b>    | <b>Fire Chief</b>                        |
| <b>Scott Bliss</b>      | <b>Assistant Chief Support Services</b>  |
| <b>Dave Tharp</b>       | <b>Assistant Chief of Administration</b> |
| <b>Jeff Polacek</b>     | <b>Assistant Chief of Operations</b>     |
| <b>Cougan Carothers</b> | <b>Battalion Chief, A-Shift</b>          |
| <b>Brad Davis</b>       | <b>Battalion Chief, B-Shift</b>          |
| <b>Todd Abel</b>        | <b>Battalion Chief, C-Shift</b>          |
| <b>John Feddema</b>     | <b>Training Chief</b>                    |
| <b>Rick Chase</b>       | <b>Fire Marshal, Division Chief</b>      |

*This page intentionally left blank*

**Central Yavapai Fire District  
Management's Discussion and Analysis  
June 30, 2016**

---

As management of Central Yavapai Fire District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with District's financial statements.

**Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$361,582. Of this amount, \$13,154,004 is invested in capital assets, net of related debt, \$471,628 is restricted for debt service, and a negative balance of \$13,264,050 is unrestricted.
- During the year, the District's total net position increased by \$63,220.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$8,747,050, a decrease of \$1,183,518 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,761,808 or 12 percent of the 2016 fiscal year's total budgeted operating expenditures.
- The District's total debt for general obligation bonds decreased by \$915,000 during the current fiscal year. The decrease is due to the satisfaction of regularly scheduled bond debt service payments.
- Total revenue received in the General Fund was \$1,125,387 more than the final budget and expenditures were \$138,853 more than the final budget.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements which are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the basic financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. Consequently, the entity-wide presentation utilizes the accrual basis of accounting and consolidates all governmental funds of the District.

## Management's Discussion and Analysis - Continued

---

The *statement of net position* presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District 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).

The government-wide financial statements can be found on pages 15-16 of this report.

### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Management establishes governmental funds based on the application of generally accepted accounting principles and the evaluation of applicable laws, regulations and reporting objectives.

### ***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 on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The District maintains three (3) individual governmental funds: the General Fund, Capital Reserve Fund, and Debt Service Fund. Information is presented separately in the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances for each fund, each of which are considered to be the major funds of the District; the concept and determination of major funds has been established by the Governmental Accounting Standards Board (GASB).



## Management's Discussion and Analysis - Continued

---

The District adopts an annual appropriated budget to levy taxes and provide for its General Fund. A budgetary comparison schedule for the general fund has been provided as part of the supplementary information following the basic financial statements to demonstrate compliance with the budget and is presented on page 53.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

*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 statements because the resources of those funds are not available to support the District's own programs.

The fiduciary funds financial statements can be found on pages 21-22 of this report.

### ***Notes to Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 23-50 of this report.

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Central Yavapai Fire District, assets exceeded liabilities by \$361,582 at the close of the most recent fiscal year.

Of the District's net position, \$13,154,004 reflects its investment in capital assets (e.g., land, buildings and improvements, apparatus, operations equipment, communications and administrative equipment); less any related debt still outstanding used to acquire those assets. Net position of \$471,628 is restricted for scheduled debt service payments. The remaining net position of negative \$13,264,050 is unrestricted.

## Management's Discussion and Analysis - Continued

The following page contains a comparative analysis between the current and the prior fiscal year for the government-wide statements.

|                                       | <u>Governmental Activities</u> |                      |
|---------------------------------------|--------------------------------|----------------------|
|                                       | <u>6/30/2016</u>               | <u>6/30/2015</u>     |
| Assets                                |                                |                      |
| Current and other assets              | \$ 10,158,345                  | \$ 10,652,309        |
| Capital assets                        | 24,394,254                     | 23,499,509           |
| Total assets                          | <u>34,552,599</u>              | <u>34,151,818</u>    |
| <br>Deferred outflows of resources    | <br><u>6,219,315</u>           | <br><u>5,119,612</u> |
| <br>Long-term liabilities outstanding | <br>35,954,491                 | <br>35,326,329       |
| Other liabilities                     | 2,965,990                      | 1,661,925            |
| Total liabilities                     | <u>38,920,481</u>              | <u>36,988,814</u>    |
| <br>Deferred inflows of resources     | <br><u>1,489,851</u>           | <br><u>1,984,814</u> |
| Net position:                         |                                |                      |
| Net investment in capital assets      | 13,154,004                     | 11,547,139           |
| Restricted for debt service           | 471,628                        | 474,470              |
| Unrestricted                          | (13,264,050)                   | (11,723,247)         |
| Total net position                    | <u>\$361,582</u>               | <u>\$ 298,362</u>    |

In comparison to 2015, the total net position of the District increased by \$63,220. Key elements of this increase from the prior year are as follows:

- As a result of an increase in assessed valuations, property taxes increased by \$1,011,128 in 2016 in comparison to 2015.
- Expenses for personnel and public safety retirement increased \$538,819 due to increased expenditures for employed personnel and increased contribution rates for retirement programs.
- Net investment in capital assets increased by \$1,606,865 due to the purchase of multiple capital purchases, including an Administrative Building.

## Management's Discussion and Analysis - Continued

The following table presents a comparative summary of the District's revenues and expenditures for the current and preceding fiscal years.

|                                      | <u>Governmental Activities</u> |                   |
|--------------------------------------|--------------------------------|-------------------|
|                                      | <u>6/30/2016</u>               | <u>6/30/2015</u>  |
| Revenues:                            |                                |                   |
| Program revenues:                    |                                |                   |
| Charges for services                 | \$ 1,545,002                   | \$ 674,469        |
| Operating grants and contributions   | 332,856                        | 35,607            |
| General revenues:                    |                                |                   |
| Taxes                                | 14,859,244                     | 13,848,116        |
| Unrestricted interest earnings       | 32,718                         | 29,793            |
| Total revenues                       | <u>16,769,820</u>              | <u>14,587,985</u> |
| Expenses:                            |                                |                   |
| Public Safety                        | <u>16,706,600</u>              | <u>16,167,781</u> |
| Total expenses                       | <u>16,706,600</u>              | <u>16,167,781</u> |
|                                      |                                |                   |
| Increase/ (decrease) in net position | 63,220                         | (1,579,796)       |
| Net position, beginning              | 298,362                        | 21,286,610        |
| Restatement adjustment               | 0                              | (19,408,452)      |
| Net position, ending                 | <u>\$ 361,582</u>              | <u>\$ 298,362</u> |

### **Financial Analysis of the Governmental Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District'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 fiscal year.

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$8,747,050 a decrease of \$1,183,518 in comparison with the prior year's balance. The largest components of the decrease is the use of \$1,010,885 of unassigned fund balance from the prior period, and an increase of personnel and public safety retirement costs of \$386,534 from the prior year.

## Management's Discussion and Analysis - Continued

---

Of the total combined governmental fund balance of \$8,747,050, the amount restricted for debt services payments was \$471,628, and the remaining amount of \$6,513,614 is committed to capital reserves. The remaining amount is comprised of an unassigned fund balance of \$1,761,808, which is available for spending at the District's discretion.

The **General Fund** accounts for all of the financial resources of the District, which are not accounted for in any other fund. At the end of the current fiscal year, spendable fund balance of the general fund was \$1,761,808. As a measure of the general fund's liquidity, it may be useful to compare spendable fund balance to total fund expenditures. Spendable fund balance represents 10.4% of total general fund expenditures of \$16,874,499.

The **Capital Reserve Fund** accounts for reserves set aside for significant capital purchases. The Capital Projects Fund is considered to be committed to capital asset expenditures, but is available as fund liquidity for District expenditures.

The **Debt Service Fund** accounts for the property tax levy dedicated to the payment of principal and interest on general obligation bonds.

### **Budgetary Highlights**

During fiscal year 2016 there were no modifications to the General Fund's originally adopted budget. Total actual revenues were \$1,125,387 more than budgeted revenues, while total actual expenditures were \$138,853 more than budgeted expenditures. The revenue variance was attributed to more than average provided service collections and the expenditure variance was primarily attributed to more than anticipated cost for support services and capital expenses.

### **Capital Asset and Debt Administration**

**Capital assets** – The District's investment in capital assets as of June 30, 2016, totals \$24,394,254 (net accumulated depreciation). These assets include land, buildings and improvements, apparatus, operations equipment, communications and administrative equipment.

Major capital asset transactions during the year include the following:

- Payment for one (1) Type I Fire Engine
- Payment for Joint HAZ MAT Vehicle
- Payment for 2 Heart Monitors
- Payment for the purchase of Administrative Offices

For more detailed information, see page 32 in the notes to the financial statements.

## Management's Discussion and Analysis - Continued

**Long-term Debt** – At the end of the current fiscal year, the District had total outstanding debt of \$37,782,852. Long-term debt consists of the following items:

- General Obligation Bonds - \$10,855,000
- Bond Premiums - \$130,106
- Net Pension Liabilities - \$25,136,303
- Compensated Absences - \$1,406,299
- Capital Lease - \$255,144

All of the debt is backed by the full faith and credit of the District. Additional information regarding long-term debt of the District can be found in the notes to the financial statements on pages 33-35.

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

The District is subject to general economic conditions such as increases or declines in property tax value or other types of revenues that vary with economic conditions.

Property values the Central Yavapai Fire District have decreased over the few past years. Fire Districts are funded largely by property taxes and when values decrease, the District must respond in their budgeting process by cutting costs and/or increasing the tax levy.

| Fiscal Year | Net Assessed Valuations | % Change | Levy Amount | % Change | Tax Rate | Budget     | % Change |
|-------------|-------------------------|----------|-------------|----------|----------|------------|----------|
| 2010-2011   | 793,036,861             | -12.07%  | 13,409,077  | 0.01%    | \$1.69   | 15,994,167 | 8.01%    |
| 2011-2012   | 647,776,495             | -18.32%  | 12,030,906  | -10.28%  | \$1.86   | 16,893,482 | 5.62%    |
| 2012-2013   | 529,166,122             | -18.31%  | 11,565,704  | -3.87%   | \$2.19   | 18,607,437 | 10.15%   |
| 2013-2014   | 489,046,527             | -7.58%   | 11,463,180  | -0.89%   | \$2.34   | 17,053,442 | 8.35%    |
| 2014-2015   | 521,054,327             | 6.54%    | 12,355,859  | 7.79%    | \$2.37   | 16,132,327 | -5.40%   |
| 2015-2016   | 534,237,001             | 2.53%    | 13,284,318  | 7.51%    | \$2.49   | 16,735,644 | 3.74%    |

Property values in the District are down by 47.2% since fiscal year 2011. In the past fiscal year, the District saw a 2.53% increase in net assessed value; however, the implementation of Proposition 117 will enforce a maximal allowed increase in property value of 5% since fiscal year 2016. While the District has been able to budget through tax levy increases for the past two years, beginning in fiscal year 2016, property values are forecasted to increase by 2-3% annually. Therefore, the District will be forced to look at all expenses, including personnel expenses and capital replacement, and make decisions based on the new values with a conservative outlook on revenue projections.

Legislation also plays a major role in the development of budgets. With the legislative restrictions of a maximum tax rate of \$3.25, restrictive budget capacity increase of 8% per year (cumulative allowance), and Proposition 117 restriction of assessing property based on the Limited Property Value (LPV) from Full Cash Value (FCV) Assessments - the future trend will

## Management's Discussion and Analysis - Continued

---

not sustain significant M&O budget increases. However, ongoing pension liability increases and contributions with legal challenges will force further budget and expenditure restrictions. Ultimately, without ongoing new construction growth or ever-expanding District boundaries, the organization will be regressively locked in a system of limited revenue and expanding expenses due to increased service demands and personnel costs.

Due to the aforementioned challenges and financial limitations, the District had entered into an Intergovernmental Agreement (IGA) with the Chino Valley Fire District for joint management. This agreement allowed the sharing of resources through administrative and upper management, providing an opportunity for financial review and decreased costs for services, supplies and personnel for the district. The Joint Management Agreement for fiscal year 2016 has lead to a new IGA to create a Joint Powers Authority (JPA) under A.R.S § 48-805.01. This will create an organization that will manage all operations and personnel of both the Central Yavapai and Chino Valley Fire Districts. Additionally, all assets, liabilities and personnel will be transferred to the new organization – the Central Arizona Fire and Medical Authority – effective July 1, 2016.

### **Request for Information**

The District's financial statements are designed to present users (citizens, taxpayers, government entities and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about this report or need additional financial information, please contact the District's administrative office at 8555 E. Yavapai Road, Prescott Valley, 86314, call (928)772-7711, or visit the district's website at [www.cazfire.org](http://www.cazfire.org)

*This page intentionally left blank*

## **BASIC FINANCIAL STATEMENTS**



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Statement of Net Position**  
**June 30, 2016**

|                                           | <b>Governmental<br/>Activities</b> |
|-------------------------------------------|------------------------------------|
| <b>Assets</b>                             |                                    |
| Cash and cash equivalents                 | \$ 9,478,747                       |
| Accounts receivable                       | 320,452                            |
| Taxes receivable                          | 359,146                            |
| Capital assets:                           |                                    |
| Non-depreciable                           | 4,478,598                          |
| Depreciable (net)                         | 19,915,656                         |
| Total assets                              | <u>34,552,599</u>                  |
| <br><b>Deferred Outflows of Resources</b> |                                    |
| Deferred charge on refunding              | 309,324                            |
| Deferred outflows related to pensions     | 5,909,991                          |
| Total deferred outflows of resources      | <u>6,219,315</u>                   |
| <br><b>Liabilities</b>                    |                                    |
| Accounts payable                          | 505,122                            |
| Salaries and wages payable                | 472,522                            |
| Other accrued liabilities                 | 159,985                            |
| Noncurrent liabilities:                   |                                    |
| Due within one year                       | 1,828,361                          |
| Due in more than one year                 | 35,954,491                         |
| Total liabilities                         | <u>38,920,481</u>                  |
| <br><b>Deferred Inflows of Resources</b>  |                                    |
| Deferred inflows related to pensions      | 1,489,851                          |
| Total deferred inflows of resources       | <u>1,489,851</u>                   |
| <br><b>Net Position</b>                   |                                    |
| Net investment in capital assets          | 13,154,004                         |
| Restricted for debt service               | 471,628                            |
| Unrestricted                              | (13,264,050)                       |
| Total net position                        | <u><u>\$ 361,582</u></u>           |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Statement of Activities**  
**For the Year Ended June 30, 2016**

|                                                        | <b>Governmental<br/>Activities</b> |
|--------------------------------------------------------|------------------------------------|
| <b>Expenses:</b>                                       |                                    |
| Public safety - fire protection and emergency services |                                    |
| Fire safety and emergency services                     | \$ 12,692,741                      |
| Risk management services                               | 453,280                            |
| Administrative and support services                    | 1,884,936                          |
| Depreciation                                           | 1,242,059                          |
| Interest                                               | 433,584                            |
|                                                        | <u>16,706,600</u>                  |
| <b>Program revenues:</b>                               |                                    |
| Charges for services                                   | 1,545,002                          |
| Operating grants and contributions                     | 332,856                            |
|                                                        | <u>1,877,858</u>                   |
| Total program expenses                                 | <u>14,828,742</u>                  |
|                                                        |                                    |
| <b>General revenues</b>                                |                                    |
| Property taxes                                         | 14,543,848                         |
| Fire District Assistance Tax (FDAT)                    | 315,396                            |
| Interest earnings                                      | 32,718                             |
|                                                        | <u>14,891,962</u>                  |
| Total general revenues                                 | <u>14,891,962</u>                  |
|                                                        |                                    |
| Change in net position                                 | 63,220                             |
|                                                        |                                    |
| Net position - beginning                               | 298,362                            |
| Net position - ending                                  | <u><u>\$ 361,582</u></u>           |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

|                                                                       | General<br>Fund     | Capital<br>Reserve<br>Fund | Debt<br>Service<br>Fund | Total<br>Governmental<br>Funds |
|-----------------------------------------------------------------------|---------------------|----------------------------|-------------------------|--------------------------------|
| <b>Assets:</b>                                                        |                     |                            |                         |                                |
| Cash                                                                  | \$ 2,501,306        | \$ 6,513,614               | \$ 463,827              | \$ 9,478,747                   |
| Property tax receivables                                              | 326,372             | -                          | 32,774                  | 359,146                        |
| Accounts receivable                                                   | 295,452             | -                          | -                       | 295,452                        |
| Due from other funds                                                  | 25,000              | -                          | -                       | 25,000                         |
| Total Assets                                                          | <u>3,148,130</u>    | <u>6,513,614</u>           | <u>496,601</u>          | <u>10,158,345</u>              |
| <b>Liabilities:</b>                                                   |                     |                            |                         |                                |
| Accounts payable                                                      | 505,122             | -                          | -                       | 505,122                        |
| Salaries and wages payable                                            | 472,522             | -                          | -                       | 472,522                        |
| Other accrued liabilities                                             | 159,985             | -                          | -                       | 159,985                        |
| Total Liabilities                                                     | <u>1,137,629</u>    | <u>-</u>                   | <u>-</u>                | <u>1,137,629</u>               |
| <b>Deferred Inflows of Resources</b>                                  |                     |                            |                         |                                |
| Unavailable revenue - property taxes                                  | 248,693             | -                          | 24,973                  | 273,666                        |
| Total deferred inflows of resources                                   | <u>248,693</u>      | <u>-</u>                   | <u>24,973</u>           | <u>273,666</u>                 |
| <b>Fund Balance:</b>                                                  |                     |                            |                         |                                |
| Restricted-debt service                                               | -                   | -                          | 471,628                 | 471,628                        |
| Committed-capital reserves                                            | -                   | 6,513,614                  | -                       | 6,513,614                      |
| Unassigned                                                            | 1,761,808           | -                          | -                       | 1,761,808                      |
| Total Fund Balances                                                   | <u>1,761,808</u>    | <u>6,513,614</u>           | <u>471,628</u>          | <u>8,747,050</u>               |
| Total liabilities, deferred inflows of resources<br>and fund balances | <u>\$ 3,148,130</u> | <u>\$ 6,513,614</u>        | <u>\$ 496,601</u>       | <u>\$ 10,158,345</u>           |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Reconciliation of the Balance Sheet of Governmental**  
**Funds to the Statement of Net Position**  
**June 30, 2016**

---

|                                                                                                                                                                         |                     |                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------|
| Total fund balances - governmental funds                                                                                                                                |                     | \$ 8,747,050             |
| Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet as follows: |                     |                          |
| Governmental capital assets                                                                                                                                             | 34,874,251          |                          |
| Accumulated depreciation                                                                                                                                                | <u>(10,479,997)</u> | 24,394,254               |
| Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet as follows:                       |                     |                          |
| Bonds payable                                                                                                                                                           | (10,855,000)        |                          |
| Compensated absences                                                                                                                                                    | (1,406,299)         |                          |
| Unamortized bond premiums and deferred charges                                                                                                                          | 179,218             |                          |
| Capital leases                                                                                                                                                          | (255,144)           |                          |
| Net pension liability                                                                                                                                                   | <u>(25,136,303)</u> | (37,473,528)             |
| Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.                |                     |                          |
| Deferred outflows related to pensions                                                                                                                                   | (1,489,851)         |                          |
| Deferred inflows related to pensions                                                                                                                                    | <u>5,909,991</u>    | 4,420,140                |
| Receivables which are not available to pay for current period expenditures are deferred on the governmental funds balance sheet.                                        |                     | 273,666                  |
| Net position of governmental activities                                                                                                                                 |                     | <u><u>\$ 361,582</u></u> |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2016**

|                                              | General<br>Fund | Capital<br>Reserve<br>Fund | Debt<br>Service<br>Fund | Total<br>Governmental<br>Funds |
|----------------------------------------------|-----------------|----------------------------|-------------------------|--------------------------------|
| <b>Revenues:</b>                             |                 |                            |                         |                                |
| Property taxes                               | \$ 13,217,017   | \$ -                       | \$ 1,327,981            | \$ 14,544,998                  |
| Fire district assistance tax                 | 315,396         | -                          | -                       | 315,396                        |
| Maintenance agreements                       | 54,832          | -                          | -                       | 54,832                         |
| Charges for services                         | 1,145,164       | -                          | -                       | 1,145,164                      |
| Rents                                        | 33,444          | -                          | -                       | 33,444                         |
| Grants                                       | 332,856         | -                          | -                       | 332,856                        |
| Interest income                              | 13,783          | 28,408                     | 4,310                   | 46,501                         |
| Miscellaneous income                         | 297,779         | -                          | -                       | 297,779                        |
| Total Revenues                               | 15,410,271      | 28,408                     | 1,332,291               | 16,770,970                     |
| <b>Expenditures:</b>                         |                 |                            |                         |                                |
| Current:                                     |                 |                            |                         |                                |
| Fire safety and emergency services           | 12,369,459      | -                          | -                       | 12,369,459                     |
| Risk management services                     | 451,594         | -                          | -                       | 451,594                        |
| Administration and support services          | 1,889,458       | -                          | -                       | 1,889,458                      |
| Debt service:                                |                 |                            |                         |                                |
| Principal                                    | -               | -                          | 915,000                 | 915,000                        |
| Interest                                     | -               | -                          | 420,133                 | 420,133                        |
| Capital outlay                               | 2,163,988       | -                          | -                       | 2,163,988                      |
| Total Expenditures                           | 16,874,499      | -                          | 1,335,133               | 18,209,632                     |
| Excess of Revenues Over (Under) Expenditures | (1,464,228)     | 28,408                     | (2,842)                 | (1,438,662)                    |
| Other Financing Sources (Uses):              |                 |                            |                         |                                |
| Debt proceeds                                | 255,144         | -                          | -                       | 255,144                        |
| Transfers from other funds                   | 2,000,000       | 339,619                    | -                       | 2,339,619                      |
| Transfers to other funds                     | (339,619)       | (2,000,000)                | -                       | (2,339,619)                    |
| Total Other Financing Sources (Uses):        | 1,915,525       | (1,660,381)                | -                       | 255,144                        |
| Net change in fund balances                  | 451,297         | (1,631,973)                | (2,842)                 | (1,183,518)                    |
| Fund Balances - Beginning of Year            | 1,310,511       | 8,145,587                  | 474,470                 | 9,930,568                      |
| Fund Balances - End of Year                  | \$ 1,761,808    | \$ 6,513,614               | \$ 471,628              | \$ 8,747,050                   |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2016**

---

|                                                        |                |
|--------------------------------------------------------|----------------|
| Net change in fund balances - total governmental funds | \$ (1,183,518) |
|--------------------------------------------------------|----------------|

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 costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlays recorded in the current period. | 2,136,804 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|

|                                                                                                                                                   |             |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Depreciation expense on capital assets is reported in the statement of activities but it does not require the use of current financial resources. | (1,242,059) |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

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. Also, governmental funds report premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

|                                                          |           |
|----------------------------------------------------------|-----------|
| Principal paid on long-term debt                         | 915,000   |
| Proceeds from the issuance of long-term debt             | (255,144) |
| Amortization of bond premiums and deferred charges (net) | (13,451)  |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension liability is measured a year before the District's report date. Pension expense, which is the change in net pension liability adjusted for the change in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities. | (238,341) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|

|                                                                                                                                                                                                               |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in unavailable revenue - property taxes. | (1,150) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

|                                                                                                                                                                                                                                                        |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 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 governmental funds. This amount represents the change in accrued compensated absences. | (54,921) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|

|                                                   |                         |
|---------------------------------------------------|-------------------------|
| Change in net position of governmental activities | <u><u>\$ 63,220</u></u> |
|---------------------------------------------------|-------------------------|

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Statement of Net Position**  
**Pension Trust Fiduciary Fund**  
**June 30, 2016**

---

|                                    | Pension<br>Trust<br>Fund |
|------------------------------------|--------------------------|
| <b>Assets</b>                      |                          |
| Cash                               | \$ 74,154                |
| Investments                        | 345,442                  |
| Other assets                       | 222                      |
| Total Assets                       | <u>419,818</u>           |
| <b>Liabilities</b>                 |                          |
| Due to general fund                | <u>25,000</u>            |
| Total Liabilities                  | <u>25,000</u>            |
| <b>Net Position</b>                |                          |
| Held in trust for pension benefits | <u><u>\$ 394,818</u></u> |

The accompanying notes are an integral part of the financial statements.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Statement of Activities**  
**Pension Trust Fiduciary Fund**  
**For the Year Ended June 30, 2016**

---

|                               | Pension<br>Trust<br>Fund |
|-------------------------------|--------------------------|
| <b>Additions:</b>             |                          |
| Contributions:                |                          |
| Employer                      | \$ 2,918                 |
| Employee                      | 2,918                    |
| Investment earnings           | 4,733                    |
| Interest income               | 60                       |
| Total additions               | <u>10,629</u>            |
| <b>Deduction:</b>             |                          |
| Payments to plan participants | 21,950                   |
| General and administrative    | 7,992                    |
| Total deductions              | <u>29,942</u>            |
| Change in net position        | (19,313)                 |
| Net position - beginning      | <u>414,131</u>           |
| Net position - ending         | <u><u>\$ 394,818</u></u> |

The accompanying notes are an integral part of the financial statements.



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies**

---

**Reporting entity**

Central Yavapai Fire District (the District) was organized as a Special Service District pursuant to the provisions of Chapter 5 of Title 48 of the Arizona Revised Statutes – Special Taxing Districts, which sets forth the legal framework for a fire district. The District provides fire protection, emergency medical services, and public education programs for areas in and surrounding the City of Prescott, Arizona. The District is governed by an elected five member board of directors, which appoints the chairman. The District does not have any component units, meaning entities for which the District is considered to be financially accountable.

**Basis of presentation – government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

**Description of government-wide 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 and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

**Basis of presentation – fund financial statements**

The fund financial statements provide information about the government's funds. The emphasis of the District's fund financial statements is on major governmental funds, each is displayed in a separate column. Currently the District has only one fund, the General Fund.

The District reports the following major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government that are not accounted for in another fund.

The **Capital Project Fund** is used to account for board designated monies transferred from the General Fund and expended for the construction of buildings and improvements as well as for the acquisition of major equipment for use by the District.

The **Debt Service Fund** is used to account for legally restricted tax levies of the District which are used to meet ongoing debt service requirements.

Additionally, the District reports the following fund type:

The **Pension Trust Fund** is a Fiduciary Fund and is used to account for assets held on behalf of others, namely the Volunteer Firefighter Pension Trust Fund.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

**Measurement focus and basis of accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide 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.

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, Fire District Assistance Taxes (FDAT), 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***Cash, cash equivalents, and investments***

Cash includes cash on hand, demand deposits with banks and deposits with the Yavapai County Treasurer. The District's policy allows for the investment of funds in time certificates of deposit with federally insured depositories and other investments as allowed by state statutes.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

***Inventories and prepaid items***

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Also, the District's inventory of materials and supplies is deemed to be immaterial; thus, no provision for inventory has been made in these financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expenditure when consumed rather than when purchased.

***Capital Assets***

Capital assets, which include land, buildings, improvements, vehicles, equipment and furniture and fixtures, are reported in the governmental activities column in the government-wide statement of net position. In accordance with GASB 34, the District has opted not to retroactively report infrastructure assets. Capital assets are defined by the District as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

|                            |             |
|----------------------------|-------------|
| Buildings and improvements | 35-40 years |
| Vehicles and equipment     | 3-25 years  |

***Pensions***

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

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

***Deferred outflows/inflows of resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government currently has two types of items, which qualifies for reporting in this category. One item is a deferred outflow related to the refunding of the Series 2005A bonds. The other item is pension related items reported on the government-wide financial statements. See Note 7 for more information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. One item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from only one source, property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item is pension related items reported on the government-wide financial statements. See Note 7 for more information.

***Net position flow assumption***

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

***Fund balance flow assumptions***

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

***Fund balance policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing board is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The governing board (board) has by resolution authorized the board chairman to assign fund balance. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Revenues and expenditures/expenses**

***Program revenues***

Amounts reported as 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Property taxes***

Property tax revenues are recognized as revenues in the year collected or if collected within 60 days thereafter unless they are prepaid.

The County levies real property taxes on or before the third Monday in August, which 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. The County also levies various personal property taxes during the year, which are due the second Monday of the month following receipt of the tax notice and become delinquent 30 days thereafter. A lien against real and personal property assessed attaches on the first day of January preceding the assessment and levy thereof.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 1.           Summary of Significant Accounting Policies (Continued)**

---

***Compensated Absences***

The District's policy permits employees to accumulate earned but unused vacation and sick benefits, which are eligible for payment upon separation from government service. For governmental funds, amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements.

***Receivables and payables***

All program service receivables are shown net of an allowance for uncollectible amounts. However, at year end, no allowance was made for uncollectible accounts as management expects all receivables to be fully collectible.

Activities between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" on the governmental fund financial statements. The effect these interfund transactions between governmental funds are eliminated on the statement of net position.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 2.           Stewardship, Compliance and Accountability**

---

**Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds. Budgeted amounts are as originally adopted, or as amended by the Board.

Budgetary Process: State law requires that on or before the third Monday in July of each fiscal year, the Board must adopt a tentative budget. Once this tentative budget has been adopted, the expenditures may not be increased upon final adoption, however, they may be decreased.

Final Budget Adoption: State law specifies that exactly seven days prior to the day the property tax levy is adopted, the Board must adopt the final budget for the fiscal year. The date in State law for adoption of the tax levy is on or before the third Monday in August. The adopted budget then becomes the amount proposed for expenditure in the upcoming fiscal year. The adoption of the final budget may take place through a simple motion approved by the Board.

For management purposes, the District adopts a budget for departments within the General Fund. The Fire Chief is authorized to transfer budgeted amounts within departments; however, any revisions that alter total expenditures must be approved by the Board. Budget amendments are required to increase expenditure budgets. Expenditures may not legally exceed budgeted appropriations at the local activity level.

**Expenditures over Appropriations**

Expenditures may not legally exceed budgeted appropriations at the fund level. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual report as listed in the table of contents present expenditures/expenses over appropriations for the year ended June 30, 2016, if any.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 3.        Deposits and Investments**

---

Deposits and investments of the District at June 30, 2016 consist of the following:

|                                                                       | <u>Fair<br/>Value</u> | <u>Credit<br/>Rating</u> | <u>Weighted<br/>Average<br/>Maturity (2)</u> |
|-----------------------------------------------------------------------|-----------------------|--------------------------|----------------------------------------------|
| Cash on deposit with the<br>Yavapai County Treasurer (Governmental    | \$ 9,478,747          | N/A                      | N/A                                          |
| Cash on deposit with the<br>Yavapai County Treasurer (Fiduciary Fund) | \$ 74,154             | N/A                      | N/A                                          |
| Oppenheimer Limited Bond Class A                                      | 146,197               | (1)                      | N/A                                          |
| Oppenheimer Limited Term Govt Fund Class A                            | 199,245               | (1)                      | N/A                                          |
|                                                                       | <u>\$ 9,898,343</u>   |                          |                                              |

(1) Ratings are unknown.

(2) Interest rate risk is estimated using the weighted average days to maturity, when applicable.

**Deposits**

*Custodial Credit Risk*

For deposits, this is the risk that in the event of a bank failure, the government's deposit may not be returned to it. The District does not have a formal policy for custodial credit risk. The deposits, consisting of the bank balance of \$9,591,144 as of June 30, 2016, with the Yavapai County Treasurer's investment pool represent a proportionate interest in the pool's portfolio. However, the District's allocation is not identified with any specific investments and is not subject to custodial credit risk.

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the state statutes which define allowable investments.

**Credit risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing exposure to credit risk is to comply with the state statutes which define allowable investments.



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 3.           Deposits and Investments (Continued)**

---

**Investments**

The District's policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the county treasurer's pool, and other investments as allowed by state statutes. Eligible Arizona depositories as defined by state statutes are any commercial bank or savings and loan association with its principal place of business in the state of Arizona, which are insured by the federal deposit insurance corporation, or any other insuring instrumentality of the United States.

**Fair value measurements**

As noted above, the District holds investments that are measured at fair value on a recurring basis. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Oppenheimer Funds as listed above are valued using quoted prices that are observable for the assets (Level 2 inputs)

*This section intentionally left blank*

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 4. Capital Assets**

The following table summarizes changes to capital assets for the year ended June 30, 2016:

| <b>Governmental Activities:</b>              | <b>Balance<br/>6/30/2015</b> | <b>Additions</b>   | <b>Deletions</b> | <b>Reclassifications</b> | <b>Balance<br/>6/30/2016</b> |
|----------------------------------------------|------------------------------|--------------------|------------------|--------------------------|------------------------------|
| Capital assets, not being depreciated:       |                              |                    |                  |                          |                              |
| Land                                         | \$ 2,807,151                 | \$ -               | \$ -             | \$ -                     | \$ 2,807,151                 |
| Construction in progress                     | 401,761                      | 2,136,804          | -                | (867,118)                | 1,671,447                    |
| Total capital assets, not being depreciated  | <u>3,208,912</u>             | <u>2,136,804</u>   | <u>-</u>         | <u>(867,118)</u>         | <u>4,478,598</u>             |
| Capital assets, being depreciated:           |                              |                    |                  |                          |                              |
| Buildings and improvements                   | 18,199,365                   | -                  | -                | -                        | 18,199,365                   |
| Vehicles                                     | 7,136,427                    | -                  | -                | 582,074                  | 7,718,501                    |
| Furniture and equipment                      | 4,192,743                    | -                  | -                | 285,044                  | 4,477,787                    |
| Total capital assets, being depreciated      | <u>29,528,535</u>            | <u>-</u>           | <u>-</u>         | <u>867,118</u>           | <u>30,395,653</u>            |
| Less accumulated depreciation for:           |                              |                    |                  |                          |                              |
| Buildings and improvements                   | (3,535,060)                  | (487,628)          | -                | -                        | (4,022,688)                  |
| Vehicles                                     | (3,630,186)                  | (407,712)          | -                | (5,709)                  | (4,043,607)                  |
| Furniture and equipment                      | (2,072,692)                  | (346,719)          | -                | 5,709                    | (2,413,702)                  |
| Total accumulated depreciation               | <u>(9,237,938)</u>           | <u>(1,242,059)</u> | <u>-</u>         | <u>-</u>                 | <u>(10,479,997)</u>          |
| Total capital assets, being depreciated, net | <u>20,290,597</u>            | <u>(1,242,059)</u> | <u>-</u>         | <u>867,118</u>           | <u>19,915,656</u>            |
| Governmental activities capital assets, net  | <u>\$ 23,499,509</u>         | <u>\$ 894,745</u>  | <u>\$ -</u>      | <u>\$ -</u>              | <u>\$ 24,394,254</u>         |

Depreciation expense of \$1,242,059 was charged to the public safety function of the District.

*This section intentionally left blank*

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 5. Long-Term Debt**

The following is a summary of changes in long-term debt for the year ended June 30, 2016:

|                               | Balance<br>6/30/2015 | Additions           | Retirements           | Balance<br>6/30/2016 | Current<br>Portion  |
|-------------------------------|----------------------|---------------------|-----------------------|----------------------|---------------------|
| General Obligation Bonds:     |                      |                     |                       |                      |                     |
| Series 2005A                  | \$ 1,240,000         | \$ -                | \$ (605,000)          | \$ 635,000           | \$ 635,000          |
| Series 2008B                  | 4,600,000            | -                   | (275,000)             | 4,325,000            | 285,000             |
| Series 2013                   | 5,930,000            | -                   | (35,000)              | 5,895,000            | 95,000              |
| Bond Premiums                 | 182,370              | -                   | (52,264)              | 130,106              | -                   |
| Capital Lease                 | -                    | 255,144             | -                     | 255,144              | 47,761              |
| Net Pension Liabilities       | 23,237,581           | 1,898,722           | -                     | 25,136,303           | -                   |
| Compensated Absences          | 1,351,378            | 765,600             | (710,679)             | 1,406,299            | 765,600             |
| Total Governmental Activities | <u>\$ 36,541,329</u> | <u>\$ 2,919,466</u> | <u>\$ (1,677,943)</u> | <u>\$ 37,782,852</u> | <u>\$ 1,828,361</u> |

Long-term debt of the District at June 30, 2016 is comprised of the following issues:

**General Obligation Bonds:**

**Governmental Activities:**

Series 2005A General Obligation Bonds, due in annual principal installments ranging from \$550,000 to \$635,000, bearing interest semi-annually at 2.25% to 4.30%, maturing July 1, 2017. \$ 635,000

Series 2008B General Obligation Bonds, due in annual principal installments ranging from \$255,000 to \$450,000, bearing interest semi-annually at 2.00% to 4.40%, maturing July 1, 2028. 4,325,000

Series 2013 General Obligation Bonds, due in annual principal installments ranging from \$35,000 to \$895,000, bearing interest semi-annually at 2.69%, maturing July 1, 2024. 5,895,000

Total Governmental Activities 10,855,000

Net Pension Liabilities 25,136,303  
Accrued Compensated Absences 1,406,299  
Capital Lease 255,144  
Bond Premiums 130,106

Total Long-Term Debt 37,782,852

Less Current portion:  
Governmental Activities (1,828,361)

Net Long-Term Debt \$ 35,954,491

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 5. Long-Term Debt (Continued)**

---

The annual requirements to amortize bonds payable at June 30, 2016 are as follows:

| Year Ended<br>June 30, | General Obligation Bonds |                     |
|------------------------|--------------------------|---------------------|
|                        | Principal                | Interest            |
| 2017                   | \$ 1,015,000             | \$ 419,167          |
| 2018                   | 1,055,000                | 377,917             |
| 2019                   | 1,095,000                | 331,270             |
| 2020                   | 1,125,000                | 299,026             |
| 2021-2025              | 5,270,000                | 964,231             |
| 2026-2028              | <u>1,295,000</u>         | <u>194,175</u>      |
| Totals                 | <u>\$ 10,855,000</u>     | <u>\$ 2,585,786</u> |

In prior years, the District defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements.

In June 2016, the District entered into a capital lease agreement with Motorola Solutions, Inc. as lessor to finance the purchase of radio equipment. The capital lease payable totaled \$255,144. Under the terms of the lease, annual payments of \$56,206 shall be made including interest at an effective rate of 3.31 percent. The final payment is scheduled to be made in May 2021. The balance outstanding at June 30, 2016 was \$255,144.

A summary of capital assets financed through capital leases is as follows:

|           | Cost       | Depreciation<br>Expense | Accumulated<br>Depreciation |
|-----------|------------|-------------------------|-----------------------------|
| Equipment | \$ 255,144 | \$ 8,505                | \$ 8,505                    |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 5. Long-Term Debt (Continued)**

---

The future minimum lease obligation and the net present value of these lease payments as of June 30, 2016 were as follows:

| Year Ended<br>June 30,                                | Governmental<br>Activities |
|-------------------------------------------------------|----------------------------|
| <u>          </u>                                     | <u>          </u>          |
| 2017                                                  | \$ 56,206                  |
| 2018                                                  | 56,206                     |
| 2019                                                  | 56,206                     |
| 2020                                                  | 56,206                     |
| 2021                                                  | <u>56,206</u>              |
| Total remaining minimum lease payments:               | 281,030                    |
| Less: amount representing interest:                   | <u>(25,886)</u>            |
| Present value of remaining minimum<br>lease payments: | <u><u>\$ 255,144</u></u>   |

---

**Note 6. Interfund Transfers**

---

Interfund transfers for the fiscal year ending June 30, 2016 are as follows:

|                       | Transfers in:              |                            |
|-----------------------|----------------------------|----------------------------|
|                       | General<br>Fund            | Capital<br>Reserve<br>Fund |
|                       | <u>          </u>          | <u>          </u>          |
| <u>Transfers out:</u> |                            |                            |
| General Fund          | \$ -                       | \$ 339,619                 |
| Capital Project Fund  | <u>2,000,000</u>           | <u>-</u>                   |
| Total                 | <u><u>\$ 2,000,000</u></u> | <u><u>\$ 339,619</u></u>   |

Transfers were made to move unrestricted general fund revenues to the capital project fund to be used for future purchases of capital assets and from the capital projects fund to the general fund for the current year purchase of capital assets.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans**

---

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

At June 30, 2016, the District reported the following aggregate amounts related to pensions for all to which it contributes:

| <b>Statement of Net Position and<br/>Statement of Activities</b> | <b>Governmental<br/>Activities</b> |
|------------------------------------------------------------------|------------------------------------|
| Net pension liabilities                                          | \$ 25,136,303                      |
| Deferred outflows of resources                                   | 5,909,991                          |
| Deferred inflows of resources                                    | 1,489,851                          |
| Pension expense                                                  | 2,370,092                          |

The District's accounts payable and other current liabilities includes \$121,253 of outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2016. Also, the District reported \$2,131,751 of pension contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

**Arizona State Retirement System (ASRS)**

**Plan description** – The District participates in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at [www.azasrs.gov](http://www.azasrs.gov).

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

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

|                                                      | <b>Initial Membership Date<br/>Before July 1, 2011</b>                                   | <b>Initial Membership Date<br/>On or After July 1, 2011</b>                                  |
|------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Years of service and age required to receive benefit | Sum of years and age equals 80<br>10 years age 62<br>5 years age 50*<br>any years age 65 | 30 years age 55<br>25 years age 60<br>10 years age 62<br>5 years age 50*<br>any years age 65 |
| Final average salary is based on                     | Highest 36 consecutive months of last 120 months                                         | Highest 60 consecutive months of last 120 months                                             |
| Benefit percent per year of service                  | 2.1% to 2.3%                                                                             | 2.1% to 2.3%                                                                                 |

\* With actuarially reduced benefits.

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

**Contributions** – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2016, statute required active ASRS members to contribute at the actuarially determined rate of 11.47 percent (11.35 percent for retirement and 0.12 percent for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 11.47 percent (10.85 percent for retirement, 0.50 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members' annual covered payroll.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

The District's contributions for the current and 2 preceding fiscal years, all of which were equal to the required contributions, were as follows:

| Year Ended<br>June 30, | Retirement<br>Fund | Health Benefit<br>Supplement Fund | Long-Term<br>Disability Fund |
|------------------------|--------------------|-----------------------------------|------------------------------|
| 2014                   | \$ 120,036         | \$ 6,633                          | \$ 2,653                     |
| 2015                   | 125,127            | 6,779                             | 1,379                        |
| 2016                   | 143,560            | 6,616                             | 1,588                        |

**Pension liability** – At June 30, 2016, the District reported a liability of \$1,934,867 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2014, to the measurement date of June 30, 2015. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The District's proportion measured as of June 30, 2015, was 0.012420 percent, which was a decrease of 0.000025 percent from its proportion measured as of June 30, 2014.

**Pension expense and deferred outflows/inflows of resources** – For the year ended June 30, 2016, the District recognized pension expense for ASRS of \$140,189. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                     | Deferred<br>Outflows of<br>Resources | Deferred Inflows<br>of Resources |
|-----------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------------|
| Differences between expected and actual experience                                                  | \$ 52,798                            | \$ 101,389                       |
| Net difference between projected and actual earnings on pension plan investments                    | -                                    | 62,008                           |
| Changes in proportion and differences between contributions and proportional share of contributions | 36,987                               | 2,810                            |
| Contributions subsequent to the measurement date                                                    | 143,560                              | -                                |
| Total                                                                                               | <u>\$ 233,345</u>                    | <u>\$ 166,207</u>                |

The \$143,560 reported as deferred outflows of resources related to ASRS pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans (Continued)**

---

resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

| Year Ended<br>June 30 | Deferred<br>Outflows<br>(Inflows) of<br>Resources |
|-----------------------|---------------------------------------------------|
| 2017                  | \$ (13,888)                                       |
| 2018                  | (62,234)                                          |
| 2019                  | (45,063)                                          |
| 2020                  | 44,763                                            |
| 2021                  | -                                                 |
| Thereafter            | -                                                 |

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

|                             |                   |
|-----------------------------|-------------------|
| Actuarial valuation date    | June 30, 2014     |
| Actuarial roll forward date | June 30, 2015     |
| Actuarial cost method       | Entry age normal  |
| Investment rate of return   | 8%                |
| Projected salary increases  | 3-6.75%           |
| Inflation                   | 3%                |
| Permanent benefit increase  | Included          |
| Mortality rates             | 1994 GAM Scale BB |

Actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2012.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

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

| Asset Class  | Expected Return Arithmetic Basis   |                              |                                                  |
|--------------|------------------------------------|------------------------------|--------------------------------------------------|
|              | Target Asset Allocation            | Real Return Arithmetic Basis | Long-Term Expected Portfolio Real Rate of Return |
| Equity       | 58%                                | 6.79%                        | 3.94%                                            |
| Fixed income | 25%                                | 3.70%                        | 0.93%                                            |
| Commodities  | 2%                                 | 3.93%                        | 0.08%                                            |
| Real Estate  | 10%                                | 4.25 %                       | 0.42%                                            |
| Multi-asset  | 5%                                 | 3.41%                        | 0.17%                                            |
| Totals       | 100%                               |                              | 5.54%                                            |
|              | Inflation                          |                              | 3.25%                                            |
|              | Expected arithmetic nominal return |                              | 8.79%                                            |

**Discount Rate** – The discount rate used to measure the ASRS total pension liability was 8 percent, which is less than the long-term expected rate of return of 8.79 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the proportionate share of the net pension liability to changes in the discount rate** – The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (7 percent) or 1 percentage point higher (9 percent) than the current rate:

|                                 | 1% Decrease<br>(7.00%) | Discount Rate<br>(8.00%) | 1% Increase<br>(9.00%) |
|---------------------------------|------------------------|--------------------------|------------------------|
| Proportionate share of          |                        |                          |                        |
| Net pension (asset) / liability | \$ 2,535,337           | \$ 1,934,867             | \$ 1,523,348           |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans (Continued)**

---

**Pension plan fiduciary net position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

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

**Plan description** – The District contributes to the Public Safety Personnel Retirement System (PSPRS), an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona or a political subdivision thereof. The PSPRS, acting as a common investment administrative agent, is governed by a five-member board, known as the Fund Manager, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. That report may be obtained by writing to Public Safety Personnel, 3010 E. Camelback Road, Suite 200, Phoenix, AZ 85016 or by calling (602) 255-5575.

*This section intentionally left blank*

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

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

|                                                      | Initial Membership Date<br>Before January 1, 2012                                                                                                                                                        | Initial Membership Date<br>On or After January 1, 2012 |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| Retirement and Disability                            |                                                                                                                                                                                                          |                                                        |
| Years of service and age required to receive benefit | 20 years any age<br>15 years age 62                                                                                                                                                                      | 25 years age 52.5                                      |
| Final average salary is based on                     | Highest 36 consecutive months of last 20 years                                                                                                                                                           | Highest 60 consecutive months of last 20 years         |
| Benefit percent                                      |                                                                                                                                                                                                          |                                                        |
| Normal Retirement                                    | 50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%                                               | 2.5% per year of credited service, not to exceed 80%   |
| Accidental Disability Retirement                     | 50% or normal retirement, whichever is greater                                                                                                                                                           |                                                        |
| Catastrophic Disability Retirement                   | 90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater                                                                                                      |                                                        |
| Ordinary Disability Retirement                       | Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20 |                                                        |
| Survivor Benefit                                     |                                                                                                                                                                                                          |                                                        |
| Retired Members                                      | 80% to 100% of retired member's pension benefit                                                                                                                                                          |                                                        |
| Active Members                                       | 80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job                                                  |                                                        |

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on excess investment earnings. In addition, from and after December 31, 2015, the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans (Continued)**

---

**Employees covered by benefit terms** – At June 30, 2016, the following employees were covered by the agent pension plans' benefit terms:

|                                                                  |            |
|------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefits | 33         |
| Inactive employees entitled to but not yet receiving benefits    | 15         |
| Active employees                                                 | 74         |
| Total                                                            | <u>122</u> |

**Contributions and annual OPEB cost** – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements for pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2016, active PSPRS members were required by statute to contribute 11.65 percent of their annual covered salary to the PSPRS and the District was required to contribute 35.42 percent, the remaining amounts necessary to fund the PSPRS, as determined by the actuarial basis specified by statute. The health insurance premium portion of the contribution rate was actuarially set at 0.29 percent.

For the agent plans, the District's contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2016, were:

**Pension**

|                    |              |
|--------------------|--------------|
| Contributions made | \$ 1,962,621 |
|--------------------|--------------|

**Health Insurance Premium Benefit**

|                    |           |
|--------------------|-----------|
| Annual OPEB cost   | \$ 17,367 |
| Contributions made | 17,367    |

**Pension liability** – At June 30, 2016, the District reported a net pension liability of \$23,201,436. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liabilities as of June 30, 2015, reflect the following changes of benefit terms and actuarial assumptions.

- In May 2016 voters approved Proposition 124 that authorized certain statutory adjustments to PSPRS' automatic cost-of-living adjustments. The statutory adjustments change the basis for future cost-of-living adjustments from excess investment earnings to the change in the consumer price index, limited to a maximum annual increase of 2 percent. The change in the District's net pension liability as a result of the statutory adjustments is not known.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

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

|                            |                                                                          |
|----------------------------|--------------------------------------------------------------------------|
| Actuarial valuation date   | June 30, 2015                                                            |
| Actuarial cost method      | Individual Entry Age Normal                                              |
| Discount rate              | 7.85%                                                                    |
| Projected salary increases | 4.0% to 8.0% including inflation                                         |
| Inflation                  | 4.0%                                                                     |
| Permanent benefit increase | Included                                                                 |
| Mortality rates            | RP-2000 mortality table (adjusted by 105%<br>for both males and females) |

Actuarial assumptions used in the June 30, 2015, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2011.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.85 using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometrical real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u>   | <u>Target<br/>Allocation</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|----------------------|------------------------------|-------------------------------------------------------|
| U.S. Equity          | 16.00%                       | 6.23%                                                 |
| Non-U.S. Equity      | 14.00%                       | 8.25%                                                 |
| Private Equity       | 11.00%                       | 9.50%                                                 |
| Fixed Income         | 7.00%                        | 2.92%                                                 |
| Credit Opportunities | 13.00%                       | 7.08%                                                 |
| Absolute Return      | 5.00%                        | 4.11%                                                 |
| GTAA                 | 10.00%                       | 4.38%                                                 |
| Real Assets          | 8.00%                        | 4.77%                                                 |
| Real Estate          | 10.00%                       | 4.48%                                                 |
| Risk Parity          | 4.00%                        | 5.13%                                                 |
| Short Term Inv       | 2.00%                        | 0.75%                                                 |
| <b>Total</b>         | <b>100.00%</b>               |                                                       |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

**Discount Rate** –A Single Discount Rate of 7.85% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.85%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability**

|                                                                                                     | <b>Total Pension<br/>Liability<br/>(a)</b> | <b>Plan Fiduciary<br/>Net Position (b)</b> | <b>Net Pension<br/>Liability<br/>(a) - (b)</b> |
|-----------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|
| Balances at June 30, 2015                                                                           | \$ 45,278,068                              | \$ 23,881,932                              | \$ 21,396,136                                  |
| Changes for the year:                                                                               |                                            | -                                          |                                                |
| Service cost                                                                                        | 1,035,170                                  | -                                          | 1,035,170                                      |
| Interest on total pension liability                                                                 | 3,487,876                                  | -                                          | 3,487,876                                      |
| Changes of benefit terms                                                                            | -                                          | -                                          | -                                              |
| Difference between expected and<br>actual experience in the measurement of<br>the pension liability | 407,232                                    | -                                          | 407,232                                        |
| Changes of assumptions                                                                              | -                                          | -                                          | -                                              |
| Contributions - employer                                                                            | -                                          | 1,600,476                                  | (1,600,476)                                    |
| Contributions - employee                                                                            | -                                          | 658,449                                    | (658,449)                                      |
| Net investment income                                                                               | -                                          | 866,725                                    | (866,725)                                      |
| Benefit payments, including refunds<br>of employee contributions                                    | (2,728,228)                                | (2,728,228)                                | -                                              |
| Other changes*                                                                                      | -                                          | (672)                                      | 672                                            |
| Net changes                                                                                         | 2,202,050                                  | 396,750                                    | 1,805,300                                      |
| Balances at June 30, 2016                                                                           | \$ 47,480,118                              | \$ 24,278,682                              | \$ 23,201,436                                  |

\* Other changes include adjustments for prior year GASB 68 and reserve transfer to/from employer and employee reserves.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

**Sensitivity of the proportionate share of the net pension liability to changes in the discount rate –**

The following table presents the District's net pension liability calculated using the discount rate noted above, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

|                                 | 1% Decrease<br>(6.85%) | Discount Rate<br>(7.85%) | 1% Increase<br>(8.85%) |
|---------------------------------|------------------------|--------------------------|------------------------|
| Proportionate share of          |                        |                          |                        |
| Net pension (asset) / liability | \$ 28,969,759          | \$ 23,201,436            | \$ 18,400,910          |

**Pension plan fiduciary net position** – Detailed information about the pension plan's fiduciary net position is available in the separately issued PSPRS financial report.

**Pension expense and deferred outflows/inflows of resources** – For the year ended June 30, 2016, the District recognized pension expense for PSPRS of \$2,229,903. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                         | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---------------------------------------------------------|-----------------------------------------------|----------------------------------------------|
| Differences between expected and actual experience      | \$ 354,139                                    | \$ 620,807                                   |
| Changes in assumptions                                  | 2,568,238                                     | -                                            |
| Net difference between projected and actual earnings on | 791,648                                       | 702,837                                      |
| Contributions subsequent to the measurement date        | 1,962,621                                     | -                                            |
| Total                                                   | <u>\$ 5,676,646</u>                           | <u>\$ 1,323,644</u>                          |



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans (Continued)**

---

The \$1,962,621 reported as deferred outflows of resources related to PSPRS pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PSPRS pensions will be recognized in pension expense as follows:

| <b>Year Ended<br/>June 30</b> | <b>Deferred<br/>Outflows<br/>(Inflows) of<br/>Resources</b> |
|-------------------------------|-------------------------------------------------------------|
| 2017                          | \$ 345,722                                                  |
| 2018                          | 345,722                                                     |
| 2019                          | 345,722                                                     |
| 2020                          | 580,001                                                     |
| 2021                          | 382,089                                                     |
| Thereafter                    | 391,125                                                     |

**Agent plan OPEB actuarial assumptions** – The health insurance premium benefit contribution requirements for the year ended June 30, 2015, were established by the June 30, 2013, actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions.

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

Projections of benefits are based on (1) the plan as the District and plans' members understand them and include the types of benefits in force at the valuation date, and (2) the pattern of sharing benefit costs between the District and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for all PSPRS plans and related benefits (unless noted), and the following actuarial methods and assumptions were used to establish the fiscal year 2016 contribution requirements:

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

**Note 7. Retirement and Pension Plans (Continued)**

|                               |                                                        |
|-------------------------------|--------------------------------------------------------|
| Actuarial valuation date      | June 30, 2014                                          |
| Actuarial cost method         | Individual Entry Age Normal                            |
| Amortization Method           | Level Percentage of Pay, Closed                        |
| Remaining Amortization Period | 22 years for unfunded liabilities; 20 years for excess |
| Asset valuation method        | 7-Year smoothed market; 20% corridor                   |
| Actuarial assumptions:        |                                                        |
| Investment rate of return     | 7.85%                                                  |
| Projected salary increases    | 4.5%-8.5%                                              |
| Wage growth                   | 4.50%                                                  |

**Agent plan OPEB trend information** – Annual OPEB cost information for the health insurance premium benefit for the current and two preceding years follows for each of the agent plans:

| Plan             | Year Ended<br>June 30, | Annual<br>Pension/<br>OPEB Cost | Percentage of<br>Annual Cost<br>Contributed | Net Pension/<br>OPEB<br>Obligation |
|------------------|------------------------|---------------------------------|---------------------------------------------|------------------------------------|
| Health Insurance | 2014                   | \$ 72,644                       | 100%                                        | -                                  |
|                  | 2015                   | 75,252                          | 100%                                        | -                                  |
|                  | 2016                   | 17,367                          | 100%                                        | -                                  |

**Agent plan OPEB funded status** – The health insurance premium benefit plans' funded status as of the most recent valuation date, June 30, 2015, along with the actuarial assumptions and methods used in those valuations follow.

|                                                   |                              |
|---------------------------------------------------|------------------------------|
|                                                   | <u>Insurance<br/>Subsidy</u> |
| Actuarial accrued liability (AAL)                 | \$ 1,014,068                 |
| Actuarial value of plan assets                    | <u>987,183</u>               |
| Unfunded actuarial accrued liability (UAAL)       | <u>\$ 26,885</u>             |
| Funded ratio (actuarial value of plan assets/AAL) | 97.35%                       |
| Covered payroll (active plan members)             | \$ 5,400,098                 |
| UAAL as a percentage of covered payroll           | 0.50%                        |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 7. Retirement and Pension Plans (Continued)**

---

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

|                               |                                                        |
|-------------------------------|--------------------------------------------------------|
| Actuarial valuation date      | June 30, 2015                                          |
| Actuarial cost method         | Individual Entry Age Normal                            |
| Amortization Method           | Level Percentage of Pay, Closed                        |
| Remaining Amortization Period | 21 years for unfunded liabilities; 20 years for excess |
| Asset valuation method        | 7-Year smoothed market; 20% corridor                   |
| Actuarial assumptions:        |                                                        |
| Investment rate of return     | 7.85%                                                  |
| Projected salary increases    | 4.0%-8.0%                                              |
| Wage growth                   | 4.0%                                                   |

**Volunteer Firefighters' Relief and Pension Fund**

**Description of Plan** – Central Yavapai Fire District, under Arizona Revised Statutes (ARS) 9-981, has established the Volunteer Firefighters' Relief and Pension Fund, a defined benefit plan. All reserve firefighters of the District participate in the plan. Participants are required to contribute 10% of compensation and not less than \$75 annually. The District matches the contributions of each participant. During fiscal year 2016 plan participants made contributions of \$2,918 into the plan. The District also contributed \$2,918. Distributions are made to plan participants based on the following criteria:

- Partial retirement pension payments will be made with a minimum of 10 years of credited service. Payments are not made until the participant reaches age 55. The payment is \$150 per month with a \$20 increase per month for every additional year of credited service.
- Full retirement pension payments will be made with 25 years of credited service. Payments are not made until the participant reaches age 55. The payment is \$350 per month.
- Death benefits will be paid to beneficiaries, whether in active service or if vested. The benefit will be the member's contributions plus interest. If the vested amount has not been paid out, the balance, plus interest will be paid to the beneficiary.
- Severance of employment of a reserve in good standing (prior to 10 year vested status) will result in a lump sum payment of employee contributions plus interest of 1% above passbook savings rate.
- Severance of employment of a reserve not in good standing will result in lump sum payment for accumulated employee contributions plus interest determined by the pension board.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Notes to the Financial Statements**  
**June 30, 2016**

---

**Note 8.           Risk Management**

---

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets and natural disasters. The District has insurance protection and the limit for basic coverage is for \$1,000,000 per occurrence on a 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.

---

**Note 9.           Intergovernmental Agreements**

---

The Chino Valley and Central Yavapai Fire Districts entered into a Joint Management Agreement for the purpose of utilizing Administrative and Senior Management Personnel more effectively for fulfilling the essential and redundant requirements of both organizations. While both organizations have existing IT, Purchasing, Fleet Maintenance, Fire Prevention and Firefighting Operations IGAs, to jointly use the Fire Chief, Finance, HR and Senior Management Staff was an experimental concept for fire districts. This was approved and in effect June 2014.

---

**Note 10.          Subsequent Events**

---

Per A.R.S. 48 §805.01, the Chino Valley Fire District and Central Yavapai Fire District Boards of Directors unanimously voted and approved to create a Joint Powers Authority (JPA) on October 15<sup>th</sup>, 2015 for an effective date of July 1, 2016. While Chino Valley and Central Yavapai will still be in existence for the purpose of collecting taxes and bonding authority, the operations and employee management will be through the Central Arizona Fire and Medical Authority. The purpose of creating the Central Arizona Fire and Medical Authority (CAFMA) is to facilitate the efficient operation of both organizations through combined resources while reducing costs through combining purchasing, providing services and vendor accounts. Individual organizational future costs are also deferred due to reassignment of resources and personnel management. As per the Intergovernmental Agreement (IGA), both organizations transferred all assets, liabilities and personnel to CAFMA effective July 1, 2016. This transfer included all cash, titles of real property and vehicles, receivables, long and short term liabilities (bond debt excluded) and personnel costs (including retirement obligations).

The Central Yavapai and Chino Valley Fire Districts continue to exist as taxing authorities and transfer most receivables to fund the operational expenses of CAFMA as approved in the budgets of each organization. CAFMA is unable to bond for capital asset purchases and that statutory authority (including the bond debt obligation of repayment) is held with each Fire District. A copy of the Resolutions and IGA to create the Joint Powers Authority are available upon request.

*This page intentionally left blank*

### **Required Supplementary Information**

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**General Fund – Budget and Actual**  
**For the Year Ended June 30, 2016**

|                                              | Budget Amounts |               | Actual        | Variance with<br>Final Budget |
|----------------------------------------------|----------------|---------------|---------------|-------------------------------|
|                                              | Original       | Final         | Amounts       | Positive<br>(Negative)        |
| <b>Revenues:</b>                             |                |               |               |                               |
| Property taxes                               | \$ 13,284,318  | \$ 13,284,318 | \$ 13,217,017 | \$ (67,301)                   |
| Fire district assistance tax                 | 313,900        | 313,900       | 315,396       | 1,496                         |
| Maintenance agreements                       | 46,056         | 46,056        | 54,832        | 8,776                         |
| Charges for services                         | 342,600        | 342,600       | 1,145,164     | 802,564                       |
| Rents                                        | 38,000         | 38,000        | 33,444        | (4,556)                       |
| Licenses and permits                         | 200            | 200           | -             | (200)                         |
| Grants                                       | 165,810        | 165,810       | 332,856       | 167,046                       |
| Interest income                              | 15,000         | 15,000        | 13,783        | (1,217)                       |
| Miscellaneous income                         | 79,000         | 79,000        | 297,779       | 218,779                       |
| Total Revenues                               | 14,284,884     | 14,284,884    | 15,410,271    | 1,125,387                     |
| <b>Expenditures:</b>                         |                |               |               |                               |
| Current:                                     |                |               |               |                               |
| Fire safety and emergency services           | 12,427,715     | 12,427,715    | 12,369,459    | 58,256                        |
| Risk management services                     | 514,533        | 514,533       | 451,594       | 62,939                        |
| Administration and support services          | 1,708,552      | 1,708,552     | 1,889,458     | (180,906)                     |
| Contingency                                  | 732,538        | 732,538       | -             | 732,538                       |
| Capital outlay                               | 1,352,308      | 1,352,308     | 2,163,988     | (811,680)                     |
| Total Expenditures                           | 16,735,646     | 16,735,646    | 16,874,499    | (138,853)                     |
| Excess of Revenues Over/(Under) Expenditures | (2,450,762)    | (2,450,762)   | (1,464,228)   | 986,534                       |
| Other Financing Sources (Uses):              |                |               |               |                               |
| Debt proceeds                                | -              | -             | 255,144       | (255,144)                     |
| Transfers from other funds                   | 1,352,308      | 1,352,308     | 2,000,000     | 647,692                       |
| Transfers to other funds                     | -              | -             | (339,619)     | (339,619)                     |
| Total Other Financing Sources (Uses):        | 1,352,308      | 1,352,308     | 1,915,525     | 52,929                        |
| Net change in fund balance                   | (1,098,454)    | (1,098,454)   | 451,297       | 1,549,751                     |
| Fund Balance - Beginning of Year             | 1,098,454      | 1,098,454     | 1,310,511     | 212,057                       |
| Fund Balance - End of Year                   | \$ -           | \$ -          | \$ 1,761,808  | \$ 1,761,808                  |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Schedule of the Proportionate Share of the Net Pension Liability-ASRS**  
**June 30, 2016**

**Arizona State Retirement System**

|                                                                                                          | <b>Reporting Fiscal Year<br/>(Measurement Date)</b> |                        |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------|
|                                                                                                          | <b>2016<br/>(2015)</b>                              | <b>2015<br/>(2014)</b> |
| Proportion of the net pension liability (asset)                                                          | 0.012420%                                           | 0.001245%              |
| Proportionate share of the net pension liability (asset)                                                 | \$ 1,934,867                                        | \$ 1,841,445           |
| Covered employee payroll                                                                                 | \$ 1,329,980                                        | \$ 1,144,117           |
| Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 145.48%                                             | 160.95%                |
| Plan fiduciary net position as a percentage of the total pension liability                               | 68.35%                                              | 69.49%                 |

Note: The District implemented GASB 68 in fiscal year 2015. Prior year information is not available.



**CENTRAL YAVAPAI FIRE DISTRICT**  
**Schedule of Contributions-ASRS**  
**June 30, 2016**

**Arizona State Retirement System**

|                                                                      | <b>Reporting Fiscal Year<br/>(Measurement Date)</b> |                        |
|----------------------------------------------------------------------|-----------------------------------------------------|------------------------|
|                                                                      | <b>2016<br/>(2015)</b>                              | <b>2015<br/>(2014)</b> |
| Contractually required contribution                                  | \$ 125,127                                          | \$ 120,036             |
| Contributions in relation to the contractually required contribution | \$ (125,127)                                        | \$ (120,036)           |
| Contribution deficiency (excess)                                     | <u>\$ -</u>                                         | <u>\$ -</u>            |
| Covered employee payroll                                             | \$ 1,329,980                                        | \$ 1,144,117           |
| Contributions as a percentage of covered-employee payroll            | 9.41%                                               | 10.49%                 |

Note: The District implemented GASB 68 in fiscal year 2015. Prior year information is not available.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Schedule of Changes in the Net Pension Liability**  
**and Related Ratios -PSPRS**  
**June 30, 2016**

**Public Safety Personnel Retirement System**

|                                                                                         | <b>Reporting Fiscal Year<br/>(Measurement Date)</b> |                        |
|-----------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------|
|                                                                                         | <b>2016<br/>(2015)</b>                              | <b>2015<br/>(2014)</b> |
| <b>Total pension liability</b>                                                          |                                                     |                        |
| Service cost                                                                            | \$ 1,035,170                                        | \$ 1,039,524           |
| Interest on total pension liability                                                     | 3,487,876                                           | 3,093,089              |
| Changes of benefit terms*                                                               | -                                                   | 517,342                |
| Difference between expected and actual<br>experience of the total net pension liability | 407,232                                             | (830,565)              |
| Changes of assumptions                                                                  | -                                                   | 3,435,988              |
| Benefit payments, including refunds of<br>employee contributions                        | (2,728,228)                                         | (1,719,923)            |
| <b>Net change in total pension liability</b>                                            | <b>2,202,050</b>                                    | <b>5,535,455</b>       |
| <b>Total pension liability - beginning</b>                                              | <b>45,278,068</b>                                   | <b>39,742,613</b>      |
| <b>Total pension liability - ending (a)</b>                                             | <b>\$ 47,480,118</b>                                | <b>\$ 45,278,068</b>   |
| <b>Plan fiduciary net position</b>                                                      |                                                     |                        |
| Contributions - employer                                                                | \$ 1,600,476                                        | \$ 1,424,610           |
| Contributions - employee                                                                | 658,449                                             | 570,958                |
| Net investment income                                                                   | 866,725                                             | 2,865,009              |
| Benefit payments, including refunds of<br>employee contributions                        | (2,728,228)                                         | (1,719,923)            |
| Other (net transfer)                                                                    | (672)                                               | (23,074)               |
| <b>Net change in plan fiduciary net position</b>                                        | <b>396,750</b>                                      | <b>3,117,580</b>       |
| <b>Plan fiduciary net position - beginning</b>                                          | <b>23,881,932</b>                                   | <b>20,764,352</b>      |
| <b>Plan fiduciary net position - ending (b)</b>                                         | <b>\$ 24,278,682</b>                                | <b>\$ 23,881,932</b>   |
| <b>Net pension liability - ending (a) - (b)</b>                                         | <b>\$ 23,201,436</b>                                | <b>\$ 21,396,136</b>   |
| Plan fiduciary net position as a percentage of the total<br>pension liability           | 51.13%                                              | 52.75%                 |
| Covered employee payroll                                                                | \$ 6,255,026                                        | \$ 5,536,670           |
| Net pension liability as a percentage of covered-<br>employee payroll                   | 370.92%                                             | 386.44%                |

Note: The District implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Schedule of Contributions-PSPRS**  
**June 30, 2016**

---

**Public Safety Personnel Retirement System**

|                                                                      | <b>Reporting Fiscal Year<br/>(Measurement Date)</b> |                        |
|----------------------------------------------------------------------|-----------------------------------------------------|------------------------|
|                                                                      | <b>2016<br/>(2015)</b>                              | <b>2015<br/>(2014)</b> |
| Actuarially determined contribution                                  | \$ 1,600,476                                        | \$ 1,424,610           |
| Contributions in relation to the actuarially determined contribution | \$ (1,600,476)                                      | \$ (1,424,610)         |
| Contribution deficiency (excess)                                     | <u>\$ -</u>                                         | <u>\$ -</u>            |
| Covered-employee payroll                                             | \$ 6,255,026                                        | \$ 5,536,670           |
| Contributions as a percentage of covered-employee payroll            | 25.59%                                              | 25.73%                 |

Note: The District implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Required Supplementary Information**  
**Schedule of Agent OPEB Plan Funding Progress-PSPRS**  
**June 30, 2016**

---

**Public Safety Personnel Retirement System**  
**Health Insurance Premium Benefit**

|                                        | (a)                                      | (b)                                              | (b) - (a)                          | (a)/(b)                 | (c)                                   | Unfunded AAL<br>As a Percentage<br>of Covered<br>Payroll |
|----------------------------------------|------------------------------------------|--------------------------------------------------|------------------------------------|-------------------------|---------------------------------------|----------------------------------------------------------|
| <b>Valuation<br/>Date<br/>June 30,</b> | <b>Actuarial<br/>Value of<br/>Assets</b> | <b>Actuarial<br/>Accrued<br/>Liability (AAL)</b> | <b>Unfunded<br/>AAL<br/>(UAAL)</b> | <b>Funded<br/>Ratio</b> | <b>Annual<br/>Covered<br/>Payroll</b> | <b>[(b)-(a)] / (c)</b>                                   |
| 2013                                   | -                                        | 933,400                                          | 933,400                            | 0.0%                    | 5,426,031                             | 17.20%                                                   |
| 2014                                   | 913,281                                  | 958,774                                          | 45,493                             | 95.26%                  | 5,536,670                             | 0.82%                                                    |
| 2015                                   | 987,183                                  | 1,014,068                                        | 26,885                             | 97.35%                  | 5,400,098                             | 0.50%                                                    |
| 2016                                   | **                                       | **                                               | **                                 | **                      | **                                    | **                                                       |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Required Supplementary Information**  
**Notes to Pension Plan Schedules**  
**June 30, 2016**

---

**NOTE 1. Actuarially Determined Contribution Rates**

---

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

|                               |                                                                                                                                                                                                                        |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial cost method         | Individual Entry Age Normal                                                                                                                                                                                            |
| Amortization Method           | Level Percentage of Payroll, Closed                                                                                                                                                                                    |
| Remaining Amortization Period | 22 years for unfunded liabilities; 20 years for excess                                                                                                                                                                 |
| Asset valuation method        | 7-Year smoothed market; 80%/120% market corridor                                                                                                                                                                       |
| Actuarial assumptions:        |                                                                                                                                                                                                                        |
| Investment rate of return     | In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%                                                                                                                        |
| Projected salary increases    | In the 2014 actuarial valuation, the projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0%.<br>In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5%. |
| Wage growth                   | In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%.                                                            |
| Retirement age                | Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.                 |
| Mortality                     | RP-2000 mortality table projected to 2015 using projection scale AA (adjusted by 105% for both males and females)                                                                                                      |

**CENTRAL YAVAPAI FIRE DISTRICT**  
**Required Supplementary Information**  
**Notes to Pension Plan Schedules**  
**June 30, 2016**

---

**NOTE 2.        Factors that Affect the Identification of Trends**

---

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

### **Other Communications from Independent Auditors**

*This page intentionally left blank*





**Independent Auditors' Report on Internal Control  
Over Financial Reporting and on Compliance and other  
Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors of  
Central Yavapai Fire District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Central Yavapai Fire District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Central Yavapai Fire District's basic financial statements, and have issued our report thereon dated December 5, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Central Yavapai Fire District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Central Yavapai Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Central Yavapai Fire District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Central Yavapai Fire District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



HintonBurdick, PLLC  
Flagstaff, Arizona  
December 5, 2016



MEMBERS:

CHAD B. ATKINSON, CPA  
KRIS J. BRAUNBERGER, CPA  
ROBERT S. COX, CPA  
TODD B. FELTNER, CPA  
K. MARK FROST, CPA  
MORRIS J. PEACOCK, CPA

PHILLIP S. PEINE, CPA  
STEVEN D. PALMER, CPA  
MICHAEL K. SPILKER, CPA  
KEVIN L. STEPHENS, CPA  
MARK E. TICHENOR, CPA  
MICHAEL J. TORGERSON, CPA

December 5, 2016

To the Board of Directors of  
Central Yavapai Fire District  
Prescott Valley, Arizona

We have audited the financial statements of the governmental activities and each major fund of Central Yavapai Fire District for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 28, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Central Yavapai Fire District are described in Note 1 to the financial statements.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting Central Yavapai Fire District's financial statements were:

Management's estimate of accumulated depreciation and depreciation expense is based on the estimated useful lives of the assets. We evaluated the key factors and assumptions used to develop the estimated lives of the assets to determine that it seems reasonable in relation to the basic financial statements of the District for the year ended June 30, 2016, taken as a whole. The procedures used by management and the amount of depreciation expense seem reasonable at this time, however, there will usually be differences between the allowance and actual results and these differences may be material to the financial statements.

Management's estimate of accrued compensated absences (vacation and sick leave) is based on historical pay rates and the number of eligible employees. We evaluated the key factors and assumptions used to develop the compensated absences accrual in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of other postemployment benefit obligations payable is based on an independent actuarial valuation as of January 1, 2013. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, management's estimates have been determined on the same basis as they are reported by the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS). The District's net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. All of the material misstatements detected as a result of audit procedures were corrected by management (accounting personnel have a list of all audit adjustments proposed by us).

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 5, 2016.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### *Other Matters*

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the board, management and various state and federal agencies and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Hinton Burdick, PLLC". The signature is written in a cursive, flowing style.

HintonBurdick, PLLC  
Flagstaff, Arizona  
December 5, 2016

TO: Fire Board  
FROM: Chief Freitag  
DATE: January 11, 2017

SUBJECT: DISCUSSION AND POSSIBLE APPROVAL TO RETAIN \$100,000 FROM  
CAFMA DISTRIBUTION FOR THE CYFD LEGAL EXPENSES SPECIFIC  
TO THE ACE DISTRIBUTION LAWSUIT

---

*In creating the Fiscal Year 2017 Budget for the CYFD, it was assumed that the litigation with the ACE Distribution Center was coming to resolution. Hence, the proposed and approved legal expenses for the Central Yavapai Fire District were set at \$5,000. Currently, the Routine Legal Expenses are at \$3,703.29. However, due to the change in position of the parties involved with the ACE Litigation and their intent to proceed forward to trial, the expenses incurred since July 1, 2016 have been \$27,612.70. This has already exceeded the entire legal expense account by \$26,315.99. The Contingency held for the CYFD was budgeted at \$20,000, and we have currently exceeded that amount by 6,315.99.*

*While we anticipate a favorable ruling and to eventually recoup all our legal expenses related to this matter, we are faced with a current cash shortfall. We would like to discuss the retention of \$100,000 from the audited transfer of the CYFD General Fund to CAFMA. This would allow further coverage of pending discovery and litigation expenses, but would be considered a liability to the CYFD as it would still be a receivable by CAFMA for the future. Attached is the General Leger and budget sheet related to this item.*

**SUGGESTED MOTION:** *Approve the retention of \$100,000 from the audited transfer of the CYFD General Fund to CAFMA*

*If you have any questions, please call Assistant Chief of Administration Tharp or myself at 772-7711.*

**CENTRAL YAVAPAI FIRE DISTRICT**  
GL Account Ledger - Detail By Date Range

07/01/2016 through 12/31/2016

Sorted by Date and Document

| Batch                                      | Journal | Entry # | Date                                | Job | Document             | Description                                                            | Debits             | Credits       | Balance            |
|--------------------------------------------|---------|---------|-------------------------------------|-----|----------------------|------------------------------------------------------------------------|--------------------|---------------|--------------------|
| <b>6410.1.0.000</b>                        |         |         | <b>LEGAL SERVICES - ROUTINE</b>     |     |                      |                                                                        |                    |               | <b>\$0.00</b>      |
| 4544                                       | CD      | 1486455 | 08/29/16                            |     | 8915 / 70060066      | Kendhammer & Partners, L.L.P. - Legal Svcs for CYFD Board              | \$122.50           | \$-           | \$122.50           |
| 4544                                       | CD      | 1486453 | 08/29/16                            |     | 8912,8913 / 70060066 | Kendhammer & Partners, L.L.P. - CYFD - Gen. Legal Svcs                 | 2,131.49           | -             | 2,253.99           |
| 4573                                       | CD      | 1487715 | 12/29/16                            |     | 9020 / 70060084      | Kendhammer & Partners, L.L.P. - Legal Svcs                             | 1,449.30           | -             | 3,703.29           |
| <b>LEGAL SERVICES - ROUTINE TOTAL:</b>     |         |         |                                     |     |                      |                                                                        | <b>\$3,703.29</b>  | <b>\$0.00</b> | <b>\$3,703.29</b>  |
| <b>6410.1.0.600</b>                        |         |         | <b>LEGAL SERVICES - NON-ROUTINE</b> |     |                      |                                                                        |                    |               | <b>\$0.00</b>      |
| 4544                                       | CD      | 1486451 | 08/29/16                            |     | 273465 / 70060065    | Burch & Cracchiolo, P.A. - Ace Distribution - CYRTA                    | 1,085.00           | -             | 1,085.00           |
| 4544                                       | CD      | 1486454 | 08/29/16                            |     | 8912,8913 / 70060066 | Kendhammer & Partners, L.L.P. - CYFD - Ace Dist. Legal Svcs            | 459.50             | -             | 1,544.50           |
| 4555                                       | CD      | 1486508 | 10/07/16                            |     | 274525 / 70060068    | Burch & Cracchiolo, P.A. - Legal Svcs - Ace Distribution CYFD          | 4,704.60           | -             | 6,249.10           |
| 4555                                       | CD      | 1486510 | 10/24/16                            |     | 275353 / 70060069    | Burch & Cracchiolo, P.A. - Legal Services / ACE Drainage               | 6,208.60           | -             | 12,457.70          |
| 4559                                       | CD      | 1486521 | 11/07/16                            |     | 2152.02-10.15.16 / 7 | Erie & Associates, Inc - Ace Dist. - Legal Svcs (Current)              | 312.50             | -             | 12,770.20          |
| 4559                                       | CD      | 1486522 | 11/07/16                            |     | 2152.02-10.15.16 / 7 | Erie & Associates, Inc - Ace Dist - Legal Svcs (Previous)              | 978.75             | -             | 13,748.95          |
| 4559                                       | CD      | 1486524 | 11/07/16                            |     | 8973,8974 / 7006007  | Kendhammer & Partners, L.L.P. - Legal Svcs - Ace Hardware Litigation   | 1,677.50           | -             | 15,426.45          |
| 4559                                       | CD      | 1486525 | 11/07/16                            |     | 8973,8974 / 7006007  | Kendhammer & Partners, L.L.P. - Legal Svcs - Res.Pen./Inscrip.Can/Nies | 2,458.75           | -             | 17,885.20          |
| 4559                                       | CD      | 1486530 | 11/21/16                            |     | 275932 / 70060073    | Burch & Cracchiolo, P.A. - Legal Services / ACE Drainage               | 3,336.00           | -             | 21,221.20          |
| 4569                                       | CD      | 1487233 | 12/19/16                            |     | 3271 / 70060079      | The Klinger Group - CYFD LitigationVsAceExpertConsultant               | 741.00             | -             | 21,962.20          |
| 4569                                       | CD      | 1487230 | 12/19/16                            |     | 2152.02-10.28.16 / 7 | Erie & Associates, Inc - Ace Dist. - Legal Svcs (Sr. Eng.)             | 500.00             | -             | 22,462.20          |
| 4569                                       | CD      | 1487231 | 12/19/16                            |     | 2152.02-10.28.16 / 7 | Erie & Associates, Inc - Ace Dist - Legal Svcs (EIT)                   | 36.00              | -             | 22,498.20          |
| 4573                                       | CD      | 1487714 | 12/29/16                            |     | 9019 / 70060084      | Kendhammer & Partners, L.L.P. - Legal Svcs                             | 1,942.50           | -             | 24,440.70          |
| 4573                                       | CD      | 1487707 | 12/29/16                            |     | 276937 / 70060081    | Burch & Cracchiolo, P.A. - Litigation - Ace Distribution               | 3,011.00           | -             | 27,451.70          |
| 4573                                       | CD      | 1487709 | 12/29/16                            |     | 2152.02-12.15.16 / 7 | Erie & Associates, Inc - Legal Svcs (Sr. Eng.) 11.25.16                | 125.00             | -             | 27,576.70          |
| 4573                                       | CD      | 1487710 | 12/29/16                            |     | 2152.02-12.15.16 / 7 | Erie & Associates, Inc - Legal Svcs (EIT) 11.25.16                     | 36.00              | -             | 27,612.70          |
| <b>LEGAL SERVICES - NON-ROUTINE TOTAL:</b> |         |         |                                     |     |                      |                                                                        | <b>\$27,612.70</b> | <b>\$0.00</b> | <b>\$27,612.70</b> |
| <b>TOTAL OF LEDGER:</b>                    |         |         |                                     |     |                      |                                                                        | <b>\$31,315.99</b> | <b>\$0.00</b> | <b>\$31,315.99</b> |

\*\*\* Indicates a summarized entry made up of more than one Batch, Journal, Entry Number, Date, Job, Document, or Description so a single value can not be displayed.



**Draft Budget (April 2016)**  
**Fiscal Year 2017**  
**Table of Contents**

| <u>Description</u> | <u>Page #</u> |
|--------------------|---------------|
| Revenue            | 2             |
| Expense            | 3             |

The Central Yavapai Fire District Board of Directors has approved the posting and publication of the Fire District's Tentative Budget for Fiscal Year 2016-2017 and will hold a Public Hearing to adopt said budget on June 21, 2016 at the Station 61 meeting room, Rd. 3 North, Chino Valley, at 2:00 p.m.



**Central Yavapai Fire District**  
**Revenue Budget FY 2017**

|                                        | Budget<br>FY 14 | Budget<br>FY 15 | Budget<br>FY 16 |   | Draft<br>Budget<br>FY 17 | Variance          | Variance (%) |
|----------------------------------------|-----------------|-----------------|-----------------|---|--------------------------|-------------------|--------------|
| <b>Total District Budget</b>           | 17,053,442      | 16,132,327      | 16,735,644      |   | 14,553,133               | (2,182,511)       | -13.04%      |
| <b>Carryover</b>                       | (3,500,000)     | (2,115,300)     | (1,220,760)     |   | -                        | (1,220,760)       | -100.00%     |
| <b>Revenue:</b>                        |                 |                 |                 |   |                          |                   |              |
| <b>Vehicle Maintenance:</b>            |                 |                 |                 |   |                          |                   |              |
| 4315 Walker Fire                       | (8,000)         | (8,000)         | (8,000)         |   | -                        | (8,000)           | -100.00%     |
| 4325 Mayer Fire                        | (3,000)         | (3,000)         | (5,000)         |   | -                        | (5,000)           | -100.00%     |
| 4350 Chino Valley Fire                 | (1,000)         | (1,000)         | (21,306)        |   | -                        | (21,306)          | -100.00%     |
| 4352 Clarkdale                         | (4,000)         | (4,000)         | (3,000)         |   | -                        | (3,000)           | -100.00%     |
| 4360 Camp Verde Fire                   | (1,000)         | (1,000)         | (1,000)         |   | -                        | (1,000)           | -100.00%     |
| 4365 Montezuma Rimrock                 | (1,000)         | (1,000)         | (1,000)         |   | -                        | (1,000)           | -100.00%     |
| 4375 Forest Service                    | (1,000)         | (1,000)         | (1,000)         |   | -                        | (1,000)           | -100.00%     |
| 4385 Rosenbauer/Central States         | (1,000)         | (1,000)         | (3,000)         |   | -                        | (3,000)           | -100.00%     |
| 4395 Crown King Fire                   | (500)           | (500)           | (500)           |   | -                        | (500)             | -100.00%     |
| 4600 Groom Creek Fire                  | (500)           | (500)           | (500)           |   | -                        | (500)             | -100.00%     |
| 4620 HME Maintenance                   | -               | -               | -               |   | -                        | -                 | -            |
| 4640 Williamson Valley Fire            | (750)           | (750)           | (750)           |   | -                        | (750)             | -100.00%     |
| 4700 Other/Warranty                    | (1,000)         | (1,000)         | (1,000)         |   | -                        | (1,000)           | -100.00%     |
| <b>Total Vehicle Maintenance</b>       | (22,750)        | (22,750)        | (46,056)        | - | -                        | (46,056)          | -100.00%     |
| <b>Prevention:</b>                     |                 |                 |                 |   |                          |                   |              |
| 4400 Plan Review Fees                  | (4,500)         | (4,500)         | (4,500)         |   | -                        | (4,500)           | -            |
| 4415 Care Home Inspection Fees         | (500)           | (500)           | (500)           |   | -                        | (500)             | -100.00%     |
| 4420 Special Events Fees               | (10,500)        | (17,500)        | (17,500)        |   | -                        | (17,500)          | -            |
| 4425 Prevention Permits                | (200)           | (200)           | (200)           |   | -                        | (200)             | -100.00%     |
| 4430 Inspection Fees                   | (1,000)         | (1,000)         | (1,000)         |   | -                        | (1,000)           | -100.00%     |
| 4450 Urban Survival Sponsorships       | -               | -               | -               |   | -                        | -                 | -            |
| 5105 CPR Class Income                  | (6,000)         | (6,000)         | (6,000)         |   | -                        | (6,000)           | -100.00%     |
| 5125.31 Wildland (PAWUIC) / Def. Space | (15,000)        | (15,000)        | (15,000)        |   | -                        | (15,000)          | -100.00%     |
| 5150 Risk Management Grants            | -               | -               | -               |   | -                        | -                 | -            |
| 5500 Knox Box Reimbursements           | -               | -               | -               |   | -                        | -                 | -            |
| 5600 Babysitting Class                 | (600)           | (600)           | (600)           |   | -                        | (600)             | -100.00%     |
| Chino Valley Fire Contract             |                 | (45,000)        | (45,000)        |   | -                        |                   | 0.00%        |
| <b>Total Prevention</b>                | (38,300)        | (90,300)        | (90,300)        | - | -                        | (45,300)          | -50.17%      |
| <b>Communications:</b>                 |                 |                 |                 |   |                          |                   |              |
| 4775 Cell Tower Lease Agreements       | (38,000)        | (38,000)        | (38,000)        |   | (38,000)                 | -                 | 0.00%        |
| 5140.41 Tech Services Contracting      | (125,000)       | (125,000)       | (125,000)       |   | -                        | (125,000)         | -100.00%     |
| <b>Total Communications</b>            | (163,000)       | (163,000)       | (163,000)       | - | (38,000)                 | (125,000)         | -76.69%      |
| <b>Grants:</b>                         |                 |                 |                 |   |                          |                   |              |
| 5260 Fire Act Grant Generator/TIC's    | (136,000)       | -               | -               |   | -                        | -                 | -            |
| 5410 Grant for Fire Training System    | -               | -               | (20,000)        |   | -                        | (20,000)          | -100.00%     |
| 5430 Grant - FEMA - SAFER              | -               | (173,346)       | (145,810)       |   | (65,000)                 | (80,810)          | -55.42%      |
| <b>Total Grants</b>                    | (136,000)       | -               | (165,810)       | - | (65,000)                 | (100,810)         | -60.80%      |
| <b>Warehouse:</b>                      |                 |                 |                 |   |                          |                   |              |
| 5700 Warehouse Purchasing Group        | -               | (50,000)        | (50,000)        |   | -                        | (50,000)          | -100.00%     |
| 5900 Training Center Classes           | (23,300)        | (30,000)        | (30,000)        |   | -                        | (30,000)          | -100.00%     |
| 4200 FDAT                              | (309,352)       | (313,900)       | (313,900)       |   | (313,900)                | -                 | 0.00%        |
| <b>Other:</b>                          |                 |                 |                 |   |                          |                   |              |
| 4000/4100 Real Estate Tax              |                 |                 |                 |   |                          |                   |              |
| 4001 Fire Protection Contracts         | (65,000)        | (65,000)        | (65,000)        |   | -                        | (65,000)          | -100.00%     |
| 1200 Capital Reserve Account           | (1,392,060)     | (676,372)       | (1,230,000)     |   | (20,000)                 | (1,210,000)       | -98.37%      |
| 4800 Off-District Fires                | (50,000)        | (50,000)        | (50,000)        |   | -                        | (50,000)          | -100.00%     |
| 4900 Interest Income                   | (15,000)        | (15,000)        | (15,000)        |   | -                        | (15,000)          | -100.00%     |
| 5100 Miscellaneous Income              | (10,900)        | (10,900)        | (10,900)        |   | -                        | (10,900)          | -100.00%     |
| 5200 Surplus Vehicles                  | -               | -               | -               |   | -                        | -                 | -            |
| 5350 Paramedic Ride-In Charges         | (100)           | (100)           | (100)           |   | -                        | (100)             | -100.00%     |
| 5400 Donations                         | (500)           | (500)           | (500)           |   | -                        | (500)             | -100.00%     |
| <b>Total Other</b>                     | (1,533,560)     | (817,872)       | (1,371,500)     | - | (20,000)                 | (1,351,500)       | -98.54%      |
| <b>Total Non-Levy Revenues</b>         | (5,416,910)     | (3,289,222)     | (3,137,426)     | - | (123,000)                | (3,014,426)       | -96.08%      |
| <b>Tax Levy Requirement</b>            | 11,327,180      | 12,529,205      | 13,284,318      |   | <b>14,116,233</b>        | <b>831,915</b>    | <b>6.26%</b> |
| <b>Net A.V.(4.8692% increase)</b>      | 489,046,527     | 521,054,327     | 534,237,001     |   | <b>560,250,069</b>       | <b>26,013,068</b> | <b>4.87%</b> |
| <b>Actual/Estimated Tax Rate</b>       | \$2.3440        | \$2.3713        | \$2.4866        |   | <b>\$2.5196</b>          | <b>\$0.0330</b>   | <b>1.33%</b> |

Central Yavapai Fire District  
Draft Budget FY 2017 (6-2016)  
General Fund

|                               |                             | Budget<br>FY 14 | Budget<br>FY 15 | Budget<br>FY 16 | Actual<br>- | CAFMA<br>Budget<br>FY 17 | Budget<br>Variance<br>\$\$ | Budget<br>Variance<br>% |
|-------------------------------|-----------------------------|-----------------|-----------------|-----------------|-------------|--------------------------|----------------------------|-------------------------|
| <b>Retained Funds</b>         |                             |                 |                 |                 |             |                          |                            |                         |
| 6400.1                        | Audit & Accounting          |                 | 14,000          | 14,000          |             | 2000                     | (12,000)                   | -85.71%                 |
| 6405.1                        | Other Professional Services |                 |                 |                 |             |                          |                            |                         |
|                               | Fire Board Election         |                 | 20,500          | -               |             | 75,500                   | 75,500                     | -                       |
| 6410.1                        | Legal Services - Routine    |                 | 73,000          | 73,000          |             | 5,000                    | (68,000)                   | -93.15%                 |
| 6441.1                        | Fire Board Expenses         |                 | 950             | 950             |             | 1,000                    | 50                         | 5.26%                   |
|                               |                             |                 |                 |                 |             |                          | -                          | -                       |
|                               |                             |                 |                 |                 |             |                          | -                          | -                       |
| <i>Total Retained Funds</i>   |                             |                 | 108,450         | 87,950          |             | 83,500                   | (4,450)                    | -5.06%                  |
| <b>Contingency</b>            |                             |                 | 720,458         | 732,538         |             | 20,000                   | (712,538)                  | -97.27%                 |
| <b>Fire Authority Funding</b> |                             |                 |                 |                 |             |                          |                            |                         |
| 6700.1                        | Fire Authority Funding      |                 | -               | -               |             | 14,449,633               | 14,449,633                 | -                       |
| <b>Total Expense Budget</b>   |                             |                 |                 |                 |             | 14,553,133               | 14,449,633                 | -                       |