

NOTICE OF MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Chino Valley Fire District Board of Directors and the general public that the **Chino Valley Fire District** will hold a meeting open to the public on **Tuesday, January 17, 2017 at 6:00 p.m.** The meeting will be held at the **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

Those wishing to address the Chino Valley 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 routine by the Chino Valley 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 General Fund and Capital Reserve Financial Statements
- C. Approve Bond Debt Service Financials
- D. Approve Bond Fund 2007 Financials
- E. Approve Bond Fund Investment Financials
- F. Transfer December Revenues from Chino Valley Fire District to Central Arizona Fire and Medical Authority in the Amount of \$253,920.71

5. NEW BUSINESS

- A. Discussion of CAFMA FY 2017-2018 Budget Development Schedule
- B. Discussion Regarding FY 2016 Audit Findings and Reports

6. ADJOURNMENT

Disabled persons needing reasonable accommodations should call Chino Valley Fire District at (928) 772-7711 prior to the scheduled meeting.



CHINO VALLEY FIRE DISTRICT
BOARD OF DIRECTORS
REGULAR SESSION

DECEMBER 20, 2016

MINUTES

1. CALL TO ORDER / ROLL CALL OF BOARD MEMBERS

Board Chairwoman Ducote called the Chino Valley Fire District (CVFD) Board of Director's meeting to order on Tuesday, December 20, 2016 at 5:07 p.m. at the Central Arizona Fire and Medical Authority, Station 61, 1133 W. Road 3 North, Chino Valley, Arizona.

Members Present: Board Chair Cyndy Ducote, Board Clerk Dave Dobbs, Board Members Julie Pettit, Dave McConnell, Travis Bard, Todd League and Rick Mayday

Members Absent: None

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

Chairwoman Ducote led the recitation of the Pledge of Allegiance

3. PRESENTATIONS

a. Exiting Board Member Appreciation – Dave McConnell, Travis Bard

Chief Tharp thanked Board Members McConnell and Bard 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 Chairwoman Ducote swore in and seated incumbent Board Member Julie Pettit and new Board Members Todd League and Rick Mayday.

Board Members McConnell and Bard 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. 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 Dobbs nominated Director Ducote for the position of Chairperson; Director League seconded the motion. MOTION CARRIED

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

Director Pettit nominated Director Dobbs for the position of Clerk; Director Mayday seconded the motion. MOTION CARRIED.

AYES: Dobbs, Ducote, League, Mayday, Pettit

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 CVFD Board and two members from the CYFD Board will be appointed to the CAFMA Board. He then explained how the fifth member of the CAFMA Board is selected.

Director Pettit nominated Clerk Dobbs to serve on the CAFMA Board; Director Mayday seconded the motion. MOTION CARRIED.

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

Director Dobbs nominated Director Pettit to serve on the CAFMA Board; Director League seconded the motion. MOTION CARRIED.

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

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 General Fund and Capital Reserve Financial Statements
- c. Approve Bond Debt Service Financials
- d. Approve Bond Fund, 2007 Financials
- e. Approve Bond Fund Investment Financials
- f. Transfer November Revenues from Chino Valley Fire District to Central Arizona Fire and Medical Authority in the Amount of \$942,057.03

Director Pettit made a motion to approve the Consent Agenda; Director League seconded the motion. MOTION CARRIED.

AYES: Dobbs, Ducote, League, Mayday, Pettit

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 further discussion and any questions.

Jennifer Coulés of HintonBurdick presented the audit results; she was in charge of the field work for the audit. She noted that the individual auditor's report is clean again this year and gave kudos to the management team. She stated there were no material weaknesses or significant deficiencies found; our financial reports present fairly the financial position of the organization.

Ms. Coulés highlighted portions of the audit report, including the organization's net position, the increase of governmental long term debt, and the increase of capital assets.

Director League made a motion to accept the audit; Clerk Dobbs seconded the motion. MOTION CARRIED

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

b. Discussion and Approval of Houston-Galveston Area Council (H-GAC)
Cooperative Purchasing Agreement

Chief Tharp explained this contract is for the capital purchases approved last month utilizing bond funds. He stated that we were notified by H-GAC that the CVFD was not part of the cooperative. In order to receive the prices previously quoted, we will need to join. If not, we will go out to bid again for the approved apparatus. Chief Tharp recommended joining the cooperative.

Attorney Cornelius added that he did review the document and has no concerns with the contract.

Director Pettit made a motion to accept the agreement; Clerk Dobbs seconded the motion. MOTION CARRIED

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

9. ADJOURNMENT

Clerk Dobbs made a motion to adjourn; Director Pettit seconded the motion. MOTION CARRIED.

AYES: Dobbs, Ducote, League, Mayday, Pettit

NAYS: None

Chairwoman Ducote adjourned the meeting at 5:30 p.m.

Date

Board Clerk

Chino Valley Fire District
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2016 Through 12/31/2016

Fund: (10) General Fund

	Account	Actual	Current Period Budget	Variance	%	Actual	Year To Date Budget	Variance	%
<u>Revenues</u>									
Real Estate Tax	10400000000	\$216,386.89	\$0.00	\$216,386.89	0.0 %	\$2,077,497.85	\$3,547,699.00	\$(1,470,201.15)	(41.4)%
Personal Property Tax	10410000000	11,285.28	0.00	11,285.28	0.0	62,577.85	0.00	62,577.85	0.0
Fire District Assistance Tax	10420000000	24,922.96	0.00	24,922.96	0.0	197,414.06	313,900.00	(116,485.94)	(37.1)
State of AZ/Off-District Fires	10480000000	0.00	0.00	0.00	0.0	17,727.52	0.00	17,727.52	0.0
Interest Income-General Fund	10490000000	1,162.60	0.00	1,162.60	0.0	2,824.04	0.00	2,824.04	0.0
Rebates/Refunds	10500000000	0.00	0.00	0.00	0.0	1,054.42	2,000.00	(945.58)	(47.3)
Misc. Revenues	10510000000	162.98	0.00	162.98	0.0	182.96	0.00	182.96	0.0
CYFD Training Center Classes	10590000000	0.00	0.00	0.00	0.0	750.00	0.00	750.00	0.0
Net Revenues		\$253,920.71	\$0.00	\$253,920.71	0.0 %	\$2,360,028.70	\$3,863,599.00	\$(1,503,570.30)	(38.9)%
<u>Program Expenses</u>									
ASRS Retirement	10612910000	\$0.00	\$0.00	\$0.00	0.0 %	\$357.36	\$0.00	\$(357.36)	0.0 %
Fire Authority Funding	10670010000	942,057.03	0.00	(942,057.03)	0.0	2,115,223.18	3,850,599.00	1,735,375.82	45.1
Total Program Expenses		\$942,057.03	\$0.00	\$(942,057.03)	0.0 %	\$2,115,580.54	\$3,850,599.00	\$1,735,018.46	45.1 %
<u>Fund Raising Expenses</u>									
Audit & Accounting	10640010000	\$5,927.03	\$0.00	\$(5,927.03)	0.0 %	\$9,896.02	\$2,000.00	\$(7,896.02)	(394.8)%
Other Prof Services/Admin	10640510000	0.00	0.00	0.00	0.0	0.00	21,000.00	21,000.00	100.0
Legal Services - Routine	10641010000	227.50	0.00	(227.50)	0.0	262.50	5,000.00	4,737.50	94.8
Fire Board Expenses	10644110000	67.82	0.00	(67.82)	0.0	67.82	1,000.00	932.18	93.2
Misc/Admin	10661010000	0.01	0.00	(0.01)	0.0	6,852.47	0.00	(6,852.47)	0.0
Contingency Expense - Current	10780130000	0.00	0.00	0.00	0.0	0.00	20,000.00	20,000.00	100.0
Total Fund Raising Expenses		\$6,222.36	\$0.00	\$(6,222.36)	0.0 %	\$17,078.81	\$49,000.00	\$31,921.19	65.1 %
<u>Donated Services & Materials</u>									
Tire Replacement	10626548000	\$0.00	\$0.00	\$0.00	0.0 %	\$(527.91)	\$0.00	\$527.91	0.0 %
Total Donated Services & Materials		\$0.00	\$0.00	\$0.00	0.0 %	\$(527.91)	\$0.00	\$527.91	0.0 %
Total Expenses		\$948,279.39		\$(948,279.39)		\$2,132,131.44	\$3,899,599.00	\$1,767,467.56	45.3 %
Net Income (Loss)		\$(694,358.68)	\$0.00	\$(694,358.68)	0.0 %	\$227,897.26	\$(36,000.00)	\$263,897.26	733.0 %

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9:01:37 AM

Chino Valley Fire District
Balance Sheet
As of 12/31/2016
Fund: (10) General Fund

Assets

Current Assets

Cash with Yavapai County	\$883,645.13	
Payroll Cash Account	(6,809.56)	
Petty Cash	11.60	
Taxes Receivable	133,723.80	
Other Receivables	123,386.94	
Accounts Receivable	1,575.63	
Retiree/Insurance Receivable	769.98	
Total Current Assets		\$1,136,303.52

Property, Plant & Equipment

Capital Outlay-Comm IT Network Upgrades	\$11,117.59	
Total Property, Plant & Equipment		11,117.59

Total Assets

\$1,147,421.11

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$61,906.72	
Accrued Payroll Expenses	201,273.04	
Deferred Compensation (Prop Tax)	102,727.38	
PEHP Payable	(0.01)	
Medical Insurance Payable	5,826.42	
HSA Payable	74.27	
Dental Insurance Payable	0.22	
PSPRS Payable	(0.15)	
ASRS Payable	(357.38)	
Medicare Payable	0.06	
Union Dues Payable	(0.50)	
State Retirement Service Purchase 1	0.49	
ASRS Company	(0.10)	
Fire Chief Retirement Payable	(0.24)	
Medical Insurance Company	0.07	
Dental Insurance Company	(0.12)	
FICA Company	(0.12)	
Vision Insurance Payable	972.20	
Tax Levy Withheld	188.93	
Total Current Liabilities		\$372,611.18
Total Liabilities		\$372,611.18

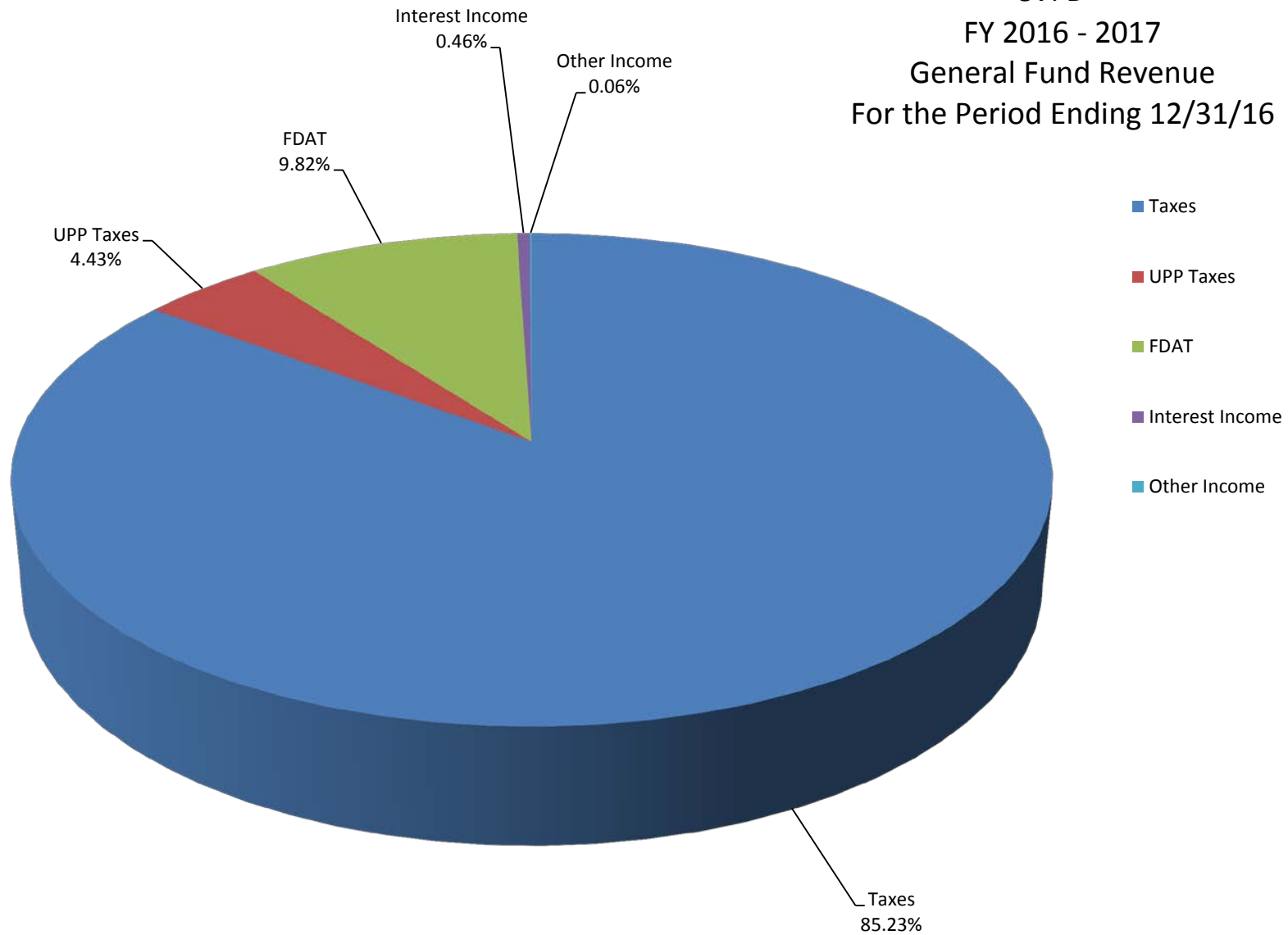
Net Assets

Fund Balance	\$546,912.67	
Current Year Net Assets	227,897.26	
Total Net Assets		774,809.93
Total Liabilities and Net Assets		\$1,147,421.11

CHINO VALLEY FIRE DISTRICT**REVENUE**

	Current Month Revenue	YTD Budget	
Taxes	\$ 216,387	\$ 3,547,699	85.23
UPP Taxes	\$ 11,285	\$ -	4.43
FDAT	\$ 24,923	\$ 313,900	9.82
Interest Income	\$ 1,163	\$ -	0.46
Other Income	\$ 163	\$ 2,000	0.06
	\$ 253,921	\$ 3,863,599	100.00

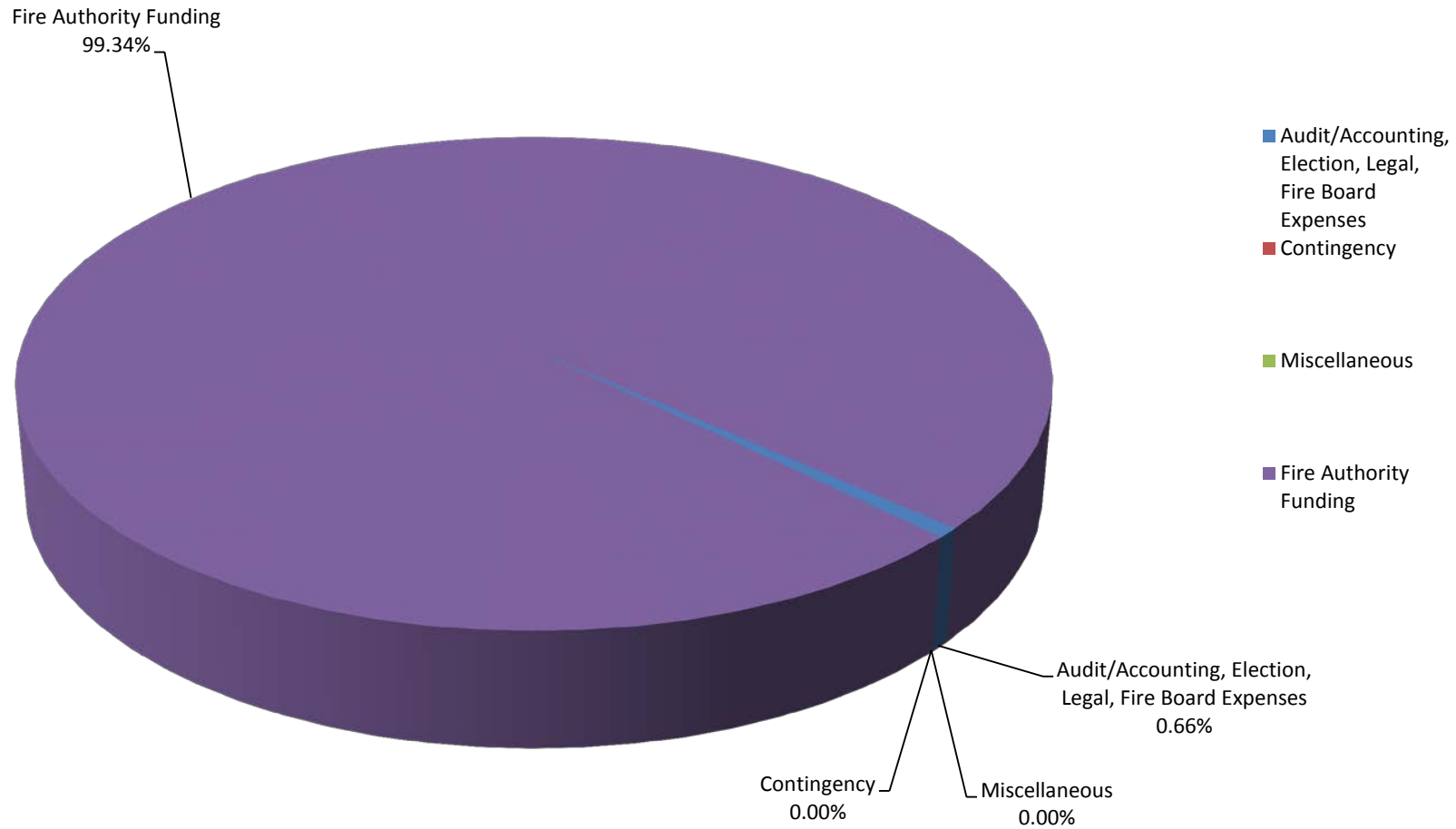
CVFD
FY 2016 - 2017
General Fund Revenue
For the Period Ending 12/31/16



CHINO VALLEY FIRE DISTRICT**EXPENSES**

	Current Month Actual	YTD Budget	
Audit/Accounting, Election, Legal, Fire Board Expenses	\$ 6,222	\$ 29,000	0.66
Contingency	\$ -	\$ 20,000	-
Miscellaneous	\$ -	\$ -	-
Fire Authority Funding	\$ 942,057	\$ 3,850,599	99.34
	\$ 948,279	\$ 3,899,599	100

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



**Chino Valley Fire District
General Fund Tax Collection Information**

Total Levy Month	FY 15-16 Collected	FY 16-17 Collected
July	\$32,572	\$62,014
%	0.936%	1.748%
% To Date	0.9357%	1.7480%
August	\$26,909	\$18,803
%	0.773%	0.530%
% To Date	1.7087%	2.2780%
September	\$296,716	\$182,315
%	8.524%	5.139%
% To Date	10.2324%	7.4170%
October	\$1,237,993	\$834,512
%	35.564%	23.523%
% To Date	45.7962%	30.9396%
November	\$289,817	\$866,615
%	8.326%	24.428%
% To Date	54.1218%	55.3671%
December	\$220,662	\$227,672
%	6.3389%	6.4175%
% To Date	60.4607%	61.7846%
January	\$76,744	\$0
%	2.2046%	0.0000%
% To Date	62.6653%	61.7846%
February	\$87,184	\$0
%	2.5045%	0.0000%
% To Date	65.1698%	61.7846%
March	\$124,511	\$0
%	3.5768%	0.0000%
% To Date	68.7467%	61.7846%
April	\$910,876	\$0
%	26.1667%	0.0000%
% To Date	94.9134%	61.7846%
May	\$125,156	\$0
%	3.5954%	0.0000%
% To Date	98.5087%	61.7846%
June	\$66,848	\$0
%	1.9203%	0.0000%
% To Date	100.4290%	61.7846%
TOTALS	\$3,495,987	\$2,191,930
Delinquency	-0.4290%	38.2154%

**Chino Valley Fire District
FDAT Collection Information**

Total Levy Month	FY 15-16 \$313,900 Collected	FY 16-17 \$313,900 Collected
July	\$2,501	\$6,266
%	0.797%	1.996%
% To Date	0.7966%	1.9962%
August	\$1,456	\$661
%	0.464%	0.211%
% To Date	1.2606%	2.2067%
September	\$26,332	\$8,777
%	8.389%	2.796%
% To Date	9.6492%	5.0029%
October	\$97,909	\$8,777
%	31.191%	2.796%
% To Date	40.8405%	7.7990%
November	\$43,410	\$75,219
%	13.8292%	23.9628%
% To Date	54.6697%	31.7618%
December	\$20,201	\$24,923
%	6.4354%	7.9398%
% To Date	61.1052%	39.7016%
January	\$10,565	\$0
%	3.3658%	0.0000%
% To Date	64.4710%	39.7016%
February	\$7,946	\$0
%	2.531%	0.0000%
% To Date	67.0024%	39.7016%
March	\$12,018	\$0
%	3.8286%	0.0000%
% To Date	70.8310%	39.7016%
April	\$35,416	\$0
%	11.2825%	0.0000%
% To Date	82.1134%	39.7016%
May	\$51,376	\$0
%	16.3671%	0.0000%
% To Date	98.4805%	39.7016%
June	\$6,266	\$0
%	1.9962%	0.0000%
% To Date	100.4767%	39.7016%
TOTALS	\$315,396	\$124,623
Delinquency	-0.4767%	60.2984%

100.0000% 100.0000%



2016 - 2017 Cash Flow by Month : January Board Meeting

	Actual						Projected					
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
Revenues:												
Taxes	62,014	18,803	182,315	834,512	866,615	227,672	295,642	295,642	295,642	295,642	295,642	295,642
FDAT	6,266	661	8,777	86,411	75,219	24,923	26,158	26,158	26,158	26,158	26,158	26,158
Interest Income	2,432	117	140	111	223	1,163	-	-	-	-	-	-
Other Income	2,530	-	-	-	-	163	3,167	3,167	3,167	3,167	3,167	3,167
RevenueTotals:	73,242	19,581	191,231	921,034	942,057	253,921	324,967	324,967	324,967	324,967	324,967	324,967
Expenditures:												
Audit/Acct., Election, Legal, Fire Board Exp	-	-	-	-	4,004	6,222	2,417	2,417	2,417	2,417	2,417	2,417
Contingency	-	-	-	-	-	-	1,667	1,667	1,667	1,667	1,667	1,667
Fire Authority Funding	-	34,468	26,433	191,231	921,034	942,057	320,883	320,883	320,883	320,883	320,883	320,883
Miscellaneous	-	6,852	357	-	-	-	-	-	-	-	-	-
ExpenditureTotals:	-	41,320	26,791	191,231	925,038	948,279	324,967	324,967	324,967	324,967	324,967	324,967
Monthly Net Cash	73242	(21,739)	164,441	729,802	17,019	(694,358)	-	-	-	-	-	-
Cumulative Net Cash	73,242.00	51,503	215,944	945,746	962,765	268,407	268,407	268,407	268,407	268,407	268,407	268,407
Cash Balance	73,242.00	51,503	215,944	945,746	962,765	268,407	268,407	268,407	268,407	268,407	268,407	268,407
Capital Reserve \$0.00	-	-	-	-	-	-	-	-	-	-	-	-

The Chino Valley Fire District Board of Directors have reviewed and approved the following monthly 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 ARS §48-805, 807:

CVFD General Fund

CVFD Capital Reserve Fund

CVFD Bond Debt Service

CVFD Bond Fund, 2007

CVFD Bond Fund Investment

_____	_____
Fire Board Chairperson	Date

_____	_____
Fire Board Clerk	Date

CHINO VALLEY FIRE DISTRICT
CHECK RECONCILIATION DECEMBER, 2016

Reconciliation:

Beginning Balance:	\$ 1,578,003.81
Deposits:	\$ 253,757.73
Transfer Out - Fire Authority:	\$ (942,057.03)
ADOT & Fish and Game In Lieu:	\$ 162.98
Disbursements:	\$ (6,222.36)
Fiscal Year Adjustments:	\$ -

Ending Balance: \$ **883,645.13**

Difference Between Balances: \$ -

Deposits Per Bank Statement:

Real Estate Taxes:	\$ 216,386.89
Personal Property Taxes:	\$ 11,285.28
Fire District Assistance Tax:	\$ 24,922.96
Fire District Deposit:	\$ -
Transfer Out-Fire Authority:	\$ 942,057.03
ADOT & Fish and Game In Lieu:	\$ 162.98
NSF Check Returned:	\$ -
Adjustments (Warrants Issued):	\$ -
Interest Income:	\$ 1,162.60

Ending Balance: \$ **1,195,977.74**

Bank Statement Balance:

Balance Per Bank:	\$ 890,195.81
Outstanding Checks:	\$ (7,278.59)
Outstanding Deposits:	\$ -
Payroll Adjustments:	\$ 200.00
Reversing Entry:	\$ 527.91

Ending Balance: \$ **883,645.13**

G/L Ending Balance: \$ **883,645.13**

Outstanding Checks For Prior Months: \$ -
\$ 883,645.13

Bank Reconciliation Register:

Checks From Accounts Payable:	\$ 6,222.36
Checks From Payroll:	\$ -
Total Checks:	\$ 6,222.36
Deposits From Accounts Receivable:	\$ -
Journal Entries From General Ledger:	\$ 1,195,977.74
NSF Checks Returned:	\$ -
Outstanding Deposit:	\$ -
Ending Balance:	\$ 1,195,977.74

Reconciliation Approved By:

Scott Freitag, Fire Chief

Reconciliation Reviewed By:

David Tharp, Assistant Chief of Administration

Reconciliation Prepared By:

Debbie Spingola, Finance Manager

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8:55:26 AM

Chino Valley Fire District
Bank Reconciliation Summary
For the Bank Statement ending: 12/31/2016

Page: 1

BANK CONTROL ID: GEN - GENERAL FUND		DESC: GENERAL FUND	ACCOUNT NO: 0000000000000000
Beginning Balance:	12/01/16		\$1,583,801.12
Deposits and Credits:			\$253,920.71
Checks and Charges:			(\$947,526.02)
Adjustments:			\$0.00
Ending Balance Per Reconciliation:			<u>\$890,195.81</u>
Ending Balance Per Bank Statement:	12/31/16		\$890,195.81
* Outstanding Deposits and Credits:	12/31/16		\$527.91
* Outstanding Checks and Charges:	12/31/16		<u>(\$7,278.59)</u>
Ending Book Balance:	12/31/16		<u>\$883,445.13</u>

Page 18 of 129

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

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Chino Valley Fire District
BR Checks and Charges Cleared
For the Bank Statement ending: 12/31/16

Page: 1

GEN	General Fund	General Fund	0000000000000000
Date	Document	Description	Module Company Amount
11/21/16	79024335	Hinton Burdick CPA's and Advis	AP CHINOV \$3,968.99
12/05/16	79024336	Central Ariz.Fire&Medical Auth	AP CHINOV \$560.00
12/19/16	79024337	Awards Etc.	AP CHINOV \$67.82
12/19/16	79024337	Awards Etc.	AP CHINOV (\$67.82)
12/19/16	79024338	SC Audit and Accounting	AP CHINOV \$940.00
12/19/16	79024338	SC Audit and Accounting	AP CHINOV (\$940.00)
12/19/16	79024341	SC Audit and Accounting	AP CHINOV \$940.00
12/27/16	Cash With Yav.Cty.	Fire Authority Funding	GL CHINOV \$942,057.03
TOTAL CHECKS AND CHARGES CLEARED:			\$947,526.02

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Chino Valley Fire District
BR Checks and Charges Outstanding
For the Bank Statement ending: 12/31/16

Page: 1

GEN		General Fund		General Fund		0000000000000000
Date	Document	Description	Module	Company	Amount	
03/25/15	023151	AZ General/Ace Hardware	AP	CHINOV	\$42.32	
03/25/15	023181	Yavapai County Assessor's Offi	AP	CHINOV	\$25.00	
04/16/15	001000	Boyle, Pecharich, Cline & Whit	AP	CHINOV	\$1,888.00	
07/29/15	023471	Bolt Internet, Inc.	AP	CHINOV	\$73.00	
06/30/16		Cash Reversing JE - Void Check	GL	CHINOV	\$527.91	
12/19/16	79024339	VOID	AP	CHINOV	\$0.01	
12/19/16	79024340	Awards Etc.	AP	CHINOV	\$67.82	
12/29/16	79024342	Hinton Burdick CPA's and Advis	AP	CHINOV	\$4,427.03	
12/29/16	79024343	Kendhammer and Partners, LLP	AP	CHINOV	\$227.50	
TOTAL CHECKS AND CHARGES OUTSTANDING:					\$7,278.59	

1/10/17
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Chino Valley Fire District
BR Deposits and Credits Cleared
For the Bank Statement ending: 12/31/16

Page: 1

GEN		General Fund		General Fund		0000000000000000
Date	Document	Description	Module	Company	Amount	
12/31/16	Cash With Yav.Cty.	Tax and Interest Revenue	GL	CHINOV	\$253,920.71	
TOTAL DEPOSITS AND CREDITS CLEARED:					\$253,920.71	

Chino Valley Fire District
BR Deposits and Credits Outstanding
For the Bank Statement ending: 12/31/16

GEN		General Fund		General Fund		0000000000000000
Date	Document	Description	Module	Company	Amount	
07/01/16		Cash Reversing JE - Void Check	GL	CHINOV	\$527.91	
TOTAL DEPOSITS AND CREDITS OUTSTANDING:					\$527.91	

Chino Valley Fire District
Bank Reconciliation Register

Document Number	Date	BR Status	Void?	Description	Date Cleared	Amount
MODULE: CHECKS FROM ACCOUNTS PAYABLE						
BANK CONTROL ID: GEN - GENERAL FUND						
79024336	12/05/16	Marked	No	Central Ariz.Fire&Medical Auth	01/10/17	\$560.00
79024337	12/19/16	Marked	No	Awards Etc.	01/10/17	\$67.82
79024337	12/19/16	Marked	Yes	Awards Etc.	01/10/17	(\$67.82)
79024338	12/19/16	Marked	No	SC Audit and Accounting	01/10/17	\$940.00
79024338	12/19/16	Marked	Yes	SC Audit and Accounting	01/10/17	(\$940.00)
79024339	12/19/16	Retrieved	No	VOID		\$0.01
79024340	12/19/16	Retrieved	No	Awards Etc.		\$67.82
79024341	12/19/16	Marked	No	SC Audit and Accounting	01/10/17	\$940.00
79024342	12/29/16	Retrieved	No	Hinton Burdick CPA's and Advis		\$4,427.03
79024343	12/29/16	Retrieved	No	Kendhammer and Partners, LLP		\$227.50
SUB TOTAL FOR BANK:						\$6,222.36
TOTAL FOR MODULE:						\$6,222.36
MODULE: JOURNAL ENTRIES FROM GENERAL LEDGER						
BANK CONTROL ID: GEN - GENERAL FUND						
Cash With Yav.Cty.	12/27/16	Marked	No	Fire Authority Funding	01/10/17	\$942,057.03
Cash With Yav.Cty.	12/31/16	Marked	No	Tax and Interest Revenue	01/10/17	\$253,920.71
SUB TOTAL FOR BANK:						\$1,195,977.74
TOTAL FOR MODULE:						\$1,195,977.74

Chino Valley 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]

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Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65540-0000 Chino Valley Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 5

	(---Period---)	(---Y-T-D---)			
Begin Balance:	1,583,801.12	651,351.02			
Income . . . :	253,920.71	2,369,143.89			
LOC Advance . :	.00	.00			
Expense . . . :	947,526.02	2,130,299.10	LOC :	.00	Levy: 3,550,529.71
LOC Payments :	.00	.00	Out :	.00	Coll: 2,070,435.65
Cash Balance :	890,195.81	890,195.81	End :	890,195.81	Adj : 286.75-
					Out : 1,479,807.31

Transaction Summary By Source
Source Description

	Beginning Balance:	1,583,801.12 Monthly	651,351.02 Yearly
20061 2006 UPP Taxes		1.66	7.79
20091 2009 UPP Taxes		.00	11.96
20101 2010 UPP Taxes		.00	16.21
20102 2010 RE Taxes		.00	3.36
20111 2011 UPP Taxes		52.18	93.19
20112 2011 RE Taxes		.00	4.04
20121 2012 UPP Taxes		169.44	241.43
20122 2012 RE Taxes		23.50	7.78
20131 2013 UPP Taxes		170.71	381.85
20132 2013 RE Taxes		.45	1,728.07
20141 2014 UPP Taxes		175.16	494.19
20142 2014 RE Taxes		3.18	317.05
20151 2015 UPP Taxes		10.53	5,131.87
20152 2015 RE Taxes		12,815.22	65,291.50
20161 2016 UPP Taxes		10,705.40	56,199.36
20162 2016 RE Taxes		203,592.44	2,014,236.29
37122 Fire District Deposit		.00	28,667.11
37130 ADOT & Fish and Game in New		162.98	162.98
37150 FDAT Distributions		24,922.96	197,414.06
38108 Interest on Investments ICM		665.12	1,086.31
38109 Interest on Investments St Treas		374.61	1,596.46
38120 Interest on Transwestern Loan		122.87	141.27
91032 Warrants Redeemed		5,468.99	15,075.92
91702 Transfer out		942,057.03	2,115,223.18
Ending Balances:	890,195.81	890,195.81	890,195.81

Real Estate Taxes:	216,386.89
UPP Taxes:	11,285.28
FDAT:	24,922.96
Interest:	1,162.60
ADOT:	162.98
Total:	\$ 253,920.71

Transfer Out:
Fire Authority Funding: \$942,057.03

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65540-0000 Chino Valley 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:	1,583,801.12
Date	Source	Description	Notes		Debits/Credits	
12/01	20111	2011 UPP Taxes	TAX DISTRIBUTION	0004423	52.18	
12/01	20152	2015 RE Taxes	TAX DISTRIBUTION	0004423	2,452.89	
12/01	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004423	224.52	
12/01	20162	2016 RE Taxes	TAX DISTRIBUTION	0004423	4,498.38	
12/01	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014078	492.79	
12/02	20152	2015 RE Taxes	TAX DISTRIBUTION	0004424	817.73	
12/02	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004424	226.01	
12/02	20162	2016 RE Taxes	TAX DISTRIBUTION	0004424	7,934.31	
12/02	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014081	642.83	
12/05	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004425	99.02	
12/05	20162	2016 RE Taxes	TAX DISTRIBUTION	0004425	6,598.83	
12/05	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014084	847.21	
12/06	20152	2015 RE Taxes	TAX DISTRIBUTION	0004426	679.78	
12/06	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004426	727.09	
12/06	20162	2016 RE Taxes	TAX DISTRIBUTION	0004426	8,497.63	
12/06	37130	ADOT & Fish and Game in-lieu	AZ GAME & FISH / 2016 IN LIEU	0042504	162.98	
12/06	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014087	869.26	
12/07	20061	2006 UPP Taxes	TAX DISTRIBUTION	0004427	1.66	
12/07	20141	2014 UPP Taxes	TAX DISTRIBUTION	0004427	27.85	
12/07	20142	2014 RE Taxes	TAX DISTRIBUTION	0004427	3.24	
12/07	20152	2015 RE Taxes	TAX DISTRIBUTION	0004427	10.85-	
12/07	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004427	320.82	
12/07	20162	2016 RE Taxes	TAX DISTRIBUTION	0004427	7,751.97	
12/07	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014090	891.99	
12/08	20152	2015 RE Taxes	TAX DISTRIBUTION	0004428	405.42	
12/08	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004428	30.03	
12/08	20162	2016 RE Taxes	TAX DISTRIBUTION	0004428	7,613.09	
12/08	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014093	888.75	
12/09	20152	2015 RE Taxes	TAX DISTRIBUTION	0004429	414.24	
12/09	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004429	123.57	
12/09	20162	2016 RE Taxes	TAX DISTRIBUTION	0004429	7,322.31	
12/09	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014096	825.11	
12/12	20131	2013 UPP Taxes	TAX DISTRIBUTION	0004430	10.24	
12/12	20141	2014 UPP Taxes	TAX DISTRIBUTION	0004430	10.23	
12/12	20151	2015 UPP Taxes	TAX DISTRIBUTION	0004430	10.53	
12/12	20152	2015 RE Taxes	TAX DISTRIBUTION	0004430	1,332.24	
12/12	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004430	123.05	
12/12	20162	2016 RE Taxes	TAX DISTRIBUTION	0004430	5,144.11	
12/12	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014099	796.80	
12/13	20132	2013 RE Taxes	TAX DISTRIBUTION	0004431	.00	
Debit Page Totals:					.00	
Credit Page Totals:					69,859.84	
Page End Totals:					1,653,660.96	

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65540-0000 Chino Valley 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		
12/13	20142	2014 RE Taxes	TAX DISTRIBUTION	0004431 .01-
12/13	20152	2015 RE Taxes	TAX DISTRIBUTION	0004431 375.88
12/13	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004431 1,167.98
12/13	20162	2016 RE Taxes	TAX DISTRIBUTION	0004430 19.33
12/13	20162	2016 RE Taxes	TAX DISTRIBUTION	0004431 9,964.32
12/13	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014102 666.46
12/13	91032	Warrants Redeemed	PAID WARRANTS	1000014104 3,968.99-
12/14	20152	2015 RE Taxes	TAX DISTRIBUTION	0004432 175.38
12/14	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004432 33.15
12/14	20162	2016 RE Taxes	TAX DISTRIBUTION	0004432 7,198.80
12/14	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014105 1,218.24
12/15	20152	2015 RE Taxes	TAX DISTRIBUTION	0004433 2,568.00
12/15	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004433 235.85
12/15	20162	2016 RE Taxes	TAX DISTRIBUTION	0004433 8,235.26
12/15	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014108 1,496.90
12/15	38120	Interest on Transwestern Loan	INVESTMENT INTEREST	1000014110 122.87
12/16	20152	2015 RE Taxes	TAX DISTRIBUTION	0004434 261.45
12/16	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004434 537.06
12/16	20162	2016 RE Taxes	TAX DISTRIBUTION	0004434 8,241.44
12/16	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014112 609.98
12/19	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004435 87.94
12/19	20162	2016 RE Taxes	TAX DISTRIBUTION	0004435 8,889.82
12/19	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014115 1,075.62
12/19	91032	Warrants Redeemed	PAID WARRANTS	1000014117 560.00-
12/20	20152	2015 RE Taxes	TAX DISTRIBUTION	0004436 96.02
12/20	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004436 561.46
12/20	20162	2016 RE Taxes	TAX DISTRIBUTION	0004436 15,003.57
12/20	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014118 864.41
12/21	20122	2012 RE Taxes	TAX DISTRIBUTION	0004437 23.50-
12/21	20152	2015 RE Taxes	TAX DISTRIBUTION	0004437 93.39
12/21	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004437 2,837.82
12/21	20162	2016 RE Taxes	TAX DISTRIBUTION	0004437 11,089.23
12/21	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014121 933.33
12/22	20132	2013 RE Taxes	TAX DISTRIBUTION	0004438 .45-
12/22	20152	2015 RE Taxes	TAX DISTRIBUTION	0004438 54.31
12/22	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004438 381.53
12/22	20162	2016 RE Taxes	TAX DISTRIBUTION	0004438 14,023.73
12/22	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI	1000014124 1,334.90
12/23	20142	2014 RE Taxes	TAX DISTRIBUTION	0004439 .05-
12/23	20152	2015 RE Taxes	TAX DISTRIBUTION	0004439 426.61

Debit Page Totals: 4,528.99- Credit Page Totals: 170,717.87 Page End Totals: 1,749,990.00

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65540-0000 Chino Valley Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 4

TRANSACTIONS			Notes	Debits/Credits
Date	Source	Description		
12/23	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004439	652.23
12/23	20162	2016 RE Taxes	TAX DISTRIBUTION 0004438	298.75
12/23	20162	2016 RE Taxes	TAX DISTRIBUTION 0004439	11,347.04
12/23	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI 1000014127	1,432.39
12/27	20152	2015 RE Taxes	TAX DISTRIBUTION 0004440	161.56
12/27	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004440	715.23
12/27	20162	2016 RE Taxes	TAX DISTRIBUTION 0004440	13,388.16
12/27	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI 1000014130	1,206.75
12/27	91032	Warrants Redeemed	PAID WARRANTS 1000014132	940.00-
12/27	91702	Transfer out	CENTRAL AZ FIRE & MED AUTH EM 1007254	942,057.03-
12/28	20152	2015 RE Taxes	TAX DISTRIBUTION 0004441	1,081.10
12/28	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004441	316.82
12/28	20162	2016 RE Taxes	TAX DISTRIBUTION 0004440	78.43
12/28	20162	2016 RE Taxes	TAX DISTRIBUTION 0004441	9,926.15
12/28	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI 1000014133	859.39
12/29	20152	2015 RE Taxes	TAX DISTRIBUTION 0004442	233.02
12/29	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004442	303.71
12/29	20162	2016 RE Taxes	TAX DISTRIBUTION 0004442	8,768.74
12/29	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI 1000014136	1,245.58
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014139	66.60
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014139	231.24
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014140	68.31
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014141	78.13
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014142	88.76
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014143	132.08
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014138	.56
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014144	374.05
12/30	20121	2012 UPP Taxes	TAX DISTRIBUTION 0004443	169.44
12/30	20131	2013 UPP Taxes	TAX DISTRIBUTION 0004443	160.47
12/30	20141	2014 UPP Taxes	TAX DISTRIBUTION 0004443	137.28
12/30	20152	2015 RE Taxes	TAX DISTRIBUTION 0004443	1,197.05
12/30	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004443	1,000.51
12/30	20162	2016 RE Taxes	TAX DISTRIBUTION 0004442	92.41
12/30	20162	2016 RE Taxes	TAX DISTRIBUTION 0004443	21,666.63
12/30	37150	FDAT Distributions	DISTRIBUTE FIRE DISTRICT ASSI 1000014146	5,724.27

Ending Debit Totals: 947,526.02- Ending Credit Totals: 253,920.71 Ending Balance: 890,195.81

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65540-0000 Chino Valley Fire Dist GF Date Range: 12/01/2016 to 12/31/2016 Page: 4

Account	Fund	Stat	Payee	Warrant	Amount	Issue Date	Date	Voucher
6-65540-0000	655	PAID	/	00024335	3,968.99	11/21/2016	12/13/2016	
6-65540-0000	655	PAID	/	00024336	560.00	12/05/2016	12/19/2016	
6-65540-0000	655	PAID	/	00024341	940.00	12/19/2016	12/27/2016	
Status Subtotal	:			3	5,468.99			
Fund Subtotal	:			3	5,468.99			
Total Paid Warrants:				3	5,468.99			
Total Outstanding. :				2	727.71			
Total Void Warrants:					.00			
Total Registered . :					.00			

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65840-0000 Chino Fire District Capital Reserve Date Range: 12/01/2016 to 12/31/2016 Page: 2

	(---Period---)	(-----Y-T-D-----)					
Begin Balance:	.00	2,576,517.78					
Income . . . :	.00	.00					
LOC Advance .:	.00	.00					
Expense . . .:	.00	2,576,517.78-	LOC :	.00	Levy:	21,186.20	
LOC Payments :	.00	.00	Out :	.00	Coll:	13,194.08	
Cash Balance :	.00	.00	End :	.00	Adj :	20.70-	
					Out :	7,971.42	

Transaction Summary By Source	Beginning Balance:	.00	2,576,517.78
Source Description		Monthly	Yearly
91702 Transfer out		.00	2,576,517.78-
	Ending Balances:	.00	.00

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65840-0000 Chino Fire District Capital Reserve Date Range: 12/01/2016 to 12/31/2016 Page: 1

T R A N S A C T I O N S
Date Source Description

Notes

Begin Balance: .00
Debits/Credits

Ending Debit Totals: .00 Ending Credit Totals: .00 Ending Balance: .00

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65840-0000 Chino Fire District Capital Reserve 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			

Chino Valley 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	
10.1100.0.0.000	Cash with Yavapai County	\$1,578,003.81	\$254,928.53	\$949,287.21	\$883,645.13	
TOTALS:		<u>\$1,578,003.81</u>	<u>\$254,928.53</u>	<u>\$949,287.21</u>	<u>\$883,645.13</u>	

* Inactive accounts are marked and appear in grey.

Chino Valley Fire District
Income Statement
(Original Budget to Actual Comparison)
For the period of 12/1/2016 Through 12/31/2016

Fund: (40) Bond Service Fund

	Account	Actual	Current Period Budget	Variance	%	Actual	Year To Date Budget	Variance	%
<u>Revenues</u>									
BDS Income	40400000000	\$5,981.16	\$0.00	\$5,981.16	0.0 %	\$5,981.16	\$0.00	\$5,981.16	0.0 %
Real Estate Tax	40420000002	25,515.59	0.00	25,515.59	0.0	244,418.03	0.00	244,418.03	0.0
Personal Tax Revenue	40420500000	1,326.51	0.00	1,326.51	0.0	7,399.85	0.00	7,399.85	0.0
Net Revenues		\$32,823.26	\$0.00	\$32,823.26	0.0 %	\$257,799.04	\$0.00	\$257,799.04	0.0 %
<u>Fund Raising Expenses</u>									
BDS - Bank Agent Fees	40640500000	\$0.00	\$0.00	\$0.00	0.0 %	\$420.00	\$0.00	\$(420.00)	0.0 %
Total Fund Raising Expenses		\$0.00	\$0.00	\$0.00	0.0 %	\$420.00	\$0.00	\$(420.00)	0.0 %
Total Expenses						\$420.00		\$(420.00)	
Income (Loss) from Operations		\$32,823.26	\$0.00	\$32,823.26	0.0 %	\$257,379.04	\$0.00	\$257,379.04	0.0 %
<u>Other Income (Expense)</u>									
Bond Debt Service Interest Revenue	40430000000	\$1,833.02	\$0.00	\$1,833.02	0.0 %	\$5,605.97	\$0.00	\$5,605.97	0.0 %
ADOT & Fish and Game In-Lieu	40435000002	0.39	0.00	0.39	0.0	0.39	0.00	0.39	0.0
Bond Debt Service Interest Expense	40610000000	(82,185.78)	0.00	(82,185.78)	0.0	(82,185.78)	0.00	(82,185.78)	0.0
Capital Outlay - Other	40707500000	0.00	0.00	0.00	0.0	(8,330.41)	0.00	(8,330.41)	0.0
Total Other Income (Expense)		\$(80,352.37)	\$0.00	\$(80,352.37)	0.0 %	\$(84,909.83)	\$0.00	\$(84,909.83)	0.0 %
Net Income (Loss)		\$(47,529.11)	\$0.00	\$(47,529.11)	0.0 %	\$172,469.21	\$0.00	\$172,469.21	0.0 %

1/10/17
9:02:35 AM

Chino Valley Fire District
Balance Sheet
As of 12/31/2016

Fund: (40) Bond Service Fund

Assets

Current Assets

Bond Fund Account	\$71,303.20	
Bond Debt Service	407,944.49	
Cash Held with Fiscal Agent	288,587.32	
Taxes Receivable	17,378.50	
Bond Fund Investment	1,400,000.00	
Total Current Assets		\$2,185,213.51

Total Assets

\$2,185,213.51

Liabilities and Net Assets

Current Liabilities

Deferred Revenue - Prop Tax	\$13,350.29	
Total Current Liabilities		\$13,350.29

Total Liabilities

\$13,350.29

Net Assets

Fund Balance	\$1,886,157.02	
Fund Balance Restr. Capital Reserve	113,236.99	
Current Year Net Assets	172,469.21	
Total Net Assets		2,171,863.22
Total Liabilities and Net Assets		\$2,185,213.51

CHINO VALLEY FIRE DISTRICT
BOND DEBT SERVICE ACCOUNT: 6-65640-7000
BANK RECONCILIATION DECEMBER, 2016

Reconciliation:

Beginning Balance (CVFD):	\$	455,473.60
Deposits:	\$	32,823.65
Disbursements:	\$	(82,185.78)
Interest Income:	\$	1,833.02
Transfer To Building Account:	\$	-

Ending Balance: \$ **407,944.49**

Difference Between Balances: \$ -

Bank Statement Balance:

Balance Per Bank: \$ 407,944.49

Ending Balance: \$ **407,944.49**

Deposits Per Bank Statement:

Fire District Deposits:	\$	5,981.16
Real Estate Taxes:	\$	25,515.59
Personal Property Taxes:	\$	1,326.51
ADOT Game/Fish In Lieu:	\$	0.39

Ending Balance: \$ **32,823.65**

Reconciliation Approved By:

Scott Freitag, Fire Chief

Reconciliation Reviewed By:

David Tharp, Assistant Chief of Administration

Reconciliation Prepared By:

Debbie Spingola, Finance Manager

Chino Valley Fire District
Bank Reconciliation Summary
For the Bank Statement ending: 12/31/2016

BANK CONTROL ID: BDS - YAVAPAI COUNTY TREASURER		DESC: BOND DEBT SERVICE	ACCOUNT NO: 6-65640-7000
Beginning Balance:	12/01/16		\$455,473.60
Deposits and Credits:			\$34,656.67
Checks and Charges:			(\$82,185.78)
Adjustments:			\$0.00
Ending Balance Per Reconciliation:			<u>\$407,944.49</u>
Ending Balance Per Bank Statement:	12/31/16		\$407,944.49
* 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>\$407,944.49</u>

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

Chino Valley Fire District
BR Checks and Charges Cleared
For the Bank Statement ending: 12/31/16

BDS		Yavapai County Treasurer	Bond Debt Service		6-65640-7000
Date	Document	Description	Module	Company	Amount
12/31/16	BDS Cash	BDS Interest Payments 2007A	GL	CHINOV	\$82,185.78
TOTAL CHECKS AND CHARGES CLEARED:					\$82,185.78

Chino Valley Fire District
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>
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TOTAL CHECKS AND CHARGES OUTSTANDING:

Chino Valley Fire District
BR Deposits and Credits Cleared
For the Bank Statement ending: 12/31/16

BDS		Yavapai County Treasurer	Bond Debt Service		6-65640-7000
Date	Document	Description	Module	Company	Amount
12/31/16	BDS - Cash	Tax and Interest Revenue	GL	CHINOV	\$28,675.51
12/31/16	BDS Cash	BDS Refund of Bond Expenses	GL	CHINOV	\$5,981.16
TOTAL DEPOSITS AND CREDITS CLEARED:					\$34,656.67

Chino Valley Fire District
BR Deposits and Credits Outstanding
For the Bank Statement ending:

Date	Document	Description	Module	Company	Amount
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TOTAL DEPOSITS AND CREDITS OUTSTANDING:

Chino Valley Fire District
Bank Reconciliation Register

Document Number	Date	BR Status	Void?	Description	Date Cleared	Amount
MODULE: JOURNAL ENTRIES FROM GENERAL LEDGER						
BANK CONTROL ID: BDS - YAVAPAI COUNTY TREASURER						
BDS - Cash	12/31/16	Marked	No	Tax and Interest Revenue	01/10/17	\$28,675.51
BDS Cash	12/31/16	Marked	No	BDS Refund of Bond Expenses	01/10/17	\$5,981.16
BDS Cash	12/31/16	Marked	No	BDS Interest Payments 2007A	01/10/17	\$82,185.78
SUB TOTAL FOR BANK:						\$116,842.45
TOTAL FOR MODULE:						\$116,842.45

Chino Valley Fire District
BR Adjustments Report
For the Bank Statement ending:

Date	Document	Description	GL Account	Offset Amt	Adj. Amt
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DOCUMENT:

ADJUSTMENT DOCUMENT " TOTAL:

TOTAL FOR ALL ADJUSTMENTS:

Chino Valley Fire District
GL Account Ledger - Detail By Period
12/1/2016 through 12/31/2016

Batch	Journal	Entry #	Date	Job	Document	Description	Debits	Credits	Balance
40.1105.0.0.000						BOND DEBT SERVICE			\$455,473.60
1860	GJ	142024	12/31/16		BDS - Cash	Tax and Interest Revenue	28,675.51	-	484,149.11
1855	GJ	141845	12/31/16		BDS Cash	BDS Refund of Bond Expenses	5,981.16	-	490,130.27
1861	GJ	142031	12/31/16		BDS Cash	BDS Interest Payments 2007A	-	82,185.78	407,944.49
BOND DEBT SERVICE TOTALS:							\$34,656.67	\$82,185.78	\$407,944.49
TOTAL OF LEDGER:							\$34,656.67	\$82,185.78	\$407,944.49

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-7000 Chino Valley Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 5

	(---Period---)	(---Y-T-D---)				
Begin Balance:	455,473.60	227,144.87				
Income . . . :	34,656.67	263,405.40				
LOC Advance . :	.00	.00				
Expense . . . :	82,185.78	82,605.78	LOC :	.00	Levy:	416,768.65
LOC Payments :	.00	.00	Out :	.00	Coll:	243,031.38
Cash Balance :	407,944.49	407,944.49	End :	407,944.49	Adj :	33.65
					Out :	173,703.62

Transaction Summary By Source
Source Description

	Beginning Balance:	455,473.60	227,144.87
		Monthly	Yearly
20091 2009 UPP Taxes		.00	1.51
20101 2010 UPP Taxes		.00	1.74
20102 2010 RE Taxes		.00	.36
20111 2011 UPP Taxes		6.25	11.16
20112 2011 RE Taxes		.00	.48
20121 2012 UPP Taxes		16.12	22.97
20122 2012 RE Taxes		2.24	.74
20131 2013 UPP Taxes		22.69	50.76
20132 2013 RE Taxes		.05	229.53
20141 2014 UPP Taxes		23.43	66.00
20142 2014 RE Taxes		.43	42.13
20151 2015 UPP Taxes		4.33	648.67
20152 2015 RE Taxes		1,619.98	8,253.77
20161 2016 UPP Taxes		1,256.69	6,597.04
20162 2016 RE Taxes		23,897.47	236,434.34
37122 Fire District Deposit		5,981.16	5,981.16
37130 ADOT & Fish and Game in-lieu		.39	.39
38108 Interest on Investments ICM		939.18	1,034.17
38109 Interest on Investments St Treas		772.42	4,404.22
38120 Interest on Transwestern Loan		121.42	167.58
92185 Paying Agent Fees		.00	420.00
92190 Bond Interest Payment		82,185.78	82,185.78
Ending Balances:	407,944.49	407,944.49	407,944.49

Real Estate Taxes:	25,515.59
UPP Taxes:	1,326.51
Interest:	1,833.02
Fire District Deposit:	5,981.16
ADOT:	.39
Total:	\$34,656.67

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-7000 Chino Valley 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:	455,473.60
Date	Source	Description	Notes		Debits/Credits
12/01	20111	2011 UPP Taxes	TAX DISTRIBUTION	0004423	6.25
12/01	20152	2015 RE Taxes	TAX DISTRIBUTION	0004423	310.07
12/01	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004423	26.36
12/01	20162	2016 RE Taxes	TAX DISTRIBUTION	0004423	527.95
12/02	20152	2015 RE Taxes	TAX DISTRIBUTION	0004424	103.36
12/02	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004424	26.53
12/02	20162	2016 RE Taxes	TAX DISTRIBUTION	0004424	931.34
12/05	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004425	11.62
12/05	20162	2016 RE Taxes	TAX DISTRIBUTION	0004425	774.57
12/06	20152	2015 RE Taxes	TAX DISTRIBUTION	0004426	85.92
12/06	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004426	85.35
12/06	20162	2016 RE Taxes	TAX DISTRIBUTION	0004426	997.43
12/06	37130	ADOT & Fish and Game in-lieu	AZ GAME & FISH / 2016 IN LIEU	0042504	.39
12/07	20141	2014 UPP Taxes	TAX DISTRIBUTION	0004427	3.72
12/07	20142	2014 RE Taxes	TAX DISTRIBUTION	0004427	.43
12/07	20152	2015 RE Taxes	TAX DISTRIBUTION	0004427	1.37-
12/07	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004427	37.66
12/07	20162	2016 RE Taxes	TAX DISTRIBUTION	0004427	909.91
12/08	20152	2015 RE Taxes	TAX DISTRIBUTION	0004428	51.24
12/08	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004428	3.53
12/08	20162	2016 RE Taxes	TAX DISTRIBUTION	0004428	893.63
12/09	20152	2015 RE Taxes	TAX DISTRIBUTION	0004429	52.38
12/09	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004429	14.51
12/09	20162	2016 RE Taxes	TAX DISTRIBUTION	0004429	859.50
12/12	20131	2013 UPP Taxes	TAX DISTRIBUTION	0004430	1.36
12/12	20141	2014 UPP Taxes	TAX DISTRIBUTION	0004430	1.37
12/12	20151	2015 UPP Taxes	TAX DISTRIBUTION	0004430	1.33
12/12	20152	2015 RE Taxes	TAX DISTRIBUTION	0004430	168.44
12/12	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004430	14.45
12/12	20162	2016 RE Taxes	TAX DISTRIBUTION	0004430	603.75
12/13	20132	2013 RE Taxes	TAX DISTRIBUTION	0004431	.00
12/13	20142	2014 RE Taxes	TAX DISTRIBUTION	0004431	.01
12/13	20152	2015 RE Taxes	TAX DISTRIBUTION	0004431	47.50
12/13	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004431	137.10
12/13	20162	2016 RE Taxes	TAX DISTRIBUTION	0004430	2.27
12/13	20162	2016 RE Taxes	TAX DISTRIBUTION	0004431	1,169.66
12/14	20152	2015 RE Taxes	TAX DISTRIBUTION	0004432	22.17
12/14	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004432	3.89
12/14	20162	2016 RE Taxes	TAX DISTRIBUTION	0004432	844.99
12/15	20152	2015 RE Taxes	TAX DISTRIBUTION	0004433	324.63
Debit Page Totals:				.00	Credit Page Totals: 10,055.20
				Page End Totals:	465,528.80

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-7000 Chino Valley Fire Dist BDS Date Range: 12/01/2016 to 12/31/2016 Page: 47

TRANSACTIONS				
Date	Source	Description	Notes	Debits/Credits
12/15	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004433 27.69
12/15	20162	2016 RE Taxes	TAX DISTRIBUTION	0004433 966.65
12/15	37122	Fire District Deposit	CHINO VALLEY FIRE DISTRICT	0042560 5,981.16
12/15	38120	Interest on Transwestern Loan	INVESTMENT INTEREST	1000014110 4.52
12/15	38120	Interest on Transwestern Loan	INVESTMENT INTEREST	1000014110 88.77
12/15	38120	Interest on Transwestern Loan	INVESTMENT INTEREST	1000014110 28.13
12/16	20152	2015 RE Taxes	TAX DISTRIBUTION	0004434 33.05
12/16	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004434 63.04
12/16	20162	2016 RE Taxes	TAX DISTRIBUTION	0004434 967.42
12/19	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004435 10.32
12/19	20162	2016 RE Taxes	TAX DISTRIBUTION	0004435 1,043.46
12/20	20152	2015 RE Taxes	TAX DISTRIBUTION	0004436 12.14
12/20	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004436 65.90
12/20	20162	2016 RE Taxes	TAX DISTRIBUTION	0004436 1,761.16
12/21	20122	2012 RE Taxes	TAX DISTRIBUTION	0004437 2.24-
12/21	20152	2015 RE Taxes	TAX DISTRIBUTION	0004437 11.80
12/21	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004437 333.12
12/21	20162	2016 RE Taxes	TAX DISTRIBUTION	0004437 1,301.24
12/22	20132	2013 RE Taxes	TAX DISTRIBUTION	0004438 .05-
12/22	20152	2015 RE Taxes	TAX DISTRIBUTION	0004438 6.87
12/22	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004438 44.79
12/22	20162	2016 RE Taxes	TAX DISTRIBUTION	0004438 1,646.12
12/23	20142	2014 RE Taxes	TAX DISTRIBUTION	0004439 .01-
12/23	20152	2015 RE Taxes	TAX DISTRIBUTION	0004439 53.93
12/23	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004439 76.57
12/23	20162	2016 RE Taxes	TAX DISTRIBUTION	0004438 35.07
12/23	20162	2016 RE Taxes	TAX DISTRIBUTION	0004439 1,331.98
12/27	20152	2015 RE Taxes	TAX DISTRIBUTION	0004440 20.42
12/27	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004440 83.95
12/27	20162	2016 RE Taxes	TAX DISTRIBUTION	0004440 1,571.52
12/28	20152	2015 RE Taxes	TAX DISTRIBUTION	0004441 136.65
12/28	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004441 37.20
12/28	20162	2016 RE Taxes	TAX DISTRIBUTION	0004440 9.21
12/28	20162	2016 RE Taxes	TAX DISTRIBUTION	0004441 1,165.17
12/28	92190	Bond Interest Payment	CAPITAL ONE BOND PYMT-WIRE#31	0004275 69,335.78-
12/28	92190	Bond Interest Payment	US BANK BOND PYMT-WIRE#310530	0004280 12,850.00-
12/29	20152	2015 RE Taxes	TAX DISTRIBUTION	0004442 29.46
12/29	20161	2016 UPP Taxes	TAX DISTRIBUTION	0004442 35.65
12/29	20162	2016 RE Taxes	TAX DISTRIBUTION	0004442 1,029.32
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST	1000014139 13.72
Debit Page Totals:		82,185.78-	Credit Page Totals:	30,080.07
			Page End Totals:	403,367.89

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-7000 Chino Valley 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		
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014139	96.33
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014139	43.27
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014140	11.59
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014140	144.57
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014140	23.51
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014141	9.13
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014141	160.50
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014141	26.38
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014142	10.22
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014142	179.65
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014142	30.17
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014143	8.36
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014143	149.57
12/29	38108	Interest on Investments ICM	INVESTMENT INTEREST 1000014143	32.21
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014138	.02
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014138	.41
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014138	.13
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014144	13.76
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014144	270.23
12/29	38109	Interest on Investments St Treas	INVESTMENT INTEREST 1000014144	85.64
12/29	38109	Interest on Investments St Treas	YAV CO TREASURER/ LGIP INT ON 0042650	402.23
12/30	20121	2012 UPP Taxes	TAX DISTRIBUTION 0004443	16.12
12/30	20131	2013 UPP Taxes	TAX DISTRIBUTION 0004443	21.33
12/30	20141	2014 UPP Taxes	TAX DISTRIBUTION 0004443	18.34
12/30	20152	2015 RE Taxes	TAX DISTRIBUTION 0004443	151.32
12/30	20161	2016 UPP Taxes	TAX DISTRIBUTION 0004443	117.46
12/30	20162	2016 RE Taxes	TAX DISTRIBUTION 0004442	10.85
12/30	20162	2016 RE Taxes	TAX DISTRIBUTION 0004443	2,543.30

Ending Debit Totals: 82,185.78- Ending Credit Totals: 34,656.67 Ending Balance: 407,944.49

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-7000 Chino Valley 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			

Chino Valley 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	
40.1105.0 0.000	Bond Debt Service	\$455,473.60	\$34,656.67	\$82,185.78	\$407,944.49	
TOTALS:		<u>\$455,473.60</u>	<u>\$34,656.67</u>	<u>\$82,185.78</u>	<u>\$407,944.49</u>	

* Inactive accounts are marked and appear in grey.

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-0000 Chino Valley Fire Dist Bond Fund Date Range: 12/01/2016 to 12/31/2016 Page: 3

	(---Period---)	(-----Y-T-D-----)					
Begin Balance:	71,303.20	171,424.71					
Income . . . :	.00	.00					
LOC Advance .:	.00	.00				Levy:	180,489.34
Expense . . .:	.00	100,121.51-	LOC :	.00		Coll:	112,398.72
LOC Payments :	.00	.00	Out :	.00		Adj :	176.40-
Cash Balance :	71,303.20	71,303.20	End :	71,303.20		Out :	67,914.22

Transaction Summary By Source	Beginning Balance:	71,303.20	171,424.71
Source Description		Monthly	Yearly
91032 Warrants Redeemed		.00	100,121.51-
	Ending Balances:	71,303.20	71,303.20

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-0000 Chino Valley Fire Dist Bond Fund Date Range: 12/01/2016 to 12/31/2016 Page: 1

T R A N S A C T I O N S
Date Source Description

Notes

Begin Balance: 71,303.20
Debits/Credits

Ending Debit Totals: .00 Ending Credit Totals: .00 Ending Balance: 71,303.20

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-0000 Chino Valley Fire Dist Bond Fund 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			

CHINO VALLEY FIRE DISTRICT
BOND 2007 ACCOUNT: 6-65640-0000
BANK RECONCILIATION DECEMBER, 2016

Reconciliation:

Beginning Balance (CVFD):	\$	71,303.20
Deposits:	\$	-
Disbursements:	\$	-
Interest Income:	\$	-
Checks:	\$	-
Transfer to Investment Account:	\$	-

Ending Balance: \$ 71,303.20

Difference Between Balances: \$ -

Bank Statement Balance:

Balance Per Bank: \$ 71,303.20

Ending Balance: \$ 71,303.20

Deposits Per Bank Statement:

Deposits:	\$	-
Real Estate Taxes:	\$	-
Personal Property Taxes:	\$	-
Bond Proceeds:	\$	-

Ending Balance: \$ -

Reconciliation Approved By:

Scott Freitag, Fire Chief

Reconciliation Reviewed By:

David Tharp, Assistant Chief of Administration

Reconciliation Prepared By:


Debbie Spingola, Finance Manager

1-10-17

CHINO VALLEY FIRE DISTRICT
BOND INVESTMENT ACCOUNT: 6-65640-5000
BANK RECONCILIATION DECEMBER, 2016

Reconciliation:

Beginning Balance (CVFD):	\$	1,400,000.00
Deposits:	\$	-
Disbursements:	\$	-
Interest Income:	\$	-
Outstanding Checks:	\$	-
Transfer to Investment Account:	\$	-

Ending Balance: \$ **1,400,000.00**

Difference between Balances: \$ -

Bank Statement Balance:

Balance Per Bank: \$ 1,400,000.00

Ending Balance: \$ **1,400,000.00**

Deposits Per Bank Statement:


Deposits:	\$	-
Real Estate Taxes:	\$	-
Personal Property Taxes:	\$	-
Transfer In:	\$	-

Ending Balance: \$ -

Reconciliation Approved By:

Scott Freitag, Fire Chief

Reconciliation Reviewed By:

 1/10/17

David Tharp, Assistant Chief of Administration

Reconciliation Prepared By:

 1/10/17

Debbie Spingola, Finance Manager

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-5000 Chino Valley Fire Dist Bond Invest Fund Date Range: 12/01/2016 to 12/31/2016 Page: 1

	(---Period---)	(-----Y-T-D-----)			
Begin Balance:	1,400,000.00	1,400,000.00			
Income . . . :	.00	.00			
LOC Advance .:	.00	.00			
Expense . . .:	.00	.00	LOC :	.00	Levy: 180,489.34
LOC Payments :	.00	.00	Out :	.00	Coll: 112,398.72
Cash Balance :	1,400,000.00	1,400,000.00	End :	1,400,000.00	Adj : 176.40-
					Out : 67,914.22

Transaction Summary By Source
Source Description

Beginning Balance:	1,400,000.00	1,400,000.00
	Monthly	Yearly
Ending Balances:	1,400,000.00	1,400,000.00

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-5000 Chino Valley Fire Dist Bond Invest Fund Date Range: 12/01/2016 to 12/31/2016 Page: 1

T R A N S A C T I O N S
Date Source Description

Notes

Begin Balance: 1,400,000.00
Debits/Credits

Ending Debit Totals: .00 Ending Credit Totals: .00 Ending Balance: 1,400,000.00

1/04/17
9:46:50

Yavapai County Treasurer
Monthly Statement

TR046DSR
C00623

* Account Number: 6-65640-5000 Chino Valley Fire Dist Bond Invest Fund 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			

Chino Valley Fire District
GL Account Ledger - Detail By Period
12/1/2016 through 12/31/2016

Batch	Journal	Entry #	Date	Job	Document	Description	Debits	Credits	Balance
40.1251.0.0.000						BOND FUND INVESTMENT			\$1,400,000.00
						BOND FUND INVESTMENT TOTALS:	\$0.00	\$0.00	\$1,400,000.00
						TOTAL OF LEDGER:	\$0.00	\$0.00	\$1,400,000.00

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 - <u>Public Hearing & Final Budget Adoption</u>
June	22	ASAP	Deliver Budget to Yavapai County (Due August 1 st)
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.

CHINO VALLEY FIRE DISTRICT
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2016
WITH REPORT OF
CERTIFIED PUBLIC ACCOUNTANTS

CHINO VALLEY 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.....	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	19
Notes to the Basic Financial Statements	20
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance General Fund – Budget and Actual.....	48
Schedule of the Proportionate Share of the Net Pension Liability - ASRS	49
Schedule of Contributions – ASRS.....	50
Schedule of Changes in the Net Pension Liability and Related Ratios-PSPRS.....	51
Schedule of Contributions-PSPRS.....	52
Schedule of Agent OPEB Plan Funding Progress-PSPRS.....	53
Notes to the Pension Plan Schedules	54

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* 57

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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

Independent Auditors' Report

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Chino Valley Fire District, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with 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, Schedule of Revenues, Expenditures and Changes in Fund Balance General Fund – Budget and Actual, and the pension related schedules as listed in the table of contents 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 14, 2016, on our consideration of the Chino Valley 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 Chino Valley Fire District's internal control over financial reporting and compliance.



HintonBurdick, PLLC
Flagstaff, Arizona
December 14, 2016

BOARD OF DIRECTORS

Cyndy Ducote	Chairman
Dave Dobbs	Clerk
David McConnell	Member
Julie Pettit	Member
Travis Bard	Member

CHIEF OFFICER

Scott Freitag	Fire Chief
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Chino Valley Fire District
Management's Discussion and Analysis
June 30, 2016

As management of Chino Valley 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 outflow of resources of the District exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$617,077. Of this amount, \$184,642 is invested in capital assets, net of related debt, \$519,759 is restricted for debt service, and a negative \$87,324 is unrestricted.
- During the year, the District's total net position increased by \$25,797.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$5,111,707, an increase of \$1,604,867 from prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$438,060 or 10.5 percent of the 2016 fiscal year's total budgeted operating expenditures.
- The District's debt for bond obligations increased by \$1,490,000 during the current fiscal year. The increase is due to a combination of the satisfaction of regularly scheduled bond debt service payments, a bond refunding, and a bond issuance that occurred in fiscal year 2016.
- Total revenue received in the General Fund was \$435,410 more than the final budget and expenditures were \$76,457 more than the final budget, mostly the results of greater than anticipated intergovernmental services rendered for wildland firefighting.

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 14-15 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, the Capital Reserve Fund, and the Debt Service Fund (includes bond funds issued and committed). 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 statement 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 48.

The basic governmental fund financial statements can be found on pages 16 - 19 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 20-45 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report includes required supplementary information, other than *Management's Discussion and Analysis*, concerning a comparison of the District's budget to actual revenues and expenditures, as described earlier and can be found on page 48 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 Chino Valley Fire District, assets exceeded liabilities by \$617,077 at the close of the most recent fiscal year.

Of the District's net position, \$184,642 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 \$519,759 is for capital projects commitments (bond funds) and scheduled debt service payments. The remaining net position of negative \$87,324 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.

Condensed Statement of Net Position

	Governmental Activities	
	2016	2015
Assets:		
Cash and cash equivalents	\$ 4,930,341	\$ 3,231,654
Other assets	567,684	574,042
Capital assets, net	3,904,642	4,101,508
Total assets	9,402,667	7,907,204
 Deferred outflows of resources	 1,751,985	 1,121,725
Liabilities:		
Accrued expenses	270,241	191,141
Long-term obligations	9,987,059	7,901,685
Total liabilities	10,257,300	8,092,826
 Deferred inflows of resources	 280,275	 344,823
Net position:		
Net investment in capital assets	184,642	111,508
Restricted for debt service	519,759	613,478
Unrestricted	(87,324)	(133,706)
Total net position	\$ 617,077	\$ 591,280

In comparison to 2015, the total net position of the District increased by \$25,797 in 2016. Key elements of this change from the prior year are as follows:

- Total revenues increased from 2015 to 2016 by \$575,938 and was offset by an increase in total expenditures during the same period of \$488,550.
- Expenses for public safety salaries, wages, and benefits increased by \$288,208 and are primarily attributed to increased expenses for employed personnel and increased contribution rates for retirement programs.
- Total revenue received for intergovernmental services was \$389,613 more than the final budget and was offset by related expenditures of services rendered for wildland firefighting.

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.

Condensed Statement of Changes in Net Position

	Governmental Activities	
	2016	2015
Revenues:		
Program revenue:		
Charges for services	\$ 67,540	\$ 82,707
Operating grants and contributions	539,613	188,331
General revenues:		
Property taxes	3,912,701	3,704,209
Fire District assistance tax	315,396	307,443
Other	61,828	41,210
Investment earnings	14,363	11,603
Total revenues	4,911,441	4,335,503
Expenses:		
Public safety	4,885,644	4,397,094
Total expenses	4,885,644	4,397,094
(Decrease) Increase in net position	25,797	(61,591)
Prior period adjustment	-	(2,735,583)
Net position, beginning, as restated	591,280	3,388,454
Net position, ending	\$ 617,077	\$ 591,280

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.

Management's Discussion and Analysis - Continued

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$5,111,707. During 2016 fund balance increased by \$1,604,867 in comparison to an increase of fund balance of \$79,365 in 2015. The largest component of the fund balance increase was attributed to the issuance of bonds in 2016; which provided funding resources for meeting future capital asset commitments.

Of the total combined governmental fund balance of \$5,111,707, the amount restricted for debt services payment was \$519,759. The committed fund balance is comprised of \$97,736 committed for pension benefits and \$1,479,634 (bond funds) committed to capital projects. Assigned fund balance is \$2,576,518, all of which is assigned to capital reserves. Unassigned fund balance of \$438,060 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 \$438,060. 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 10.3% of total general fund expenditures of \$4,245,610.

The **Capital Reserve Fund** accounts for reserves set aside for significant capital purchases anticipated to be made in future years. It is funded through budgeted transfers from other funds and 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 \$435,410 greater than budgeted revenues while total actual expenditures were \$76,457 greater than budgeted expenditures. The revenue and expenditure variances were primarily attributed to greater than anticipated collections and cost for intergovernmental support services (wildland firefighting).

Capital Asset and Debt Administration

Capital assets – The District's investment in capital assets as of June 30, 2016, totals \$3,904,642 (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:

- During 2016 the District made capital purchases for communications and related operating equipment in the amount of \$106,668.

For more detailed information, see page 29 in the notes to the financial statements.

Management's Discussion and Analysis - Continued

Capital Asset and Debt Administration - Continued

Long-term Debt – At the end of the current fiscal year, the District had total outstanding debt of \$9,987,059. All of the debt as follows is backed by the full faith and credit of the District.

- General Obligation Bonds - \$5,480,000
- Net Pension Liabilities - \$4,161,735
- Compensated Absences - \$345,324

Additional information regarding long-term debt of the District can be found in the notes to the financial statements on pages 30-31.

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 assessment values the Chino Valley area have increased only slightly over the past year. 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.

While assessed property values in the District have dropped over 60% since 2010, in the past fiscal year, the District saw a 2.58% 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 minimal tax levy increases and assessed value 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 not sustain significant M&O budget increases. However, ongoing pension liability increases and contributions 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 Central Yavapai 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 led 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

Management's Discussion and Analysis - Continued

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) 772-771, or visit the District's website at www.cazfire.org.

BASIC FINANCIAL STATEMENTS

Chino Valley Fire District
Statement of Net Position
June 30, 2016

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 4,930,341
Cash held with paying agent	288,587
Receivables:	
Property taxes	151,102
Service contracts	3,598
Wildland	123,387
Other receivables	1,010
Capital assets, not being depreciated	386,335
Capital assets, being depreciated, net	3,518,307
Total assets	9,402,667
Deferred outflows of resources	
Pension plan items	1,558,594
Deferred charge on refunding	193,391
Total deferred outflows of resources	1,751,985
Liabilities	
Accounts payable	61,907
Accrued payroll and related	208,334
<i>Noncurrent liabilities:</i>	
Due within one year	400,999
Due in more than one year	9,586,060
Total liabilities	10,257,300
Deferred inflows of resources	
Pension plan items	280,275
Total deferred inflows of resources	280,275
Net position	
Net investment in capital assets	184,642
Restricted for debt service	519,759
Unrestricted	(87,324)
Total net position	\$ 617,077

The accompanying notes are an
integral part of these basic financial statements.

**Chino Valley Fire District
Statement of Activities
Year Ended June 30, 2016**

	Governmental Activities
Expenses:	
<i>Public safety-fire protection:</i>	
Salaries and wages	\$ 2,806,351
Employee benefits	906,538
Administrative and support services	302,845
Training and prevention	24,063
Communications	20,572
Station utilities and maintenance	67,066
Emergency medical supplies	6,871
Protective equipment and uniforms	54,732
Fleet fuel and maintenance	92,423
Outside services	115,624
Depreciation	303,534
Interest	185,025
Total program expenses	4,885,644
Program revenues:	
Charges for services	67,540
Operating grants and contributions	539,613
Total program revenues	607,153
Net program expense	4,278,491
General revenues:	
Real and personal property taxes	3,912,701
Fire district assistance tax	315,396
Other	61,828
Interest earnings	14,363
Total general revenue	4,304,288
Change in net position	25,797
Net position - beginning of year	591,280
Net position - end of year	\$ 617,077

The accompanying notes are an
integral part of these basic financial statements.

Chino Valley Fire District
Balance Sheets -
Governmental Funds
June 30, 2016

	Major Funds			Total
	General	Capital Reserve	Debt Service	Governmental Funds
Assets:				
Cash and cash equivalents	\$ 647,045	\$ 2,576,518	\$ 1,706,778	\$ 4,930,341
Cash held with paying agent	-	-	288,587	288,587
Receivables:				
Property taxes	133,724	-	17,378	151,102
Service contracts	3,598	-	-	3,598
Wildland	123,387	-	-	123,387
Other	1,010	-	-	1,010
Total assets	<u>\$ 908,764</u>	<u>\$ 2,576,518</u>	<u>\$ 2,012,743</u>	<u>\$ 5,498,025</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 61,907	\$ -	\$ -	\$ 61,907
Accrued payroll and related	208,334	-	-	208,334
Total liabilities	270,241	-	-	270,241
Deferred Inflows of Resources				
Unavailable revenue - property taxes	102,727	-	13,350	116,077
Total deferred inflows of resources	102,727	-	13,350	116,077
Fund balances:				
Restricted	-	-	519,759	519,759
Committed	97,736	-	1,479,634	1,577,370
Assigned	-	2,576,518	-	2,576,518
Unassigned	438,060	-	-	438,060
Total fund balances	<u>535,796</u>	<u>2,576,518</u>	<u>1,999,393</u>	<u>5,111,707</u>
Total liabilities and fund balances	<u>\$ 908,764</u>	<u>\$ 2,576,518</u>	<u>\$ 2,012,743</u>	<u>\$ 5,498,025</u>

The accompanying notes are an
integral part of these basic financial statements.

Chino Valley Fire District
Reconciliation of the Governmental Funds - Balance Sheet
to the Statement of Net Position
June 30, 2016

Fund balances - governmental funds	\$ 5,111,707
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets are not current financial resources in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.	3,904,642
The Statement of Net Position reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.	116,077
Pension contributions subsequent to the measurement date, assumption changes, and differences between expected and actual experience are not available resources, and therefore, are not reported in the funds.	1,278,319
Long-term liabilities are not due and payable in the current period and therefore are not reported as governmental fund liabilities. These liabilities consist of the following:	
Bonds payable	(5,480,000)
Deferred charge on refunding	193,391
Compensated absences	(345,324)
Net pension liability	(4,161,735)
Net position of governmental activities	\$ 617,077

The accompanying notes are an
integral part of these basic financial statements.

Chino Valley Fire District
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended June 30, 2016

	Major Funds			Total
	General	Capital Reserve	Debt Service	Governmental Funds
Revenues:				
<i>Taxes:</i>				
Property taxes	\$ 3,467,660	\$ -	\$ 436,679	\$ 3,904,339
Fire district assistance tax	315,396	-	-	315,396
Charges for services	67,540	-	-	67,540
Intergovernmental	539,613	-	-	539,613
Interest earnings	12,525	-	1,838	14,363
Other	61,828	-	-	61,828
Total revenues	4,464,562	-	438,517	4,903,079
Expenditures:				
<i>Public safety - fire protection:</i>				
Emergency services	3,926,399	-	-	3,926,399
Administrative and support services	302,845	-	-	302,845
Capital outlay	16,366	-	91,791	108,157
<i>Debt service:</i>				
Principal	-	-	255,000	255,000
Interest	-	-	185,025	185,025
Total expenditures	4,245,610	-	531,816	4,777,426
Excess of revenues over (under) expenditures	218,952	-	(93,299)	125,653
<i>Other financing sources (uses):</i>				
Refunding bonds issued	-	-	4,640,000	4,640,000
Payment to refunded bond escrow agent	-	-	(3,088,391)	(3,088,391)
Refunding bond issuance costs	-	-	(72,395)	(72,395)
Transfers in	-	1,587,320	-	1,587,320
Transfers out	(1,587,320)	-	-	(1,587,320)
Total other financing sources (uses)	(1,587,320)	1,587,320	1,479,214	1,479,214
Net change in fund balances	(1,368,368)	1,587,320	1,385,915	1,604,867
Fund balances, beginning of year	1,904,164	989,198	613,478	3,506,840
Fund balances, end of year	\$ 535,796	\$ 2,576,518	\$ 1,999,393	\$ 5,111,707

The accompanying notes are an
integral part of these basic financial statements.

Chino Valley Fire District
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances - Governmental Funds
to the Statement of Activities
Year Ended June 30, 2016

Net change in fund balances - total governmental funds	\$	1,604,867
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, the statement of activities allocates the cost of capital outlay over their estimated useful lives as depreciation expense.

Capital outlay		106,668
Depreciation expense		(303,534)

Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.

8,362

District 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. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

(63,906)

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, including payments to escrow for bond refundings 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		3,150,000
Proceeds from the issuance of long-term debt		(4,640,000)
Deferred charge on refunding		193,391

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.

(30,051)

Change in net position of governmental activities	\$	25,797
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The accompanying notes are an
integral part of these basic financial statements.

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 1. Summary of Significant Accounting Policies

Reporting entity

Chino Valley 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 and emergency medical related services to the residents and guests of the District and surrounding area. 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 non-fiduciary 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 non-exchange 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. The District currently does not have any component units.

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 two funds, the General Fund and the Debt Service 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.

Chino Valley 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.

Chino Valley 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. 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, furniture and equipment	3-10 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.

Chino Valley 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 is a deferred outflow related to the partial refunding of the Series 2007A bonds. The other item is a pension related item reported on the government-wide financial statements. See note 6 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 qualify for reporting under this category. One item which arises only under a modified accrual basis of accounting, *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 footnote 6 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 district'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.

**Chino Valley 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 a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) 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.

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

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.

Long-term obligations

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

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.

**Chino Valley 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, 2015, if any.

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 3. Deposits and Investments

Deposits as of the District at June 30, 2015 consist of the following:

	Fair Value	Credit Rating	Weighted Average Maturity (2)
Deposits:			
Cash on hand	\$ 12	N/A	N/A
Cash in bank	6,895	N/A	N/A
Cash with paying agent	288,587	N/A	N/A
Cash on deposit with the Yavapai County Treasurer	<u>4,923,434</u>	N/A	N/A
 Total cash and investments	 <u><u>\$ 5,218,928</u></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 \$5,026,439 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.

**Chino Valley 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

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. As of June 30, 2016 the District held no investments that were measured at fair value.

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Chino Valley 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:

Governmental Activities:	Balance 6/30/2015	Additions	Deletions	Balance 6/30/2016
Capital assets, not being depreciated:				
Land	\$ 386,335	\$ -	\$ -	\$ 386,335
Total capital assets, not being depreciated	386,335	-	-	386,335
Capital assets, being depreciated:				
Buildings and improvements	3,862,993	-	-	3,862,993
Vehicles	2,678,564	-	-	2,678,564
Operations and communications equipment	1,208,222	106,668	-	1,314,890
Total capital assets, being depreciated	7,749,779	106,668	-	7,856,447
Less accumulated depreciation for:				
Buildings and improvements	(806,088)	(96,570)	-	(902,658)
Vehicles	(2,138,339)	(139,756)	-	(2,278,095)
Operations and communications equipment	(1,090,179)	(67,208)	-	(1,157,387)
Total accumulated depreciation	(4,034,606)	(303,534)	-	(4,338,140)
Total capital assets, being depreciated, net	3,715,173	(196,866)	-	3,518,307
Governmental activities capital assets, net	\$ 4,101,508	\$ (196,866)	\$ -	\$ 3,904,642

Depreciation expense of \$303,534 was charged to the public safety function of the District.

Chino Valley 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:

Governmental Activities:	<u>Balance 6/30/2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 6/30/2016</u>	<u>Current Portion</u>
General Obligation Bonds:					
GADA, Series 2007 A	\$ 3,990,000	\$ -	\$ (3,150,000)	\$ 840,000	\$ 270,000
Refunding, Series 2016	-	3,140,000	-	3,140,000	-
Series 2016 B	-	1,500,000	-	1,500,000	-
Net pension liability	3,596,412	565,323	-	4,161,735	-
Compensated Absences	315,273	130,999	(100,948)	345,324	130,999
Total Governmental Activities	<u>\$ 7,901,685</u>	<u>\$ 5,336,322</u>	<u>\$ (3,250,948)</u>	<u>\$ 9,987,059</u>	<u>\$ 400,999</u>

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

General Obligation Bonds:

Governmental Activities:

Series 2007A General Obligation Bonds, payable to the Greater Arizona Development Authority, due in annual principal installments ranging from \$200,000 to \$425,000, bearing interest semi-annually at 4.00% to 5.0%, maturing July 1 ,2026. A partial refunding was completed on June 8, 2016. The new maturity of the remaining balance is July 1, 2018 with principal installments ranging from \$270,000 to \$270,000.

\$ 840,000

Series 2016 General Obligation Refunding Bonds, due in annual principal installments ranging from \$25,000 to \$390,000, bearing interest semi-annually at 2.65%, maturing July 1 ,2027.

3,140,000

Series 2016B General Obligation Bonds, due in annual principal installments ranging from \$225,000 to \$330,000, bearing interest semi-annually at 2.65%, maturing July 1 ,2031.

1,500,000

Total Governmental Activities

5,480,000

Net Pension Liability

4,161,735

Accrued Compensated Absences

345,324

Total Long-Term Debt

9,987,059

Less Current portion:

 Governmental Activities

(400,999)

Net Long-Term Debt

\$ 9,586,060

Chino Valley 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:

General Obligation Bonds

Year Ending June 30,	General Obligation Bonds	
	Principal	Interest
2017	\$ 270,000	\$ 100,773
2018	360,000	142,000
2019	315,000	127,759
2020	330,000	115,805
2021	335,000	106,994
2022-2026	1,805,000	395,579
2027-2031	1,735,000	152,971
2032	330,000	4,373
Totals	<u>\$ 5,480,000</u>	<u>\$ 1,146,254</u>

During the year ended June 30, 2016 the District issued \$4,640,000 of general obligation bonds (Series 2016) and refunding bonds (Series 2016 B) for new capital project money of \$1,500,000 and for resources placed in an escrow account to cover all future debt service payments of \$2,895,000 of general obligation bonds (Series 2007 A). As a result, the refunded bonds are considered to be defeased. However, as disclosed above, not all of the Series 2007 A general obligation bonds were refunded and defeased. The reacquisition price exceeded the net carrying amount of the old debt by \$193,391. This amount is being amortized over the refunded debt's life and is recorded as a deferred outflow on the government-wide statement of net position. The transaction resulted in an economic gain of \$219,358 and a reduction of \$224,700 in future debt service payments. The advance refunding defeased debt still outstanding at June 30, 2016 was \$2,895,000.

Note 6. Interfund Transfers

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

	Transfers in:
	Capital
	<u>Project Fund</u>
<u>Transfers out:</u>	
General Fund	<u>\$ 1,587,320</u>
Total	<u>\$ 1,587,320</u>

Transfers were made to move unrestricted general fund revenue to the capital projects fund.

Chino Valley 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:

<u>Statement of Net Position and Statement of Activities</u>	<u>Governmental Activities</u>
Net pension liabilities	\$ 4,161,735
Deferred outflows of resources	1,558,594
Deferred inflows of resources	280,275
Pension expense	515,727

The District's accounts payable and other current liabilities includes \$46,335 of outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2016. Also, the District reported \$451,821 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.

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:

Chino Valley 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:

	Initial Membership Date Before July 1, 2011	Initial Membership Date On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* any years age 65
Final average salary is based on	Highest 36 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 survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions – In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2015, active ASRS members were required by statute 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 the District was required by statute 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.

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

Year Ended June 30,	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
2014	\$ 12,037	\$ 675	\$ 270
2015	9,973	540	110
2016	6,870	317	76

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 7. Retirement and Pension Plans (Continued)

Pension liability – At June 30, 2016, the District reported a liability of \$138,103 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 0.000890 percent, which was a decrease of 0.000299 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 (\$10,364). At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,769	\$ 7,237
Net difference between projected and actual earnings on pension plan investments	-	4,426
Changes in proportion and differences between contributions and proportional share of contributions	-	39,210
Contributions subsequent to the measurement date	6,870	-
Total	<u>\$ 10,639</u>	<u>\$ 50,873</u>

The \$10,639 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 resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2017	\$ (22,210)
2018	(21,747)
2019	(6,342)
2020	3,195
2021	-
Thereafter	-

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 7. Retirement and Pension Plans (Continued)

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.

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:

Expected Return Arithmetic Basis			
Asset Class	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%

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 7. Retirement and Pension Plans (Continued)

Discount Rate – The discount rate used to measure the ASRS total pension liability was 8.00 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 (7.00%)	Discount Rate (8.00%)	1% Increase (9.00%)
Proportionate share of			
Net pension (asset) / liability	\$ 180,962	\$ 138,103	\$ 108,730

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.

Chino Valley 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 Before January 1, 2012	Initial Membership Date On or After January 1, 2012
Retirement and Disability		
Years of service and age required to receive benefit	20 years any age 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.

Chino Valley 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	7
Inactive employees entitled to but not yet receiving benefits	5
Active employees	<u>31</u>
Total	43

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 22.18 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 0.49 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	\$ 434,009
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Health Insurance Premium Benefit

Annual OPEB cost	\$ 10,549
Contributions made	10,549

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.

Chino Valley 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% 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 Allocation</u>	<u>Long-Term Expected Real 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%
Total	100.00%	

Chino Valley 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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	\$ 11,322,290	\$ 7,901,803	\$ 3,420,487
Changes for the year:		-	
Service cost	378,074	-	378,074
Interest on total pension liability	887,543	-	887,543
Changes of benefit terms	-	-	-
Difference between expected and actual experience in the measurement of the pension liability	192,162	-	192,162
Changes of assumptions	-	-	-
Contributions - employer	-	336,747	(336,747)
Contributions - employee	-	240,325	(240,325)
Net investment income	-	291,423	(291,423)
Benefit payments, including refunds of employee contributions	(410,089)	(410,089)	-
Other changes*	-	(13,861)	13,861
Net changes	1,047,690	444,545	603,145
Balances at June 30, 2016	\$ 12,369,980	\$ 8,346,348	\$ 4,023,632

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

Chino Valley 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 (6.85%)	Discount Rate (7.85%)	1% Increase (8.85%)
Proportionate share of			
Net pension (asset) / liability	\$ 5,634,141	\$ 4,023,632	\$ 2,688,382

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 \$526,091. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 444,936	\$ -
Changes in assumptions	401,107	-
Net difference between projected and actual earnings on	267,903	229,402
Contributions subsequent to the measurement date	434,009	-
Total	<u>\$ 1,547,955</u>	<u>\$ 229,402</u>

The \$1,547,955 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, 2016.

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

Note 7. Retirement and Pension Plans (Continued)

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:

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2017	\$ 99,618
2018	99,618
2019	99,620
2020	176,085
2021	109,110
Thereafter	300,493

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:

Chino Valley 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 June 30,	Annual Pension/ OPEB Cost	Percentage of Annual Cost Contributed	Net Pension/ OPEB Obligation
Health Insurance	2014	\$ 23,000	100%	-
	2015	25,774	100%	-
	2016	10,549	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.

	Insurance Subsidy
Actuarial accrued liability (AAL)	\$ 377,313
Actuarial value of plan assets	291,768
Unfunded actuarial accrued liability (UAAL)	<u>\$ 85,545</u>
Funded ratio (actuarial value of plan assets/AAL)	77.33%
Covered payroll (active plan members)	\$ 1,979,496
UAAL as a percentage of covered payroll	4.32%

Chino Valley 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%

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.

Chino Valley Fire District
Notes to the Financial Statements
June 30, 2016

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 15th, 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.

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Required Supplementary Information

Chino Valley Fire District
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
Year Ended June 30, 2016

	Original and Final Budget	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
<i>Taxes:</i>			
Property taxes	\$ 3,481,052	\$ 3,467,660	\$ (13,392)
Fire district assistance tax	313,900	315,396	1,496
Charges for services	59,000	67,540	8,540
Intergovernmental	150,000	539,613	389,613
Interest earnings	6,000	12,525	6,525
Other	19,200	61,828	42,628
Total revenues	4,029,152	4,464,562	435,410
<i>Public safety - fire protection:</i>			
Emergency services	3,976,094	3,926,399	49,695
Administrative and support services	164,559	302,845	(138,286)
Capital outlay	28,500	16,366	12,134
Total expenditures	4,169,153	4,245,610	(76,457)
Excess of revenues over expenditures	(140,001)	218,952	358,953
Other financing sources (uses):			
Transfers out	(1,587,320)	(1,587,320)	-
Total other financing uses	(1,587,320)	(1,587,320)	-
Changes in fund balance	(1,727,321)	(1,368,368)	358,953
Fund balance, beginning of year	1,727,321	1,904,164	176,843
Fund balance, end of year	\$ -	\$ 535,796	\$ 535,796

The accompanying notes are an integral part of this schedule.

Chino Valley Fire District
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2016

Arizona State Retirement System

	Reporting Fiscal Year (Measurement Date)	
	2016 (2015)	2015 (2014)
Proportion of the net pension liability (asset)	0.000890%	0.001189%
Proportionate share of the net pension liability (asset)	\$ 138,103	\$ 175,925
Covered employee payroll	\$ 65,929	\$ 100,456
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	209.47%	175.13%
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.

**Chino Valley Fire District
Required Supplementary Information
Schedule of Contributions
June 30, 2016**

Arizona State Retirement System

	Reporting Fiscal Year (Measurement Date)	
	2016 (2015)	2015 (2014)
Contractually required contribution	\$ 9,973	\$ 12,037
Contributions in relation to the contractually required contribution	\$ (9,973)	\$ (12,037)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 65,929	\$ 100,456
Contributions as a percentage of covered-employee payroll	15.13%	11.98%

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

Chino Valley Fire District
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2016

Public Safety Personnel Retirement System		
	Reporting Fiscal Year	
	(Measurement Date)	
	2016	2015
	(2015)	(2014)
Total pension liability		
Service cost	\$ 378,074	\$ 381,587
Interest on total pension liability	887,543	754,782
Changes of benefit terms*	-	39,928
Difference between expected and actual experience of the total net pension liability	192,162	345,250
Changes of assumptions	-	505,881
Benefit payments, including refunds of employee contributions	(410,089)	(258,812)
Net change in total pension liability	1,047,690	1,768,616
Total pension liability - beginning	11,322,290	9,553,674
Total pension liability - ending (a)	\$ 12,369,980	\$ 11,322,290
Plan fiduciary net position		
Contributions - employer	\$ 336,747	\$ 319,912
Contributions - employee	240,325	217,009
Net investment income	291,423	935,127
Benefit payments, including refunds of employee contributions	(410,089)	(258,812)
Other (net transfer)	(13,861)	(7,532)
Net change in plan fiduciary net position	444,545	1,205,704
Plan fiduciary net position - beginning	7,901,803	6,696,099
Plan fiduciary net position - ending (b)	\$ 8,346,348	\$ 7,901,803
Net pension liability - ending (a) - (b)	\$ 4,023,632	\$ 3,420,487
Plan fiduciary net position as a percentage of the total pension liability	67.47%	69.79%
Covered employee payroll	\$ 2,058,918	\$ 1,990,513
Net pension liability as a percentage of covered-employee payroll	195.42%	171.84%

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

**Chino Valley Fire District
Required Supplementary Information
Schedule of Contributions
June 30, 2016**

Public Safety Personnel Retirement System

	Reporting Fiscal Year (Measurement Date)	
	2016 (2015)	2015 (2014)
Actuarially determined contribution	\$ 336,747	\$ 319,912
Contributions in relation to the actuarially determined contribution	\$ (336,747)	\$ (319,912)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,058,918	\$ 1,990,513
Contributions as a percentage of covered-employee payroll	16.36%	16.07%

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

Chino Valley Fire District
Required Supplementary Information
Schedule of Agent OPEB Plan Funding Progress
June 30, 2016

Public Safety Personnel Retirement System
Health Insurance Premium Benefit

	(a)	(b)	(b) - (a)	(a)/(b)	(c)	Unfunded AAL As a Percentage of Covered
Valuation Date June 30,	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	Payroll [(b)-(a)] / (c)
2013	-	286,252	286,252	0.0%	2,000,148	14.31%
2014	268,479	328,071	59,592	81.84%	1,990,512	2.99%
2015	291,768	377,313	85,545	77.33%	1,979,496	4.32%
2016	**	**	**	**	**	**

Chino Valley 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%. 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)

**Chino Valley 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



MEMBERS:

CHAD B. ATKINSON, CPA
KRIS J. BRAUNBERGER, CPA
ROBERT S. COX, CPA
TODD B. FELTNER, CPA
K. MARK FROST, CPA
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STEVEN D. PALMER, CPA
MICHAEL K. SPILKER, CPA
KEVIN L. STEPHENS, CPA
MARK E. TICHENOR, CPA
MICHAEL J. TORGERSON, CPA

**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
Chino Valley 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 Chino Valley Fire District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Chino Valley Fire District's basic financial statements, and have issued our report thereon dated December 14, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Chino Valley 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 Chino Valley Fire District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Chino Valley 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 Chino Valley 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 14, 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 14, 2016

To the Board of Directors of
Chino Valley Fire District
Prescott Valley, Arizona

We have audited the financial statements of the governmental activities and each major fund of Chino Valley 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 June 11, 2015. 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 Chino Valley 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 Chino Valley 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 14, 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 "HintonBurdick, PLLC". The signature is written in a cursive, flowing style.

HintonBurdick, PLLC
Flagstaff, Arizona
December 14, 2016