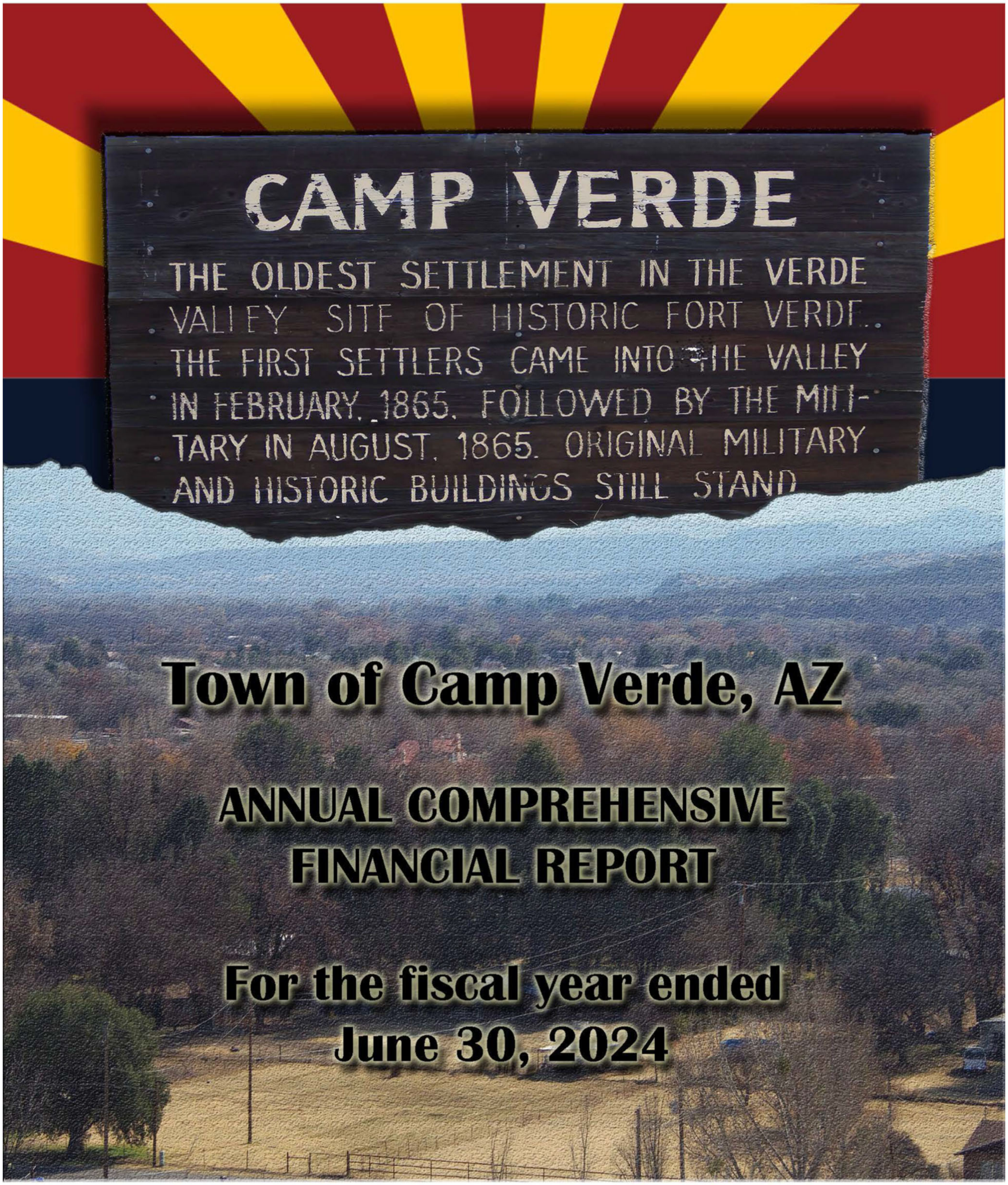
Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Town of Camp Verde, Arizona



Town of Camp Verde, AZ

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2024

Prepared by:
The Finance Department

TABLE OF CONTENTS

STATISTICAL SECTION

Town of Camp Verde

Gateway to the Verde Valley

♦ 473 S. Main Street ♦ Camp Verde, Arizona 86322 ♦
♦ Telephone: 928.554.0000 ♦ Fax: 928.554.0002 ♦
♦ www.campverde.az.gov ♦

January 10, 2025

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Camp Verde:

We are pleased to submit the Town of Camp Verde Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. The Town of Camp Verde (Town) annually publishes audited financial statements after the close of each fiscal year which includes a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) which are audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS).

Town management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, Town management has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is designed to fairly represent the financial position of the operations of the various funds of the Town.

Colby & Powell, PLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Camp Verde's financial statements for the fiscal year ended June 30, 2024. The independent auditors' report is located at the front of the financial section of this report.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates. Part of this perspective is Management's Discussion and Analysis (MD&A) report which can be found immediately following the independent auditor's report, provides a narrative introduction, overview and analysis of the basic financial statements of the Town. The MD&A should be reviewed in conjunction with this letter of transmittal.

PROFILE OF THE GOVERNMENT

The Town of Camp Verde, Arizona, incorporated in 1986, is located in the Verde River Valley of Yavapai County and is recognized as the 2012 Centennial Center of Arizona. The Town's land size is 47 square miles and serves an estimated population of just under 13,000 people. Camp Verde is located on I-17, in-between Flagstaff and Phoenix and enjoys a mild climate at an elevation of 3,147 feet.

The Town operates under the council-manager form of government. The Town Council, which has policy-making and legislative authority, consists of a mayor and a six-member council. The Council is responsible for, among other things, passing ordinances and resolutions and adopting the annual budget. The members of the Town Council also appoint the membership of various Town committees and hire the Town Manager, Town Attorney and Magistrate. The Town Manager is responsible for carrying out the policies, ordinances, and resolutions of the Council and for overseeing the day-to-day operations of the Town. The Town Council is elected on a nonpartisan "at large" basis. Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected for a two-year term.

The Town provides a full range of services including police, animal control, magistrate court, planning and zoning, building code enforcement, the construction and maintenance of streets and other infrastructure, water, wastewater, recreational activities, cultural events and a public library. The Town also operates and maintains a community swimming pool as well as community parks and sports fields. It is important to note that Fire and EMS services in the Town of Camp Verde are provided by the Copper Canyon Fire and Medical District (CCFMD). CCFMD is an independent taxing authority that is not under the Town's control but does work closely with the Town to provide services.

The annual budget serves as the foundation for the Town's financial planning and control. All departments construct their programs and services based on the needs of the community and, no less importantly, the priorities of the Town Council. The Town Manager reviews departmental budget requests and may recommend changes to a department's budget priorities and/or projects. The Town Manager then presents a balanced, proposed budget to the Town Council for review. The proposed budget is presented to the Town Council in June of each year. The proposed budget becomes the focal point of the community conversation with respect to the allocation of financial resources. At the conclusion of the process, the proposed budget, including any additions or deletions thereto, becomes the tentative budget which is presented for adoption by the Town Council in early June. A public hearing is scheduled on the tentative budget generally during June or July each year. Subsequent to the close of that hearing, the Town's final budget is adopted by the Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

In its early years, the Town's economy was based primarily upon agriculture and tourism. In later years, the Town experienced an increase in manufacturing activities as well as retail trade. Currently, the majority of the Town's revenue base is comprised of tax revenues generated both from local sales taxes and State shared tax revenues which include allocations of state income tax, sales tax, fuel tax and motor vehicle-in-lieu tax. Camp Verde is located at the center of Arizona and within 1 hour of 4 dramatically different climates and cities, Phoenix to the South, Flagstaff to the North, Prescott to the West and Payson to East. This puts our Town in a great location to take advantage of travel and tourism within our area.

Local sales tax revenues represent 49% of total general fund revenues and have grown 82% in the 5-year period since FY19; an average annual growth rate of 12.75% per year. A significant growth period during these 5 years was in FY21 which realized a 41% increase in local sales tax revenues from FY20. Factoring out that $1.9 million growth in FY21, the remaining four years would be showing a 6.7% annual growth rate. The Retail segment is still the frontrunner of the various sales tax categories at $4.25 million, which is 4 times greater than the next highest category, Restaurants sitting at just under $1.1 million in FY24. The Town continues to maintain a very positive economic position with an unassigned general fund balance of $4.75 million. That is down from last year's $5.5 million as the Town utilized $817 thousand out of a budgeted $1.2 million of unassigned funds for capital projects in FY24.

Our 3 main general fund tax revenues from the State (state income, sales tax and vehicle license tax) increased 21% from FY23 to FY24. Currently, these 3 revenue lines make up 38% of the Town's total annual revenues in the General Fund.

Population

The expectation for population in our area (Yavapai County) over the next several years is still a moderate growth scenario. However, with strong economic growth and large housing projects in the planning stages, we expect to see a jump in local population over the next several years. In 2020, Camp Verde's population per US Census data was 12,147. Current estimates for 2024 put that number at about 12,600 (World Population Review).

Long-Term Financial Planning

In January of 2024, The Town Council and Staff participated in a two-day event to create the Town's FY25-30 Strategic Plan and related Action Plan. The full documents can be found on our website. The strategic plan focused on developing vision, mission and core values as well as establishing focus areas for future resources.

Our vision is as follows: Camp Verde is welcoming; a safe community, a vibrant economy, thoughtfully growing, and offering an exceptional quality of life. Our mission; we serve by honoring our past and embracing our future.

The Town established 8 core values and arranged them under the PACE acronym. The core values are:

Professionalism through Respect and Leadership
Accountability though Accountability and Integrity
Community though Collaboration, Diversity and Sustainability
Excellence

Our focus areas are:

1) **Resilient Economy:** A diversified economy that supports the community's ability to grow, thrive, and adapt.
2) **Recreation & Activities:** Enhancing our unique location and historic culture through building, maintaining, and marketing amenities and events while engaging the community.
3) **Community Infrastructure:** The public structures and facilities that support community and economic development. Infrastructure and maintenance is planned through fiscally responsible policies.
4) **Effective Government:** An awareness of citizen needs and providing necessary services through fiscal responsibility, transparency, innovative business practices, use of new technology, investing in employees, and leveraging Town partnerships.

Major Initiatives for FY25

1) Completion of the new Camp Verde Sports Complex.
    a. The Town has 4 major projects left for phase I with a budget of $2.9 million. The projects include bringing in potable water, installing a wastewater lift station, installing all irrigation infrastructure and completing the concession stand/restroom building. All four projects are currently underway in FY24.
2) Addition to the Town's Courtroom
    a. This project is finally ready to move forward in FY25 with a budget of $400,000
3) Capital improvement projects for the Town's wastewater system.
    a. Repairs to secure the sewer line at Dickison Circle are underway and budgeted at $800,000. This project includes a $500,000 federal grant.
    b. Completion of the sludge drying beds at the wastewater treatment plant budgeted at $800,000.
4) Capital improvement projects for the Town's clean water system.
    a. Replacement well for our main Mongini Well site - $2.0 million.
    b. Construction of 2 separate arsenic treatment facilities at current well sites - $3.5 million.
    c. Water Main reconstruction project and meter replacement - $3.1 million which includes a $2.3 million federal grant.
    d. Construction of 1 additional storage tank - $800,000.

AWARDS & ACKNOWLEDGEMENTS

Awards

Camp Verde has received the Government Finance Officers Association (GFOA) award for excellence in financial reporting for the last eleven years and the GFOA award for distinguished budget presentation for the last ten years.

Acknowledgements

The preparation of this report would not have been possible without the dedicated support and cooperation of the Town Manager and Town employees from all departments. Credit must also be given to the Mayor and members of the Town Council for their desire and determination to maintain the highest standards of professionalism in the management of the Town of Camp Verde's finances. Finally, a special thank you to the auditors of Colby & Powell for their insight, professionalism and efficiency.

Respectfully submitted,

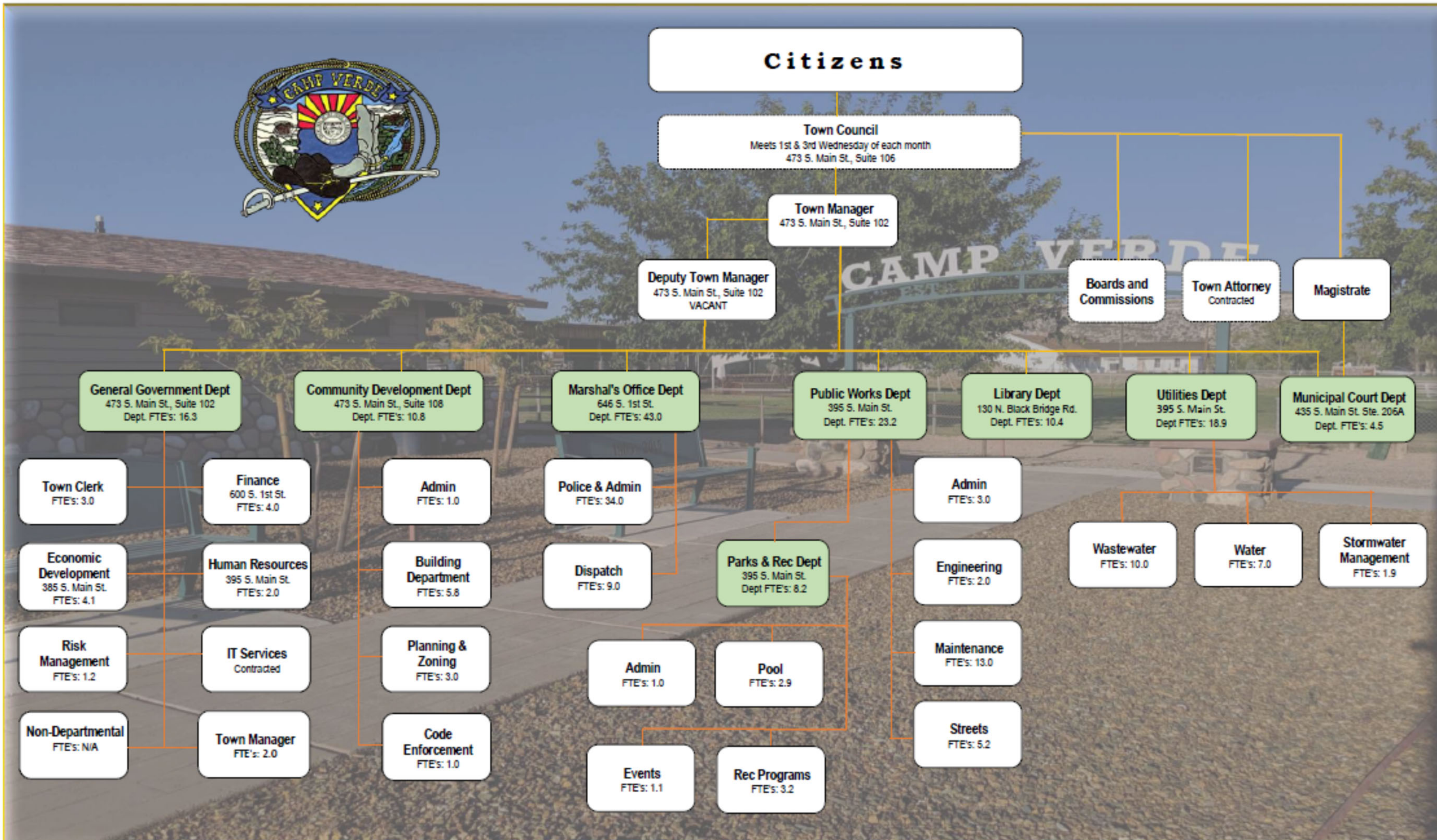
Miranda Fisher

Mianda Fisher
Town Manager

Michael E. Showers
Finance Director

Town of Camp Verde, Arizona

Town Budgetary Organization Chart



Town of Camp Verde
Key Officials and Staff

Mayor and Council Members

Mayor Dee Jenkins
Councilor Wendy Escoffier
Councilor Cris McPhail
Councilor Jackie Baker
Vice-Mayor Marie Moore
Councilor Robin Godwin
Councilor Jessie Murdock

Department Heads

Miranda Fisher, *Town Manager*
Leah Rhodes, *Town Clerk*
Mike Showers, *Finance Director*
Corey Rowley, *Marshal*
Kathy Hellman, *Library Director*
Gary Horton, *Presiding Magistrate*
Jeff Low, *Utilities Director*
Ken Krebbs, *Public Works Director*
Molly Davies, *Economic Development Director*
Veronica Pineda, *Court Supervisor*
Heather Vinson, *Risk Management*
Julia Kaiser, *Human Resources*

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Camp Verde
Arizona

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

CAMP VERDE

FINANCIAL SECTION

CAMP VERDE

COLBY & POWELL, PLC
CERTIFIED PUBLIC ACCOUNTANTS
1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233
Tel: (480) 635-3200 · Fax: (480) 635-3201

INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Camp Verde, Arizona

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Camp Verde, Arizona's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Camp Verde, Arizona and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Camp Verde, Arizona's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Camp Verde, Arizona's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Camp Verde, Arizona's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule of the Town's Proportionate Share of the Net Pension/OPEB Liability – Cost-Sharing Pension Plans, Schedule of Changes in the Town's Net Pension/OPEB Liability (Asset) and Related Ratios – Agent Pension Plans, and Schedule of Town Pension/OPEB Contributions as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2025, on our consideration of the Town of Camp Verde, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Camp Verde, Arizona's internal control over financial reporting and compliance.

Other Reporting Required by Arizona Revised Statutes

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

The communication related to compliance over the use of Highway User Revenue Fund and other dedicated State transportation revenue monies in the preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature, (the Arizona Auditor General,) the Town Council and management, and other responsible parties within the Town of Camp Verde, Arizona and is not intended to be and should not be used by anyone other than these specified parties.

Colby & Powell

January 10, 2025

As management of the Town of Camp Verde, Arizona (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2024 (FY24). Please read it in conjunction with the Town's basic financial statements, which begin on page 22.

FINANCIAL HIGHLIGHTS

- The Town utilized $1.7 million of its allocated American Rescue Plan Act (ARPA) funding ($3.7 million total) across various capital projects during FY24 including general government, wastewater and recreational projects.

- The Town began movement on the four primary remaining Sports Park projects in FY24 which includes the concession stand/restroom building, the wastewater lift station, the irrigation water supply and the main potable water line installation. While having only spent $331 thousand in FY24, these projects are budgeted for $2.2 million.

- Purchased 2.96 acres of new property for potential future expansion of Town facilities for $794 thousand. The property is located on 1st Street just South of Head Street in Camp Verde.

- The Town invested $821 thousand into annual chip seal maintenance on its roadways and a major reconstruction project on Camp Lincoln Road at the entrance to the Elementary School.

- Total debt service was $1.8 million for FY24. Of that amount, $1.6 million came from General Fund operating transfers.

- The Town leased 6 new vehicles for a total capital purchase cost of $498 thousand. Of the 6 vehicles, 4 were for our police department and 1 each for our Public Works Maintenance department and Water department. All 6 vehicles are leased through Enterprise fleet management over a 5-year period.

- Total General Fund Wages & ERE were $10.1 million. Total Wages & ERE across all funds were $11.8 million. Healthcare accounted for $1.65 million of the $11.8 million, which was a 20% increase over FY23 healthcare expenses.

- The Town completed its 3rd consecutive year as the site for the Turquoise Circuit and Finals Rodeo. The event is held in November each year at the Town's rodeo grounds. Participants and spectators come from all over the Southwest for this 3-day event each year. This year's event attracted approximately 5,000 spectators.

- Among major governmental funds:
    - The General Fund had $16.2 million in revenues, which primarily consisted of taxes, intergovernmental revenues, licenses and permits, charges for services, fines and forfeitures. Total expenditures in the General Fund were just under $13.6 million leaving a $2.6 million excess from operations. With net transfers out of nearly $3.5 million (most of which went to the Debt Service Fund), the General Fund unassigned fund balance dropped $818 thousand in FY24 to just over $4.7 million.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This
report also contains other 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 Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the Town's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town'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., earned but unused compensated absences).

In the government-wide financial statements, the Town's activities are presented in the following categories:

Governmental activities – The Town's basic services are included here, such as general government, public safety, public works and streets, health and welfare, culture and recreation, and community development. Sales taxes, intergovernmental, licenses and permits, charges for services, and fines and forfeits revenue finance most of these activities.

Business-type activities – The Town's business-type activities includes both the wastewater and water enterprise funds. The Town took over the Camp Verde Sanitary District wastewater operations on July 1, 2013, and created the Wastewater Fund to house those operations. The Town purchased the Camp Verde Water Company in June of 2022 and created the Water Fund to house those operations. Operations in both of those funds are included here and include fee-for-service billing of residential and commercial accounts as well as all expenses for operating and maintaining the infrastructure of each.

Fund financial statements.
A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

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 the Town'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 Town'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 Town maintains thirteen (13) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances starting on page 24 for the General Fund which is the Town's lone major fund. Data from the other twelve (12) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the combining and individual fund financial statements and schedules which can be found on pages 80 – 107.

Proprietary funds – The Town maintains two separate proprietary funds; an enterprise fund for clean water activities and an enterprise fund for wastewater activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The basic proprietary fund financial statements for both Water and Wastewater can be found on pages 28-31 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The Town maintains two separate fiduciary funds. Information on these funds can be found in the Other Financial Statements section of this report on page 32.

Notes to the 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 financial statements can be found immediately following the basic financial statements on pages 34-68.

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budget process. The Town adopts an annual budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund as required supplementary information, which can be found on page 70.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, net position as of June 30, 2024, was just over $42.5 million which is an increase of $963 thousand compared to the previous year. The following table presents a summary of the Town's net position for the fiscal years ended June 30, 2024 and 2023:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current assets	$ 12,580,281	$ 13,269,243	$ 2,179,777	$ 2,046,104	$ 14,760,058	$ 15,315,347
Capital assets, net	32,421,411	31,384,628	28,838,984	28,862,386	61,260,395	60,247,014
Other non-current assets	-	-	-	-	-	-
Total assets	45,001,692	44,653,871	31,018,761	30,908,490	76,020,453	75,562,361
Deferred Outflows of Resources						
Def'd outflows related to pensions	1,428,839	1,652,056	126,653	134,395	1,555,492	1,786,451
Liabilities						
Current and other liabilities	2,702,018	3,120,935	930,519	859,953	3,632,537	3,980,888
Long-term liabilities	18,766,430	18,892,379	11,924,207	12,116,929	30,690,637	31,009,308
Total liabilities	21,468,448	22,013,314	12,854,726	12,976,882	34,323,174	34,990,196
Deferred Inflows of Resources						
Def'd inflows related to pensions	679,028	747,917	31,416	31,270	710,444	779,187
Net Position						
Net investment in capital assets	20,886,805	20,611,250	17,339,362	16,994,454	38,226,167	37,605,704
Restricted	5,134,377	2,973,971	19,871	22,407	5,154,248	2,996,378
Unrestricted	(1,738,127)	(40,525)	900,039	1,017,872	(838,088)	977,347
Total net position	$ 24,283,055	$ 23,544,696	$ 18,259,272	$ 18,034,733	$ 42,542,327	$ 41,579,429

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities. The Town's net position from governmental activities grew just 3% in FY24 to just under $24.3 million. The Town's investment in capital assets during the year drove both the drop in current assets of $690 thousand and the increase in net capital assets of roughly $1 million for a net increase in total assets of nearly $350 thousand. Total liabilities drop $545 thousand during the year with the most significant portion of this decrease coming from a $419 thousand drop in accounts payable. Principal payments against debt of $777 thousand, netted against the increase in the net pension liability of $575 thousand, account for the remaining significant factors impacting net position.

Business-Type Activities. Business-type activities total net position was virtually unchanged from FY23, growing by just over 1% or $225 thousand. There were no significant activities impacting net position this year.

Statement of Activities

The following tables present a summary of the changes in net position for the fiscal years ended June 30, 2024 and 2023:

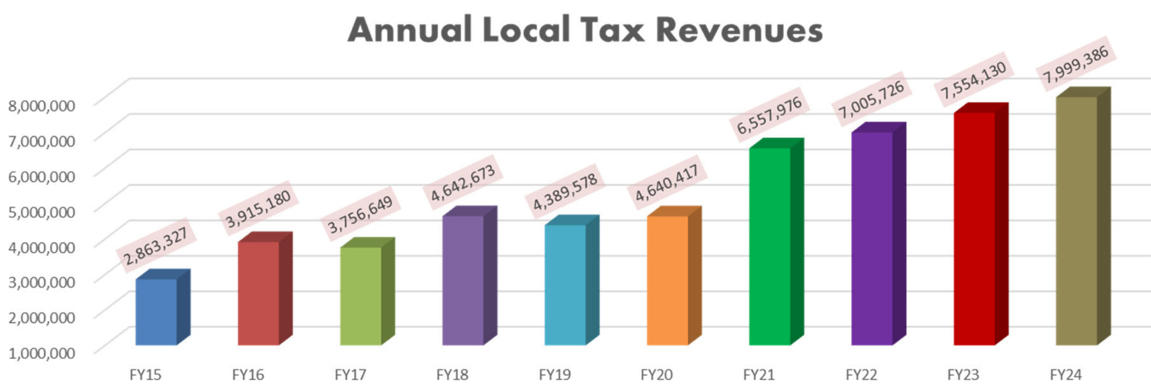
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for services	$ 1,329,272	$ 946,561	$ 3,718,397	$ 3,634,236	$ 5,047,669	$ 4,580,797
Operating grants and contributions	1,700,231	3,635,239	-	-	1,700,231	3,635,239
Capital grants and contributions	966,930	889,230	-	-	966,930	889,230
General revenues:					-	-
Town sales taxes	7,999,386	7,554,130			7,999,386	7,554,130
Franchise taxes	378,150	360,234			378,150	360,234
State shared revenue	6,194,277	5,129,723			6,194,277	5,129,723
Investment income	374,899	288,362	2,081	1,477	376,980	289,839
Miscellaneous	24,565	51,743	-	25,758	24,565	77,501
Total revenues	18,967,710	18,855,222	3,720,478	3,661,471	22,688,188	22,516,693

Governmental Activities. Total revenues from governmental activities increased by nearly $113 thousand (0.6%) from last year to just under $19 million. While overall, revenue growth may initially seem somewhat stagnant, the reality is that nearly every revenue category increased over the year with significant growth in charges for services (40%) and state shared revenues (21%). The growth in charges for services comes directly from permitting fees for new development within the Town (38% increase from FY23), which is a great sign for future revenues. The increase in state shared revenues is almost exclusively from the increased Urban Revenue Sharing from the state's income tax revenues. The state agreed to adjust the distribution percentages for this year

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

as the change in state income tax revenue calculations coming mid-year were expected to have a negative impact on these revenues going forward. The Town's local sales tax revenues also grew 6% over the year, gaining $445 thousand from FY23. However, most of that growth is overshadowed by the $1.9 million drop in operating grants and contributions. This is a direct result of the final allocation of the American Rescue Plan Act (ARPA) funding which was received by the Town in FY23.

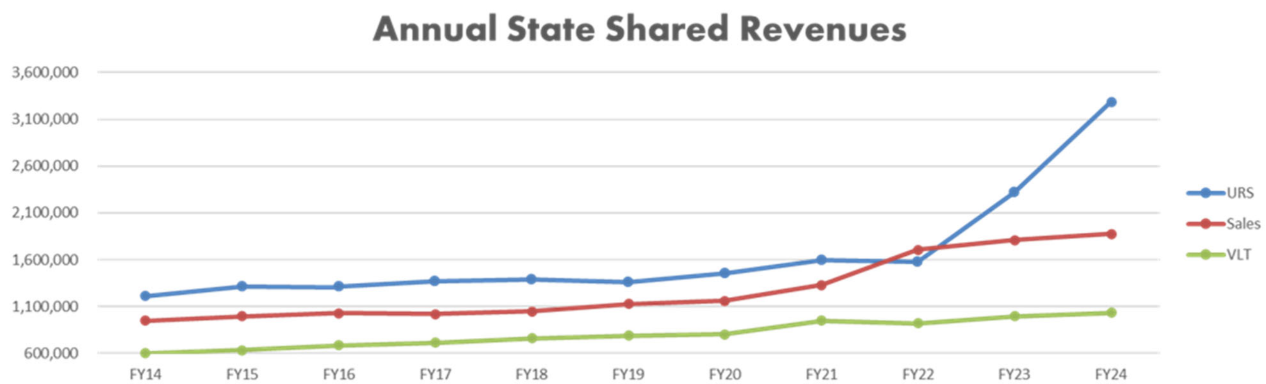
Local sales taxes are the largest source of revenue for the Town at just under $8 million in FY24 with shared state income tax funds (URS) a somewhat distant second place at just under $3.3 million. Local sales taxes and state shared revenues (which include URS funds) together make up 75% of the governmental activities revenues. The graph below highlights the varied growth of Local sales tax for the Town. From FY15 through FY20, the Town saw an average annual growth rate of 10.1% with large growth years in FY16 & FY18. However, in FY21 after COVID, the Town saw a 41% growth in local sales tax, effectively raising the annual growth line by about $1.4 million. Since FY21, the Town is averaging a very steady 6.8% annual growth each year.



The main driver for local sales tax is the retail sales segment. In FY24 it climbed $170 thousand to $4.25 million, 4 times the amount of the next largest segment, restaurant sales, which actually dropped $13 thousand in FY24 to just over $1 million. The construction tax segment grew the most in FY24 jumping $381 thousand (96% increase) to nearly $680 thousand.

State shared revenues are comprised of three main sources: 1) State sales taxes (Sales) - $1.86 million, 2) State income taxes (URS) - $3.3 million and 3) Vehicle license taxes (VLT) - $1.0 million.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



As seen in the chart above, the 3 sources together have grown at a slow but steady average annual growth rate of 4.33% from FY14 to FY21. However, in FY22, State sales taxes grew by 28% while both URS and VLT saw slight declines. In FY23, State sales tax revenue goes back to a somewhat normal 6% growth rate while URS increased sharply. URS increases sharply again in FY24 reaching just under $3.3 million due to the adjusted distribution percentages discussed above. In FY25, the URS revenue line will drop back down to about $2.6 million as the revenue distributions will be fully impacted by the new flat income tax rates.

Expenses, meanwhile, increased just over $3.0 million in FY24 (21%) with increases coming from the Public Works segment ($964 thousand), the General Government segment ($813 thousand), the Public Safety segment ($646 thousand) and the Culture and Recreation segment ($523 thousand). Increases in Wages & ERE has the largest impact on total increases jumping $1.65 million in FY24. In FY23 Wages & ERE were nearly $2 million under budget at $8.8 million. In FY24, a 4% cost of living (COLA) adjustment was given to employees with an estimated $1.28 million impact. That along with 3 new positions at a cost of approximately $170 thousand make up the bulk of this increase. Public Works also had non-capitalized work on two trail heads in projects completed with the State Parks service totaling $314 thousand and increased depreciation expense for the year of $270 thousand. The bulk of the remaining increases can be attributed to general cost increases of products and services.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Expenses						
General government	4,765,586	3,952,950			4,765,586	3,952,950
Public safety	4,906,523	4,260,267			4,906,523	4,260,267
Public works	3,638,101	2,674,071			3,638,101	2,674,071
Health and welfare	168,331	178,377			168,331	178,377
Culture and recreation	2,519,596	2,096,504			2,519,596	2,096,504
Community development	1,105,520	904,552			1,105,520	904,552
Interest on long-term debt	512,488	505,277			512,488	505,277
Water			1,579,833	1,222,083	1,579,833	1,222,083
Wastewater			2,529,312	2,590,032	2,529,312	2,590,032
Total expenses	17,616,145	14,571,998	4,109,145	3,812,115	21,725,290	18,384,113
Excess (deficiency) before net transfers	1,351,565	4,283,224	(388,667)	(150,644)	962,898	4,132,580
Net Transfers In/(Out)	(613,206)	(169,425)	613,206	169,425	-	-
Excess (deficiency) in net position	738,359	4,113,799	224,539	18,781	962,898	4,132,580
Net position (restated), beginning	23,544,696	19,430,897	18,034,733	18,015,952	41,579,429	37,446,849
Net position, ending	$ 24,283,055	$ 23,544,696	$ 18,259,272	$ 18,034,733	$ 42,542,327	$ 41,579,429

Business-Type Activities. Both Wastewater and Water departments had a roughly 19% user fee increase in January of 2024 as part of a 4-year capital improvement plan.

Wastewater user fees increased $145 thousand in FY24, climbing to $1.47 million. Wastewater expenses actually drop through FY24 by approximately $60 thousand. While the department worked hard to keep maintenance costs down, the most significant impact came from a $208 thousand reduction in the pension liability.

Water user fees increased nearly $115 thousand over the year. Expenses, however, increased nearly $340 thousand, $167 thousand of which came from an increased pension costs and another $66 thousand from increased Wages & ERE.

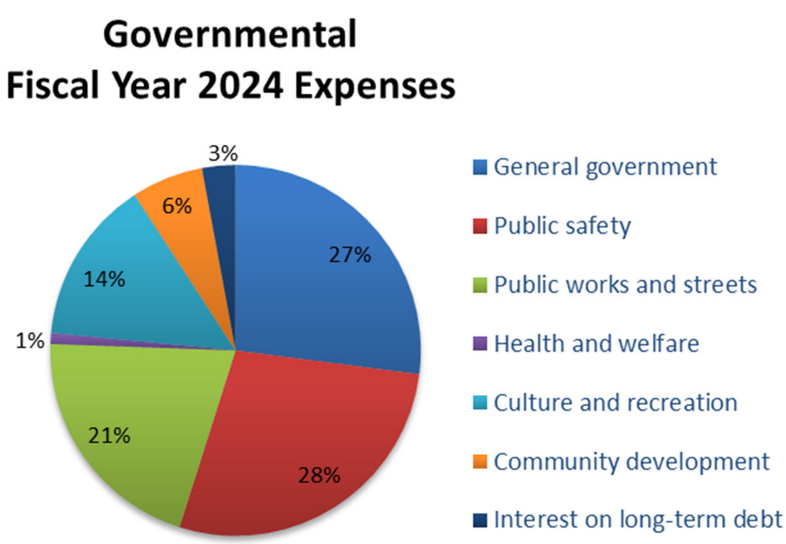
Functional Net Governmental Activities

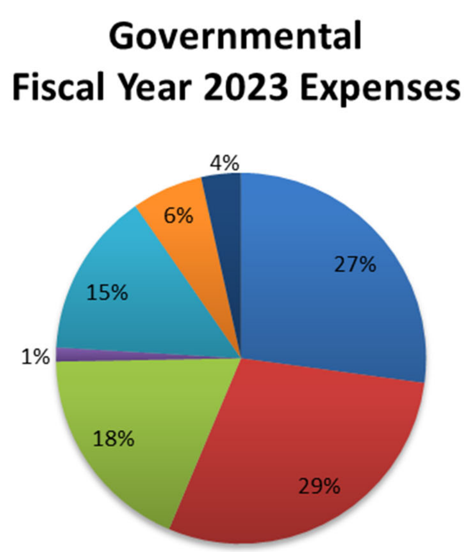
The following table presents the cost of the major Town functional activities. The table also shows each function's net cost (total cost, less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State's and Town's taxpayers by each of these functions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

	Year Ended June 30, 2024		Year Ended June 30, 2023	
	Total Expenses	Net Exp / (Rev)	Total Expenses	Net (Exp) / Rev
Governmental activities				
General government	$ 4,765,586	$ 4,486,091	$ 3,952,950	$ 1,934,851
Public safety	4,906,523	4,542,328	4,260,267	3,958,226
Public works and streets	3,638,101	2,198,375	2,674,071	1,163,232
Health and welfare	168,331	146,754	178,377	162,249
Culture and recreation	2,519,596	1,373,648	2,096,504	1,010,631
Community development	1,105,520	360,028	904,552	366,502
Interest on long-term debt	512,488	512,488	505,277	505,277
Net	$ 17,616,145	$ 13,619,712	$ 14,571,998	$ 9,100,968
Business-Type Activities				
Water	1,579,833	(151,515)	1,222,083	(413,126)
Wastewater	2,529,312	542,263	2,590,032	591,005
Net	$ 4,109,145	$ 390,748	$ 3,812,115	$ 177,879
Total	$ 21,725,290	$ 14,010,460	$ 18,384,113	$ 9,278,847

The table below shows how expenses are distributed within the Town governmental funds with changes from FY23 to FY24.





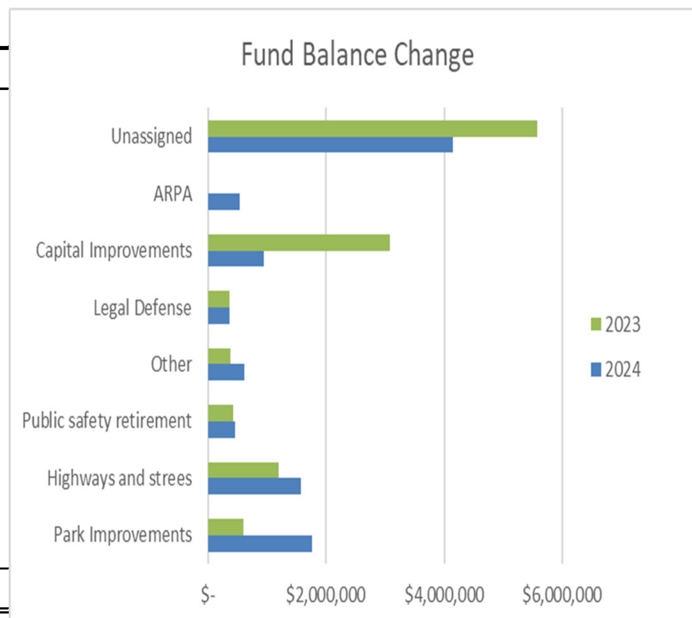
FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the Town's fiscal year, its governmental funds reported combined ending fund balances of just under $10.4 million, a $1.25 million decrease from the previous year. *Unassigned fund balance* constitutes 40% of the ending governmental funds balance. Unassigned fund balance is the amount available for spending at the government's discretion. The remainder of FY24 total fund balance is restricted, committed or assigned to indicate that it is not available for new spending because it has already been assigned, committed or restricted as seen in the following chart.

	Governmental Funds	
	2024	2023
Ending Fund Balance, June 30th		
Restricted		
Park Improvements	$ 1,764,050	$ 602,006
Highways and strees	1,575,908	1,192,451
Public safety retirement	452,675	429,872
Other	618,786	383,634
Committed		
Legal Defense	365,646	367,189
Assigned		
Capital Improvements	$ 939,841	$ 3,083,362
ARPA	$ 529,096	$ -
Unassigned	4,143,120	5,579,807
Ending Fund Balances	10,389,122	11,638,321



General Fund

The General Fund is the principal operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was $5.2 million. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to fund expenditures. For FY24, fund balance in the General Fund is 38% of total General Fund expenditures.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (CONTINUED)

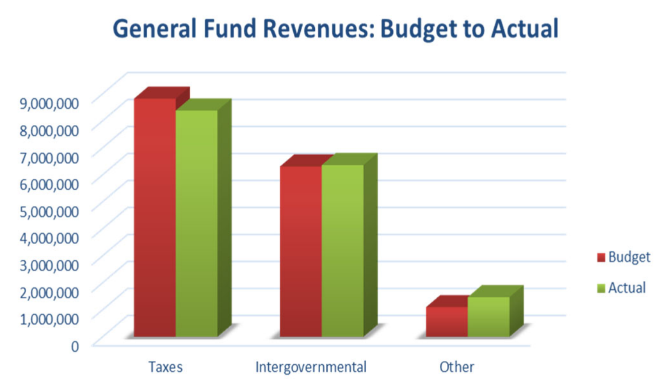
Proprietary funds. The proprietary fund financial statements are prepared on the same accounting basis and measurement as the government-wide financial statements but provide additional detail of the Town's enterprise funds.

Both Water and Wastewater funds had little change in their respective fund balances during the year. The Wastewater Fund net position increased $142 thousand climbing to just over $17 million, while the Water Fund net position increased $83 thousand and climbs to just under $1.2 million.

BUDGETARY HIGHLIGHTS

A schedule comparing budget to actual financial activity for the General Fund is provided in this report as required supplementary information. Revenues of $16.2 million for the year were less than 1% short of budget ($18 thousand) while expenses were 3% under budget ($473 thousand). Budgetary highlights for the General Fund are as follows:

Revenues



- Total Revenues were only $18 thousand short of budget in FY24 which is less than 1% short.
- Taxes collected for FY24 were $440 thousand under budget (5%). A significant portion of this was the shortage in our retail sales segment which was $459 thousand under budget. The town relies heavily on online sales for retail sales revenues. Spending seems to be down across the board of our retail vendors.
- Intergovernmental revenues were $52 thousand over budget due to state sales taxes coming in $32 thousand over budget and Yavapai County Library District funds coming in $28 thousand over budget.
- Other revenues were $371 thousand over budget. The specific highlights in this section are interest income which came in $198 thousand over budget from higher than anticipated interest rates. Permitting and review fees are over budget by $188 thousand due to higher-than-expected development activity in both commercial and residential projects.

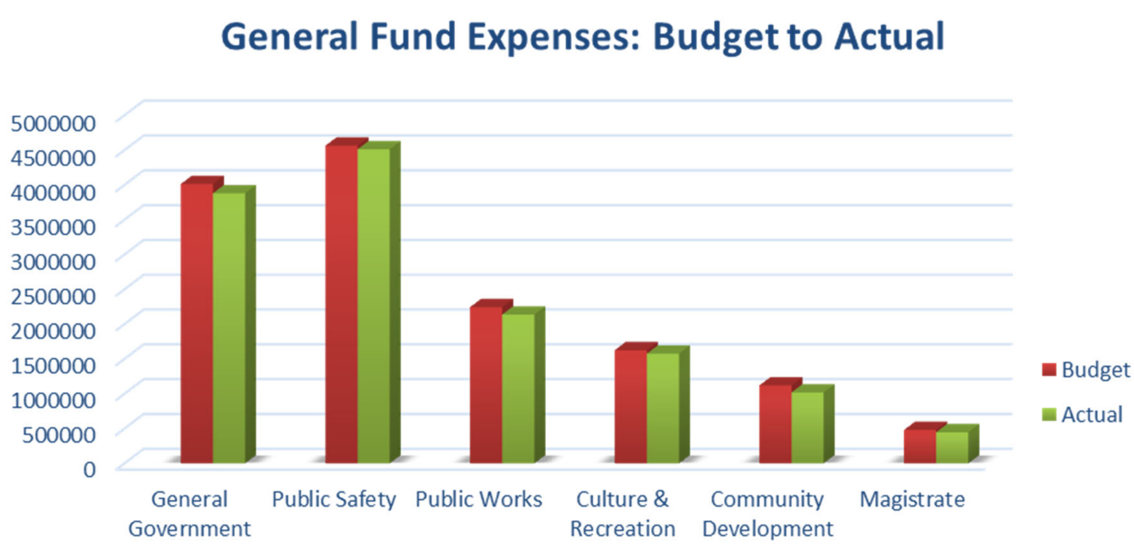
Expenses

- Total General Fund expenses come in $473 under budget as Directors were encouraged to save more where possible as local tax revenue was off target.

BUDGETARY HIGHLIGHTS (CONTINUED)

- Savings in Wages & ERE accounts for the majority of the savings across all departments at $492 thousand under budget. Savings in the Marshal's office (Public Safety) and the Maintenance division (Public works) account for the largest portion of the savings at $140 thousand and $108 thousand under budget respectively. However, all departments and divisions were under budget for FY24.

- The Town spent much of FY24 looking for a new Town Manager, attributing to the amount of budget savings in that division. Alternatively, the costs from to the search process for the new Town Manager put contract labor costs $91 thousand over budget in the Manager's division. Many divisions reduced expenses during the year by delaying replacement hiring.



CAPITAL ASSETS

As of June 30, 2024, the Town had invested $45.4 million in governmental capital assets and $42.7 million in business-type assets (both before depreciation) including land, buildings, facilities, vehicles, computers, equipment, and infrastructure assets. In FY24, the Town invested $3.9 million into capital assets. Total depreciation expense for the year in governmental and business-type activities was just over $1.7 million and $1.2 million respectively. More information on capital assets can be found in the Notes to the Financial Statements under Note 5 – Capital Assets.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal years ended June 30, 2024 and 2023:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 6,601,879	$ 6,030,372	$ 1,416,640	$ 1,416,640	$ 8,018,519	$ 7,447,012
Construction in progress	9,387,545	9,116,901	4,176,861	3,424,043	13,564,406	12,540,944
Buildings and improvements	9,746,892	9,388,993	928,182	946,441	10,675,074	10,335,434
Infrastructure	9,072,421	8,140,979			9,072,421	8,140,979
Wastewater Infrastructure Systems			23,739,632	23,656,360	23,739,632	23,656,360
Water Infrastructure Systems			9,977,595	9,956,333	9,977,595	9,956,333
Vehicles and equipment	6,931,282	6,969,551	2,342,907	2,118,048	9,274,189	9,087,599
Improvements other than buildings	1,616,441	1,616,441	-	-	1,616,441	1,616,441
Intangibles (Lease assets)	2,051,372	1,645,354	137,768	46,990	2,189,140	1,692,344
Accumulated depreciation	(12,986,421)	(11,523,963)	(13,880,601)	(12,702,469)	(26,867,022)	(24,226,432)
Total	$ 32,421,411	$ 31,384,628	$ 28,838,984	$ 28,862,386	$ 61,260,395	$ 60,247,014

Governmental funds.
Key factors for capital assets during the current fiscal year include the following:

Vehicles, Equipment & Intangibles
- Purchased 5 new vehicles for $413 thousand, 4 of which were for the Marshal's Division.

Construction in Progress
- Further construction at the Town's Sports Complex cost $328 thousand.

Proprietary funds.
Key factors for capital assets during the current fiscal year include the following:

Vehicles, Equipment & Intangibles
- The Water department purchased a new vehicle with a vacuum for $91 thousand to help maintain safe excavation procedures when making repairs.
- The Water department placed an $88 thousand SCADA system installation into service (which included $52 thousand of expense from FY24).

Construction in Progress
- Work on the Main Street sewer line project accounted for $229 thousand.
- Expenses associated with the development of the Town's Wastewater Master Plan accounted for $158 thousand.
- The Wastewater department took an $83 thousand loss on disposal of equipment for construction in process projects that had been started years ago and were finally abandoned.

LONG-TERM LIABILITIES

As of June 30, 2024, the Town had just under $33 million in long-term debt and long-term liabilities; $20.4 million for governmental activities and $12.4 million for business-type activities. These amounts are down $302 thousand from FY23.

The following table presents a summary of the Town's outstanding long-term debt and long-term liabilities for the fiscal years ended June 30, 2024 and 2023. More information on debt and long-term liabilities can be found in the Notes to the Financial Statements under Note 6 – Long-Term Liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
2022 Revenue bonds	$ 2,675,000	$ 2,860,000	$ -	$ -	$ 2,675,000	$ 2,860,000
2020 Revenue bonds	2,842,000	2,862,000	-	-	2,842,000	2,862,000
2017 Revenue bonds	5,830,000	6,010,000	-	-	5,830,000	6,010,000
2017 Revenue bonds unamortized premium	153,041	160,329	-	-	153,041	160,329
2014 Revenue bonds	1,979,000	2,371,000			1,979,000	2,371,000
2011 Revenue bonds	-	-			-	-
Financed purchases	202	56,832	-	-	202	56,832
Leases payable	887,835	875,939	102,891	42,210	990,726	918,149
Notes payable	-	-	11,396,731	11,584,835	11,396,731	11,584,835
Net pension liability	5,392,690	4,818,124	591,209	641,507	5,983,899	5,459,631
Contractor Reimbursable	-	-	256,914	257,505	256,914	257,505
Compensated absences	660,926	543,295	96,121	83,042	757,047	626,337
Total	$ 20,420,694	$ 20,557,519	$ 12,443,866	$ 12,609,099	$ 32,864,560	$ 33,166,618

Governmental funds.
Key factors for long-term liabilities during the current fiscal year include the following:

- Principal payments on outstanding revenue bonds accounted for $777 of the reduction in long-term liabilities.
- The 575 thousand increase in the net pension liability offset most of the reduction from principal payments.

Proprietary funds.
Key factors for long-term liabilities during the current fiscal year include the following:

- Principal payments of $401 thousand outpaced the draw-down on current loans to help reduce the overall long-term liabilities by $188 thousand.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town seems to have settled into a moderate growth period for local sale tax revenues. With the dramatic increase in construction sales tax revenues (which has been expected from previous permitting activities) and the tremendous movement of new permitting activities, the Town is expecting a more dramatic increase in the overall local sales tax revenues in the future. However, FY25 is poised to be a tough year financially for the Town as state cutbacks in shared income tax revenues and the states decision to take away cities and towns ability to tax long-term rentals. The expected impact of these two cutbacks for the Town is over $800 thousand. Departments have had to cut back on their operation budgets to alleviate that impact. FY26 is expected to make much headway on alleviating the stress of increased demand on services without the economic resources to expand.

Camp Verde is a very rural town located on the I-17 freeway between Phoenix and Sky Harbor Airport to the south and Sedona and the Grand Canyon to the North. This is a major thoroughfare for traffic heading to those destinations. Camp Verde has been growing steadily and with its designation as an Opportunity Zone area, has been reaping the benefits of both our location and available land use.

While a few significant projects are still in the planning stages, a number of projects have taken shape over this past year including a large truss manufacturing company, a local distillery and tasting project and most recently, a large award-winning affordable housing project that will include approximately 338 housing units.

FY25 will see the start of numerous capital improvement projects for both our Water & Wastewater departments. Our Water department has $5.4 million of capital projects slated for FY25 and another $4.9 million in FY26. These projects include arsenic treatment systems, new wells and storage facilities as well as a major water main replacement project of $3.1 million that is supported by a $2.3 million federal grant. The Wastewater department is completing a major plant upgrade with an $800 thousand drying bed expansion project as well as installing new sewer lines in the "Black Bridge Loop" area at an estimated $1 million.

Continued construction at the Town's Sports Complex is expected to cost about $2.9 million in FY25 which is supported with a 50% matching federal grant. The Town is hopeful that the four remaining primary projects will be completed in FY25 including the delivery of potable water, delivery of reclaimed irrigation water, a wastewater lift station and construction of a concession and restroom facility. The entryway and parking areas should also get underway in FY25.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Town Finance Department at:

Town of Camp Verde
Finance Department
395 South Main Street
Camp Verde, Arizona 86322.

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 8,910,545	$ 1,247,922	$ 10,158,467
Cash held by trustee	1,592,578	-	1,592,578
Cash - restricted	-	313,211	313,211
Accounts receivable - net	153,981	543,507	697,488
Due from other governments	1,200,219	920	1,201,139
Inventory	-	54,346	54,346
Net other postemployment benefits asset	722,958	19,871	742,829
Capital assets, not being depreciated	15,989,424	5,593,501	21,582,925
Capital assets, being depreciated, net	16,431,987	23,245,483	39,677,470
Total assets	45,001,692	31,018,761	76,020,453
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions and other postemployment benefits	1,428,839	126,653	1,555,492
LIABILITIES			
Accounts payable	576,732	309,442	886,174
Accrued expenses	249,068	-	249,068
Interest payable	192,977	77,508	270,485
Court bonds payable	28,977	-	28,977
Refundable deposits	-	23,910	23,910
Noncurrent liabilities			
Due within 1 year	1,654,264	519,659	2,173,923
Due in more than 1 year	18,766,430	11,924,207	30,690,637
Total liabilities	21,468,448	12,854,726	34,323,174
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions and other postemployment benefits	679,028	31,416	710,444
NET POSITION			
Net investment in capital assets	20,886,805	17,339,362	38,226,167
Restricted for:			
Postemployment benefits	722,958	19,871	742,829
Park improvements	1,764,050	-	1,764,050
Highways and streets	1,575,908	-	1,575,908
Public safety retirement	452,675	-	452,675
Housing redevelopment	273,616	-	273,616
Special programs	345,170	-	345,170
Unrestricted (deficit)	(1,738,127)	900,039	(838,088)
Total net position	$ 24,283,055	$ 18,259,272	$ 42,542,327

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Activities
Year Ended June 30, 2024

Functions / Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position – Primary Government: Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities							
General government	$ 4,765,586	$ 175,101	$ 104,394	$ -	$ (4,486,091)	$ -	$ (4,486,091)
Public safety	4,906,523	263,693	100,502	-	(4,542,328)	-	(4,542,328)
Public works	3,638,101	13,550	1,311,424	114,752	(2,198,375)	-	(2,198,375)
Health and welfare	168,331	-	21,577	-	(146,754)	-	(146,754)
Culture and recreation	2,519,596	131,436	162,334	852,178	(1,373,648)	-	(1,373,648)
Community development	1,105,520	745,492	-	-	(360,028)	-	(360,028)
Interest on long-term debt	512,488	-	-	-	(512,488)	-	(512,488)
Total governmental activities	17,616,145	1,329,272	1,700,231	966,930	(13,619,712)	-	(13,619,712)
Business-type activities							
Water	1,579,833	1,731,348	-	-	-	151,515	151,515
Wastewater	2,529,312	1,987,049	-	-	-	(542,263)	(542,263)
Total business-type activities	4,109,145	3,718,397	-	-	-	(390,748)	(390,748)
Total primary government	$ 21,725,290	$5,047,669	$1,700,231	$ 966,930	$ (13,619,712)	$ (390,748)	$ (14,010,460)
General revenue:							
Taxes:							
Sales Taxes					7,999,386	-	7,999,386
Franchise tax					378,150	-	378,150
State shared revenue					6,194,277	-	6,194,277
Investment income					374,899	2,081	376,980
Miscellaneous					24,565	-	24,565
Transfers in (out):					(613,206)	613,206	-
Total general revenues and transfers					14,358,071	615,287	14,973,358
Change in net position					738,359	224,539	962,898
Net position July 1, 2023					23,544,696	18,034,733	41,579,429
Net position, June 30, 2024					$ 24,283,055	$ 18,259,272	$ 42,542,327

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

TOWN OF CAMP VERDE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 4,932,888	$ 3,977,657	$ 8,910,545
Cash held by trustee	210,680	1,381,898	1,592,578
Accounts receivable, net	144,431	9,550	153,981
Due from other governments	450,078	746,194	1,196,272
Due from other funds	60,396	-	60,396
Total assets	5,798,473	6,115,299	11,913,772
LIABILITIES			
Accounts payable	314,803	261,929	576,732
Accrued liabilities	249,068	-	249,068
Court bonds payable	28,977	-	28,977
Due to other funds	-	60,396	60,396
Total liabilities	592,848	322,325	915,173
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	609,477	609,477
FUND BALANCES			
Restricted	452,675	3,958,744	4,411,419
Committed	-	365,646	365,646
Assigned	-	1,468,937	1,468,937
Unassigned	4,752,950	(609,830)	4,143,120
Total fund balances	5,205,625	5,183,497	10,389,122
Total liabilities, deferred inflows of resources, and fund balances	$ 5,798,473	$ 6,115,299	$ 11,913,772

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

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2024

Fund balances--total governmental funds		$ 10,389,122
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources. Therefore, they were not reported in Governmental Funds Balance Sheet.		
Capital assets	45,407,832	
Less accumulated depreciation	(12,986,421)	32,421,411
Some receivables are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		
Due from other governments		613,424
Net pension assets held in trust for future benefits are not available for operations and, therefore, are not reported in the funds.		722,958
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods		
Pension related deferred outflows	1,428,839	
Pension related deferred inflows	(679,028)	749,811
Some liabilities, including bonds payable and net pension liabilities are not due and payable in the current period and therefore, are not reported in the funds.		
Compensated absences	(660,926)	
Net pension liability/OPEB	(5,392,690)	
Revenue bonds payable	(13,479,041)	
Financed purchases	(202)	
Leases payable	(887,835)	
Interest payable	(192,977)	(20,613,671)
Net position of governmental activities		$ 24,283,055

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2024

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenue			
Taxes	$ 8,377,536	$ -	$ 8,377,536
Intergovernmental	6,357,699	1,693,485	8,051,184
Licenses and permits	558,715	-	558,715
Fines and forfeitures	126,849	34,988	161,837
Other revenue	77,101	72,808	149,909
Charges for services	414,647	6,600	421,247
Contributions	-	281,907	281,907
Investment income	288,051	86,848	374,899
Total revenue	16,200,598	2,176,636	18,377,234
Expenditures			
Current			
General government	4,265,442	131,084	4,396,526
Public safety	4,464,772	27,341	4,492,113
Public works and streets	2,033,884	827,903	2,861,787
Health and welfare	50,000	118,331	168,331
Culture and recreation	1,575,299	388,212	1,963,511
Community development	1,016,989	400	1,017,389
Capital outlay	157,065	2,603,447	2,760,512
Debt service			
Principal	3,570	1,151,778	1,155,348
Interest	196	531,128	531,324
Total expenditures	13,567,217	5,779,624	19,346,841
Excess (deficiency) of revenue over (under) expenditures	2,633,381	(3,602,988)	(969,607)
Other financing sources			
Lease acquisition	-	333,614	333,614
Transfers in (out)	(3,451,079)	2,837,873	(613,206)
Total other financing sources	(3,451,079)	3,171,487	(279,592)
Net change in fund balances	(817,698)	(431,501)	(1,249,199)
Fund balances, July 1, 2023	6,023,323	5,614,998	11,638,321
Fund balances, June 30, 2024	$ 5,205,625	$ 5,183,497	$ 10,389,122

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

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities
Governmental Funds
Year Ended June 30, 2024

Net change in fund balances--total governmental funds		$ (1,249,199)
Governmental activities in the Statement of Activities were reported differently because:		
Governmental funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	2,760,512	
Depreciation expense	(1,714,425)	1,046,087
In the statement of activities, only the gain/loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital assets sold.		(9,304)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the Statement of Activities.		
Lease acquisition	(333,614)	
Bond premium	7,288	
Principal payments and amortized premiums on debt	1,155,348	829,022
Accrued interest payable related to long-term debt is recognized as an expense in the Statement of Activities, however is not recognized in the governmental funds beacause it is not payable from current financial resources.		11,548
Some expense 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. These items include:		
Compensated absences	(117,631)	
Pension/OPEB related items	(371,944)	(489,575)
Certain revenues in governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period. However, the other revenues that are unavailable in the governmental funds because they do not provide current financial resources due to unavailability are recognized in the Statement of Activities.		599,780
Change in net position of governmental activities		$ 738,359

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Acitivities -- Enterprise Funds		
	Water Fund	Wastewater Fund	Total
ASSETS			
Current assets			
Cash and cash equivalents	$ -	$ 1,247,922	$ 1,247,922
Accounts receivable - net	163,865	379,642	543,507
Due from other governments	-	920	920
Due from other funds	-	4,243	4,243
Inventory	54,346	-	54,346
Total current assets	218,211	1,632,727	1,850,938
Noncurrent assets			
Restricted cash	178,968	134,243	313,211
Net other postemployment benefits asset	5,961	13,910	19,871
Capital assets, not being depreciated	504,109	5,089,392	5,593,501
Capital assets, being depreciated, net	9,730,665	13,514,818	23,245,483
Total noncurrent assets	10,419,703	18,752,363	29,172,066
Total assets	10,637,914	20,385,090	31,023,004
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions and other postemployment benefits	37,996	88,657	126,653
LIABILITIES			
Current liabilities			
Accounts payable	182,909	126,533	309,442
Accrued interest	53,931	23,577	77,508
Refundable deposits	23,910	-	23,910
Due to other funds	4,243	-	4,243
Compensated absences, current	28,135	58,374	86,509
Lease payable - current	20,531	4,572	25,103
Notes payable, current	317,984	90,063	408,047
Total current liabilities	631,643	303,119	934,762
Noncurrent liabilities			
Compensated absences	3,126	6,486	9,612
Contractor reimburseables	256,914	-	256,914
Lease payable	65,742	12,046	77,788
Notes payable	8,335,039	2,653,645	10,988,684
Net pension and other postemployment liability	177,363	413,846	591,209
Total noncurrent liabilities	8,838,184	3,086,023	11,924,207
Total liabilities	9,469,827	3,389,142	12,858,969
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions and other postemployment benefits	9,425	21,991	31,416
NET POSITION			
Net investment in capital assets	1,495,478	15,843,884	17,339,362
Restricted - postemployment benefits	5,961	13,910	19,871
Unrestricted (deficit)	(304,781)	1,204,820	900,039
Total net position	$ 1,196,658	$ 17,062,614	$ 18,259,272

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2024

	Business-type Acitivities -- Enterprise Funds		
	Water Fund	Wastewater Fund	Total
Operating revenues			
Charges for services (net of bad debts of $65,000 for wastewater)	$ 1,708,854	$ 1,985,192	$ 3,694,046
Miscellaneous	22,494	1,857	24,351
Total operating revenues	1,731,348	1,987,049	3,718,397
Operating expenses			
Depreciation and amortization	286,039	919,983	1,206,022
Personnel	669,948	630,275	1,300,223
Repairs and maintenance	111,413	353,928	465,341
Other	168,469	82,130	250,599
Materials and supplies	44,187	171,950	216,137
Utilities	104,038	152,446	256,484
Professional services	48,913	51,518	100,431
Insurance	10,794	37,778	48,572
Total operating expenses	1,443,801	2,400,008	3,843,809
Operating income (loss)	287,547	(412,959)	(125,412)
Nonoperating revenues (expenses)			
Interest income	-	2,081	2,081
Loss on disposition of asset	-	(82,884)	(82,884)
Interest expense	(136,032)	(46,420)	(182,452)
Total nonoperating revenue (expenses)	(136,032)	(127,223)	(263,255)
Income (loss) before contributions	151,515	(540,182)	(388,667)
Transfers	(68,508)	681,714	613,206
Increase (decrease) in net position	83,007	141,532	224,539
Total net position, beginning of year	1,113,651	16,921,082	18,034,733
Total net position, end of year	$ 1,196,658	$ 17,062,614	$ 18,259,272

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024

	Business-type Acitivities -- Enterprise Funds		
	Water Fund	Wastewater Fund	Total
Cash flows from operating activities:			
Receipts from customers	$ 1,653,503	$ 1,936,605	$ 3,590,108
Payments to suppliers and providers of goods and services	(365,621)	(1,186,536)	(1,552,157)
Payments to employees	(663,067)	(623,597)	(1,286,664)
Net cash provided (used) by operating activities	624,815	126,472	751,287
Cash flows from noncapital financing activities:			
Interfund transfers	(68,508)	681,714	613,206
Interfund borrowing	4,243	(4,243)	-
Net cash provided (used) by noncapital financing activities	(64,265)	677,471	613,206
Cash flows from capital and related financing activities:			
Proceeds from note payable	-	213,355	213,355
Principal payments on notes payable	(313,297)	(88,162)	(401,459)
Purchase of capital assets	(312,388)	(623,353)	(935,741)
Principal payments on leases payable	(18,570)	(4,487)	(23,057)
Interest paid	(137,985)	(44,656)	(182,641)
Net cash provided (used) by capital and related financing activities	(782,240)	(547,303)	(1,329,543)
Cash flows from investing activities:			
Interest received	-	1,477	1,477
Net increase (decrease) in cash and cash equivalents	(221,690)	258,117	36,427
Cash and cash equivalents, beginning of year	400,658	1,124,048	1,524,706
Cash and cash equivalents, end of year	$ 178,968	$ 1,382,165	$ 1,561,133
Cash and cash equivalents	$ -	$ 1,247,922	$ 1,247,922
Cash and cash equivalents, restricted	178,968	134,243	313,211
Cash and cash equivalents, end of year	$ 178,968	$ 1,382,165	$ 1,561,133

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024
(Continued)

	Business-type Acitivities -- Enterprise Funds		
	Water Fund	Wastewater Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ 287,547	$ (412,959)	$ (125,412)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	286,039	919,983	1,206,022
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:			
Accounts receivable	(67,972)	(50,446)	(118,418)
Due from other governments	-	2	2
Inventory	18,634	-	18,634
Net other postemployment benefits asset	(5,961)	8,497	2,536
Deferred outflows of resources related to pensions and other postemployment benefits	(13,402)	21,144	7,742
Accounts payable	(63,275)	(129,007)	(192,282)
Refundable deposits	(9,873)	-	(9,873)
Compensated absences	6,881	6,198	13,079
Contractor reimburseables	(591)	-	(591)
Net pension and other postemployment liability	177,363	(227,661)	(50,298)
Deferred inflows of resources related to pensions and other postemployment benefits	9,425	(9,279)	146
Net cash provided (used) by operating activities	$ 624,815	$ 126,472	$ 751,287

Noncash capital financing activities

Noncash capital financing activities include the the purchase of a vehicle through a lease purchase for $83,738 in the Water Fund. Other noncash financing activities include the accrual of interest payable totaling $53,931 for Water Fund and $23,577 for the Waste Water Fund. There was $183,187 and $62,838 of capital asset purchases made with accounts payable.

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

		Custodial
		Other
ASSETS		
Cash and cash equivalents	$	519,821
Property tax receivable		49,029
Total assets		568,850
LIABILITIES		-
NET POSITION		
Restricted for:		
Individual, organizations, and other governments		568,850
Total net position	$	568,850

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

TOWN OF CAMP VERDE, ARIZONA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2024

		Custodial
		Other
Additions:		
Property tax collections from other governments	$	880,263
Contributions from other governments		118,331
Contributions from employees		3,446
Interest income		24,112
Total additions		1,026,152
Deductions:		
Distributions for employee assistance		500
Distributions for district debt service		1,001,911
Total deductions		1,002,411
Change in net position		23,741
Net position, July 1, 2023		545,109
Net position, June 30, 2024	$	568,850

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Camp Verde, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The Town is a municipal entity governed by an elected Mayor and six-member council. The accompanying financial statements present the activities of the Town (the primary government). The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Town. The Town has no component units.

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the Town as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements—provide information about the primary government (the Town). The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and each segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include charges to customers for goods or services, operating grants, capital grants and contributions. Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. Charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—provide information about the Town's funds. Separate statements are presented for the governmental and proprietary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from transactions associated with the fund's principal activity in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, results from transactions in which the parties do not exchange equal values. Revenues generated by ancillary activities are also reported as nonoperating revenues. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense are considered to be nonoperating expenses.

The Town reports the following major governmental funds:

General Fund – This fund accounts for all financial resources of the Town, except those required to be accounted for in other funds.

The Town reports the following major enterprise funds:

Water Fund – This fund is used to account for the provision of clean water services to residents of the Town. All activities necessary to provide such service are accounted for in this fund.

Wastewater Fund – This fund is used to account for the provision of wastewater services to residents of the Town. All activities necessary to provide such service are accounted for in this fund.

Additionally, the Town reports the following fund types:

Fiduciary Funds – These funds are used to account for assets held by the Town in a custodial capacity for the following purposes:

- Employee assistance.
- Camp Verde Sanitary District property tax collection and debt service remittance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the Town funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. The Town applies grant resources to such programs before using general revenues.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The Town's major revenue sources that are susceptible to accrual are intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

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

Cash and investments are generally pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona or any of its counties, cities, towns, school districts, and special districts as specified by statute. The State Board of Deposit provides oversight for the State Treasurer's pool, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts receivable are estimated by the Town. The amount recorded at June 30, 2024 for uncollectible Water Fund and Wastewater Fund receivables are $0 and $65,000 respectively.

F. Capital Assets

Capital assets are reported at actual cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life (years)
Land	$5,000	N/A	-
Construction in progress	5,000	N/A	-
Buildings	5,000	Straight-line	25 - 30
Improvements	5,000	Straight-line	18 - 75
Infrastructure	5,000	Straight-line	20 - 30
Furniture, machinery, and equipment	5,000	Straight-line	5 - 10
Vehicles	5,000	Straight-line	5 - 10
Right-of-use assets			
Leases	20,000	Straight-line	-
Subscription-based technology	20,000	Straight-line	-

G. Inventories

Inventories in the government-wide and proprietary funds' financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the first-in first-out method (FIFO).

H. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

I. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to future periods and will be recognized as a revenue in future periods.

J. Compensated Absences

Compensated absences consist of vacation leave, compensatory time, and a calculated amount of sick leave earned by employees based on services already rendered.

Employees may accumulate up to 320 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused each January 1 are forfeited. Upon termination of employment, all unused and unforfeited vacation benefits are paid to employees.

Employees may accumulate up to 480 hours of sick leave hours. Any sick leave hours in excess of the maximum must be converted at a rate of 50% to vacation time or cash value each December 15. Upon termination of employment, unused sick leave benefits are paid to employees at rates of 10 to 50 percent depending upon years of service.

The current and long-term liabilities for accrued vacation leave, compensatory time, and sick leave are reported in the government-wide financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year end. Resources from the General Fund are generally used to liquidate the governmental funds liabilities for compensated absences.

K. Fund Balance Reporting

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

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the Town Council has approved, which is the highest level of decision-making authority within the Town. Only the Town Council can remove or change the constraints placed on committed fund balances.

Assigned fund balances are resources constrained by the Town's intent to be used for specific purposes, but that are neither restricted nor committed. The Town Council has authorized the Town Manager to assign resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

The Town's policy for committed fund balances is through formal Town resolutions passed through the elected town council. The process of rescinding a committed fund balance requires the same process.

The Town's policy for assigned fund balances is through motions passed by the elected town council. Assigned fund balances do not require a formal resolution.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it is the Town's policy to use (the Town will use) restricted fund balance first. It is the Town's policy to use (the Town will use) committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

L. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

M. Postemployment Benefits

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

N. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end. The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual reports as listed in the table of contents present all departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2024, if any.

O. Leases

As lessee, the Town recognizes lease liabilities with an initial, individual value of $20,000 or more. The Town uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The Town's estimated incremental borrowing rate is based on the Town's borrowing rate for unsecured debt for a comparable amount and time period, and then decreased the based on full collateral.

As lessor, the Town recognizes lease receivables with an initial, individual value of $20,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the Town charges the lessee) and the implicit rate cannot be determined, the Town uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The Town's estimated incremental borrowing rate is calculated as described above.

NOTE 2 – DEPOSITS AND INVESTMENTS

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

Credit Risk - The Town's investment policy allows for investments in obligations guaranteed by the full faith and credit of the United States of America, government sponsored enterprises, government bonds with minimum credit ratings of Aa or AA, commercial paper with a minimum short-term rating of P1 or A1, negotiable certificates of deposit, corporate bonds carrying a minimum credit rating of A, and the Local Government Investment Pool. The Towns investment in U.S. Agencies and Money Market Funds were rated no lower than AAA by Standard & Poor's.

Custodial credit risk - The Town's policy requires collateral for deposits at 102 percent of all deposits federal depository insurance does not cover.

Concentration of Credit Risk - The Town's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the Town's total investments. Securities issued by the United States of America or its agencies are exempt from this provision.

Interest Rate Risk - In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the maturities of its investment portfolio according to the needs of the Town. Investments are structured so that they mature concurrent with anticipated cash requirements for ongoing operations of the Town.

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

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the Town held. The fair value of the participant's position in the pools approximates the value of that participant's pool shares. The State Board of Investment provides oversight for the State Treasurer's investment pools.

Fair Value Measurements. The Town 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. Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments categorized as Level 2 are valued using other significant observable inputs.

NOTE 2 – DEPOSITS AND INVESTMENTS - Continued

Investment Valuation Techniques. U.S. treasuries, agencies, money market, and equity securities in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities. Governmental bonds, corporate bonds, and other fixed income instruments, classified in Level 2 of the fair value hierarchy are valued based on significant other observable inputs, which may include, but are not limited to, quoted prices for similar or identical assets or liabilities in markets that are active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

Deposits — At June 30, 2024, the carrying amount of the Town's total cash in bank was $2,543,244, and the bank balance was $3,848,258. Of the bank balance, $938,296 was covered by federal depository insurance and the remaining balance was covered by collateral held by the pledging financial institution in the Town's name.

Restricted cash – Restricted cash in the Water and Wastewater Fund consisted of debt service reserves totaling $178,968 and $134,243 respectively.

Investments — At June 30, 2024, the investments consisted of the following:

Investment	Rating Organization	Credit Rating	Reported Amount	Fair Value
Arizona LGIP Pool 5	S&P	AAA	7,926,828	$ 7,926,828

Deposits and investments at June 30, 2024 consist of the following:

	Governmental Activities	Business-type Activities	Total
Deposits			
Cash on hand	$ 1,256	$ 350	$ 1,606
Cash held by trustee	1,592,578	-	1,592,578
Amount of deposits	982,461	1,560,783	2,543,244
Investments			
State treasurer's investment pool 5	7,926,828	-	7,926,828
Total	$ 10,503,123	$ 1,561,133	$ 12,064,256

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2024 consisted of the following:

	General Fund	Non-Major Governmental Funds	Wastewater Fund
State of Arizona			
State and city sales tax revenues	$ 411,467	$ -	$ -
Vehicle licensing tax revenues	38,611	-	-
AZ Department of Housing	-	60,475	-
AZ State Parks and Trails	-	550,398	-
Highway user revenues	-	130,889	-
Miscellaneous	-	4,432	920
	$ 450,078	$ 746,194	$ 920

NOTE 4 – ACCOUNTS RECEIVABLE

In connection with receivables, governmental funds reported unavailable revenue for amounts not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2024, the Town's receivables for individual major governmental funds and non-major governmental funds in the aggregate, consisted of $153,981 in various miscellaneous receivables. The Town considers these accounts to be 100% collectible.

As of June 30, 2024, the Town's receivables for individual major proprietary funds consisted of wastewater fees billed to customers totaling $379,642 and water fees billed to customers totaling $163,865. In anticipation of uncollectible amounts, the Town has an allowance for doubtful accounts of $65,000 for wastewater and $0 for water.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Increase	Decreases/ Reclassifications	Balance June 30, 2024
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	$ 6,030,372	$ 571,507	$ -	$ 6,601,879
Construction in progress	9,116,901	735,388	(464,744)	9,387,545
Total capital assets not being depreciated	15,147,273	1,306,895	(464,744)	15,989,424
Capital assets being depreciated/amortized:				
Buildings and improvements	9,388,993	357,899	-	9,746,892
Infrastructure	8,140,979	931,442	-	9,072,421
Machinery and equipment	6,969,551	231,002	(269,271)	6,931,282
Improvements other than buildings	1,616,441	-		1,616,441
Intangibles:				
Right-to-use lease assets				
Machinery and equipment	1,645,354	398,018	8,000	2,051,372
Total	27,761,318	1,918,361	(261,271)	29,418,408
Less accumulated depreciation/amortization for:				
Buildings and improvements	(2,781,209)	(321,004)	-	(3,102,213)
Infrastructure	(3,332,341)	(490,122)	-	(3,822,463)
Machinery and equipment	(3,958,481)	(587,282)	251,967	(4,293,796)
Improvements other than buildings	(689,580)	(38,728)	-	(728,308)
Intangibles:				
Right-to-use lease assets				
Machinery and equipment	(762,352)	(277,289)	-	(1,039,641)
Total	(11,523,963)	(1,714,425)	251,967	(12,986,421)
Total capital assets being depreciated and amortized, net	16,237,355	203,936	(9,304)	16,431,987
Governmental activities capital assets, net	$ 31,384,628	$ 1,510,831	$ (474,048)	$ 32,421,411

NOTE 5 – CAPITAL ASSETS – Continued

	Balance July 1, 2023	Increase	Decreases/ Reclassifications	Balance June 30, 2024
Business-type activities:				
Capital assets not being depreciated/amortized:				
Land	$ 1,416,640	$ -	$ -	$ 1,416,640
Construction in progress	3,424,043	924,071	(171,253)	4,176,861
Total capital assets not being depreciated	4,840,683	924,071	(171,253)	5,593,501
Capital assets being depreciated/amortized:				
Buildings and improvements	946,441	-	(18,259)	928,182
Sewer infrastructure systems	23,656,360	83,272	-	23,739,632
Water infrastructure systems	9,956,333	21,262	-	9,977,595
Vehicles and equipment	2,118,048	234,490	(9,631)	2,342,907
Intangibles:				
Right-to-use lease assets				
Vehicles and equipment	46,990	90,778		137,768
Total	36,724,172	429,802	(27,890)	37,126,084
Less accumulated depreciation/amortization for:				
Buildings and improvements	(300,214)	(35,977)	18,259	(317,932)
Sewer infrastructure systems	(10,800,343)	(738,508)	-	(11,538,851)
Water infrastructure systems	(269,513)	(250,178)	-	(519,691)
Vehicles and equipment	(1,328,483)	(158,344)	9,631	(1,477,196)
Intangibles:				
Right-to-use lease assets				
Vehicles and equipment	(3,916)	(23,015)	-	(26,931)
Total	(12,702,469)	(1,206,022)	27,890	(13,880,601)
Total capital assets being depreciated/amortized	24,021,703	(776,220)	-	23,245,483
Business-type activities capital assets, net	$ 28,862,386	$ 147,851	$ (171,253)	$ 28,838,984

Depreciation/amortization expense was charged to each function as follows:

Governmental activities:	
Public works and streets	$ 697,578
Public safety	459,972
Culture and recreation	455,309
General government	85,957
Community development	15,609
Total governmental activities depreciation/amortization expense	$ 1,714,425
Business-type activities:	
Water fund	$ 286,039
Wastewater fund	919,983
Total business-type activities depreciation/amortization expense	$ 1,206,022

NOTE 6 – LONG-TERM LIABILITIES

The following schedule details the Town's long-term liability and obligation activity for the year ended June 30, 2024.

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due within 1 year
Governmental activities:					
Compensated absences	$ 543,295	$ 885,926	$ 768,295	$ 660,926	$ 594,833
Finance purchases	56,832	-	56,630	202	202
Leases payable	875,939	333,614	321,718	887,835	251,941
Net pension and other postemployment benefits liability	4,818,124	574,566	-	5,392,690	-
Bonds payable:					
Revenue bonds	14,103,000	-	777,000	13,326,000	800,000
Unamortized premium	160,329	-	7,288	153,041	7,288
Governmental activities long-term liabilities	$20,557,519	$ 1,794,106	$1,930,931	$20,420,694	$ 1,654,264
Business-type activites:					
Compensated absences	$ 83,042	$ 143,686	$ 130,607	$ 96,121	$ 86,509
Leases payable	42,210	83,737	23,056	102,891	25,103
Contractor reimburseable	257,505	-	591	256,914	-
Loans payable from direct borrowings and direct placements	11,584,835	213,354	401,458	11,396,731	408,047
Net pension and other postemployment benefits liability	641,507	-	50,298	591,209	-
Business-type activities long-term liabilities	$12,609,099	$ 440,777	$ 606,010	$12,443,866	$ 519,659

Long-term compensated absences, other postemployment benefits, and the net pension liability of governmental activities are expected to be liquidated by the operating funds (primarily the General Fund) as they become due.

Bonds Payable:

In October 2014, the Town issued bonds totaling $4,904,000 to provide for an advance refunding of the 2005 revenue bond debt service payments for $1,372,950 with the remaining funds for the building of a new library. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

In December 2017, the Town issued bonds totaling $6,835,000 to finance the building of a park. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

In July 2020, the Town issued bonds totaling $2,897,000 to provide for an advance refunding of the 2011 revenue bond debt. The bond proceeds were used to defease $298,178 of the 2011 revenue bond with the remainder of the bond proceeds to be used to finance the building of a park. The

NOTE 6 – LONG-TERM LIABILITIES – Continued

principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

In February 2022, the Town issued bonds totaling $3,015,000 to pay down the Town's Public Safety Retirement System pension liability with the remaining balance restricted to cover any future unfunded pension balances. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2024
Revenue Refunding Bonds, Series 2014	$ 4,904,000	2016-2031	2.84%	$ 1,979,000
Revenue Bonds, Series 2017	6,835,000	2019-2045	2.00% - 4.00%	5,830,000
Revenue Refunding Bonds, Series 2020	2,897,000	2021-2036	2.96%	2,842,000
Revenue Bonds, Series 2022	3,015,000	2023-2036	2.77%	2,675,000
Totals	$17,651,000			$13,326,000

The following schedule details debt service requirements to maturity for the Town's bonds payable at June 30, 2024.

	Governmental Activities							
Year Ending	2014 Bond Payable		2017 Bond Payable		2020 Bond Payable		2022 Bond Payable	
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 400,000	$ 50,524	$ 190,000	$ 194,100	$ 20,000	$ 83,827	$ 190,000	$ 71,466
2026	245,000	41,365	195,000	186,400	191,000	80,704	195,000	66,134
2027	252,000	34,307	205,000	178,400	194,000	75,006	200,000	60,663
2028	259,000	27,051	210,000	170,100	201,000	69,160	205,000	55,054
2029	267,000	19,582	220,000	161,500	207,000	63,122	215,000	49,236
2030-2034	556,000	15,904	1,250,000	665,850	1,357,000	209,198	1,160,000	152,765
2035-2039	-	-	1,470,000	441,256	672,000	20,039	510,000	14,266
2040-2044	-	-	1,715,000	196,173	-	-	-	-
2045-2047	-	-	375,000	5,859	-	-	-	-
Total	$ 1,979,000	$ 188,733	$ 5,830,000	$ 2,199,638	$ 2,842,000	$ 601,058	$ 2,675,000	$ 469,584

NOTE 6 – LONG-TERM LIABILITIES – Continued

Loans Payable from direct borrowings and direct placements:

	Business-type Activities	
	Water Fund	Wastewater Fund
Water Infrastructure Finance Authority (WIFA) loan issued on April 20, 2018, for $3,487,210 with a $1,000,000 forgivable principal portion. The note bears interest at 2.183%. Due in annual principal and semi-annual interest installments. Matures July 1, 2042. As of June 30, 2024, the Town had $361,467 available to draw down. Proceeds were used for wastewater improvement projects. The Town has pledged future utility revenues to repay the loan.	$ -	$ 1,708,168
Water Infrastructure Finance Authority (WIFA) loan issued on January 29, 2021, for $1,200,000. The note bears interest at 1.00%. Due in annual principal and semi-annual interest installments. Matures July 1, 2025. As of June 30, 2024, the Town had $163,459 available to draw down. Proceeds were used for wastewater improvement projects. The Town has pledged future utility revenues to repay the loan.	-	1,035,540
Water Infrastructure Finance Authority (WIFA) loan issued on December 10, 2021, for $10,175,000 with a $900,000 forgivable principal portion. The note bears interest at 1.496%. Due in annual principal and semi-annual interest installments. Matures August 1, 2046. Proceeds were used for the purchase of the Water utility. The Town has pledged future utility revenues to repay the loan.	8,653,023	-
	$ 8,653,023	$ 2,743,708

The following schedule details debt service requirements to maturity for the Town's loan payable from direct borrowings and direct placements at June 30, 2024.

	Business-type Activities					
	Loan Payable from Direct Borrowings and Direct Placements					
Year Ending	Wastewater Fund - WIFA		Wastewater Fund - WIFA		Water Fund - WIFA	
June 30	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 1,000	$ 10,476	$ 89,063	$ 36,940	$ 317,984	$ 127,057
2026	1,034,540	5,383	91,008	36,111	322,740	122,265
2027	-	-	92,994	34,103	327,568	117,401
2028	-	-	95,024	32,051	332,468	112,465
2029	-	-	97,099	26,953	337,441	107,454
2030-2034	-	-	518,228	116,676	1,764,447	459,453
2035-2039	-	-	577,317	56,943	1,900,421	322,462
2040-2044	-	-	147,435	5,566	2,046,873	174,914
2045-2047	-	-	-	-	1,303,081	29,431
Total	$ 1,035,540	$ 15,859	$ 1,708,168	$ 345,343	$ 8,653,023	$ 1,572,901

NOTE 6 – LONG-TERM LIABILITIES – Continued

FINANCE PURCHASES:

The Town has acquired equipment under contract agreements at a total purchase price of $5,193. The following schedule details debt service requirements to maturity for the Town's finance purchases at June 30, 2024:

Year Ending June 30	Finance Purchases — Governmental Activities Principal	Interest	Total
2025	$ 202	$ -	$ 202

Leases—The Town has acquired the right-to-use of equipment under the provisions of various lease agreements.

The total amount of leased right-to-use assets and the related accumulated amortization are as follows:

	Governmental Activities	Business-type Activities
Vehicles and equipment	$ 2,051,372	$ 137,768
Less: accumulated amortization	(1,039,641)	(26,931)
Carrying value	$ 1,011,731	$ 110,837

The following schedule details debt service requirements to maturity for the Town's leases payable at June 30, 2024:

Year Ending June 30	Leases Payable — Governmental Activities Principal	Interest	Total	Business-type Activities Principal	Interest	Total
2025	$ 251,941	$ 61,073	$ 313,014	$ 25,103	$ 3,363	$ 28,466
2026	235,174	42,818	277,992	26,012	2,454	28,466
2027	214,175	25,005	239,180	26,958	1,508	28,466
2028	143,686	11,088	154,774	23,562	528	24,090
2029	42,859	1,706	44,565	1,256	5	1,261
Total	$ 887,835	$ 141,690	$ 1,029,525	$ 102,891	$ 7,858	$ 110,749

NOTE 6 – LONG-TERM LIABILITIES – Continued

Contractor reimbursable – The Town has contracted with various contractors for the build of water delivery systems that extend to new development. Under agreements made with contractors, the cost of the delivery systems are paid by the contractor with the provision that the Town reimburse the contractor for costs over a period of 10 years with annual repayment terms based on 10% of collections received from those using the portion of the delivery system installed by the contractor. Unpaid balances after 10 years under such terms will be forgiven. The Town expects that all the contractor reimbursable will be due and payable within the 10-year term. Total contractor reimbursable at June 30, 2024 totaled $256,914.

NOTE 7 – PLEDGED REVENUES

The Town has pledged, as security for a lease-purchase agreement entered into by the Camp Verde Sanitary District, a portion of the Town's sales tax. The lease-purchase agreement, executed by the Sanitary District in FY 2007, was amended during FY 2010. Per the amendment, the agreement is in the amount of $2.04 million to provide financing for construction of a new wastewater treatment plant, outfall, and collector sewer lines, and is payable through 2032. The Town has committed to appropriate up to $135,000 each year from sales tax revenues and state-shared revenues, to cover the principal and interest requirements on the Sanitary District's debt.

The Camp Verde Sanitary District has pledged, as the sole security for the lease-purchase agreement, the annual appropriations from the Town. Total principal remaining on the District's debt is $918,021. For the current year, principal and interest paid by the Sanitary District totaled $118,331. Total sales tax and state-shared revenues recognized by the Town totaled $14.7 million.

NOTE 8 – INTERFUND BALANCES AND ACTIVITY

Interfund loans – During the year ended June 30, 2024, the Town's CDBG Grants Fund borrowed $60,396 from the Town's General Fund to provide for grant expenditures that will be paid back from grant reimbursements received in the subsequent year.

The Water Fund borrowed $4,243 from the Wastewater Fund to meet current financial needs for Water Fund expenditures. The Town expects the balance to be paid back in the subsequent year.

Interfund transfers – During the year ended June 30, 2024, the Town's General Fund transferred funds to the Housing Fund, Parks Fund, Debt Service Fund, Capital Improvement Fund, and the Non-Federal Grants fund. Transfers were made to facilitate debt service payments, capital asset purchases, and to provide for various housing and grant expenditures. The ARPA fund transferred funds to the Parks Fund to provide funding for park improvements. The Federal and Non-Federal Grants Fund, Donations Fund, Water Fund and Wastewater Fund transferred funds to the General Fund for shared costs paid for by the General Fund.

NOTE 8 – INTERFUND BALANCES AND ACTIVITY - Continued

During the year ended June 30, 2024, the Town transferred funds as follows:

	Transfers to							
Transfers from	General Fund	Housing Fund (non-major)	Parks Fund (non-major)	Debt Service Fund (non-major)	Capital Improvement Fund (non-major)	Non-Federal Grants Fund (non-major)	Wastewater Fund	Total
General Fund	$ -	$ 150,000	$ 789,000	$ 1,614,431	$ 1,113,075	$ 15,128	$ -	$ 3,681,634
ARPA Fund (non-major)	-	-	-	-	-	-	759,751	759,751
HURF Fund (non-major)	-	-	-	186,806	-	-	-	186,806
Non-Federal Grants Fund (non-major)	74,613	-	-	-	-	-	-	74,613
Federal Grants Fund (non-major)	497	-	77,285	-	-	-	-	77,782
Donations Fund (non-major)	8,900	-	-	-	-	-	-	8,900
Water Fund	68,508	-	-	-	-	-	-	68,508
Wasterwater Fund	78,037	-	-	-	-	-	-	78,037
Total	$ 230,555	$ 150,000	$ 866,285	$ 1,801,237	$ 1,113,075	$ 15,128	$ 759,751	$ 4,936,031

NOTE 9 – TAX ABATEMENTS

The Town enters into various agreements with local businesses under Arizona Revised Statute 9-500.05 and 9-500.11. Under the Revised Statute, the Town is empowered to appropriate public funds to further employment opportunities and economic enhancement of the Town. These agreements may be granted to any business located within or promising to relocate to the Town. The Town has determined it is in the best interest of the citizens of the Town to rebate a portion of the sales taxes generated and collected from certain business's retail sales.

For the fiscal year ended June 30, 2024, the Town has the following active tax abatement agreements:

- Agreement with business owner that provides a sales tax rebate equal to 50% of retail sales tax and 100% of lease or rental sales tax of real property located on the business premises. During the fiscal year, $184,046 was paid as a rebate.

- Agreement with business owner that stipulates that the business owner provides funds for the design, construction and installation of certain public roadway improvements. The sales tax rebate is limited to the full reimbursement of the funds received from that business as it relates to the public roadway improvements. The Town will reimburse the owner 50% of construction sales taxes generated and collected by the business up to the total roadway improvements, not to exceed $600,000. During the fiscal year, $128,534 was paid as a rebate.

NOTE 10 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS

The Town's restrictions on net position in the government-wide statement of net position are as follows:

	Governmental Activities
Restricted Net Position:	
Postemployment benefits	$ 722,958
Parks	1,764,050
Highway User Revenues	1,575,908
Public safety retirement	452,675
Housing redevelopment	273,616
Court Special Revenue:	
Court Enhancement	107,945
Fill the Gap	25,727
Local JCEF	24,829
Nonfederal grants	
Anti-racketeering	15,128
AZ Supreme Court Grants	4,549
Park facilities maintenance	14,090
Spay/Neuter	19
Opiod	27,034
AZ Community Foundation	2,827
Federal grants	
RDBG grant	10,000
ALA Library Grant	1,688
LSTA	3,684
9-1-1	1,361
Donations:	
Camp Verde Marshal's Office	13,439
Library	26,938
Parks and Recreation	7,941
Safety fund	34,225
Economic development	23,746
Total Restricted Net Position	$ 5,134,377

	Business-type Acitivities
Restricted Net Position:	
Postemployment benefits	$ 19,871

NOTE 10 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS – Continued

The components of governmental fund balances are as follows:

	General Fund	Non-Major Govt'l Funds	Total Govt'l Funds
Ending Fund balances, June 30, 2024			
Restricted for:			
Park improvements	$ -	$ 1,764,050	$ 1,764,050
Highways and streets	-	1,575,908	1,575,908
Public safety retirement	452,675	-	452,675
Housing redevelopment	-	273,616	273,616
Court special revenue			
Court enhancement	-	107,945	107,945
Fill the gap	-	25,727	25,727
Local JCEF	-	24,829	24,829
Nonfederal grants			
Anti-racketeering	-	15,128	15,128
AZ Supreme Court Grants	-	4,549	4,549
Parks facilities maintenance	-	14,090	14,090
Spay and Neuter	-	19	19
Opiod	-	27,034	27,034
AZ Community Foundation	-	2,827	2,827
Federal grants			
RDBG Grant	-	10,000	10,000
ALA Library Grant	-	1,688	1,688
LSTA	-	3,684	3,684
9-1-1	-	1,361	1,361
Donations			
Camp Verde Marshal's office	-	13,439	13,439
Library	-	26,938	26,938
Parks and recreation	-	7,941	7,941
Safety fund	-	34,225	34,225
Economic development	-	23,746	23,746
Total restricted	452,675	3,958,744	4,411,419
Committed for:			
Legal defense	-	365,646	365,646
Assigned for:			
Capital improvements	-	1,468,937	1,468,937
Unassigned:	4,752,950	(609,830)	4,143,120
Ending Fund Balances	$ 5,205,625	$ 5,183,497	$ 10,389,122

NOTE 11 – CONTINGENT LIABILITIES

Federal and State grants and loans – The Town has received a number of grants from both the Federal and State governments. Amounts received or receivable from grantor agencies are subject to audit and adjustment; however, the Town expects no material disallowance of expenditures.

Lawsuits – At times the Town is a defendant in various lawsuits, although the outcome of these lawsuits is not always determinable, in the opinion of the Town's legal counsel, any resolution of these matters will not have a material adverse effect on the financial condition of the Town.

NOTE 12 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

At June 30, 2024, the Town reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

	Statement of Net Position and Statement of Activities		
	Governmental Activities	Business-Type Activities	Total
Net pension and OPEB assets	$ 722,958	$ 19,871	$ 742,829
Net pension and OPEB liabilities	5,392,690	591,209	5,983,899
Deferred outflows of resources related to pension and OPEB	1,428,839	126,653	1,555,492
Deferred inflows of resources related to pension and OPEB	679,028	31,416	710,444
Pension expense and OPEB	863,859	109,394	973,253

The Town reported $788,080 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

A. Arizona State Retirement System

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

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

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

*With actuarially reduced benefits.

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from $100 per month to $260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

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, 2024, statute required active ASRS members to contribute at the actuarially determined rate of 12.29 percent (12.14 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and the Town was required by statute to contribute at the actuarially determined rate of 12.29 percent (12.03 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll. In addition, the Town was required by statute to contribute at the actuarially determined rate of 9.99 percent (9.94 percent for retirement, 0.05 percent for long-term disability) of annual covered payroll of retired members who worked for the Town in positions that an employee who contributes to the ASRS would typically fill. The Town's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2024, were $640,841, $0, and $7,918, respectively.

During fiscal year 2024, the Town paid for ASRS pension and OPEB contributions as follows: 84.58 percent from the General Fund, 4.67 percent from the HURF Fund (nonmajor), 3.6 percent from the Water Fund and 7.15 percent from the Wastewater Fund.

Liability – At June 30, 2024, the Town reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability.

	Pension/OPEB (Asset) Liability
Pension	$ 5,979,044
Health insurance premium benefit	(201,123)
Long-term disability	4,855

The net asset and net liabilities were measured as of June 30, 2023. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The Town's proportion of the net asset or net liability was based on the Town's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Town's proportions measured as of June 30, 2023, and the change from its proportions measured as of June 30, 2022, were:

	Proportion June 30, 2023	Increase (decrease) from June 30, 2022
Pension	0.03695%	0.00352%
Health insurance premium benefit	0.03725%	0.00308%
Long-term disability	0.03705%	0.00334%

Expense – For the year ended June 30, 2024, the Town recognized the following pension and OPEB expense.

	Pension/OPEB Expense
Pension	1,128,340
Health insurance premium benefit	(26,079)
Long-term disability	4,967

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Deferred Outflows/Inflows of Resources—At June 30, 2024, the deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources were:

	Pension		Health Insurance Premium	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 135,103	$ -	$ 8,487	$ 75,004
Changes of assumptions or other inputs	-	-	-	4,002
Net difference between projected and actual earnings on pension plan	-	211,544	-	8,834
Changes in proportion and differences between Town contributions and proportionate share of contributions	459,927	-	14	8,207
Town contributions subsequent to the measurement date	656,865	-	5,807	-
Total	$ 1,251,895	$ 211,544	$ 14,308	$ 96,047

	Long-Term Disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,383	$ 2,733
Changes of assumptions or other inputs	1,281	7,067
Net difference between projected and actual earnings on pension plan	-	389
Changes in proportion and differences between Town contributions and proportionate share of contributions	2,018	199
Town contributions subsequent to the measurement date	8,028	-
Total	$ 15,710	$ 10,388

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ended June 30,	Pension	Health Insurance Premium Benefit	Long-Term Disability
2025	$ 270,597	$ (35,645)	$ (263)
2026	(88,805)	(38,985)	(1,065)
2027	227,982	(6,757)	346
2028	(26,288)	(6,318)	(1,089)
2029	-	159	(966)
Thereafter	-	-	331

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

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

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9 - 8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pension and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2022 valuations were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90%
Real estate	17%	5.90%
Private equity	10%	6.70%
Interest rate sensitive	6%	1.50%
Total	100%	

Discount Rate – At June 30, 2023, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 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 plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of the Town's Proportionate Share of the ASRS Net Pension/OPEB (Asset) Liability to Changes in the Discount Rate – The following table presents the Town's proportionate share of the net pension/OPEB liability calculated using the discount rate of 7.0 percent, as well as what the Town's proportionate share of the net pension/OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town's Proportionate share of the			
Net pension liability	$ 8,955,730	$ 5,979,044	$ 3,497,015
Net insurance premium benefit liability (asset)	(140,576)	(201,123)	(252,574)
Net long-term disability liability	7,099	4,855	2,647

Plan Fiduciary Net Position – Detailed information about the plans' fiduciary net position is available in the separately issued ASRS financial report.

B. Public Safety Personnel Retirement System

Plan Descriptions – Town police employees participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the Town's financial statements.

The PSPRS issues publicly available financial report that includes financial statements and required supplementary information. The report is available on the PSPRS website at www.psprs.com.

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

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

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

	Initial Membership Date:	
	Before January 1, 2012	**On or after January 1, 2012 and before July 1, 2017**
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, 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 percentage		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited services over 20 years, not to exceed 80%	1.5% to 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 result of injuries received on the job	

Retirement and survivor benefits are subject to automatic cost-of-living adjustments. The adjustments are based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member’s compensation for up to 12 months.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from $100 per month to $260 per month depending on the age of the member and dependents.

Employees Covered by Benefit Terms – At June 30, 2024, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police	
	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	9	9
Inactive employees entitled to but not yet receiving benefits	10	0
Active employees	6	6
Total	25	15

Contributions – State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2024, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active Member-Pension	Town-Pension	Town-Health Insurance Premium Benefit
PSPRS Police	7.65%	9.74%	0.00%
PSPRS Tier 3 Risk Pool	9.56%	9.44%	0.12%

The Town's contributions to the plans for the year ended June 30, 2024, were:

	Pension	Health Insurance Premium Benefit
PSPRS Police	$ 41,928	$ -

During fiscal year 2024, the Town paid for 100 percent of PSPRS pension and OPEB contributions from the General Fund.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Liability – At June 30, 2024, the Town reported the following asset and liability:

	Net Pension (Asset) Liability	Net OPEB (Asset) Liability
PSPRS Police	$ (453,398)	$ (88,308)

The net assets and net liabilities were measured as of June 30, 2023, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

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

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.20%
Wage inflation	3.0 - 6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.2 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. public equity	24%	3.98%
International public equity	16%	4.49%
Global private equity	20%	7.28%
Other assets (capital appreciation)	7%	4.49%
Core bonds	6%	1.90%
Private credit	20%	6.19%
Diversifying strategies	5%	3.68%
Cash - Mellon	2%	0.69%
Total	100%	

Discount Rates – At June 30, 2024, the discount rate used to measure the PSPRS total pension/OPEB liabilities was 7.2 percent. The projection of cash flows used to determine the 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 the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Changes in the Net Pension/OPEB Liability (Asset)

	Pension Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (Asset) (a) - (b)**
Balances at June 30, 2022	$ 8,081,733	$ 8,204,700	$ (122,967)
Changes for the year			
Service Cost	95,828	-	95,828
Interest on the total pension liability	575,654	-	575,654
Differences between expected and actual experience in the measurement of the pension liability	(254,519)	-	(254,519)
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	78,224	(78,224)
Contributions-employee	-	57,106	(57,106)
Net investment income	-	618,185	(618,185)
Benefit payments, including refunds of employee contributions	(364,724)	(364,724)	-
Administrative expense	-	(6,121)	6,121
Net changes	52,239	382,670	(330,431)
Balances at June 30, 2023	$ 8,133,972	$ 8,587,370	$ (453,398)

	Health Insurance Premium Benefit Increase (Decrease)		
	Total OPEB Liability (a)	**Plan Fiduciary Net Position (b)**	**Net OPEB Liability (Asset) (a) - (b)**
Balances at June 30, 2022	$ 141,958	$ 216,704	$ (74,746)
Changes for the year			
Service Cost	2,535	-	2,535
Interest on the total pension liability	10,026	-	10,026
Changes of assumptions or other inputs		-	-
Differences between expected and actual experience in the measurement of the OPEB liability	(10,367)	-	(10,367)
Contributions-employer	-	-	-
Net investment income	-	15,924	(15,924)
Benefit payments, including refunds of employee contributions	(10,485)	(10,485)	-
Administrative expense	-	(168)	168
Net changes	(8,291)	5,271	(13,562)
Balances at June 30, 2023	$ 133,667	$ 221,975	$ (88,308)

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of the Town's Net Pension/OPEB Liability to Changes in the Discount Rate – The following table presents the Town's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2 percent, as well as what the Town's net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2 percent) or 1 percentage point higher (8.2 percent) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS Police			
Net pension (asset) liability	$ 548,707	$ (453,398)	$ (1,278,000)
Net OPEB (asset) liability	(74,613)	(88,308)	(99,894)

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

Expense – For the year ended June 30, 2024, the Town recognized the following pension and OPEB expense:

	Pension Expense	OPEB Expense (Income)
PSPRS Police	$ (113,900)	$ (20,075)

Deferred Outflows/Inflows of Resources – At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 57,778	$ 362,967	$ 7,266	$ 29,498
Changes of assumptions or other inputs	34,291	-	1,073	-
Net difference between projected and actual earnings on pension plan	129,109	-	2,134	-
Contributions subsequent to the measurement date	41,928	-	-	-
Total	$ 263,106	$ 362,967	$ 10,473	$ 29,498

NOTE 13 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

	PSPRS Police	
	Pension	**Health**
Year ended June 30,		
2025	$ (251,740)	$ (12,072)
2026	(33,194)	(9,244)
2027	150,330	2,432
2028	(7,185)	(141)
2029	-	-
Thereafter	-	-

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenue				
Taxes	$ 8,818,000	$ 8,818,000	$ 8,377,536	$ (440,464)
Intergovernmental	6,305,815	6,305,815	6,357,699	51,884
Fines and forfeitures	140,800	140,800	126,849	(13,951)
Licenses and permits	444,000	444,000	555,901	111,901
Charges for services	353,150	353,150	417,461	64,311
Investment income	90,000	90,000	288,051	198,051
Other revenue	66,660	66,660	77,101	10,441
Total revenue	16,218,425	16,218,425	16,200,598	(17,827)
Expenditures				
Marshal	4,570,885	4,562,915	4,510,837	52,078
Magistrate	479,330	478,830	446,415	32,415
Community development	1,139,365	1,118,615	1,018,316	100,299
Library	838,130	838,130	818,856	19,274
General government	3,999,985	4,011,950	3,879,027	132,923
Parks and recreation	787,035	786,535	756,443	30,092
Public works	2,255,025	2,243,415	2,137,323	106,092
Total expenditures	14,069,755	14,040,390	13,567,217	473,173
Excess (deficiency) of revenue over (under) expenditures	2,148,670	2,178,035	2,633,381	455,346
Other financing sources				
Transfers in (out)	(3,437,115)	(3,416,733)	(3,451,079)	(34,346)
Net change in fund balances	(1,288,445)	(1,238,698)	(817,698)	421,000
Fund balances, July 1, 2023	6,023,323	6,023,323	6,023,323	-
Fund balances, June 30, 2024	$ 4,734,878	$ 4,784,625	$ 5,205,625	$ 421,000

See accompanying notes to budgetary comparison schedule.

NOTE 1 – BUDGETING AND BUDGETARY CONTROL

Arizona Revised Statutes (A.R.S.) require the Town to prepare and adopt a balanced budget annually for each governmental fund. The Town Council must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations in individual funds. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Town Councils' approval. However, the Town Manager may approve budget reallocations within functional departments without the Town Councils' approval.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The Town's budget is prepared on a basis consistent with generally accepted accounting principles.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of the Town's Proportionate
Share of the Net Pension/OPEB Liability
Cost-Sharing Plans
June 30, 2024

ASRS - Pension
Reporting Fiscal Year (Measurement Date)

	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Town's proportion of the net pension liability	0.036950%	0.033430%	0.031280%	0.030770%	0.031430%	0.031890%	0.030200%	0.029430%	0.029330%	0.027452%
Town's proportionate share of the net pension liability	$ 5,979,044	$ 5,456,518	$ 4,110,053	$ 5,331,370	$ 4,573,431	$ 4,447,533	$ 4,704,571	$ 4,750,298	$ 4,568,105	$ 4,061,925
Town's covered payroll	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	$ 2,702,700	$ 2,675,211	$ 2,474,579
Town's proportionate share of the net pension liability as a percentage of its covered payroll	125.91%	137.14%	116.74%	158.47%	137.96%	145.28%	159.71%	175.76%	170.76%	164.15%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

ASRS-Health Insurance Premium Benefit
Reporting Fiscal Year (Measurement Date)

	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 through 2015
Town's proportion of the net OPEB (asset)	0.037250%	0.034170%	0.032070%	0.031490%	0.032210%	0.032500%	0.030640%	Information
Town's proportionate share of the net OPEB (asset)	$ (201,123)	$ (190,702)	$ (156,248)	$ (22,295)	$ (8,901)	$ (11,703)	$ (16,680)	not available
Town's covered payroll	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	
Town's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-4.24%	-4.79%	-4.44%	-0.66%	-0.27%	-0.38%	-0.57%	
Plan fiduciary net position as a percentage of the total OPEB liability	134.37%	134.37%	130.24%	104.33%	101.62%	102.20%	103.57%	

ASRS-Long-Term Disability
Reporting Fiscal Year (Measurement Date)

	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 through 2015
Town's proportion of the net OPEB (asset)	0.037050%	0.033710%	0.031690%	0.031190%	0.031920%	0.031970%	0.030320%	Information
Town's proportionate share of the net OPEB (asset)	$ 4,855	$ 3,113	$ 6,542	$ 23,661	$ 20,794	$ 16,704	$ 10,990	not available
Town's covered payroll	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	
Town's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	0.10%	0.08%	0.19%	0.70%	0.63%	0.55%	0.37%	
Plan fiduciary net position as a percentage of the total OPEB liability	95.40%	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Town's
Net Pension/OPEB Liability (Asset) and Related Ratios
Agent Pension Plans
June 30, 2024

PSPRS - Health Insurance Premium Benefit

	Reporting Fiscal Year (Measurement Date)							
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 through (2015)
Total OPEB liability								
Service cost	$ 2,535	$ 3,543	$ 4,653	$ 4,616	$ 3,688	$ 3,842	$ 4,851	Information
Interest on the total OPEB liability	10,026	10,768	12,222	10,465	11,648	12,826	13,808	not available
Changes of benefit terms	-	-	-	-	-	-	5,646	
Differences between expected and actual experience in the measurement of the OPEB liability	(10,367)	(12,311)	(24,929)	21,798	(25,518)	(27,735)	(20,723)	
Changes of assumptions or other inputs	-	1,341	-	-	2,418	-	(6,818)	
Benefit payments	(10,485)	(10,691)	(10,822)	(10,988)	(7,330)	(5,892)	(8,205)	
Net change in total OPEB liability	(8,291)	(7,350)	(18,876)	25,891	(15,094)	(16,959)	(11,441)	
Total OPEB liability - beginning	141,958	149,308	168,184	142,293	157,387	174,346	185,787	
Total OPEB liability - ending (a)	$ 133,667	$ 141,958	$ 149,308	$ 168,184	$ 142,293	$ 157,387	$ 174,346	
Plan fiduciary net position								
Contributions - employer	$ -	$ 1,507	$ 1,255	$ 1,306	$ 3,703	$ 2,175	$ 3,796	
Net investment income	15,924	(9,007)	51,646	2,470	10,275	12,614	19,613	
Benefit payments	(10,485)	(10,691)	(10,822)	(10,988)	(7,330)	(5,892)	(8,205)	
Administrative expense	(168)	(160)	(212)	(201)	(177)	(192)	(175)	
Other changes		-	-	-	2,761	-	-	
Net change in plan fiduciary net position	5,271	(18,351)	41,867	(7,413)	9,232	8,705	15,029	
Plan fiduciary net position - beginning	216,704	235,055	193,188	200,601	191,369	182,664	167,635	
Plan fiduciary net position - ending (b)	$ 221,975	$ 216,704	$ 235,055	$ 193,188	$ 200,601	$ 191,369	$ 182,664	
Town's net OPEB (asset) liability - ending (a) - (b)	$ (88,308)	$ (74,746)	$ (85,747)	$ (25,004)	$ (58,308)	$ (33,982)	$ (8,318)	
Plan fiduciary net position as a percentage of the total OPEB liability	166.07%	152.65%	157.43%	114.87%	140.98%	121.59%	104.77%	
Covered payroll	$ 476,138	$ 516,416	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338	
Town's net OPEB (asset) liability as a percentage of covered payroll	-18.55%	-14.47%	-12.96%	-3.12%	-7.81%	-4.42%	-0.93%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Town Pension/OPEB Contributions
June 30, 2024

ASRS - Pension
Reporting Fiscal Year

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 656,865	$ 574,932	$ 470,687	$ 410,151	$ 385,113	$ 370,616	$ 333,697	$ 317,545	$ 293,243	$ 291,063
Town's contributions in relation to the statutorily required contribution	(656,865)	(574,932)	(470,687)	(410,151)	(385,113)	(370,616)	(333,697)	(317,545)	(293,243)	(291,063)
Town's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	$ 2,702,700	$ 2,675,211
Town's contributions as a percentage of covered payroll	11.95%	11.92%	11.83%	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%	10.89%

ASRS-Health Insurance Premium Benefit
Reporting Fiscal Year

	2024	2023	2022	2021	2020	2019	2018	2017	2016 through 2015
Statutorily required contribution	$ 5,807	$ 5,221	$ 15,517	$ 13,730	$ 16,462	$ 15,249	$ 13,470	$ 16,496	Information not available
Town's contributions in relation to the statutorily required contribution	(5,807)	(5,221)	(15,517)	(13,730)	(16,462)	(15,249)	(13,470)	(16,496)	
Town's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's covered payroll	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	
Town's contributions as a percentage of covered payroll	0.11%	0.11%	0.39%	0.39%	0.49%	0.46%	0.44%	0.56%	

ASRS-Long-Term Disability
Reporting Fiscal Year

	2024	2023	2022	2021	2020	2019	2018	2017	2016 through 2015
Statutorily required contribution	$ 8,028	$ 6,703	$ 7,560	$ 6,337	$ 5,717	$ 5,304	$ 4,898	$ 4,123	Information not available
Town's contributions in relation to the statutorily required contribution	(8,028)	(6,703)	(7,560)	(6,337)	(5,717)	(5,304)	(4,898)	(4,123)	
Town's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's covered payroll	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	
Town's contributions as a percentage of covered payroll	0.15%	0.14%	0.19%	0.18%	0.17%	0.16%	0.16%	0.14%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Town Pension/OPEB Contributions
June 30, 2024

PSPRS - Pension

Reporting Fiscal Year

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 41,928	$ 78,224	$ 379,445	$ 380,135	$ 387,583	$ 336,486	$ 440,207	$ 251,099	$ 267,840	$ 225,914
Town's contributions in relation to the actuarially determined contribution	(41,928)	(78,224)	(2,955,271)	(380,135)	(387,583)	(336,486)	(440,207)	(251,099)	(267,840)	(225,914)
Town's contribution deficiency (excess)	$ -	$ -	$(2,575,826)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered payroll	$ 444,202	$ 476,138	$ 516,416	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338	$ 845,274	$ 919,242
Town's contributions as a percentage of covered payroll	9.44%	16.43%	73.48%	57.43%	48.37%	45.07%	57.29%	27.95%	31.69%	24.58%

PSPRS-Health Insurance Premium Benefit

Reporting Fiscal Year

	2024	2023	2022	2021	2020	2019	2018	2017	2016 through 2014
Actuarially determined contribution	$ -	$ -	$ 1,507	$ 1,255	$ 1,306	$ 3,703	$ 2,175	$ 3,796	Information not available
Town's contributions in relation to the actuarially determined contribution	-	-	(1,507)	(1,255)	(1,306)	(3,703)	(2,175)	(3,796)	
Town's contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's covered payroll	$ 444,202	$ 476,138	$ 516,416	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338	
Town's contributions as a percentage of covered payroll	0.00%	0.00%	0.29%	0.19%	0.16%	0.50%	0.28%	0.42%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2024

NOTE 1 – ACTUARIALLY DETERMINED CONTRIBUTION RATES

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

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2022 actuarial valuation	15 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In 2013 actuarial valuation, the investment rate of return was decreased from 8.00% to 7.85%.
Projected salary increases	In 2017 actuarial valuation, projected salary increases were decreased from 4.0% - 8.0% to 3.5% - 7.5% for PSPRS. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% for PSPRS. In 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5% for PSPRS.
Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0 - 6.25 %. In 2017 actuarial valuation, wage growth was decreased from 4.0% to 3.5%. In 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth 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	In the 2019 actuarial valuation, changed to PubS 2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females)

NOTE 2 – FACTORS THAT AFFECT TRENDS

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the

NOTE 2 – FACTORS THAT AFFECT TRENDS – Continued

law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes will increase the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the Town refunded excess employee contributions to PSPRS members. PSPRS allowed the Town to reduce its actual employer contributions for the refund amounts. As a result, the Town's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

OTHER FINANCIAL STATEMENTS

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet – All Non-Major Governmental Funds
By Fund Type
June 30, 2024

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total Non-major Governmental Funds
ASSETS				
Cash and cash equivalents	$ 3,026,961	$ 950,696	$ -	$ 3,977,657
Cash held by trustee	-	1,381,898	-	1,381,898
Accounts receivable, net	9,550	-	-	9,550
Due from other governments	195,796	550,398	-	746,194
Total assets	$ 3,232,307	$ 2,882,992	$ -	$ 6,115,299
LIABILITIES				
Accounts payable	$ 82,828	$ 179,101	$ -	$ 261,929
Due to other funds	60,396	-	-	60,396
Total liabilities	143,224	179,101	-	322,325
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	59,079	550,398	-	609,477
FUND BALANCES				
Restricted	2,194,694	1,764,050	-	3,958,744
Committed	365,646	-	-	365,646
Assigned	529,096	939,841	-	1,468,937
Unassigned	(59,432)	(550,398)	-	(609,830)
Total fund balances	3,030,004	2,153,493	-	5,183,497
Total liabilities, deferred inflows of resources, and fund balances	$ 3,232,307	$ 2,882,992	$ -	$ 6,115,299

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Non-Major Governmental Funds
By Fund Type
Year Ended June 30, 2024

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund	Total Non-Major Governmental Funds
Revenue				
Intergovernmental	$ 1,693,485	$ -	$ -	$ 1,693,485
Fines and forfeitures	34,988	-	-	34,988
Charges for services	6,600	-	-	6,600
Contributions	139,761	142,146	-	281,907
Investment income	13,001	73,847	-	86,848
Other revenue	72,808	-	-	72,808
Total revenue	1,960,643	215,993	-	2,176,636
Expenditures				
Current				
General government	131,084	-	-	131,084
Public safety	21,494	5,847	-	27,341
Public works and streets	717,737	110,166	-	827,903
Health and welfare	-	-	118,331	118,331
Culture and recreation	328,151	60,061	-	388,212
Community development	-	400	-	400
Capital outlay	973,395	1,630,052	-	2,603,447
Debt Service				
Principal	-	-	1,151,778	1,151,778
Interest	-	-	531,128	531,128
Total expenditures	2,171,861	1,806,526	1,801,237	5,779,624
Excess (deficiency) of revenue over (under) expenditures	(211,218)	(1,590,533)	(1,801,237)	(3,602,988)
Other financing sources				
Lease acquisition	-	333,614	-	333,614
Transfers (out)	(942,724)	1,979,360	1,801,237	2,837,873
Total other financing sources	(942,724)	2,312,974	1,801,237	3,171,487
Net change in fund balances	(1,153,942)	722,441	-	(431,501)
Fund balances, July 1, 2023	4,183,946	1,431,052	-	5,614,998
Fund balances, June 30, 2024	$ 3,030,004	$ 2,153,493	$ -	$ 5,183,497

NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes (other than major capital projects). The funds are usually required by statute, ordinance, or federal grant regulation to finance specified activities of the Town. The Town maintains the following non-major Special Revenue funds.

Housing Fund – accounts for revolving loan funds as well as the revenues and expenditures related to the HOME Grant.

HURF Fund – This fund accounts for specific revenue received from the State of Arizona Highway User Revenue Fund, which is legally restricted to expenditures for authorized transportation purposes.

Court Special Revenue Fund- accounts for Local JCEF, Fill the Gap and Court Enhancement revenues.

Non-Federal Grants Fund- accounts for all nonfederal grants received by the Town.

Federal Grants Fund- accounts for the activity related to the Town's Federal grants.

CDBG Grants Fund- accounts for the activity related to the Town's Community Development Block grants.

9-1-1 Fund- accounts for 9-1-1 distributions.

Donations Fund- accounts for gifts, donations, bequests and private grants made to the Town.

ARPA Fund- accounts for the spending of resources received from the Federal government as it relates to the American Rescue Plan Act (ARPA) specifically for expenditures related to the impact of COVID-19..

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet Non-Major Special Revenue Funds
June 30, 2024

	Housing Fund	HURF Fund	Court Special Revenue Fund	Nonfederal Grants Fund
ASSETS				
Cash and cash equivalents	$ 273,616	$ 1,463,088	$ 162,842	$ 63,294
Accounts receivable, net	-	-	-	-
Due from other governments	-	130,889	2,219	-
Total assets	273,616	1,593,977	165,061	63,294
LIABILITIES				
Accounts payable	-	18,069	6,560	-
Due to other funds	-	-	-	-
Total liabilities	-	18,069	6,560	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Restricted	273,616	1,575,908	158,501	63,647
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(353)
Total fund balances	273,616	1,575,908	158,501	63,294
Total liabilities, deferred inflows of resources, and fund balances	$ 273,616	$ 1,593,977	$ 165,061	$ 63,294

Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	ARPA Fund	Total Non-Major Special Revenue Funds
$ 13,159	$ -	$ 1,361	$ 511,107	$ 538,494	$ 3,026,961
-	-	-	9,550	-	9,550
2,213	60,475	-	-	-	195,796
15,372	60,475	1,361	520,657	538,494	3,232,307
-	79	-	48,722	9,398	82,828
-	60,396	-	-	-	60,396
-	60,475	-	48,722	9,398	143,224
-	59,079	-	-	-	59,079
15,372	-	1,361	106,289	-	2,194,694
-	-	-	365,646	-	365,646
-	-	-	-	529,096	529,096
-	(59,079)	-	-	-	(59,432)
15,372	(59,079)	1,361	471,935	529,096	3,030,004
$ 15,372	$ 60,475	$ 1,361	$ 520,657	$ 538,494	$ 3,232,307

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
Year Ended June 30, 2024

	Housing Fund	HURF Fund	Court Special Revenue Fund	Nonfederal Grants Fund
Revenue				
Intergovernmental	$ -	$ 1,275,291	$ -	$ 328,874
Fines and forfeitures	-	-	21,578	-
Charges for services	-	-	-	-
Contributions	-	-	-	55,783
Investment income	53	-	-	-
Other revenue	-	1,240	-	-
Total revenue	53	1,276,531	21,578	384,657
Expenditures				
Current				
General government	-	-	8,524	17,442
Public safety	-	-	-	12,652
Public works and streets	-	690,018	-	27,719
Culture and recreation	-	-	-	211,904
Capital outlay	-	16,250	-	-
Total expenditures	-	706,268	8,524	269,717
Excess (deficiency) of revenue over (under) expenditures	53	570,263	13,054	114,940
Other financing sources				
Transfers (out)	150,000	(186,806)	-	(59,485)
Net change in fund balances	150,053	383,457	13,054	55,455
Fund balances, July 1, 2023	123,563	1,192,451	145,447	7,839
Fund balances, June 30, 2024	$ 273,616	$ 1,575,908	$ 158,501	$ 63,294

Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	ARPA Fund	Total Non-Major Special Revenue Funds
$ 87,070	$ 2,250	$ -	$ -	$ -	$ 1,693,485
-	-	-	13,410	-	34,988
-	-	-	6,600	-	6,600
-	-	-	83,978	-	139,761
-	-	-	12,948	-	13,001
-	-	-	71,568	-	72,808
87,070	2,250	-	188,504	-	1,960,643
-	-	-	92,858	12,260	131,084
-	-	-	8,842	-	21,494
-	-	-	-	-	717,737
7,054	-	-	47,240	61,953	328,151
-	61,329	-	4,560	891,256	973,395
7,054	61,329	-	153,500	965,469	2,171,861
80,016	(59,079)	-	35,004	(965,469)	(211,218)
(77,782)	-	-	(8,900)	(759,751)	(942,724)
2,234	(59,079)	-	26,104	(1,725,220)	(1,153,942)
13,138	-	1,361	445,831	2,254,316	4,183,946
$ 15,372	$ (59,079)	$ 1,361	$ 471,935	$ 529,096	$ 3,030,004

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2024

	Housing Fund			HURF Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	$ -	$ -	$ -	$ 1,270,444	$ 1,275,291	$ 4,847
Fines and forfeitures	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Investment income	50	53	3	-	-	-
Other revenue	-	-	-	-	1,240	1,240
Total revenue	50	53	3	1,270,444	1,276,531	6,087
Expenditures						
Current						
General government	123,610	-	123,610	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	945,830	690,018	255,812
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	70,000	16,250	53,750
Total expenditures	123,610	-	123,610	1,015,830	706,268	309,562
Excess (deficiency) of revenue over (under) expenditures	(123,560)	53	123,613	254,614	570,263	315,649
Other financing sources						
Transfers in (out)	150,000	150,000	-	(171,350)	(186,806)	15,456
Total other financing sources	150,000	150,000	-	(171,350)	(186,806)	15,456
Net change in fund balances	26,440	150,053	123,613	83,264	383,457	331,105
Fund balances, July 1, 2023	123,563	123,563	-	1,192,451	1,192,451	-
Fund balances, June 30, 2024	$ 150,003	$ 273,616	$ 123,613	$ 1,275,715	$ 1,575,908	$ 331,105

Court Special Revenue Fund			Nonfederal Grants Fund			Federal Grants Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$ -	$ -	$ -	$ 1,915,600	$ 328,874	$(1,586,726)	17,062,550	$ 87,070	$ (16,975,480)
20,000	21,578	1,578	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	5,000	55,783	50,783	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
20,000	21,578	1,578	1,920,600	384,657	(1,535,943)	17,062,550	87,070	(16,975,480)
151,500	8,524	142,976	949,795	17,442	932,353	500,000	-	500,000
-	-	-	15,000	12,652	2,348	25,000	-	25,000
-	-	-	170,000	27,719	142,281	2,000,000	-	2,000,000
-	-	-	225,150	211,904	13,246	-	7,054	(7,054)
-	-	-	15,000	-	15,000	926,500	-	926,500
151,500	8,524	142,976	1,374,945	269,717	1,105,228	3,451,500	7,054	3,444,446
(131,500)	13,054	144,554	545,655	114,940	(430,715)	13,611,050	80,016	(13,531,034)
-	-	-	(559,485)	(59,485)	(500,000)	(13,611,547)	(77,782)	(13,533,765)
-	-	-	(559,485)	(59,485)	(500,000)	(13,611,547)	(77,782)	(13,533,765)
(131,500)	13,054	144,554	(13,830)	55,455	(930,715)	(497)	2,234	(27,064,799)
145,447	145,447	-	7,839	7,839	-	13,138	13,138	-
$ 13,947	$ 158,501	$ 144,554	$ (5,991)	$ 63,294	$ (930,715)	$ 12,641	$ 15,372	$ (27,064,799)

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2024
(Continued)

	CDBG Grants Fund			9-1-1 Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	$ 381,000	$ 2,250	$ (378,750)	$ -	$ -	$ -
Fines and forfeitures	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	381,000	2,250	(378,750)	-	-	-
Expenditures						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	1,361	-	1,361
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	550,000	61,329	488,671	-	-	-
Total expenditures	550,000	61,329	488,671	1,361	-	1,361
Excess (deficiency) of revenue over (under) expenditures	(169,000)	(59,079)	109,921	(1,361)	-	1,361
Other financing sources						
Transfers in (out)	169,000	-	169,000	-	-	-
Total other financing sources	169,000	-	169,000	-	-	-
Net change in fund balance	-	(59,079)	278,921	(1,361)	-	1,361
Fund balances, July 1, 2023	-	-	-	1,361	1,361	-
Fund balances, June 30, 2024	$ -	$ (59,079)	$ 278,921	$ -	$ 1,361	$ 1,361

Donations Fund			ARPA Fund			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ 20,629,594	$ 1,693,485	$ (18,936,109)
4,010	13,410	9,400	-	-	-	24,010	34,988	10,978
3,000	6,600	3,600	-	-	-	3,000	6,600	3,600
75,350	83,978	8,628	-	-	-	80,350	139,761	59,411
-	12,948	12,948	-	-	-	50	13,001	12,951
68,000	71,568	3,568	-	-	-	68,000	72,808	4,808
150,360	188,504	38,144	-	-	-	20,805,004	1,960,643	(18,844,361)
461,865	92,858	369,007	5,000	12,260	(7,260)	2,191,770	131,084	2,060,686
55,140	8,842	46,298	-	-	-	96,501	21,494	75,007
-	-	-	-	-	-	3,115,830	717,737	2,398,093
75,000	47,240	27,760	125,000	61,953	63,047	425,150	328,151	96,999
-	4,560	(4,560)	1,200,635	891,256	309,379	2,762,135	973,395	1,788,740
592,005	153,500	438,505	1,330,635	965,469	365,166	8,591,386	2,171,861	6,419,525
(441,645)	35,004	476,649	(1,330,635)	(965,469)	365,166	12,578,784	(211,218)	(25,263,886)
(8,900)	(8,900)	-	(1,089,600)	(759,751)	(329,849)	(15,121,882)	(942,724)	14,179,158
(8,900)	(8,900)	-	(1,089,600)	(759,751)	(329,849)	(15,121,882)	(942,724)	14,179,158
(450,545)	26,104	476,649	(2,420,235)	(1,725,220)	35,317	(2,908,264)	(1,153,942)	(11,084,728)
445,831	445,831	-	2,254,316	2,254,316	-	4,183,946	4,183,946	-
$ (4,714)	$ 471,935	$ 476,649	$ (165,919)	$ 529,096	$ 35,317	$ 1,275,682	$ 3,030,004	$ (11,084,728)

NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Improvement Fund- accounts for all financial resources of the Town related to purchasing assets that meet the appropriate threshold for capitalization and take more than one year to make ready for use by the Town.

Parks Fund- accounts for the capital spending of resources via debt proceeds for the construction of the Town's parks.

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet
Non-Major Capital Projects Funds
June 30, 2024

	Capital Improvement Fund	Parks Fund	Total Non-Major Capital Projects Funds
ASSETS			
Cash and cash equivalents	$ 950,696	$ -	$ 950,696
Cash held by trustee	-	1,381,898	1,381,898
Due from other governments	-	550,398	550,398
Total assets	950,696	1,932,296	2,882,992
LIABILITIES			
Accounts payable	10,855	168,246	179,101
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	550,398	550,398
FUND BALANCES			
Restricted	-	1,764,050	1,764,050
Assigned	939,841	-	939,841
Unassigned	-	(550,398)	(550,398)
Total fund balances	939,841	1,213,652	2,153,493
Total liabilities, deferred inflows of resources, and fund balances	$ 950,696	$ 1,932,296	$ 2,882,992

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Projects Funds
Year Ended June 30, 2024

	Capital Improvement Fund	Parks Fund	Total Non-Major Capital Projects Funds
Revenue			
Contributions	$ 142,146	$ -	$ 142,146
Investment income	-	73,847	73,847
Total revenue	142,146	73,847	215,993
Expenditures			
Current			
Public safety	5,847	-	5,847
Public works and streets	110,166	-	110,166
Culture and recreation	60,061	-	60,061
Community development	400	-	400
Capital outlay	1,301,566	328,486	1,630,052
Total expenditures	1,478,040	328,486	1,806,526
Excess (deficiency) of revenue over (under) expenditures	(1,335,894)	(254,639)	(1,590,533)
Other financing sources			
Lease acquisition	333,614	-	333,614
Transfers (out)	1,113,075	866,285	1,979,360
Total other financing sources	1,446,689	866,285	2,312,974
Net change in fund balances	110,795	611,646	722,441
Fund balances, July 1, 2023	829,046	602,006	1,431,052
Fund balances, June 30, 2024	$ 939,841	$ 1,213,652	$ 2,153,493

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual –Capital Projects Funds
Year Ended June 30, 2024

	Capital Improvement Fund		
	Budget	Actual	Variance - Positive (Negative)
Revenue			
Contributions	$ -	$ 142,146	$ 142,146
Investment income	-	-	-
Total revenue	-	142,146	142,146
Expenditures			
Current			
General government	375,000	-	375,000
Public safety	-	5,847	(5,847)
Public works and streets	120,000	110,166	9,834
Culture and recreation	77,585	60,061	17,524
Community development	-	400	(400)
Capital outlay	1,778,175	1,301,566	476,609
Total expenditures	2,350,760	1,478,040	872,720
Excess (deficiency) of revenue over (under) expenditures	(2,350,760)	(1,335,894)	(730,574)
Other financing sources			
Lease acquisition	625,000	333,614	(291,386)
Transfers in(out)	944,075	1,113,075	169,000
Total other financing sources	1,569,075	1,446,689	(122,386)
Net change in fund balances	(781,685)	110,795	892,480
Fund balances, July 1, 2023	829,046	829,046	-
Fund balances, June 30, 2024	$ 47,361	$ 939,841	$ 892,480

Parks Fund			Total		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$ -	$ -	$ -	$ -	$ 142,146	$ 142,146
35,000	73,847	38,847	35,000	73,847	38,847
35,000	73,847	38,847	35,000	215,993	180,993
-	-	-	375,000	-	375,000
-	-	-	-	5,847	(5,847)
-	-	-	120,000	110,166	9,834
-	-	-	77,585	60,061	17,524
-	-	-	-	400	(400)
4,304,450	328,486	3,975,964	6,082,625	1,630,052	4,452,573
4,304,450	328,486	3,975,964	6,655,210	1,806,526	4,848,684
(4,269,450)	(254,639)	(3,937,117)	(6,620,210)	(1,590,533)	(4,667,691)
-	-	-	625,000	333,614	(291,386)
3,400,050	866,285	(2,533,765)	4,344,125	1,979,360	(2,364,765)
3,400,050	866,285	(2,533,765)	4,969,125	2,312,974	(2,656,151)
(869,400)	611,646	1,481,046	(1,651,085)	722,441	2,373,526
602,006	602,006	-	1,431,052	1,431,052	-
$ (267,394)	$ 1,213,652	$ 1,481,046	$ (220,033)	$ 2,153,493	$ 2,373,526

NON-MAJOR DEBT SERVICE FUND

Debt Service Fund- accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Debt Service Fund
Year Ended June 30, 2024

	Budget	Actual	Variance - Positive (Negative)
Expenditures			
Current			
Health and welfare	$ 118,340	$ 118,331	$ 9
Debt service			
Principal	1,157,615	1,151,778	5,837
Interest	525,295	531,128	(5,833)
Total expenditures	1,801,250	1,801,237	13
Excess (deficiency) of revenue over (under) expenditures	(1,801,250)	(1,801,237)	13
Other financing sources			
Transfers in	1,756,460	1,801,237	44,777
Total other financing sources	1,756,460	1,801,237	44,777
Net change in fund balances	(44,790)	-	44,790
Fund balances, July 1, 2023	-	-	-
Fund balances, June 30, 2024	$ (44,790)	$ -	$ 44,790

ENTERPRISE FUNDS

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

Water Fund - accounts for the costs to operate, construct, and finance the Town's clean water delivery system.

Wastewater Fund - accounts for the costs to operate, construct, and finance the Town's wastewater treatment system.

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual – Water Fund
Year Ended June 30, 2024

	Budget	Actual	Variance-Positive (Negative)
Operating revenues			
Sewer charges	$ 1,693,300	$ 1,708,854	$ 15,554
Miscellaneous	2,795,100	22,494	(2,772,606)
Total operating revenues	4,488,400	1,731,348	(2,757,052)
Operating expenses			
Depreciation and amortization	300,000	286,039	13,961
Personnel	632,155	669,948	(37,793)
Repairs and maintenance	131,500	111,413	20,087
Other	8,387,840	168,470	8,219,370
Materials and supplies	99,300	44,187	55,113
Utilities	81,000	104,038	(23,038)
Professional services	8,400	48,913	(40,513)
Insurance	8,800	10,794	(1,994)
Total operating expenses	9,648,995	1,443,802	8,205,193
Operating income (loss)	(5,160,595)	287,546	5,448,141
Nonoperating revenues (expenses)			
Interest expense	(178,710)	(136,032)	42,678
Total nonoperating revenues (expenses)	(178,710)	(136,032)	42,678
Income (loss) before contributions	(5,339,305)	151,514	5,490,819
Transfers	4,931,160	(68,508)	(4,999,668)
Increase (decrease) in net position	(408,145)	83,006	491,151
Total net position, beginning of year	1,113,651	1,113,651	-
Total net position, end of year	$ 705,506	$ 1,196,657	$ 491,151

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual – Wastewater Fund
Year Ended June 30, 2024

	Budget	Actual	Variance-Positive (Negative)
Operating revenues			
Sewer charges	$ 2,263,040	$ 1,985,192	$ (277,848)
Miscellaneous	3,643,750	1,857	(3,641,893)
Total operating revenues	5,906,790	1,987,049	(3,919,741)
Operating expenses			
Depreciation and amortization	1,100,000	919,983	180,017
Personnel	880,895	630,275	250,620
Repairs and maintenance	431,700	353,928	77,772
Other	11,662,805	82,130	11,580,675
Materials and supplies	193,500	171,950	21,550
Utilities	145,660	152,446	(6,786)
Professional services	58,780	51,518	7,262
Insurance	34,100	37,778	(3,678)
Total operating expenses	14,507,440	2,400,008	12,107,432
Operating income (loss)	(8,600,650)	(412,959)	8,187,691
Nonoperating revenues (expenses)			
Interest income	400	2,081	1,681
Loss on disposition of asset	-	(82,884)	(82,884)
Interest expense	(119,495)	(46,420)	73,075
Total nonoperating revenues (expenses)	(119,095)	(127,223)	(8,128)
Income (loss) before contributions	(8,719,745)	(540,182)	8,179,563
Transfers	7,506,870	681,714	(6,825,156)
Increase (decrease) in net position	(1,212,875)	141,532	1,354,407
Total net position, beginning of year	16,921,082	16,921,082	-
Total net position, end of year	$ 15,708,207	$ 17,062,614	$ 1,354,407

FIDUCIARY FUNDS

Custodial Funds – to account for assets held by the Town in a fiduciary capacity.

Employee Assistance Fund – accounts for monies received from employees for providing other employees monetary assistance when a special need exists.

Camp Verde Sanitary District Fund- accounts for monies received from Sanitary District property tax revenues for the purpose of meeting the District's debt service requirements.

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	Other		
	Employee Assistance Fund	Camp Verde Sewer District Fund	Total Other
ASSETS			
Cash and cash equivalents	$ 43,873	$ 475,948	$ 519,821
Property tax receivable	-	49,029	49,029
Total assets	43,873	524,977	568,850
LIABILITIES	-	-	-
NET POSITION			
Restricted for:			
Individual, organizations, and other governments	43,873	524,977	568,850
Total net position	$ 43,873	$ 524,977	$ 568,850

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2024

	Other		
	Employee Assistance Fund	Camp Verde Sewer District Fund	Total Other
Additions:			
Property tax collections from other governments	$ -	880,263	$ 880,263
Contributions from other governments	-	118,331	118,331
Contributions from employees	3,446	-	3,446
Interest income	-	24,112	24,112
Total additions	$ 3,446	$ 1,022,706	$ 1,026,152
Deductions:			
Distributions for employee assistance	500	-	500
Distributions for district debt service	-	1,001,911	1,001,911
Total deductions	500	1,001,911	1,002,411
Change in net position	2,946	20,795	23,741
Net position, July 1, 2023	40,927	504,182	545,109
Net position, June 30, 2024	$ 43,873	$ 524,977	$ 568,850

STATISTICAL SECTION

STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends
These schedules contain information on financial trends to help the reader understand how the Town's financial position and financial activities have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the Town's ability to generate revenue.

Debt Capacity
These schedules present information to help the reader evaluate the Town's current levels of outstanding debt as well as assess the Town's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information
These schedules present various demographic and economic indicators to help the reader understand the environment in which the Town's financial activities take place and to help make comparisons with other municipalities.

Operating Information
These schedules contain information about the Town's operations and various resources to help the reader draw conclusions as to how the Town's financial information relates to the services provided by the Town.

TOWN OF CAMP VERDE, ARIZONA
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Governmental activities:										
Net investment in capital assets	$20,886,805	$20,611,250	$18,801,038	$19,542,531	$17,026,024	$16,203,561	$15,032,500	$13,845,131	$12,264,826	$11,390,529
Restricted	5,134,377	2,973,971	3,407,667	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478	5,567,076
Unrestricted	(1,738,127)	(40,525)	(2,777,808)	(7,494,436)	(5,330,970)	(4,360,071)	(4,245,869)	(3,096,115)	(2,973,565)	(5,937,276)
Total governmental activities net position	$ 24,283,055	$ 23,544,696	$ 19,430,897	$ 15,802,690	$ 12,671,395	$ 12,603,998	$ 12,006,294	$ 12,053,991	$ 12,238,739	$ 11,020,329
Business-type activities:										
Net investment in capital assets	$17,339,362	$16,994,454	$17,232,224	$17,235,904	$17,957,105	$17,657,237	$16,848,035	$17,001,697	$17,609,349	$18,069,267
Restricted	19,871	22,407	-	-	-	-	-	-	-	-
Unrestricted	900,039	1,017,872	783,728	(469,349)	(855,278)	(496,445)	45,271	332,351	529,976	360,957
Total business-type activities net position	$ 18,259,272	$ 18,034,733	$ 18,015,952	$ 16,766,555	$ 17,101,827	$ 17,160,792	$ 16,893,306	$ 17,334,048	$ 18,139,325	$ 18,430,224
Primary government										
Net investment in capital assets	$38,226,167	$37,605,704	$36,033,262	$36,778,435	$34,983,129	$33,860,798	$31,880,535	$30,846,828	$29,874,175	$29,459,796
Restricted	5,154,248	2,996,378	3,407,667	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478	5,567,076
Unrestricted	(838,088)	977,347	(1,994,080)	(7,963,785)	(6,186,248)	(4,856,516)	(4,200,598)	(2,763,764)	(2,443,589)	(5,576,319)
Total net position	$ 42,542,327	$ 41,579,429	$ 37,446,849	$ 32,569,245	$ 29,773,222	$ 29,764,790	$ 28,899,600	$ 29,388,039	$ 30,378,064	$ 29,450,553

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013 and classifies them above as business-type activities.
The Town purchased the Camp Verde Water Company on May 31, 2022 and classifies them above as business-type activities.

TOWN OF CAMP VERDE, ARIZONA
Expenses, Program Revenues, and Net Expense
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Expenses										
Governmental activities:										
General government	$ 4,765,586	$ 3,952,950	$ 4,099,606	$ 3,674,054	$ 3,334,238	$ 3,076,810	$ 3,224,281	$ 3,076,473	$ 2,780,681	$ 2,776,465
Public safety	4,906,523	4,260,267	4,019,027	3,903,672	3,554,285	3,060,944	3,178,404	3,156,111	2,786,970	3,050,800
Public works	3,638,101	2,674,071	1,559,995	1,533,711	1,504,521	1,483,664	1,357,338	1,378,204	1,566,914	1,156,551
Health and welfare	168,331	178,377	138,422	145,965	134,008	126,049	123,589	123,627	123,664	123,700
Culture and recreation	2,519,596	2,096,504	1,527,445	1,505,036	1,392,080	1,232,178	1,418,639	1,075,309	817,187	724,730
Community development	1,105,520	904,552	656,610	571,455	536,787	514,618	521,685	550,246	473,270	507,702
Interest on long-term debt	512,488	505,277	464,591	419,220	386,287	364,722	271,290	169,556	108,958	224,557
Total governmental activities	17,616,145	14,571,998	12,465,696	11,753,113	10,842,206	9,858,985	10,095,226	9,529,526	8,657,644	8,564,505
Business-type activities:										
Water	$ 1,579,833	$ 1,222,083	$ 323,258	-	-	-	-	-	-	-
Wastewater	2,529,312	2,590,032	2,286,478	$ 2,242,647	$ 2,131,644	$ 2,034,991	$ 2,019,766	$ 1,964,571	$ 1,727,706	$ 1,677,262
Total business-type activities	4,109,145	3,812,115	2,609,736	2,242,647	2,131,644	2,034,991	2,019,766	1,964,571	1,727,706	1,677,262
Total expenses	21,725,290	18,384,113	15,075,432	13,995,760	12,973,850	11,893,976	12,114,992	11,494,097	10,385,350	10,241,767
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 175,101	$ 24,587	$ 43,779	$ 34,945	$ 35,781	$ 95,309	$ 32,261	$ 34,813	$ 33,045	$ 25,234
Public safety	263,693	224,100	240,906	373,591	392,807	402,866	358,508	441,567	481,762	457,097
Public works	13,550	25,732	15,895	25,944	36,348	2,005	7,755	7,348	13,905	16,214
Culture and recreation	131,436	134,092	67,654	48,145	53,812	70,304	58,029	57,730	48,260	42,332
Community development	745,492	538,050	422,238	374,935	293,755	255,234	227,727	189,053	226,745	194,789
Operating grants and contributions	1,700,231	3,635,239	3,648,147	2,641,493	1,526,156	1,214,867	1,061,122	1,084,810	1,145,358	1,084,065
Capital grants and contributions	966,930	889,230	123,296	595,216	108,449	359,275	119,670	307,300	891,401	438,025
Total governmental activities	3,996,433	5,471,030	4,561,915	4,094,269	2,447,108	2,399,860	1,865,072	2,122,621	2,840,476	2,257,756
Business-type activities:										
Charges for services	$ 3,718,397	$ 3,634,236	$ 2,201,643	$ 1,940,715	$ 1,964,175	$ 1,477,127	$ 1,152,934	$ 1,135,373	$ 1,085,853	$ 1,029,111
Capital grants and contributions	-	-	1,564,366	-	177,757	822,243	-	-	316,450	-
Total business-type activities	3,718,397	3,634,236	3,766,009	1,940,715	2,141,932	2,299,370	1,152,934	1,135,373	1,402,303	1,029,111
Total program revenues	7,714,830	9,105,266	8,327,924	6,034,984	4,589,040	4,699,230	3,018,006	3,257,994	4,242,779 #	3,286,867
Net Expense	$ (14,010,460)	$ (9,278,847)	$ (6,747,508)	$ (7,960,776)	$ (8,384,810)	$ (7,194,746)	$ (9,096,986)	$ (8,236,103)	$ (6,142,571) #	$ (6,954,900)

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013.
The Town purchased the Camp Verde Water System May 31, 2022.

TOWN OF CAMP VERDE, ARIZONA
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net Expense	$(14,010,460)	$ (9,278,847)	$ (6,747,508)	$ (7,960,776)	$ (8,384,810)	$ (7,194,746)	$ (9,096,986)	$ (8,236,103)	$ (6,142,571)	$ (6,954,900)
General Revenues:										
Governmental activities:										
Taxes:										
Sales taxes	$ 7,999,386	$ 7,554,130	$ 7,005,726	$ 6,557,976	$ 4,640,417	$ 4,389,578	$ 4,642,673	$ 3,756,648	$ 3,915,180	$ 2,863,839
Franchise taxes	378,150	360,234	329,139	297,149	274,961	287,034	286,341	270,925	285,834	266,973
State shared revenues	6,194,277	5,129,723	4,200,788	3,874,792	3,411,861	3,273,230	3,233,989	3,099,871	3,020,345	2,942,726
Investment earnings	374,899	288,362	17,078	5,106	30,368	76,691	17,889	27,872	29,593	15,456
Miscellaneous	24,565	51,743	72,218	21,515	34,540	30,296	13,379	91,581	80,456	7,086
Loss on Sale of Assets	0	0	0	0	0	0	0	0	(262,368)	0
Transfers	(613,206)	(169,425)	(92,961)	33,601	70,348	0	0	(24,740)	(33,462)	0
Total governmental activities	14,358,071	13,214,767	11,531,988	10,790,139	8,462,495	8,056,829	8,194,271	7,222,157	7,035,578	6,096,080
Business-type activities:										
Investment earnings	$ 2,081	$ 1,477	$ 163	$ 261	$ 1,095	$ 3,107	$ 2,769	$ 1,181	$ 1,042	$ 909
Miscellaneous/Special item*	-	25,758	-	-	-	-	425,000	-	-	-
Loss on Disposal of Assets	-	-	-	-	-	-	-	(2,000)	-	-
Transfers	613,206	169,425	92,961	(33,601)	(70,348)	-	-	24,740	33,462	-
Total business-type activities	615,287	196,660	93,124	(33,340)	(69,253)	3,107	427,769	23,921	34,504	909
Changes in Net Position	$ 962,898	$ 4,132,580	$ 4,877,604	$ 2,796,023	$ 8,432	$ 865,190	$ (474,946)	$ (990,025)	$ 927,511	$ (857,911)

Source: The Town's financial records.

Note: * - The Town took over the Camp Verde Sanitary District (CVSD) Operations July 1, 2013. In doing so, just over $20 million in assets were transferred to the Town. All debt, however, remains with CVSD and is not a part of the Town's liabilities.
In 2018, a settlement was finially reached in a lawsuit which had begun prior to 7/1/13 in which the Wastewater Fund received $425,000.

TOWN OF CAMP VERDE, ARIZONA
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
General Fund:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	452,675	429,872	416,139	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	662,091
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	4,752,950	5,593,451	4,234,347	4,686,184	2,216,094	2,460,711	2,819,665	2,388,992	2,917,783	1,912,675
Total General Fund	$ 5,205,625	$ 6,023,323	$ 4,650,486	$ 4,686,184	$ 2,216,094	$ 2,460,711	$ 2,819,665	$ 2,388,992	$ 2,917,783	$ 2,574,766
All Other Governmental Funds:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	3,958,744	2,178,091	2,991,528	3,754,595	3,300,894	3,822,120	6,816,399	1,227,680	2,852,211	5,456,179
Committed	365,646	367,189	282,193	182,325	187,216	77,146	25,743	25,347	30,181	-
Assigned	1,468,937	3,083,362	2,065,199	201,459	184,427	135,707	474,100	215,085	551,200	431,842
Unassigned	(609,830)	(13,644)	-	-	-	-	-	-	(29,569)	(669,290)
Total all other governmental funds	$ 5,183,497	$ 5,614,998	$ 5,338,920	$ 4,138,379	$ 3,672,537	$ 4,034,973	$ 7,316,242	$ 1,468,112	$ 3,404,023	$ 5,218,731

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Excise Tax and Other Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Pledged Excise Tax and State Shared Revenues										
Town Sales Tax	$ 7,999,386	$ 7,554,130	$ 7,005,726	$ 6,557,977	$ 4,640,417	$ 4,389,578	$ 4,642,673	$ 3,756,648	$ 3,915,180	$ 2,863,839
Franchise Fees	378,150	360,234	329,139	297,149	274,961	287,034	286,341	270,925	285,834	266,973
State-shared Sales Taxes	1,875,381	1,809,920	1,703,650	1,327,149	1,160,413	1,126,974	1,079,184	1,021,663	1,027,544	993,670
State-shared Income Taxes	3,288,280	2,322,706	1,578,263	1,598,779	1,453,365	1,356,440	1,391,933	1,364,734	1,309,108	1,316,244
Licenses and permits	558,715	387,656	349,278	315,361	244,194	278,387	204,715	184,215	198,155	174,518
Fines and forfeits	161,837	138,015	124,666	169,401	185,431	218,620	167,992	199,528	297,865	234,142
Net	$14,261,749	$12,572,661	$11,090,722	$10,265,816	$ 7,958,781	$ 7,657,033	$ 7,772,838	$ 6,797,713	$ 7,033,686	$ 5,849,386
Other Revenues										
Intergovernmental	$ 2,887,523	$ 5,555,711	$ 4,410,253	$ 4,295,046	$ 2,417,216	$ 2,437,966	$ 2,057,676	$ 2,185,513	$ 2,483,338	$ 2,237,439
Charges for services	421,247	379,982	196,886	173,612	157,973	81,166	115,919	169,610	122,360	86,718
Contributions and donations	281,907	99,044	63,254	99,712	103,251	54,076	35,333	96,139	426,638	70,544
Investment income	374,899	288,362	17,078	5,106	30,368	76,692	17,888	27,871	29,594	15,456
Other	149,909	206,759	182,729	91,880	229,107	166,216	51,042	121,278	201,094	36,828
Net	$ 4,115,485	$ 6,529,858	$ 4,870,200	$ 4,665,356	$ 2,937,915	$ 2,816,116	$ 2,277,858	$ 2,600,411	$ 3,263,024	$ 2,446,985
Total revenues	$18,377,234	$19,102,519	$15,960,922	$14,931,172	$10,896,696	$10,473,149	$10,050,696	$ 9,398,124	$10,296,710	$ 8,296,371

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenditures:										
Current -										
General government	$ 4,396,526	$ 3,843,667	$ 4,067,692	$ 3,545,317	$ 3,191,448	$ 3,068,302	$ 3,132,285	$ 2,790,435	$ 2,550,697	$ 2,630,384
Public safety	4,492,113	3,872,935	6,230,330	3,381,764	3,129,841	2,901,210	2,623,034	2,797,062	2,560,276	2,613,138
Public works	2,861,787	2,091,231	1,048,019	1,003,906	940,297	994,488	883,136	869,501	1,056,558	815,101
Health and welfare	168,331	178,377	138,422	145,965	134,008	126,049	123,589	123,627	123,664	123,700
Culture and recreation	1,963,511	1,668,198	1,267,723	1,152,884	1,101,713	1,009,237	903,356	877,693	720,032	634,283
Community development	1,017,389	877,134	661,235	549,397	507,400	533,273	493,695	497,966	415,069	465,074
Capital outlay	2,760,512	3,552,255	3,280,869	3,773,981	1,216,567	5,188,461	1,746,897	3,047,920	4,254,033	860,979
Debt service -										
Principal retirement	1,155,348	1,040,935	810,714	1,173,741	966,653	845,021	776,788	658,242	375,191	326,949
Interest and fiscal charges	531,324	514,640	450,989	428,741	401,814	382,986	159,746	175,640	209,419	78,312
Bond issuance costs	-	-	99,300	80,902	-	-	257,580	-	-	-
Total expenditures	$ 19,346,841	$ 17,639,372	$ 18,055,293	$ 15,236,598	$ 11,589,741	$ 15,049,027	$ 11,100,106	$ 11,838,086	$ 12,264,939	$ 8,547,920
Expenditures for capitalized assets	$ 2,760,512	$ 3,552,255	$ 3,280,869	$ 3,773,981	$ 1,216,567	$ 5,188,461	$ 1,746,897	$ 3,047,920	$ 4,254,033	$ 860,979
Debt service as a percentage of noncapital expenditures	10%	11%	9%	15%	13%	12%	13%	9%	7%	5%

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Other Financing Sources and Uses and Net Change in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Excess (deficiency) of revenues over expenditures	$ (969,607)	$ 1,463,147	$ (2,094,371)	$ (305,426)	$ (693,045)	$ (4,575,878)	$ (1,049,410)	$ (2,439,962)	$ (1,968,229)	$ (251,549)
Other financing sources (uses):										
Capital lease agreements	$ 333,614	$ 355,192	$ 337,175	$ 310,757	$ 15,644	$ 935,655	$ 296,445	$ -	$ 530,000	$ -
Proceeds of long-term debt issuance	-	-	3,015,000	2,897,000	-	-	7,031,769	-	-	4,904,000
Payments to Refunding Bond Trustee	-	-	-	-	-	-	-	-	-	(1,396,752)
Transfers in	4,274,003	1,688,295	3,552,224	3,222,438	2,055,772	2,417,431	1,825,724	2,264,518	1,618,470	894,208
Transfers out	(4,887,209)	(1,857,719)	(3,645,185)	(3,188,837)	(1,985,424)	(2,417,431)	(1,825,724)	(2,289,258)	(1,651,932)	(894,208)
Total other financing sources (uses)	(279,592)	185,768	3,259,214	3,241,358	85,992	935,655	7,328,214	(24,740)	496,538	3,507,248
Changes in fund balances	$ (1,249,199)	$ 1,648,915	$ 1,164,843	$ 2,935,932	$ (607,053)	$ (3,640,223)	$ 6,278,804	$ (2,464,702)	$ (1,471,691)	$ 3,255,699

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Category
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Retail Trade	$ 4,250,542	$ 4,081,747	$ 3,737,385	$ 3,090,788	$ 2,205,958	$ 1,843,283	$ 1,805,886	$ 1,596,344	$ 1,569,254	$ 1,203,872
Restaurants & Bars	1,072,047	1,085,287	1,030,485	1,004,271	758,279	737,234	713,275	659,258	708,520	520,320
Communications & Utilities	393,627	391,653	394,819	363,495	366,405	369,908	373,162	358,356	394,159	269,845
Construction	679,519	397,930	323,234	729,200	369,451	494,937	882,868	320,451	366,968	212,866
Real Estate, Rental & Leasing	546,044	493,397	430,321	373,318	313,079	283,482	252,516	235,245	215,991	173,914
Accommodation	552,816	608,683	606,186	440,814	265,804	277,882	291,544	294,627	239,218	207,993
Arts & Entertainment	146,602	155,189	193,605	198,681	123,887	146,909	156,189	146,780	167,769	134,961
Manufacturing	9,363	10,292	12,273	9,615	10,960	10,992	14,000	14,663	15,015	67,644
Use Tax	315,782	302,092	253,092	310,283	208,474	207,262	134,415	116,350	151,626	N/A
Other	33,044	27,860	24,326	37,511	18,120	17,689	18,818	14,575	86,660	71,912
Total	$ 7,999,386	$ 7,554,130	$ 7,005,726	$ 6,557,976	$ 4,640,417	$ 4,389,578	$ 4,642,673	$ 3,756,649	$ 3,915,180	$ 2,863,327
Total revenue % growth by year	5.9%	7.8%	6.8%	41.3%	5.7%	-5.5%	23.6%	-4.0%	36.7%	10.3%

Source: The Town's financial records and the Arizona Dept. of Revenue.

Note: See tax rate changes on the following page.
Use Tax was separated out as a new category in FY16. Prior to FY16, most Use Tax Revenues were included in Retail Trade.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates					
	Town of Camp Verde					
	Sales Tax	Hospitality	Real Property Rentals	Construction	Yavapai County	Arizona State
2024	3.65	6.65	2.00	3.65	0.75	5.60
2023	3.65	6.65	2.00	3.65	0.75	5.60
2022	3.65	6.65	2.00	3.65	0.75	5.60
2021	3.65	6.65	2.00	3.65	0.75	5.60
2020	3.65	6.65	2.00	3.65	0.75	5.60
2019	3.65	6.65	2.00	3.65	0.75	5.60
2018	3.65	6.65	2.00	3.65	0.75	5.60
2017	3.65	6.65	2.00	3.65	0.75	5.60
2016	3.65	6.65	2.00	3.65	0.75	5.60
2015	3.65	6.65	2.00	3.65	0.75	5.60

Source: Arizona Department of Revenue.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	City Sales Tax	Franchise Tax	Accomodation/ Bed Tax	Total
2024	$ 7,446,570	$ 378,150	$ 552,816	$ 8,377,536
2023	6,945,447	360,234	608,683	7,914,364
2022	6,399,540	329,139	606,186	7,334,865
2021	6,117,163	297,149	440,814	6,855,126
2020	4,374,613	274,961	265,804	4,915,378
2019	4,111,696	287,034	277,882	4,676,612
2018	4,351,129	286,341	291,544	4,929,014
2017	3,462,021	270,925	294,627	4,027,573
2016	3,675,962	285,834	239,218	4,201,014
2015	2,655,846	266,973	207,993	3,130,812

Source: The Town's financial records and the Arizona Dept. of Revenue.

TOWN OF CAMP VERDE, ARIZONA
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities		Total Outstanding Debt		
Fiscal Year	Revenue Bonds	Leases Payable	Finance Purchases	Leases Payable	Loans Payable	Total Debt	Percentage of Personal Income	Per Capita
2024	$13,479,041	$ 887,835	$ 202	$ 102,891	$ 11,396,731	$ 25,866,700	N/A	2,053
2023	14,263,329	875,939	56,832	42,210	11,584,835	26,823,145	0.19%	2,147
2022	14,998,616	724,473	164,240	-	11,479,282	27,366,611	0.21%	2,202
2021	12,545,905	806,769	-	56,125	1,376,950	14,785,749	0.12%	1,210
2020	10,570,111	779,432	-	167,084	840,002	12,356,629	0.12%	1,017
2019	11,171,658	1,136,182	-	276,342	-	12,584,182	0.13%	1,125
2018	11,755,884	469,090	-	383,926	60,175	12,669,075	0.14%	1,140
2017	5,134,856	535,903	-	489,862	-	6,160,621	0.07%	556
2016	5,533,522	795,481	-	-	-	6,329,003	0.08%	577
2015	5,702,227	471,967	-	-	-	6,174,194	0.08%	563

Source: The Town's financial records.

Note: FY24 personal income information was not available at the time the audit was completed.

TOWN OF CAMP VERDE, ARIZONA
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Revenue Bonds	Total Bonds	Per Capita
2024	$ 13,479,041	$ 13,479,041	1,070
2023	14,263,329	14,263,329	1,142
2022	14,998,616	14,998,616	1,207
2021	12,545,905	12,545,905	1,027
2020	10,570,111	10,570,111	870
2019	11,171,658	11,171,658	999
2018	11,755,884	11,755,884	1,058
2017	5,134,856	5,134,856	463
2016	5,533,522	5,533,522	505
2015	5,702,227	5,702,227	520

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Governmental Activities Debt
Last Ten Fiscal Years

Governmental Unit	Debt Outstanding (3)	Estimated Percentage Applicable to Town		Estimated Amount Applicable to Town
Overlapping:				
Yavapai County Community College	$ -	2.8%	(1)	$ -
Camp Verde Unified School District	473,000	93.7%	(1)	443,217
Copper Canyon Fire	4,766,685	50.0%	(2)	2,383,343
Camp Verde Sanitary District	6,341,129	100.0%	(1)	6,341,129
Total Overlapping Debt				$ 9,167,688
Direct:				
Town of Camp Verde	$ 25,866,700	100.0%		$ 25,866,700
Total Direct and Overlapping Debt				$ 35,034,388

Sources: Arizona Department of Revenue (azdor.gov) Bonded Indebtedness report
Yavapai County Assessor's Office final NAV report

Notes: 1) The estimated percentage applicable to Town is determined by dividing the Town's secondary net assessed value by the juristiction's secondary net assessed value.
2) The estimated percentage applicable to Town is estimated by Copper Canyon Fire's estimated operations coverage, 50% in Camp Verde and 50% in Rimrock/Lake Montezuma.
3) The FY24 State Indebtedness report is not yet available so debt reported other than Camp Verde is from FY23.

TOWN OF CAMP VERDE, ARIZONA
Legal Debt Margin Information
Last Ten Fiscal Years

6% Debt Limit

	Fiscal Year Ended June 30									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Debt Limit	$ 5,808,735	$ 5,448,177	$ 5,109,484	$ 4,811,611	$ 4,543,761	$ 4,321,124	$ 4,079,704	$ 3,918,861	$ 3,757,240	$ 3,687,892
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 5,808,735	$ 5,448,177	$ 5,109,484	$ 4,811,611	$ 4,543,761	$ 4,321,124	$ 4,079,704	$ 3,918,861	$ 3,757,240	$ 3,687,892
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

20% Debt Limit

	Fiscal Year Ended June 30									
	2024	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Debt Limit	$ 19,362,451	$ 18,160,591	$ 17,031,614	$ 16,038,704	$ 15,145,871	$ 14,403,746	$ 13,599,013	$ 13,062,869	$ 12,524,135	$ 12,292,972
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 19,362,451	$ 18,160,591	$ 17,031,614	$ 16,038,704	$ 15,145,871	$ 14,403,746	$ 13,599,013	$ 13,062,869	$ 12,524,135	$ 12,292,972
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: The Town's financial records and the Yavapai County Assessor's Office.

TOWN OF CAMP VERDE, ARIZONA
Pledged Revenue Coverage
Last Ten Fiscal Years

		Revenue Bonds		
		Debt Service		
Fiscal Year	Excise Tax Revenue	Principal	Interest	Excise Tax Coverage
2024	$ 14,571,813	$ 777,000	$ 424,349	12.1
2023	13,044,087	573,000	365,440	13.9
2022	11,535,653	555,000	381,755	12.3
2021	10,729,917	913,919	366,051	8.4
2020	8,327,239	594,259	340,999	8.9
2019	7,949,842	576,938	359,734	8.5
2018	8,163,003	410,741	146,450	14.7
2017	7,127,444	398,666	158,801	12.8
2016	7,221,359	168,706	197,473	19.7
2015	6,073,538	172,857	66,610	25.4

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Demographic and Economic Statistics – Yavapai County
Last Ten Calendar Years

Year	Town of Camp Verde Population	Yavapai County Population	County Personal Income (1)	County Per Capita Income	County Unemployment Rate
2024	12,600	251,932	N/A	N/A	3.6 %
2023	12,495	249,081	13,926,821	55,913	4.0 %
2022	12,430	246,191	12,739,608	51,747	4.0 %
2021	12,216	241,173	11,884,929	49,060	5.1 %
2020	12,147	237,073	10,547,378	44,490	8.9 %
2019	11,187	235,099	9,731,391	41,393	4.6 %
2018	11,113	228,970	9,352,066	40,844	4.3 %
2017	11,083	225,364	8,753,027	37,398	4.5 %
2016	10,968	221,496	8,200,091	37,021	5.0 %
2015	10,970	217,778	7,840,057	36,000	5.7 %

Sources: Bureau of Economic Analysis (bea.gov)
Arizona Office of Employment & Population Statistics (azstats.gov) for FY20 and prior
WorldPopulationReview - Current year population estimates
Ycharts.com

Note: (1) - In thousands of dollars
2024 County personal and per capita income was not available from BEA at the time of printing.

TOWN OF CAMP VERDE, ARIZONA
Principal Employers – Yavapai County
Current, Prior, and Nine Years Ago Fiscal Years

Employer	2024 Employees	2024 Percentage of Total Employment		2015 Employees
Cliff Castle Casino & Hotel	430	11.1	%	327
Yavapai County	287	7.4		No Info
Yavapai-Apache Nation	256	6.6		294
Camp Verde School District	225	5.8		227
Town of Camp Verde	167	4.3		117
Bashas	114	2.9		102
Goettles High Desert Mechanical	94	2.4		No Info
Haven Health of Camp Verde	82	2.1		55
Rainbow Acres	79	2.0		80
Abundant Organics	70	1.8		No Info
Total	1,804	46.6	%	1,202
Total Est'd Employment	3,870			2,400

Source(s): The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Full-Time Equivalent City Government Employees By Function/Program
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Management Services	7.2	6.0	5.7	4.8	5.2	5.2	5.1	4.6	4.6	5.2
Finance	4.0	4.0	3.3	3.0	3.0	3.0	3.0	3.0	3.1	2.2
Economic Development	3.8	4.1	4.1	3.1	3.1	2.9	3.2	2.8	2.0	1.6
Municipal Court	4.3	4.5	6.2	6.2	6.2	5.7	4.7	4.7	5.7	5.6
Total General Government	19.3	18.6	19.3	17.1	17.5	16.8	16.0	15.1	15.4	14.6
Public Safety										
Marshal's Department				33.0	33.8	34.0	31.0	31.4	33.1	32.2
Animal Control				1.0	1.0	1.0	0.5	1.0	1.0	1.0
Sworn Officers	24.0	24.0	24.7							
Dispatch	7.5	7.0	8.0							
Admin	9.2	10.4	6.0							
Total Public Safety	40.7	41.4	38.7	34.0	34.8	35.0	31.5	32.4	34.1	33.2
Public Works										
Admin	4.9	5.0	2.4	2.3	2.2	2.2	2.5	2.6	2.8	2.8
Streets	5.3	6.0	5.3	5.2	5.2	5.0	4.9	4.7	6.1	5.2
Maintenance	11.1	11.0	11.0	11.0	10.0	9.6	9.1	8.1	8.0	7.4
Total Public Works	21.3	22.0	18.7	18.5	17.4	16.8	16.5	15.4	16.9	15.4
Library	10.2	8.9	8.9	8.9	9.4	8.3	7.5	6.4	6.2	6.2
Parks & Recreation	8.6	8.4	6.5	6.5	6.7	6.1	5.6	5.6	4.6	4.6
Community Development	10.0	11.0	8.8	6.8	6.8	6.8	6.2	8.0	6.0	6.0
Utilities										
Wastewater	9.9	8.5	8.6	8.5	8.5	8.6	8.4	8.4	8.1	7.2
Water	5.8	5.5	5.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Utilities	15.7	14.0	13.6	8.5	8.5	8.6	8.4	8.4	8.1	7.2
Total	125.8	124.3	114.5	100.3	101.1	98.4	91.7	91.3	91.3	87.1

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Capital Assets Statistics By Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function										
Public Works										
Streets (miles)	130	130	130	113	113	112	110	110	110	110
Streetlights	127	127	127	122	122	122	122	110	110	110
Traffic signals	7	7	7	7	7	7	5	6	6	6
Public Safety										
Police patrol vehicles	34	32	26	28	23	19	24	25	23	31
Police stations	1	1	1	1	1	1	1	1	1	1
Recreation & Culture										
Parks developed	9	9	9	7	6	6	6	6	6	6
Parks acreage	239	239	239	201	24	24	24	24	24	24
Swimming pools	1	1	1	1	1	1	1	1	1	1
Baseball/softball fields	3	3	1	1	1	1	1	1	1	1
Soccer/football fields	4	4	4	2	2	2	2	2	2	2
Water										
Wells	3	3	3	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storage Tanks	4	4	4							
Total Capacity (in millions of gals)	4.39	4.39	4.39							
Pipeline (Miles)	60	60	60							
Connections	2,048	2,048	2,013							
Wastewater										
Pipeline (Miles)	24	24	24	24	24	21	21	18	18	16
Treatment Capacity (mgd)	0.65	0.65	0.65	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Connections	1,217	1,188	1,146	1,125	1,040	1,043	989	964	964	959

Source: The Town's facilities records.

Note The Town purchased a local water company in May of 2022.
Wastewater Pipeline (Miles) was completely recalculated in FY23 using our GIS software.

TOWN OF CAMP VERDE, ARIZONA
Operating Indicators By Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Business licenses	843	803	706	781	807	801	820	833	823	673
Public Works										
Street maintenance (miles)	8.0	-	19.0	-	-	17.0	-	18.0	-	-
Community Development										
Building permits applied for	553	701	771	689	384	386	425	387	351	328
Building permits issued	557	636	752	659	432	408	428	N/A	N/A	N/A
Public Safety										
Reports Taken	9,254	8,132	7,063	8,092	8,350	9,914	9,829	10,853	15,762	10,020
Arrests	423	399	258	480	486	458	422	357	309	N/A
Traffic Citations	1,045	674	635	417	503	956	567	702	635	714
Library										
Circulation	248,348	115,705	116,088	103,873	120,532	130,713	133,135	123,127	63,976	62,140
Traffic	92,656	86,910	78,247	59,797	81,829	101,854	95,490	87,357	67,978	67,824
Water										
Annual water usage (in millions of gals)	254	262	209	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Avg daily consumption (gallons (in thousands of gals)	695	718	N/A							
Peak daily consumption (gallor (in thousands of gals)	860	875	N/A							
Wastewater										
Annual processed sewage (in millions of gals)	94	95	88	87	86	94	96	86	86	86

Source: The Town's records.