



# TOWN OF HUACHUCA CITY

The Sunset City

## HUACHUCA CITY TOWN COUNCIL PUBLIC MEETING NOTICE

**Thursday, September 26, 2024, at 6:00 PM**

**COUNCIL CHAMBERS  
500 N. GONZALES BLVD.  
HUACHUCA CITY, AZ 85616**

### AGENDA

#### **A. Call to Order – Mayor**

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum
- c. Invocation

*Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.*

#### **B. Call to the Public – Mayor**

*A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.*

#### **C. Consent Agenda - Mayor**

*All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.*



# TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE  
HUACHUCA CITY TOWN COUNCIL  
September 12, 2024 AT 6:00 PM  
COUNCIL CHAMBERS  
500 N. GONZALES BLVD.  
HUACHUCA CITY, AZ 85616**

**A. Call to Order – Mayor**

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum

**B. Roll Call.**

**Roll Call.**

**Present: Johann Wallace, Christy Hirshberg, Debra Trate, Cynthia Butterworth, Jeffrey Ferro, Town Manager Suzanne Harvey (Not voting), Town Clerk Brandye Thorpe (not voting), Town Attorney Thomas Benavidez (Not voting).**

**Absent: Danielle Cardella**

- c. Invocation

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Mayor Wallace: Alright, I do have a Call to the Public slip. So you have two items. We have a landfill price increase which is not on the Agenda. Then we have the waste management contract, which is so you can speak to both items now during the call of public or if you want to speak just to the landfill price increases now that's good. You could talk to the waste management contract during the Agenda item. So what do you wanna do? OK. So come on up and state your name and address for the record and just to be on the landfill price increase.

So my name's Tony Sanchez. Skyline Drive right up the road here. That's who I am. I am your manager for Waste Disposal and I'm also a homeowner resident. With that said I'm here, in place of the owner who apologizes that he was unable to attend, given the timeframe. Just to tell you a little bit about Waste Disposal. We are small family owned business. And started here in Cochise County years ago. Uh, what I'd like to talk about is we were kind of blindsided by the rate increase in the landfill. We're definitely blindsided by it. I want to say that our company greatly appreciates Huachuca City Landfill and we want to see the landfill remain a viable resource for the city. We want to see the city acquired the new equipment it desperately needs. We also understand the financial position that the city is in and can appreciate that the Council, mayor, staff are doing everything in their power to ensure the landfill remains viable. However, a 40% increase will end up hurting the landfill. Rob, the owner, is working on producing some figures for the September 26<sup>th</sup> meeting. Right. In the meantime, I want to present a few important facts. When you look at the disposal rates at Cochise County facilities, you have to understand that the rate we see is \$64 per ton represents disposal rate. We've got both landfills and transfer stations. I don't understand why Cochise County does not discount disposal rate for the landfill as they don't have any trucking costs. But this is a benefit from what you see. But what you can see if you choose to increase the landfill rate as proposed, we and other haulers will be forced to divert a lot of our waste to transfer stations. Because the cost savings that justified coming to Huachuca City landfill will no longer be there just for our company. This could reflect a minimum of 50% reduction in waste stream to the landfill here in Huachuca City and I would imagine you would see similar reductions from our competitors as well. This would negate the proposed increased rates that and potentially flattening the plans already. It will not come to anyone's surprise that price increases like this get passed on directly to customers, specifically several thousand residential customers who call Cochise County their home. These people are our friends, our families, our neighbors, even if we don't live within the city. I'd imagine there's a reason you would not significantly increase the residential rates to the residents of Huachuca City is the same reason we don't want to increase rates of our customers. A large chunk of our neighbors are on fixed incomes, including Social Security disability and cannot afford a bill increase that realizes a 40% increase in disposal costs. In closing, I do want to say that we appreciate the landfill needs to increase cost. As I mentioned, our owner plans to present some suggestions at the next meeting on the 26<sup>th</sup>. So if you choose, you would love to participate in a work session with other commercial haulers to find a compromise of rate increases that meets the city's needs and recognizes the financial constraints of our neighbors. Thank you.

### **C. Consent Agenda - Mayor**

All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.

C.1 Consider approval of the Minutes of the Regular Council meeting held on August 22, 2024 and the Work Session held on August 29, 2024.

C.2 Consider approval of the Payment Approval Report.

**Motion:** Approval of the items on the Consent Agenda, **Action:** Open for Discussion and/or Action, **moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

**Mayor Wallace states he would like to have a discussion with Clerk Thorpe regarding how they're recording the data that goes into the minutes. He believes there was some pretty important conversation from the Work Session that probably should have been included in them. He understands it's based off of the recordings.**

**Motion:** Approval of the items on the Consent Agenda, **Action:** Approve, **moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Councilmember Ferro Abstains.

Motion passed.

#### **D. Unfinished Business before the Council – Mayor**

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the mayor at any time.

#### **E. New Business Before Council - Mayor**

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

**Mayor Wallace: So before I actually open the agenda item, so the way this works, public comment would be taken at the beginning of the agenda item after we open it for discussion and after staff talked about it and you'll be able to go ahead and chime in. OK, alright.**

**E.1 Discussion and/or Action [Suzanne Harvey]: Acceptance of the rate increase proposed by Waste Management for the Town's trash services.**

**Motion: Item E.1, Action: Open for Discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.**

**Manager Harvey:** Mayor and council, this is the annual increase and they actually delayed it by 6 months for us and it should have been done earlier in the year that they gave us a six month grace period with no increase. It is based on the WST CPI, the annual. Rate is found but done by the nationally and it's 5.4% and you can see it adds \$0.76 to the weekly refuse the only and you have it in front of you can see all the different rates. The only thing that's new on here is the overage charges so. There there is an overage charge of \$5.00 for residential. And Brandye, can you pull up the photo that shows what that looks like? This is because it's additional cost to them if they have to get out of the trucks. Through this essentially, if it's at a 45° angle, at that point it's overage. If it's less than a 45°, it is not. So the other thing to point out about that overage charge is they will give an opportunity. They give 3 strikes before they charge it. So a person has to have overfilled their container three times before they are charged. And then the overcharge fee for commercial is more because those are different type of container and it's more difficult for the trucks and the stuff will fall out and can fall on the truck and actually damage it and cause more problems for them. I mean, you can imagine if it's a dumpster and it dumps out, they have to take a lot of time to put that trash up and. That last photo is showing what an overage looks like and that's because the bags will fall out when the truck is lifting it and then they've got to pick the trash up. They have software to execute those. They do have software that they measure the angle, but if they do an overcharge, they submit a photo to show us why there was an overage and their trucks do automatically take a picture. Councilmember Ferro: So it's taken automatically, not based on the driver? Manager Harvey: Exactly. Yeah. So I think it's it's getting past that, you know, interpretation, you know, what drivers thought of what an over should be. A photo is taken automatically and it goes back to management. Yeah, it's on and they don't even do it. It does it automatically. I would like to point out that when we did our own trash we also charged overage charges and because when they overfill it takes more time. Mayor Wallace: Anything else? Manager Harvey: No Sir, I would ask that you would approve for me to move forward, I have to post these rate changes. It will be posted for 60 days and then I'll come back to you for approval.

**Mayor Wallace allows Tony Sanchez to address Council again.**

**Mr. Sanchez:** We wanted to address something specifically about Waste Management contract and we understand that it's been resigned and all that's been taken care of, but we were really disappointed that the trash contract did not go out for bid for those that may be unfamiliar with the last time they went for bid was 2018. We lost the bid to Waste Management by a very small amount. Obviously our desires are to win a contract with the city. The city has an obligation on behalf of all of us, neighbors, family and friends to find the best provider at the best rate before you, there's increased proposed rates by Waste Management. We did didn't know anything about it. Based on what mayor claimed to our owner this morning, it sounds like there was an opportunity for substantial savings to the city after pricing, although pricing has gone up for nearly everything, everywhere. We totally understand that. We've only raised our rates for our customers twice in 12 years. So Waste Management is an \$83 billion multinational public company based in Houston, TX and reportedly reports state brag about their pricing programs, the price increases. Don't let the city become a victim. Waste Management

answers only to their shareholders and have a duty to increase pricing at every opportunity. However, a small company in Cochise County as we are, we answer only for our customers. We would appreciate the opportunity to bid on the contract and provide the saving with potentially substantial cost. And what I would ask of you is, you know, what do we have to lose next time it's up to bid if we can, you know, bid on it rather than just renewing the contract. Councilmember Trate: Question, are there a lot of people who over fill their containers? Manager Harvey: No, ma'am. Or at least Waste Management has not communicated that that's a huge problem, but it has happened. We have more trouble with the commercial trash to tell you the truth than the residential as far as local billing does. Mayor Wallace: How long is the current contract for? Manager Harvey: I would have to look that up. Does anybody else remember? I think that it's a three-year contract, but I'm not positive. I'd have to look that up. So the other thing I wanted to mention with regards to the overfilling there, we can look at some other things to help mitigate that. For instance, during the beginning of the summer or the end of the summer, maybe we can look at doing some pick up. So a lot of times the over filling ends up being things like brush, right. So maybe we can say we're gonna do one free pick up per quarter and we can go pick up some of that stuff for folks to kind of mitigate overfilling them. Mayor Wallace: That's a different topic discussion. So with the current contract we have and the rate increase is 46 or 47 cents. Manager Harvey: It is actually 76 cents, \$14.86, that's the can itself and then there's the \$2.00 charge for administrative costs for the town that's on there.

**Motion:** Accept the rate increase proposed by Waste Management for the Town's trash services , **Action:** Approve, moved by Johann Wallace, Seconded by Christy Hirshberg. Motion passed unanimously.

**E.2 Discussion and/or Action [Jim Halterman]:** Approval of the purchase of a road grader in an amount not to exceed \$60,000.00.

**Motion:** Item E.2, **Action:** Open for Discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

Mayor Wallace: Do you already have one you're looking at? Or is this just one of those approvals so that when you find one you can go ahead and get it?

Jim Halterman: I have found one where we bought the front end loader. If it is good we want to go ahead and get it but this is so we can get it when we find one.

Manager Harvey: This is already planned for in the budget as well.

**Motion:** Approve the purchase of a road grader in an amount not to exceed \$60,000.00 in total including taxes, freight, shipping, everything, **Action:** Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.

Motion passed unanimously.

**E.3 Discussion and/or Action [Chief Berry]:** Review of Chapter 6 of the Town Code pertaining to Animals, including, but not limited to, the maximum number of animals allowed per household, and registration of animals.



**Motion: Item E.3, Action: Open for Discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.**

**Chief Berry goes over the following information that was presented in slides:**

**Other Municipalities Code Categories:**

**Animal Hoarding**

**Nuisance Animals**

**Unlawful Keeping of Animals**

**Cruelty and Neglect**

**Animal hoarding**

•

**City of Phoenix, Chandler, Sahuarita, and Mirana have similar wording:**

–

**No person shall own, possess, keep, harbor, or maintain a number of animals in a quantity and under circumstances (health and welfare)**

–

**Sahurita listed a 10 or more animals as hoarding**

**Animal Cruelty and Neglect**

**Oro Valley, Benson, Sierra Vista, and State of Arizona:**

**Just have cruelty and neglect provisions**

**Nuisance Animals**

**Benson:**

**No person Shall Maintain a dog, or any other animal or group of animals, in such a manner as to deprive others of the enjoyment of their lives or property due to noise, barking, inflicting damage, or injury by jumping upon, biting, or scratching, pollution of vegetation or air, including the owner's premises, or by permitting nauseous or foul odors offensive to another person's senses or constituting an actual or potential health hazard**

**Nuisance Animals**

**Sierra Vista**

–

**Maintenance of nuisance animals unlawful. It is unlawful for any person to maintain an animal in such a manner that it constitutes a public nuisance**

**Any animal that unreasonably annoys humans or substantially interferes with the rights of citizens, other than their owner, to the enjoyment of life or property**

**Public nuisance animals shall mean and include, but not limited to, any animal that:**

**Damages the property of anyone other than the owner**

**Molests, intimidates, or injures pedestrians or passerby**

**Chases vehicles**

**Makes excessively disturbing noises, including, but not limited to, continued and repeated howling, barking, whining, or other utterances causing unreasonable annoyance, disturbance**

or discomfort to neighbors or others in close proximity to the premises where the animal is kept or harbored

Defecates on any public property or on any private property that is not owned by the owner of the animal. It shall not be a violation of this section if the animal owner removes the defecation in a prompt and sanitary manner.

Roams at large, travels or wanders over or through on the property of another without the permission from the owner of that property

### Unlawful Animals

**Willcox:** It is unlawful for a person to keep, harbor, or maintain more than four dogs within the city.

### Cats

#### Tombstone

–

All dogs and cats kept, harbored or maintained in the city must be licensed and registered if over four (4) months of age.

### Fowl

Will be added to the town code in accordance with the new state law and limited to the minimum number allowed (6).

### Current Town Code

All residents of the town will be limited to a maximum of four animals per household, which can be any combination of dogs or cats. This limitation will exclude animals which bear offspring, but such offspring must either be given away, sold or turned into the animal shelter when old enough to thrive on their own.

All dogs and cats kept, harbored or maintained in the town must be licensed and registered if over four months of age.

### Staff Recommendations

Code stays the same, only adds chickens in accordance with state law.

Adopt hoarding code similar to: No person shall own, possess, keep, harbor, or maintain a number of animals in a quantity and under circumstances injurious to the health or welfare of any animal or person.

Adopt similar wording like Benson: No person Shall Maintain a dog, or any other animal or group of animals, in such a manner as to deprive others of the enjoyment of their lives or property due to noise, barking, inflicting damage, or injury by jumping upon, biting, or scratching, pollution of vegetation or air, including the owner's premises, or by permitting nauseous or foul odors offensive to another person's senses or constituting an actual or potential health hazard

Mayor Wallace likes both the Benson wording and the hoarding provision. Councilmember Ferro agrees that both the Benson wording and the hoarding provision are good. Mayor Wallace would like to use both of those and not put a limit. If they are able to provide for 8, 9 or



10 animals and maintain them and are able to care for them then ok cool. Why put in a number. No more than 10, for example. Councilmember Ferro states it's just an arbitrary number. Mayor Wallace agrees. He likes the hoarding part, he likes Benson's and with those two combined it's not necessary to set a limit. Mayor ProTem Hirshberg states that the keywords are if they are able to maintain them because there are people out there with 3 animals, they are vaccinated, registered and the owners do everything they should and there are people with 15 animals that don't do any of that. That becomes a problem. There is disease and all kinds of stuff from that. Councilmember Butterworth believes there should still be a limit set on the number of animals because some people are kind hearted and slowly get more and more and then can't take care of them. The size of the yards in town should also be considered. None of the yards are very big and if you put 15 dogs in one yard it's a major problem. Limiting them to 4 makes it easier for animal control to gain access to determine if there's hoarding going on, if the animals are being cared for. I'm thinking more of the animals and the health and welfare of the animals. Councilmember Cardella asks if we don't set a limit, how the Police Department will enforce this. Will it be only complaint based? Chief Berry advises that it would be only complaint based. They would have to collect whatever evidence they could and get a Judge to sign off on a warrant if they believed there were violations. Councilmember Cardella states that that means it would be at the discretion of a Judge if it could be pursued or not then. Councilmember Trate expresses her concerns with not having a limit and how it's possible you would never know from the outside how bad the conditions are inside. Councilmember Ferro states that he is hearing a lot of how it's easier but easier isn't always right. It's not the Town's job to hold their hand, it's not our problem how they afford to care for their pets. He would like us to adopt the hoarding code, the wording from Benson and he's not convinced that cats should be registered but he won't fight about that.

**Motion:** Adopt the hoarding wording and the Benson language and remove the limit on number of animals but continue to require cats to be registered, **Action:** Adopt, moved by Johann Wallace, Seconded by Jeffrey Ferro.  
**Motion failed 4-2**

**Motion:** Adopt the hoarding wording and the Benson language and update the limit of cats and dogs to 5 and continue to require cats to be registered, **Action:** Adopt, moved by Johann Wallace, Seconded by Christy Hirshberg.  
**Motion Passed 4-2**

**E.4 Discussion and/or Action [Dr. Jim Johnson]:** Review of Chapter 18 of the Town Code pertaining to residential fence heights.

**Motion:** Item E.4, **Action:** Open for Discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

**Mayor Wallace:** Quick summary, so we're not gonna cover all of chapter 18 we are on the topic of fence heights right now. It's like 6 foot in the back and side yards limited 4 foot in front in front of your home and some allowances for an 8 foot fences. So there was some discussion last week of, you know, allowing 8 foot in the back and sides, but keeping them uniform.

**Doctor Johnson:** In April 2023 the Council approved changes to fence construction, but heights were not changed at that time as it is a zoning provision. Changes to zoning requires a public input process and public hearing prior to Council approval. Since I am working on changes to other provisions of the zoning code, I wanted to revisit the subject of fence heights. At present, current RESIDENTIAL fence heights are:

Rear yard – maximum height to be 6’ for rear and side parcel lines, not to extend past the front side corners of the house. (ONE AREA OF CONTRADICTION IN TOWN CODE IS A MENTION OF 8’ HEIGHT). I believe this is an error, as all other mentions are 6’.

Front Yard – maximum height to be 4’ along the front and side lot line to the front corner of the house, to include fences, walls and hedges.

**THERE WAS A DISCUSSION OF RAISING THE PORTION OF THE REAR YARD WALL THAT ABUTS A COMMERCIAL PROPERTY TO 8’ DURING OUR 2023 REVISIONS TO THE FENCE CONSTRUCTION. THE COUNCIL AT THAT TIME HAD AGREED TO THIS REVISION. DOES THE COUNCIL WANT TO REVISIT THIS REAR YARD HEIGHT?**

At present, current COMMERCIAL fence heights are:

Maximum height to be 8’ around storage yards

Can be increased to 10’ for temporary or construction yards

**Motion:** Keeping front fence height at 4 feet, **Action:** Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.  
**Motion Passed 5-1**

**E.5 Discussion and/or Action [Jim Halterman]:** Approval to extend the rental of a Caterpillar 623 Scraper for the landfill.

**Motion:** Item E.5, **Action:** Open for Discussion and/or Action, moved by Johann Wallace, Seconded by Christy Hirshberg.

**Jim Halterman:** We need to extend the rental because there were more issues found with our scraper that need to be repaired before we can use it.

**Mayor Wallace:** What is the estimated timeframe for these repairs?

**Jim Halterman:** It should be done within a week, but just in case we want the extension for a month. We can return it early if we don’t need it and not be charged for the entire time.

**Motion:** Approve extending the rental for another month, **Action:** Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.  
**Motion passed unanimously.**

**E.6 Discussion and/or Action [Mayor Wallace]:** Approval of the purchase of Microsoft Office Applications, Security Software, and Device management tools, not to exceed 35k per year; replacing the existing annual subscription while providing enhanced features, greater security for our endpoints and mobile devices as well as additional productivity tools for Town staff.

**Motion:** Item E.6, **Action:** Open for Discussion and/or Action, **moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Mayor Wallace advises that this has better security and features than what we currently use.

**Motion: Approval of the purchase of Microsoft Office Applications, Security Software, and Device management tools, not to exceed 35k per year , Action: Approve, moved by Johann Wallace, Seconded by Christy Hirshberg.**

**Motion Passed unanimously**

## **F. Reports of Current Events by Council**

**Councilmember Butterworth-** Food Distribution tomorrow. The Community Garden was on KGUN 9 news.

**Mayor Wallace-** Movies in the park soon. Tuesday went to Good Morning Sierra Vista at Cochise College and spoke about the Community Garden. Upcoming holidays. Many Arpa projects ongoing. May have a work session about the landfill rate increase for big haulers due to Waste Disposal's complaint.

**Councilmember Ferro-** No report

**Councilmember Cardella-** No report

**Councilmember Trate-**

**Mayor Pro Tem Hirshberg-** Hispanic Chamber mixer on the 20<sup>th</sup>. Lions Club will have commodities.

## **G. Adjournment**

**Motion:** To Adjourn, **Action:** Adjourn, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

Approved by Mayor Johann R. Wallace on September 26, 2024.

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Mr. Johann R. Wallace  
Mayor

Attest: \_\_\_\_\_  
Ms. Brandye Thorpe,  
Town Clerk

Seal:

## **Certification**

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on September 12, 2024. I further certify that the meeting was duly called and a quorum was present.

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Ms. Brandye Thorpe,  
Town Clerk

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Paid and unpaid invoices included.

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
<b>A T &amp; T</b>							
1415	A T & T	091924	Phone Service	09/19/2024	96.89	.00	10-43-271
Total A T & T:					96.89	.00	
<b>AFLAC</b>							
1030	AFLAC	187446	Supplemental Employee Insuranc	08/26/2024	1,575.68	1,575.68	10-22520
Total AFLAC:					1,575.68	1,575.68	
<b>Animal Care Equipment</b>							
1121	Animal Care Equipment	128587	Snake Tongs	09/16/2024	142.11	142.11	10-51-463
1121	Animal Care Equipment	128587	Snake and reptile bucket complet	09/16/2024	23.50	23.50	10-51-463
1121	Animal Care Equipment	128587	Humaniac Bag-a-snake bag & fra	09/16/2024	98.52	98.52	10-51-463
1121	Animal Care Equipment	128587	Versa nets adjustable multi-animal	09/16/2024	180.00	180.00	10-51-463
Total Animal Care Equipment:					444.13	444.13	
<b>Arizona Business Equipment</b>							
10455	Arizona Business Equipment	AR39528	Copy Machine Usage/Town Hall	09/01/2024	328.30	328.30	10-43-705
10455	Arizona Business Equipment	AR39528	Copy Machine Usage/Police Dept	09/01/2024	74.61	74.61	10-51-705
10455	Arizona Business Equipment	AR39528	Copy Machine Usage/Library	09/01/2024	57.20	57.20	10-62-705
Total Arizona Business Equipment:					460.11	460.11	
<b>Arizona Law Enforcement Radar Technology</b>							
1084	Arizona Law Enforcement Radar T	24-1132	2024 Radar Certifications	08/31/2024	2,067.12	2,067.12	10-51-620
Total Arizona Law Enforcement Radar Technology:					2,067.12	2,067.12	
<b>Arizona Municipal Risk Retention Pool</b>							
10403	Arizona Municipal Risk Retention	40000914-090	AZ Commercial Package and AZ	09/04/2024	1,000.00	1,000.00	10-43-280
10403	Arizona Municipal Risk Retention	40000914-090	AZ Commercial Package and AZ	09/04/2024	1,000.00	1,000.00	51-40-280
10403	Arizona Municipal Risk Retention	40000914-090	AZ Commercial Package and AZ	09/04/2024	1,000.00	1,000.00	52-40-280
10403	Arizona Municipal Risk Retention	40000914-090	AZ Commercial Package and AZ	09/04/2024	1,000.00	1,000.00	55-40-280
10403	Arizona Municipal Risk Retention	40000914-090	AZ Commercial Package and AZ	09/04/2024	1,000.00	1,000.00	65-40-280
Total Arizona Municipal Risk Retention Pool:					5,000.00	5,000.00	
<b>AZ Department of Corrections Labor</b>							
1315	AZ Department of Corrections Lab	D082367 2024	Labor AD	08/28/2024	26.54	26.54	10-43-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor AD	09/12/2024	27.98	27.98	10-43-366
1315	AZ Department of Corrections Lab	D082367 2024	Labor PD	08/28/2024	2.95	2.95	10-51-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor PD	09/12/2024	3.11	3.11	10-51-366
1315	AZ Department of Corrections Lab	D082367 2024	Labor PW	08/28/2024	14.75	14.75	10-57-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor PW	09/12/2024	15.56	15.56	10-57-366
1315	AZ Department of Corrections Lab	D082367 2024	Labor LB	08/28/2024	29.50	29.50	10-62-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor LB	09/12/2024	31.11	31.11	10-62-366
1315	AZ Department of Corrections Lab	D082367 2024	Labor Water	08/28/2024	66.38	66.38	51-40-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor Water	09/12/2024	70.01	70.01	51-40-366
1315	AZ Department of Corrections Lab	D082367 2024	Labor Sewer	08/28/2024	66.38	66.38	52-40-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor Sewer	09/12/2024	70.01	70.01	52-40-366

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
1315	AZ Department of Corrections Lab	D082367 2024	Labor LF	08/28/2024	88.50	88.50	55-40-366
1315	AZ Department of Corrections Lab	D084839 2024	Labor LF	09/12/2024	62.22	62.22	55-40-366
Total AZ Department of Corrections Labor:					575.00	575.00	
<b>AZ Department of Corrections Mileage</b>							
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- AD	09/04/2024	70.22	70.22	10-43-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- AD	09/23/2024	59.24	.00	10-43-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- PD	09/04/2024	7.81	7.81	10-51-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- PD	09/23/2024	6.58	.00	10-51-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- PW	09/04/2024	39.03	39.03	10-57-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- PW	09/23/2024	26.33	.00	10-57-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- LB	09/04/2024	78.01	78.01	10-62-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- LB	09/23/2024	131.66	.00	10-62-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- Water	09/04/2024	175.53	175.53	51-40-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- Water	09/23/2024	118.49	.00	51-40-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- Sewer	09/04/2024	175.53	175.53	52-40-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- Sewer	09/23/2024	118.49	.00	52-40-366
10743	AZ Department of Corrections Mil	D084836 2024	Mileage- LF	09/04/2024	156.03	156.03	55-40-366
10743	AZ Department of Corrections Mil	D084849 2024	Mileage- LF	09/23/2024	65.83	.00	55-40-366
Total AZ Department of Corrections Mileage:					1,228.78	702.16	
<b>AZ Department of Environmental Quality</b>							
10472	AZ Department of Environmental	0000412769X	LNF Landfill	08/31/2024	2,319.08	2,319.08	55-40-516
Total AZ Department of Environmental Quality:					2,319.08	2,319.08	
<b>Barnett's Towing L.L.C.</b>							
1495	Barnett's Towing L.L.C.	485535	DR240831-05 recovered stolen ve	08/31/2024	105.00	105.00	10-51-505
Total Barnett's Towing L.L.C.:					105.00	105.00	
<b>BDB Capital LLC</b>							
10671	BDB Capital LLC	092024	water deposit refund	09/20/2024	33.77	.00	51-21350
Total BDB Capital LLC:					33.77	.00	
<b>Caselle, Inc</b>							
1745	Caselle, Inc	135153	Contract Support and Maintenanc	09/01/2024	883.15	883.15	10-48-210
1745	Caselle, Inc	135153	Contract Support and Maintenanc	09/01/2024	49.06	49.06	51-40-480
1745	Caselle, Inc	135153	Contract Support and Maintenanc	09/01/2024	52.99	52.99	52-40-480
1745	Caselle, Inc	135153	Contract Support and Maintenanc	09/01/2024	62.80	62.80	55-40-483
Total Caselle, Inc:					1,048.00	1,048.00	
<b>CenturyLink</b>							
4280	CenturyLink	2648-9/7/24	Local Phone Service - Town Hall	09/07/2024	320.04	320.04	10-43-271
4280	CenturyLink	9728-9/7/24	Local Phone Service - Police Dept	09/07/2024	169.52	169.52	10-51-271
4280	CenturyLink	90501-9/7/24	Local Phone Service - Public Wor	09/07/2024	66.77	66.77	10-57-271
4280	CenturyLink	6652-9/7/24	Local Phone Service - Library	09/07/2024	88.00	88.00	10-62-271
Total CenturyLink:					644.33	644.33	
<b>Cintas Corporation No. 445</b>							
10067	Cintas Corporation No. 445	4205234976	Office Supplies	09/16/2024	54.58	54.58	10-43-460
10067	Cintas Corporation No. 445	4205953107	Office Supplies	09/23/2024	72.49	.00	10-43-460



Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
10067	Cintas Corporation No. 445	4204514361	Uniforms- PW	09/09/2024	5.56	5.56	10-57-410
10067	Cintas Corporation No. 445	4205234980	Uniforms- PW	09/16/2024	8.38	.00	10-57-410
10067	Cintas Corporation No. 445	4205952945	Uniforms- PW	09/23/2024	11.40	.00	10-57-410
10067	Cintas Corporation No. 445	4204514361	Uniforms- Water	09/09/2024	25.04	25.04	51-40-410
10067	Cintas Corporation No. 445	4205234980	Uniforms- Water	09/16/2024	37.72	.00	51-40-410
10067	Cintas Corporation No. 445	4205952945	Uniforms- Water	09/23/2024	51.26	.00	51-40-410
10067	Cintas Corporation No. 445	4204514361	Uniforms- Sewer	09/09/2024	25.04	25.04	52-40-410
10067	Cintas Corporation No. 445	4205234980	Uniforms- Sewer	09/16/2024	37.72	.00	52-40-410
10067	Cintas Corporation No. 445	4205952945	Uniforms- Sewer	09/23/2024	51.26	.00	52-40-410
10067	Cintas Corporation No. 445	4204514358	Landfill Supplies	09/09/2024	49.34	49.34	55-40-290
10067	Cintas Corporation No. 445	4205234944	Landfill Supplies	09/16/2024	13.27	13.27	55-40-290
10067	Cintas Corporation No. 445	4205952898	Landfill Supplies	09/23/2024	13.93	.00	55-40-290
10067	Cintas Corporation No. 445	4204514352	Uniforms- LF	09/09/2024	38.05	38.05	55-40-410
10067	Cintas Corporation No. 445	4204514358	Landfill Uniforms	09/09/2024	76.59	76.59	55-40-410
10067	Cintas Corporation No. 445	4204514361	Landfill Uniforms	09/09/2024	58.28	58.28	55-40-410
10067	Cintas Corporation No. 445	4205234944	Landfill Uniforms	09/16/2024	24.78	24.78	55-40-410
10067	Cintas Corporation No. 445	4205234976	Landfill Uniforms	09/16/2024	58.38	58.38	55-40-410
10067	Cintas Corporation No. 445	4205234980	Uniforms- LF	09/16/2024	30.10	.00	55-40-410
10067	Cintas Corporation No. 445	4205952898	Uniforms- LF	09/23/2024	24.12	.00	55-40-410
10067	Cintas Corporation No. 445	4205953107	Uniforms- LF	09/23/2024	76.94	.00	55-40-410
Total Cintas Corporation No. 445:					844.23	428.91	
<b>City of Sierra Vista</b>							
1702	City of Sierra Vista	5024	Fuel AD	09/09/2024	30.11	30.11	10-43-475
1702	City of Sierra Vista	5006	adding power source to MDC doc	09/03/2024	1,019.27	1,019.27	10-51-470
1702	City of Sierra Vista	5006	replace front tires and diagnose a	09/03/2024	1,019.28	1,019.28	10-51-470
1702	City of Sierra Vista	5030	tire repair or replacement - to be d	09/19/2024	642.82	.00	10-51-470
1702	City of Sierra Vista	5024	PD Fuel Charge	09/09/2024	1,251.12	1,251.12	10-51-475
1702	City of Sierra Vista	5024	Fuel HC	09/09/2024	223.38	223.38	10-65-475
1702	City of Sierra Vista	5024	Fuel	09/09/2024	1,126.06	1,126.06	65-40-475
Total City of Sierra Vista:					5,312.04	4,669.22	
<b>Cochise College Business Office</b>							
1793	Cochise College Business Office	25662	Pro-rated meals, Bryant Academy	09/16/2024	39.00	.00	10-51-660
Total Cochise College Business Office:					39.00	.00	
<b>Code Publishing, Inc.</b>							
1897	Code Publishing, Inc.	GCI0015500	Codification	10/20/2024	970.00	.00	10-43-703
Total Code Publishing, Inc.:					970.00	.00	
<b>COX Business</b>							
10695	COX Business	28301-090124	Internet Town Hall	09/01/2024	1,000.00	1,000.00	10-48-481
10695	COX Business	38601-0801	Library Internet-Erate	08/01/2024	200.00	200.00	10-62-481
10695	COX Business	38601-0901	Library Internet-Erate	09/01/2024	200.00	200.00	10-62-481
Total COX Business:					1,400.00	1,400.00	
<b>DE Lage Landen Financial Services</b>							
10476	DE Lage Landen Financial Servic	588435799	late fee	09/20/2024	4.34	.00	10-43-122
10476	DE Lage Landen Financial Servic	588435799	Copier Lease- Admin	09/20/2024	168.37	.00	10-43-840
10476	DE Lage Landen Financial Servic	588435799	Copier Lease- Police	09/20/2024	68.19	.00	10-51-705
10476	DE Lage Landen Financial Servic	588435799	Copier Lease- Library	09/20/2024	68.19	.00	10-62-705

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
Total DE Lage Landen Financial Services:					309.09	.00	
<b>Elite Sales and Service, LLC</b>							
2130	Elite Sales and Service, LLC	INV-46658	Estimate SO-2332, Trouble Shoot	09/24/2024	1,652.33	.00	52-40-470
Total Elite Sales and Service, LLC:					1,652.33	.00	
<b>Empire Southwest, LLC</b>							
2220	Empire Southwest, LLC	EMK3765427	pull oil sample and oil change	09/17/2024	805.83	805.83	55-40-610
2220	Empire Southwest, LLC	EMPS6507157	Replace Filters on the 816K Pack	09/16/2024	222.75	.00	55-40-610
2220	Empire Southwest, LLC	EMWK376435	Diagnose and repair D6	09/16/2024	3,945.07	.00	55-40-610
Total Empire Southwest, LLC:					4,973.65	805.83	
<b>Ferguson Enterprises #1001</b>							
2267	Ferguson Enterprises #1001	0269557	Restock Pollardwater PK4HHC1,	08/21/2024	596.61	596.61	51-40-460
2267	Ferguson Enterprises #1001	0270723	Through Pollardwater 5 Way for th	09/13/2024	428.46	.00	51-40-460
Total Ferguson Enterprises #1001:					1,025.07	596.61	
<b>HintonBurdick, PLLC</b>							
10335	HintonBurdick, PLLC	308153	Audit Service/Admin	08/31/2024	3,592.43	3,592.43	10-43-650
10335	HintonBurdick, PLLC	308153	Audit Service/Magistrate	08/31/2024	299.46	299.46	10-45-650
10335	HintonBurdick, PLLC	308153	Audit Service/Road Fund	08/31/2024	449.19	449.19	23-40-650
10335	HintonBurdick, PLLC	308153	Audit Service/Water	08/31/2024	2,694.06	2,694.06	51-40-650
10335	HintonBurdick, PLLC	308153	Audit Service/Sewer	08/31/2024	2,018.10	2,018.10	52-40-650
10335	HintonBurdick, PLLC	308153	Audit Service/Landfill	08/31/2024	1,796.76	1,796.76	55-40-650
Total HintonBurdick, PLLC:					10,850.00	10,850.00	
<b>Huachuca United Methodist Church</b>							
9579	Huachuca United Methodist Churc	9/13/24	Community Center Refund	09/13/2024	200.00	200.00	10-36-500
Total Huachuca United Methodist Church:					200.00	200.00	
<b>Josefina Sabori</b>							
10664	Josefina Sabori	176618	Hotel stay for Sabori for Critical T	09/18/2024	382.36	.00	10-51-660
Total Josefina Sabori:					382.36	.00	
<b>Joseph Schlosser</b>							
10603	Joseph Schlosser	092524	Per Diem for attending 2024 Conf	09/25/2024	112.00	112.00	23-40-660
Total Joseph Schlosser:					112.00	112.00	
<b>July</b>							
10728	July	0913244	Plan Admin Fees	07/05/2024	600.00	600.00	10-43-122
Total July:					600.00	600.00	
<b>Kelley J. Stampke</b>							
10792	Kelley J. Stampke	090624	Water Refund	09/06/2024	132.68	132.68	51-21350
10792	Kelley J. Stampke	090624	Sewer Refund	09/06/2024	63.46	63.46	52-21350
Total Kelley J. Stampke:					196.14	196.14	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
<b>Kyle Arnett</b>							
2757	Kyle Arnett	091124	Dinner for training	09/11/2024	80.00	80.00	10-51-660
2757	Kyle Arnett	091124	lunch x 4	09/11/2024	48.00	48.00	10-51-660
2757	Kyle Arnett	091124	breakfast x 4	09/11/2024	32.00	32.00	10-51-660
Total Kyle Arnett:					160.00	160.00	
<b>Legend Technical Services of Arizona Inc</b>							
10774	Legend Technical Services of Ariz	2414349	Drinking Water Sample	09/12/2024	54.00	54.00	51-40-510
10774	Legend Technical Services of Ariz	2414416	Drinking Water Sample	09/12/2024	54.00	54.00	51-40-510
10774	Legend Technical Services of Ariz	2414849	GW Monitoring	09/19/2024	127.00	.00	51-40-510
Total Legend Technical Services of Arizona Inc:					235.00	108.00	
<b>Luis A. Gudino</b>							
10795	Luis A. Gudino	9/9/24	Water Refund	09/12/2024	8.31	8.31	51-21350
10795	Luis A. Gudino	9/9/24	Sewer Refund	09/12/2024	25.00	25.00	52-21350
Total Luis A. Gudino:					33.31	33.31	
<b>McCoy's Septic Pumping Service</b>							
10230	McCoy's Septic Pumping Service	6367	Pump Landfill Septic Tank	09/13/2024	190.00	190.00	55-40-360
Total McCoy's Septic Pumping Service:					190.00	190.00	
<b>Mobile Beacon</b>							
10242	Mobile Beacon	A-037108-2024	Renewal of 14 hotspot service pla	09/10/2024	1,680.00	1,680.00	10-69-806
Total Mobile Beacon:					1,680.00	1,680.00	
<b>Progressive Roofing</b>							
9909	Progressive Roofing	460	Refund overpymt landfill	09/10/2024	2,741.73	2,741.73	55-30-200
Total Progressive Roofing:					2,741.73	2,741.73	
<b>Public Safety Cancer Insurance Policy</b>							
10545	Public Safety Cancer Insurance P	538135	Public Safety Cancer Insurance P	08/31/2024	200.00	.00	10-51-130
Total Public Safety Cancer Insurance Policy:					200.00	.00	
<b>Quest Diagnostics</b>							
1070	Quest Diagnostics	9211241835	New Hire Drug Test	08/27/2024	37.30	37.30	10-43-102
Total Quest Diagnostics:					37.30	37.30	
<b>Rapid Towing &amp; Recovery</b>							
10027	Rapid Towing & Recovery	24-0405-7995	Impound for smuggling case DR 2	09/05/2024	256.45	256.45	10-51-505
Total Rapid Towing & Recovery:					256.45	256.45	
<b>Ruben A. Villa</b>							
4360	Ruben A. Villa	H-022-091524	Consulting Services- Admin	09/15/2024	869.13	869.13	10-43-360
4360	Ruben A. Villa	H-022-091524	Consulting Services- Magistrate	09/15/2024	72.45	72.45	10-45-650
4360	Ruben A. Villa	H-022-091524	Consulting Services- Road User	09/15/2024	108.68	108.68	23-40-650
4360	Ruben A. Villa	H-022-091524	Consulting Services- Water	09/15/2024	651.79	651.79	51-40-650
4360	Ruben A. Villa	H-022-091524	Consulting Services- Sewer	09/15/2024	488.25	488.25	52-40-650
4360	Ruben A. Villa	H-022-091524	Consulting Services- Landfill	09/15/2024	434.70	434.70	55-40-650

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
Total Ruben A. Villa:					2,625.00	2,625.00	
<b>S.S.V.E.C</b>							
3920	S.S.V.E.C	090424	Electricity- City Hall	09/04/2024	770.62	770.62	10-43-340
3920	S.S.V.E.C	090424	Electricity- Sign Meter	09/04/2024	70.64	70.64	10-43-340
3920	S.S.V.E.C	090424	Electricity- Fire	09/04/2024	663.63	663.63	10-53-340
3920	S.S.V.E.C	090424	Electricity- Pool	09/04/2024	384.31	384.31	10-58-340
3920	S.S.V.E.C	090424	Electricity- Comm. Center	09/04/2024	108.49	108.49	10-60-340
3920	S.S.V.E.C	090424	Electricity- Tennis Courts	09/04/2024	38.78	38.78	10-60-340
3920	S.S.V.E.C	090424	Electricity- Keeline Park	09/04/2024	38.78	38.78	10-60-340
3920	S.S.V.E.C	090424	Electricity- Keeline Park Skyline	09/04/2024	49.48	49.48	10-60-340
3920	S.S.V.E.C	090424	Electricity- Library	09/04/2024	500.81	500.81	10-62-340
3920	S.S.V.E.C	090424	Electricity- Senior Center	09/04/2024	181.41	181.41	10-68-340
3920	S.S.V.E.C	090424	Electricity- Streelight	09/04/2024	2,169.31	2,169.31	23-40-340
3920	S.S.V.E.C	090424	Electricity- Well Gila	09/04/2024	555.94	555.94	51-40-340
3920	S.S.V.E.C	090424	Electricity- Skyline Well	09/04/2024	754.20	754.20	51-40-340
3920	S.S.V.E.C	090424	Electricity- Well Howard	09/04/2024	925.76	925.76	51-40-340
3920	S.S.V.E.C	090424	Electricity- Well at Cochise	09/04/2024	726.83	726.83	51-40-340
3920	S.S.V.E.C	090424	Electricity- Hunt Rd	09/04/2024	239.65	239.65	52-40-340
3920	S.S.V.E.C	090424	Electricity- Scales at Landfill	09/04/2024	67.22	67.22	55-40-340
3920	S.S.V.E.C	090424	Electricity- Landfill	09/04/2024	842.40	842.40	55-40-340
Total S.S.V.E.C:					9,088.26	9,088.26	
<b>Senergy Petroleum LLC</b>							
10215	Senergy Petroleum LLC	SEN-872118	DYED-ULSD #2	08/13/2024	2,132.41	.00	55-40-476
Total Senergy Petroleum LLC:					2,132.41	.00	
<b>Sierra Vista Fry Fire District</b>							
10600	Sierra Vista Fry Fire District	2025-007	Equipment	09/13/2024	632.64	632.64	10-53-450
10600	Sierra Vista Fry Fire District	2025-007	Vehicle Expense	09/13/2024	275.84	275.84	10-53-470
Total Sierra Vista Fry Fire District:					908.48	908.48	
<b>Terminix Processing Center</b>							
10459	Terminix Processing Center	917382	Rat Bait Boxes- Town Hall	08/26/2024	10.00	10.00	10-43-462
10459	Terminix Processing Center	917383	Pest Control- Town Hall	08/26/2024	29.00	29.00	10-43-462
10459	Terminix Processing Center	917382	Rat Bait Boxes- Police	08/26/2024	10.00	10.00	10-51-462
10459	Terminix Processing Center	917383	Pest Control- Police	08/26/2024	29.00	29.00	10-51-462
10459	Terminix Processing Center	917382	Rat Bait Boxes- Fire	08/26/2024	10.00	10.00	10-53-462
10459	Terminix Processing Center	917383	Pest Control- Fire	08/26/2024	29.00	29.00	10-53-462
10459	Terminix Processing Center	917382	Rat Bait Boxes- Library	08/26/2024	10.00	10.00	10-62-462
10459	Terminix Processing Center	917383	Pest Control- Library	08/26/2024	29.00	29.00	10-62-462
10459	Terminix Processing Center	917382	Rat Bait Boxes- Senior Center	08/26/2024	10.00	10.00	10-68-462
10459	Terminix Processing Center	917383	Pest Control- Senior Center	08/26/2024	29.00	29.00	10-68-462
Total Terminix Processing Center:					195.00	195.00	
<b>Tierra Water Management</b>							
10566	Tierra Water Management	1417	Operator of Record	09/02/2024	500.00	500.00	51-40-650
10566	Tierra Water Management	1417	Operator of Record	09/02/2024	1,000.00	1,000.00	52-40-650
Total Tierra Water Management:					1,500.00	1,500.00	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
<b>Verizon Wireless</b>							
4343	Verizon Wireless	9973269471	cell phones	09/07/2024	2,959.95	2,959.95	10-48-275
Total Verizon Wireless:					2,959.95	2,959.95	
<b>Waste Management of AZ</b>							
10207	Waste Management of AZ	0054408-1571-	Trash Service	09/04/2024	14,377.87	14,377.87	54-40-360
Total Waste Management of AZ:					14,377.87	14,377.87	
<b>Wells Fargo Remittance Center</b>							
4377	Wells Fargo Remittance Center	081324	Finance Charges	08/13/2024	325.24	325.24	10-43-122
4377	Wells Fargo Remittance Center	081324	Office Supplies	08/13/2024	459.06	459.06	10-43-290
4377	Wells Fargo Remittance Center	081324	Cochise Lock	08/13/2024	5.02	5.02	10-43-460
4377	Wells Fargo Remittance Center	081324	two Safariland pistol Holster	08/13/2024	420.36	420.36	10-51-466
4377	Wells Fargo Remittance Center	081324	Vehicle Expense	08/13/2024	8.64	8.64	10-51-470
4377	Wells Fargo Remittance Center	081324	Lowes	08/13/2024	145.32	145.32	10-57-460
4377	Wells Fargo Remittance Center	081324	Vehicle Maint	08/13/2024	58.60	58.60	10-57-470
4377	Wells Fargo Remittance Center	081324	Home depot pre mix stucco for Ac	08/13/2024	202.86	202.86	10-57-500
4377	Wells Fargo Remittance Center	081324	Care Closet Paint	08/13/2024	439.42	439.42	10-57-500
4377	Wells Fargo Remittance Center	081324	Bldg Supply	08/13/2024	252.23	252.23	10-57-500
4377	Wells Fargo Remittance Center	081324	Ace Hardware	08/13/2024	26.03	26.03	10-58-460
4377	Wells Fargo Remittance Center	081324	Ace Hardware	08/13/2024	97.68	97.68	10-60-460
4377	Wells Fargo Remittance Center	081324	Library Supplies	08/13/2024	42.81	42.81	10-68-290
4377	Wells Fargo Remittance Center	081324	Supplies	08/13/2024	311.56	311.56	10-69-808
4377	Wells Fargo Remittance Center	081324	Replace 14 bolts, nuts and seven	08/13/2024	755.99	755.99	23-40-610
4377	Wells Fargo Remittance Center	081324	Commercial Ice Maker	08/13/2024	1,138.15	1,138.15	29-40-840
4377	Wells Fargo Remittance Center	081324	Amazon	08/13/2024	42.93	42.93	51-40-460
4377	Wells Fargo Remittance Center	081324	Purchase 3" Vacuum Hose from B	08/13/2024	236.18	236.18	51-40-610
4377	Wells Fargo Remittance Center	081324	D&M	08/13/2024	20.00	20.00	51-40-610
4377	Wells Fargo Remittance Center	081324	Ice for coolers for 4 days	08/13/2024	25.37	25.37	55-40-290
4377	Wells Fargo Remittance Center	081324	Porta Pot	08/13/2024	63.00	63.00	55-40-340
4377	Wells Fargo Remittance Center	081324	Safety	08/13/2024	89.87	89.87	55-40-350
4377	Wells Fargo Remittance Center	081324	Amazon, Avalon A7BOTTLELESS	08/13/2024	249.54	249.54	55-40-460
4377	Wells Fargo Remittance Center	081324	Supply	08/13/2024	103.01	103.01	55-40-460
4377	Wells Fargo Remittance Center	081324	Napa	08/13/2024	65.06	65.06	55-40-610
4377	Wells Fargo Remittance Center	081324	travel and training	08/13/2024	35.00	35.00	65-40-660
4377	Wells Fargo Remittance Center	081324	Supplies	08/13/2024	1,656.55	1,656.55	87-40-100
Total Wells Fargo Remittance Center:					7,275.48	7,275.48	
<b>WEX BANK</b>							
10401	WEX BANK	99647702	Fuel AD	09/15/2024	11.45	11.45	10-43-475
10401	WEX BANK	99647702	Unassigned	09/15/2024	16.74	16.74	10-43-475
10401	WEX BANK	99647702	Fuel- PD	09/15/2024	118.68	118.68	10-51-475
10401	WEX BANK	99647702	Fuel- FD	09/15/2024	11.45	11.45	10-53-475
10401	WEX BANK	99647702	Fuel- PW	09/15/2024	101.58	101.58	10-57-475
10401	WEX BANK	99647702	Fuel- LB	09/15/2024	7.45	7.45	10-62-476
10401	WEX BANK	99647702	Fuel Bus	09/15/2024	9.45	9.45	10-65-475
10401	WEX BANK	99647702	Fuel- Water	09/15/2024	149.65	149.65	51-40-475
10401	WEX BANK	99647702	Fuel- Sewer	09/15/2024	245.78	245.78	52-40-475
10401	WEX BANK	99647702	Fuel- LF	09/15/2024	375.02	375.02	55-40-475
10401	WEX BANK	99647702	Fuel- Ft. Hc	09/15/2024	9.45	9.45	65-40-475
Total WEX BANK:					1,056.70	1,056.70	

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	GL Account Number
<b>Wist Office Products</b>							
4169	Wist Office Products	2478329	Lysol Disinfectant Spray	09/20/2024	250.84	.00	10-69-806
4169	Wist Office Products	2478329	Sani-cloth disposable wipes	09/20/2024	216.88	.00	10-69-806
4169	Wist Office Products	2478329	Zep All Purpose Cleaner	09/20/2024	106.32	.00	10-69-806
4169	Wist Office Products	2478329	Paper towels	09/20/2024	53.06	.00	10-69-806
4169	Wist Office Products	2478329	Hand Sanitizer	09/20/2024	50.42	.00	10-69-806
4169	Wist Office Products	2478329	Air Purifier	09/20/2024	288.90	.00	10-69-806
4169	Wist Office Products	2478329	Face masks	09/20/2024	78.28	.00	10-69-806
4169	Wist Office Products	2478330	Book planner	09/20/2024	22.49	.00	10-69-806
4169	Wist Office Products	2478330	Disposable aprons	09/20/2024	81.28	.00	10-69-806
4169	Wist Office Products	2478330	Face masks	09/20/2024	133.06	.00	10-69-806
4169	Wist Office Products	2478330	Disposable gloves	09/20/2024	246.25	.00	10-69-806
4169	Wist Office Products	2478330	Trash Bags	09/20/2024	56.86	.00	10-69-806
4169	Wist Office Products	2475296	Staple's, Heavy Duty Stapler, Roll	09/11/2024	88.87	88.87	51-40-290
4169	Wist Office Products	2475836	Staple's, Heavy Duty Stapler, Roll	09/13/2024	78.10	78.10	51-40-290
4169	Wist Office Products	2475294	Trash Bags, Toilet Cleaner, Fresh	09/11/2024	294.54	294.54	55-40-290
4169	Wist Office Products	2475835	Trash Bags, Toilet Cleaner, Fresh	09/13/2024	52.07	52.07	55-40-290
Total Wist Office Products:					2,098.22	513.58	
Grand Totals:					94,214.96	80,506.43	

Dated: \_\_\_\_\_

Mayor: \_\_\_\_\_

City Council: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Recorder: \_\_\_\_\_

Report Criteria:

Detail report.

Invoices with totals above \$0.00 included.

Paid and unpaid invoices included.



- C.1 Consider approval of the Minutes of the Regular Council meeting held on September 12, 2024.
- C.2 Consider approval of the Payment Approval Report.

**D. Unfinished Business before the Council – Mayor**

*Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.*

**E. New Business Before Council - Mayor**

*Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen who wishes may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.*

**E.1 Discussion and/or Action [Spencer Forsberg]: Mr. Forsberg will present the Town’s Financials for the month of July.**

**E.2 Discussion and/or Action [Jennifer Frank]: Ms. Frank will present the fiscal year 2023 audit report. This is a statutorily required review of the Town’s financial activity for the past fiscal year. All revenues and expenses may be discussed. The Council will be asked to approve the report.**

**E.3 Discussion and/or Action [Suzanne Harvey]: Approval of a new fee schedule for disposal services at the Landfill.**

**E.4 Discussion and/or Action [Suzanne Harvey]: Approval of an amendment to the Intergovernmental Support Agreement “IGSA” with the Ft. Huachuca Army Garrison to incorporate landfill disposal services within the solid waste services IGSA.**

**E.5 Discussion and/or Action [Chief Berry]: Approval to begin the process of updating the Police Department’s fee schedule, including fees for obtaining copies of public records.**

**E.6 Discussion and/or Action [Suzanne Harvey]: Approval to trade in the old Front-End Loader vehicle.**

**E.7 Discussion and/or Action [Chief Berry]: Approval of a municipal lease purchase option agreement [Agreement # 2014] for a new police vehicle [2024 Chevy Tahoe], and authorizing the Town Manager to execute and deliver the agreement and all other documents required to close and finance the transaction.**

**E.8 Discussion and/or Action [Suzanne Harvey]: Annexation update – the Council will discuss the process for moving forward to pursue annexation projects north and south of the current Town limits. The Council might direct staff to schedule a work session meeting to further evaluate potential annexation projects and the necessary procedures therefor.**

E.9 Discussion and/or Action [Mayor Wallace]: PROCLAMATION NO. 2024-15: A PROCLAMATION OF THE MAYOR, DECLARING OCTOBER 6 THROUGH 12, 2024, AS “FIRE PREVENTION WEEK” IN THE TOWN OF HUACHUCA CITY.

E.10 Discussion and/or Action [Mayor Wallace]: PROCLAMATION NO. 2024-16: A PROCLAMATION OF THE MAYOR DECLARING OCTOBER, 2024, AS “DOMESTIC VIOLENCE AWARENESS MONTH” IN THE TOWN OF HUACHUCA CITY.

E.11 Discussion and/or Action [Mayor Wallace]: PROCLAMATION NO. 2024-17: A PROCLAMATION OF THE MAYOR DECLARING THE MONTH OF OCTOBER, 2024, AS “HISPANIC HERITAGE MONTH” IN THE TOWN OF HUACHUCA CITY.

**F. Reports of Current Events by Council**

**G. Adjournment**

Posted at 5:00 PM on September \_\_, 2024, at the following locations:

<p><b>Town Hall Bulletin Board</b> 500 N. Gonzales Blvd. Huachuca City, AZ 85616</p>	<p><b>Town Hall Lobby</b> 500 N. Gonzales Blvd. Huachuca City, AZ 85616</p>	<p><b>Town Website</b> <a href="https://huachucacityaz.gov">https://huachucacityaz.gov</a></p>
<p><b>Huachuca City U.S. Post Office</b> 690 N. Gonzales Blvd. Huachuca City, AZ 85616</p>	<p><b>Huachuca City Library</b> 506 N. Gonzales Blvd. Huachuca City, AZ 85616</p>	<p><b>Huachuca City Police Department</b> 500 N. Gonzales Blvd. Huachuca City, AZ 85616</p>

*Ms. Brandye Thorpe*  
Town Clerk

Note: This meeting is open to the public. All interested people are welcome to attend. A copy of agenda background material provided to the Councilmembers, with the exception of confidential material relating to possible executive sessions, is available for public inspection at the Town Clerk’s Office, 500 N. Gonzales Blvd., Huachuca City, AZ 85616, Monday through Friday from 8:00 a.m. to 5:00 p.m. or online at [www.huachucacityaz.gov](http://www.huachucacityaz.gov)

Individuals with disabilities who need a reasonable accommodation to attend or communicate at a town meeting, or who require this information in alternate format, may contact the Town at 456-1354 (TTY 456-1353) to make their needs known. Requests should be made as early as possible so there is sufficient time to respond.

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TAXES</u>					
10-31-100 AUTO LIEU TAX	8,124.81	8,124.81	102,251.00	94,126.19	8.0
10-31-200 REAL PROPERTY TAXES	4,119.73	4,119.73	113,684.00	109,564.27	3.6
10-31-240 FRANCHISE TAXES	2,058.27	2,058.27	20,000.00	17,941.73	10.3
10-31-250 CITY SALES TAXES	44,353.06	44,353.06	402,903.00	358,549.94	11.0
10-31-260 STATE SALES TAXES	15,865.75	15,865.75	241,796.00	225,930.25	6.6
<b>TOTAL TAXES</b>	<b>74,521.62</b>	<b>74,521.62</b>	<b>880,634.00</b>	<b>806,112.38</b>	<b>8.5</b>
<u>LICENSES AND PERMITS</u>					
10-32-100 BUILDING PERMITS	6,111.13	6,111.13	16,500.00	10,388.87	37.0
10-32-110 BUSINESS LICENSES	37.50	37.50	7,500.00	7,462.50	.5
10-32-120 P&Z FEES	1,800.00	1,800.00	2,500.00	700.00	72.0
<b>TOTAL LICENSES AND PERMITS</b>	<b>7,948.63</b>	<b>7,948.63</b>	<b>26,500.00</b>	<b>18,551.37</b>	<b>30.0</b>
<u>INTERGOVERNMENTAL REVENUE</u>					
10-33-100 STATE REVENUE SHARING	28,363.72	28,363.72	340,349.00	311,985.28	8.3
<b>TOTAL INTERGOVERNMENTAL REVENUE</b>	<b>28,363.72</b>	<b>28,363.72</b>	<b>340,349.00</b>	<b>311,985.28</b>	<b>8.3</b>
<u>CHARGES FOR SERVICE</u>					
10-34-140 AUCTION PROCEEDS	.00	.00	16,500.00	16,500.00	.0
10-34-160 ANIMAL CONTROL FEES/FINES	72.00	72.00	700.00	628.00	10.3
10-34-170 ADMIN GARBAGE FEES	1,328.00	1,328.00	16,000.00	14,672.00	8.3
10-34-530 CITY BUS FEES/DONATIONS	.00	.00	1,050.00	1,050.00	.0
<b>TOTAL CHARGES FOR SERVICE</b>	<b>1,400.00</b>	<b>1,400.00</b>	<b>34,250.00</b>	<b>32,850.00</b>	<b>4.1</b>
<u>FINES</u>					
10-35-100 POLICE FINES	4,409.41	4,409.41	83,000.00	78,590.59	5.3
10-35-110 IMPOUND FEES	120.00	120.00	5,000.00	4,880.00	2.4
10-35-112 TOWING FEES	167.60	167.60	2,000.00	1,832.40	8.4
10-35-120 LIBRARY FEES & FINES	77.00	77.00	4,500.00	4,423.00	1.7
10-35-125 IMPOUND ADMIN FEES	150.00	150.00	1,500.00	1,350.00	10.0
<b>TOTAL FINES</b>	<b>4,924.01</b>	<b>4,924.01</b>	<b>96,000.00</b>	<b>91,075.99</b>	<b>5.1</b>

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>MISCELLANEOUS REVENUE</u>					
10-36-100 INTEREST	11,383.69	11,383.69	115,200.00	103,816.31	9.9
10-36-200 UNREALIZED GAIN	( 6,606.13)	( 6,606.13)	.00	6,606.13	.0
10-36-300 MISC. POLICE REVENUE	1.49	1.49	9,000.00	8,998.51	.0
10-36-400 SALE OF FIXED ASSETS	.00	.00	10,000.00	10,000.00	.0
10-36-500 PARKS & REC FACILITY RENTAL	.00	.00	2,500.00	2,500.00	.0
10-36-515 SUMMER SPLASH REVENUE	.00	.00	2,500.00	2,500.00	.0
10-36-900 MISCELLANEOUS	56.77	56.77	20,000.00	19,943.23	.3
10-36-902 WORKERS' COMP REIMBURSEMENTS	.00	.00	1,000.00	1,000.00	.0
10-36-904 WILDLAND REVENUE	.00	.00	3,000.00	3,000.00	.0
10-36-905 INSURANCE CLAIMS REFUNDS	.00	.00	25,000.00	25,000.00	.0
10-36-910 LANDFILL LAND LEASE	58,500.00	58,500.00	702,000.00	643,500.00	8.3
10-36-971 TOWER LEASE	.00	.00	12,596.00	12,596.00	.0
10-36-999 DAILY CASH REC OVER/SHORT ACCT	.00	.00	100.00	100.00	.0
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>63,335.82</b>	<b>63,335.82</b>	<b>902,896.00</b>	<b>839,560.18</b>	<b>7.0</b>
<u>TOWN GRANTS</u>					
10-37-165 DONATIONS - ANIMAL CONTROL	.00	.00	1,000.00	1,000.00	.0
10-37-456 DONATIONS - LIBRARY	.00	.00	3,000.00	3,000.00	.0
10-37-457 LIBRARY GRANT	.00	.00	50,000.00	50,000.00	.0
10-37-458 SENIOR CENTER GRANT	.00	.00	25,000.00	25,000.00	.0
10-37-459 SUMMER SPLASH DONATION	1,000.00	1,000.00	5,000.00	4,000.00	20.0
10-37-467 POLICE DONATIONS	.00	.00	5,000.00	5,000.00	.0
10-37-480 SUMMER SPLASH GRANT	2,650.00	2,650.00	5,000.00	2,350.00	53.0
10-37-908 GRANTS - IT	.00	.00	15,000.00	15,000.00	.0
10-37-909 BUILDING REGULATION GRANT	.00	.00	10,000.00	10,000.00	.0
10-37-913 USDA EQUIPMENT GRANT	.00	.00	60,000.00	60,000.00	.0
10-37-919 CITY BUS GRANT	.00	.00	100,000.00	100,000.00	.0
10-37-920 GENERAL ADMIN GRANT	.00	.00	50,000.00	50,000.00	.0
10-37-921 POLICE GRANT	.00	.00	180,000.00	180,000.00	.0
10-37-922 SRO PROGRAM REIMBURSEMENTS	4,382.60	4,382.60	74,844.00	70,461.40	5.9
10-37-925 MISC GRANTS	.00	.00	150,000.00	150,000.00	.0
10-37-963 E-RATE	.00	.00	25,000.00	25,000.00	.0
10-37-965 SCBA GRANT	.00	.00	200,000.00	200,000.00	.0
10-37-968 PUBLIC WORKS GRANT	.00	.00	20,000.00	20,000.00	.0
10-37-969 COURT GRANT	.00	.00	10,000.00	10,000.00	.0
10-37-971 COMMUNITY EVENTS DONATIONS	.00	.00	2,000.00	2,000.00	.0
<b>TOTAL TOWN GRANTS</b>	<b>8,032.60</b>	<b>8,032.60</b>	<b>990,844.00</b>	<b>982,811.40</b>	<b>.8</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>CONTRIBUTIONS AND TRANSFERS</u>					
10-39-965 TRANSFERS IN-TRANSIT SERVICES	1,799.17	1,799.17	21,590.00	19,790.83	8.3
10-39-966 TRANSFERS IN-FT HUACHUCA CONTR	4,166.67	4,166.67	50,000.00	45,833.33	8.3
10-39-998 TRANSFERS IN FROM FUND BALANCE	5,398.17	5,398.17	64,778.00	59,379.83	8.3
<b>TOTAL CONTRIBUTIONS AND TRANSFERS</b>	<b>11,364.01</b>	<b>11,364.01</b>	<b>136,368.00</b>	<b>125,003.99</b>	<b>8.3</b>
<b>TOTAL FUND REVENUE</b>	<b>199,890.41</b>	<b>199,890.41</b>	<b>3,407,841.00</b>	<b>3,207,950.59</b>	<b>5.9</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COUNCIL</u>					
10-42-100 PERSONNEL SERVICES	750.00	750.00	14,400.00	13,650.00	5.2
10-42-130 EMPLOYEE BENEFITS	58.93	58.93	1,133.00	1,074.07	5.2
10-42-220 ATTORNEY FEES	2,250.50	2,250.50	45,000.00	42,749.50	5.0
10-42-290 OFFICE SUPPLIES	.00	.00	800.00	800.00	.0
10-42-292 EMPLOYEE APPRECIATION/RECOGNIT	.00	.00	2,000.00	2,000.00	.0
10-42-530 COMMUNITY RELATIONS	.00	.00	1,000.00	1,000.00	.0
10-42-640 MEMBERSHIPS	1,606.00	1,606.00	10,000.00	8,394.00	16.1
10-42-660 TRAVEL AND TRAINING	.00	.00	3,500.00	3,500.00	.0
<b>TOTAL COUNCIL</b>	<b>4,665.43</b>	<b>4,665.43</b>	<b>77,833.00</b>	<b>73,167.57</b>	<b>6.0</b>
<u>GENERAL ADMINISTRATION</u>					
10-43-100 PERSONNEL SERVICES	8,932.82	8,932.82	147,581.00	138,648.18	6.1
10-43-105 OVERTIME	80.39	80.39	1,158.00	1,077.61	6.9
10-43-122 MISCELLANEOUS	81.34	81.34	600.00	518.66	13.6
10-43-130 EMPLOYEE BENEFITS	1,362.12	1,362.12	26,778.00	25,415.88	5.1
10-43-250 ADVERTISING	.00	.00	4,800.00	4,800.00	.0
10-43-271 TELEPHONE	332.98	332.98	5,000.00	4,667.02	6.7
10-43-280 INSURANCE	1,038.95	1,038.95	18,200.00	17,161.05	5.7
10-43-300 PRINTING	.00	.00	400.00	400.00	.0
10-43-340 UTILITIES	972.20	972.20	13,000.00	12,027.80	7.5
10-43-366 INMATE LABOR	175.59	175.59	2,100.00	1,924.41	8.4
10-43-440 POSTAGE	.00	.00	1,000.00	1,000.00	.0
10-43-460 SUPPLIES	.00	.00	6,500.00	6,500.00	.0
10-43-462 PEST CONTROL	.00	.00	650.00	650.00	.0
10-43-465 EMPLOYMENT TESTING/BACKGROUND	.00	.00	1,300.00	1,300.00	.0
10-43-470 VEHICLE EXPENSE	.00	.00	600.00	600.00	.0
10-43-475 FUEL EXPENSE	36.45	36.45	500.00	463.55	7.3
10-43-610 EQUIPMENT MAINTENANCE	.00	.00	100.00	100.00	.0
10-43-640 MEMBERSHIP	250.00	250.00	1,300.00	1,050.00	19.2
10-43-650 PROFESSIONAL SERVICES	2,890.00	2,890.00	60,000.00	57,110.00	4.8
10-43-660 TRAVEL AND TRAINING	.00	.00	4,500.00	4,500.00	.0
10-43-690 ELECTION SUPPLIES	.00	.00	3,000.00	3,000.00	.0
10-43-703 CODIFYING/DIGITIZING	.00	.00	3,000.00	3,000.00	.0
10-43-705 DEBT:CAP LEASE EXP (830 AZ ST)	28,168.90	28,168.90	34,100.00	5,931.10	82.6
10-43-840 CAPITAL OUTLAY - EQUIPMENT	168.37	168.37	3,000.00	2,831.63	5.6
<b>TOTAL GENERAL ADMINISTRATION</b>	<b>44,490.11</b>	<b>44,490.11</b>	<b>339,167.00</b>	<b>294,676.89</b>	<b>13.1</b>



TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>MAGISTRATE</u>					
10-45-100 PERSONNEL SERVICES	3,901.91	3,901.91	65,568.00	61,666.09	6.0
10-45-105 OVERTIME	.00	.00	1,019.00	1,019.00	.0
10-45-120 PROSECUTION FEES	1,005.00	1,005.00	12,000.00	10,995.00	8.4
10-45-130 EMPLOYEE BENEFITS	807.37	807.37	13,843.00	13,035.63	5.8
10-45-221 COURT APPT ATTORNEYS	.00	.00	9,000.00	9,000.00	.0
10-45-250 CONTRACT LABOR-PRO TEM	150.00	150.00	1,500.00	1,350.00	10.0
10-45-290 OFFICE SUPPLIES	.00	.00	200.00	200.00	.0
10-45-480 COMPUTER EXPENSE	.00	.00	2,500.00	2,500.00	.0
10-45-650 PROFESSIONAL SERVICES	255.00	255.00	5,000.00	4,745.00	5.1
10-45-660 TRAVEL/TRAINING	.00	.00	1,000.00	1,000.00	.0
TOTAL MAGISTRATE	6,119.28	6,119.28	111,630.00	105,510.72	5.5
<u>IT</u>					
10-48-100 PERSONNEL SERVICES	.00	.00	5,760.00	5,760.00	.0
10-48-101 CONTRACT LABOR	.00	.00	7,000.00	7,000.00	.0
10-48-130 EMPLOYEE BENEFITS	.00	.00	453.00	453.00	.0
10-48-210 SUBSCRIPTIONS & SOFTWARE LIC	1,018.00	1,018.00	45,000.00	43,982.00	2.3
10-48-275 CELL PHONE	1,603.50	1,603.50	20,000.00	18,396.50	8.0
10-48-450 EQUIPMENT	.00	.00	7,500.00	7,500.00	.0
10-48-481 INTERNET	2,000.00	2,000.00	11,000.00	9,000.00	18.2
10-48-804 SOFTWARE LICENSING	.00	.00	1,500.00	1,500.00	.0
TOTAL IT	4,621.50	4,621.50	98,213.00	93,591.50	4.7

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>POLICE</u>					
10-51-100 PERSONNEL SERVICES	27,026.11	27,026.11	412,789.00	385,762.89	6.6
10-51-105 OVERTIME	454.29	454.29	15,444.00	14,989.71	2.9
10-51-110 UNIFORM ALLOWANCE	300.00	300.00	6,000.00	5,700.00	5.0
10-51-130 EMPLOYEE BENEFITS	5,318.02	5,318.02	122,179.00	116,860.98	4.4
10-51-135 PUBLIC SAFETY RETIREMENT	5,060.16	5,060.16	136,441.00	131,380.84	3.7
10-51-222 SEACOM/CCSO CONTRACT	.00	.00	81,950.00	81,950.00	.0
10-51-230 PROFESSIONAL SERVICES	.00	.00	1,600.00	1,600.00	.0
10-51-231 PSPRS ATTORNEY	.00	.00	2,000.00	2,000.00	.0
10-51-271 TELEPHONE	169.52	169.52	2,500.00	2,330.48	6.8
10-51-290 OFFICE SUPPLIES	.00	.00	1,500.00	1,500.00	.0
10-51-295 PRINTING	.00	.00	1,500.00	1,500.00	.0
10-51-340 UTILITIES	.00	.00	7,000.00	7,000.00	.0
10-51-366 INMATE LABOR	5.41	5.41	500.00	494.59	1.1
10-51-440 EVIDENCE	.00	.00	1,000.00	1,000.00	.0
10-51-460 MAINTENANCE AND SUPPLIES	.00	.00	1,500.00	1,500.00	.0
10-51-462 PEST CONTROL	.00	.00	500.00	500.00	.0
10-51-463 ACO SUPPLIES	.00	.00	1,300.00	1,300.00	.0
10-51-465 EMPLOYMENT TESTING/BACKGROUND	753.00	753.00	3,500.00	2,747.00	21.5
10-51-466 WEAPONS AND AMMUNITION	.00	.00	3,500.00	3,500.00	.0
10-51-467 SV CONTRACT PAYMENT	.00	.00	5,500.00	5,500.00	.0
10-51-470 VEHICLE EXPENSE	497.30	497.30	10,000.00	9,502.70	5.0
10-51-475 POLICE FUEL EXPENSE	1,327.18	1,327.18	13,500.00	12,172.82	9.8
10-51-505 TOW FEES	354.85	354.85	3,000.00	2,645.15	11.8
10-51-620 EQUIP REPAIR AND MAINTENANCE	.00	.00	2,500.00	2,500.00	.0
10-51-640 MEMBERSHIP	.00	.00	725.00	725.00	.0
10-51-660 TRAVEL AND TRAINING	96.00	96.00	7,500.00	7,404.00	1.3
10-51-665 COMMUNITY RELATIONS	.00	.00	1,000.00	1,000.00	.0
10-51-705 CAPITAL LEASE	180.37	180.37	1,500.00	1,319.63	12.0
10-51-804 SOFTWARE LICENSING	.00	.00	4,500.00	4,500.00	.0
10-51-810 JAIL FEES	.00	.00	4,000.00	4,000.00	.0
10-51-841 VEHICLE LEASE	.00	.00	26,994.00	26,994.00	.0
10-51-850 NEW EQUIPMENT	.00	.00	3,000.00	3,000.00	.0
10-51-856 BODY WORN CAMERA PROG.	.00	.00	3,500.00	3,500.00	.0
TOTAL POLICE	41,542.21	41,542.21	889,922.00	848,379.79	4.7

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE</u>					
10-53-100 PERSONNEL SERVICES	.00	.00	4,500.00	4,500.00	.0
10-53-130 EMPLOYEE BENEFITS	.00	.00	536.00	536.00	.0
10-53-340 UTILITIES	891.93	891.93	8,500.00	7,608.07	10.5
10-53-360 FIRE SERVICES	.00	.00	440,000.00	440,000.00	.0
10-53-450 EQUIPMENT/SUPPLIES	.00	.00	5,000.00	5,000.00	.0
10-53-470 VEHICLE EXPENSE	.00	.00	16,900.00	16,900.00	.0
10-53-475 FUEL EXPENSE	.00	.00	2,000.00	2,000.00	.0
10-53-516 PRESUMPTIVE CANCER COVERAGE	4,029.93	4,029.93	5,000.00	970.07	80.6
10-53-610 EQUIPMENT MAINTENANCE	.00	.00	2,615.00	2,615.00	.0
10-53-841 CAPITAL OUTLAY - PROJECTS	.00	.00	17,000.00	17,000.00	.0
<b>TOTAL FIRE</b>	<b>4,921.86</b>	<b>4,921.86</b>	<b>502,051.00</b>	<b>497,129.14</b>	<b>1.0</b>
<u>BUILDING REGULATION</u>					
10-54-360 CONTRACT LABOR	.00	.00	57,500.00	57,500.00	.0
10-54-760 BLDG REGULATION SUPPLIES	.00	.00	1,000.00	1,000.00	.0
10-54-801 ABATEMENT	.00	.00	17,000.00	17,000.00	.0
<b>TOTAL BUILDING REGULATION</b>	<b>.00</b>	<b>.00</b>	<b>75,500.00</b>	<b>75,500.00</b>	<b>.0</b>
<u>PUBLIC WORKS</u>					
10-57-100 PERSONNEL SERVICES	1,792.32	1,792.32	14,791.00	12,998.68	12.1
10-57-105 OVERTIME	28.43	28.43	640.00	611.57	4.4
10-57-130 EMPLOYEE BENEFITS	363.87	363.87	5,776.00	5,412.13	6.3
10-57-271 TELEPHONE	65.54	65.54	500.00	434.46	13.1
10-57-340 UTILITIES	.00	.00	2,000.00	2,000.00	.0
10-57-366 INMATE LABOR	54.44	54.44	1,400.00	1,345.56	3.9
10-57-410 UNIFORMS & BOOTS	31.46	31.46	310.00	278.54	10.2
10-57-460 MAINTENANCE AND SUPPLIES	.00	.00	1,700.00	1,700.00	.0
10-57-470 VEHICLE REPAIR/MAINT	.00	.00	1,500.00	1,500.00	.0
10-57-475 FUEL EXPENSE	75.21	75.21	3,000.00	2,924.79	2.5
10-57-476 DIESEL	.00	.00	500.00	500.00	.0
10-57-500 BUILDING MAINTENANCE	.00	.00	30,000.00	30,000.00	.0
10-57-540 SMALL TOOLS	366.01	366.01	1,500.00	1,133.99	24.4
10-57-610 EQUIPMENT MAINTENANCE	.00	.00	6,500.00	6,500.00	.0
<b>TOTAL PUBLIC WORKS</b>	<b>2,777.28</b>	<b>2,777.28</b>	<b>70,117.00</b>	<b>67,339.72</b>	<b>4.0</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CITY POOL</u>					
10-58-100 PERSONNEL SERVICES	2,746.76	2,746.76	15,000.00	12,253.24	18.3
10-58-130 EMPLOYEE BENEFITS	243.82	243.82	1,344.00	1,100.18	18.1
10-58-340 UTILITIES	449.94	449.94	7,000.00	6,550.06	6.4
10-58-460 MAINTENANCE AND SUPPLIES	537.41	537.41	5,200.00	4,662.59	10.3
10-58-660 CERTIFYING	.00	.00	2,400.00	2,400.00	.0
TOTAL CITY POOL	3,977.93	3,977.93	30,944.00	26,966.07	12.9
<u>SUMMER SPLASH</u>					
10-59-100 PERSONNEL SERVICES	3,437.18	3,437.18	8,040.00	4,602.82	42.8
10-59-130 EMPLOYEE BENEFITS	305.61	305.61	721.00	415.39	42.4
10-59-460 SUPPLIES	.00	.00	300.00	300.00	.0
TOTAL SUMMER SPLASH	3,742.79	3,742.79	9,061.00	5,318.21	41.3
<u>PARKS &amp; RECREATION</u>					
10-60-100 PERSONNEL SERVICES	.00	.00	3,907.00	3,907.00	.0
10-60-130 EMPLOYEE BENEFITS	.00	.00	491.00	491.00	.0
10-60-340 UTILITIES	469.28	469.28	6,000.00	5,530.72	7.8
10-60-460 SUPPLIES	.00	.00	2,500.00	2,500.00	.0
10-60-530 COMMUNITY RELATIONS/JULY 4TH	.00	.00	10,000.00	10,000.00	.0
TOTAL PARKS & RECREATION	469.28	469.28	22,898.00	22,428.72	2.1
<u>LIBRARY AND COMMUNITY SERVICES</u>					
10-62-100 PERSONNEL SERVICES	7,207.48	7,207.48	100,556.00	93,348.52	7.2
10-62-130 EMPLOYEE BENEFITS	1,179.25	1,179.25	19,364.00	18,184.75	6.1
10-62-271 TELEPHONE	88.00	88.00	1,500.00	1,412.00	5.9
10-62-300 PRINTING	.00	.00	800.00	800.00	.0
10-62-340 UTILITIES	511.15	511.15	7,500.00	6,988.85	6.8
10-62-366 INMATE LABOR	181.00	181.00	2,200.00	2,019.00	8.2
10-62-460 SUPPLIES	.00	.00	2,850.00	2,850.00	.0
10-62-462 PEST CONTROL	.00	.00	450.00	450.00	.0
10-62-476 FUEL	.00	.00	200.00	200.00	.0
10-62-481 INTERNET	200.00	200.00	5,000.00	4,800.00	4.0
10-62-620 VEHICLE REPAIR & MAINT	.00	.00	350.00	350.00	.0
10-62-640 MEMBERSHIP	.00	.00	200.00	200.00	.0
10-62-650 PROFESSIONAL SERVICES	.00	.00	2,000.00	2,000.00	.0
10-62-660 TRAVEL AND TRAINING	.00	.00	500.00	500.00	.0
10-62-703 COMMUNITY RELATIONS	.00	.00	200.00	200.00	.0
10-62-705 CAPITAL LEASE	119.28	119.28	800.00	680.72	14.9
TOTAL LIBRARY AND COMMUNITY SERVICES	9,486.16	9,486.16	144,470.00	134,983.84	6.6

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CITY BUS</u>					
10-65-100 PERSONNEL SERVICES	.00	.00	15,596.00	15,596.00	.0
10-65-130 EMPLOYEE BENEFITS	.00	.00	1,967.00	1,967.00	.0
10-65-475 FUEL EXPENSE	300.32	300.32	4,000.00	3,699.68	7.5
10-65-480 VEHICLE REPAIR & MAINTENANCE	315.28	315.28	5,000.00	4,684.72	6.3
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TOTAL CITY BUS	615.60	615.60	26,563.00	25,947.40	2.3
<u>SENIOR CENTER</u>					
10-68-290 SUPPLIES	.00	.00	1,100.00	1,100.00	.0
10-68-340 UTILITIES	290.84	290.84	3,000.00	2,709.16	9.7
10-68-450 EQUIPMENT	.00	.00	600.00	600.00	.0
10-68-462 PEST CONTROL	.00	.00	500.00	500.00	.0
10-68-463 EQUIPMENT REPAIR	.00	.00	1,000.00	1,000.00	.0
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TOTAL SENIOR CENTER	290.84	290.84	6,200.00	5,909.16	4.7
<u>TOWN GRANTS</u>					
10-69-800 DONATIONS - ANIMAL CONTROL	.00	.00	1,000.00	1,000.00	.0
10-69-802 LIBRARY DONATIONS EXP	.00	.00	3,000.00	3,000.00	.0
10-69-803 IT GRANT EXP	.00	.00	15,000.00	15,000.00	.0
10-69-804 MISC GRANT EXP	.00	.00	150,000.00	150,000.00	.0
10-69-805 BUILDING REGULATION EXP	.00	.00	10,000.00	10,000.00	.0
10-69-806 LIBRARY GRANTS EXP	.00	.00	50,000.00	50,000.00	.0
10-69-807 SENIOR CENTER GRANT EXP	.00	.00	25,000.00	25,000.00	.0
10-69-808 SUMMER SPLASH GRANT EXP	.00	.00	5,000.00	5,000.00	.0
10-69-810 E-RATE GRANT EXP	.00	.00	25,000.00	25,000.00	.0
10-69-815 PUBLIC WORKS GRANT EXP	.00	.00	20,000.00	20,000.00	.0
10-69-816 COURT GRANT EXP	.00	.00	10,000.00	10,000.00	.0
10-69-817 SUMMER SPLASH DONATION EXP	.00	.00	5,000.00	5,000.00	.0
10-69-818 POLICE DONATION EXP	.00	.00	5,000.00	5,000.00	.0
10-69-819 GENERAL ADMIN GRANT EXP	.00	.00	50,000.00	50,000.00	.0
10-69-845 POLICE GRANT EXP	.00	.00	180,000.00	180,000.00	.0
10-69-849 BUS LINE EXP	.00	.00	100,000.00	100,000.00	.0
10-69-850 SCBA GRANT EXP	.00	.00	200,000.00	200,000.00	.0
10-69-851 USDA EQUIPMENT GRANT	.00	.00	60,000.00	60,000.00	.0
10-69-900 COMMUNITY EVENTS DONATION EXP	.00	.00	2,000.00	2,000.00	.0
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TOTAL TOWN GRANTS	.00	.00	916,000.00	916,000.00	.0

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>NON-DEPARTMENTAL</u>					
10-70-990 CONTINGENCY	.00	.00	22,494.00	22,494.00	.0
10-70-995 CONTINGENCY - URS SET ASIDE	.00	.00	64,778.00	64,778.00	.0
TOTAL NON-DEPARTMENTAL	.00	.00	87,272.00	87,272.00	.0
TOTAL FUND EXPENDITURES	127,720.27	127,720.27	3,407,841.00	3,280,120.73	3.8
NET REVENUE OVER EXPENDITURES	72,170.14	72,170.14	.00	( 72,170.14)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT - VEHICLE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
11-30-700 DEMA GRANT FUNDS	.00	.00	300,000.00	300,000.00	.0
TOTAL REVENUE	.00	.00	300,000.00	300,000.00	.0
TOTAL FUND REVENUE	.00	.00	300,000.00	300,000.00	.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT - VEHICLE

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
11-40-810 DHS AUTHORIZED EXPENSES	.00	.00	300,000.00	300,000.00	.0
TOTAL EXPENDITURES	.00	.00	300,000.00	300,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	300,000.00	300,000.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0



TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT - BP OT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
12-30-800 DHS STONEGARDEN	5,029.02	5,029.02	250,000.00	244,970.98	2.0
TOTAL REVENUE	5,029.02	5,029.02	250,000.00	244,970.98	2.0
TOTAL FUND REVENUE	5,029.02	5,029.02	250,000.00	244,970.98	2.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT - BP OT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
12-40-105 STONE GARDEN OVERTIME	735.60	735.60	.00	( 735.60)	.0
12-40-130 EMPLOYEE BENEFITS	513.62	513.62	.00	( 513.62)	.0
12-40-135 PUBLIC SAFETY RETIREMENT	947.99	947.99	.00	( 947.99)	.0
12-40-810 AUTHORIZED EXPENSES	.00	.00	243,660.00	243,660.00	.0
12-40-840 MILEAGE	3,609.02	3,609.02	6,340.00	2,730.98	56.9
<b>TOTAL EXPENDITURES</b>	<b>5,806.23</b>	<b>5,806.23</b>	<b>250,000.00</b>	<b>244,193.77</b>	<b>2.3</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>5,806.23</b>	<b>5,806.23</b>	<b>250,000.00</b>	<b>244,193.77</b>	<b>2.3</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 777.21)</b>	<b>( 777.21)</b>	<b>.00</b>	<b>777.21</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
13-30-700 GOHS (DUI TASK FORCE)	.00	.00	100,000.00	100,000.00	.0
TOTAL REVENUE	.00	.00	100,000.00	100,000.00	.0
TOTAL FUND REVENUE	.00	.00	100,000.00	100,000.00	.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

POLICE - DHS GRANT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
13-40-810 DHS AUTHORIZED EXPENSES	.00	.00	100,000.00	100,000.00	.0
TOTAL EXPENDITURES	.00	.00	100,000.00	100,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	100,000.00	100,000.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

		RICO FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
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<u>MISCELLANEOUS REVENUE</u>						
16-36-950	RICO REVENUE (ASSET FORFEITURE)	.00	.00	10,000.00	10,000.00	.0
	TOTAL MISCELLANEOUS REVENUE	.00	.00	10,000.00	10,000.00	.0
	TOTAL FUND REVENUE	.00	.00	10,000.00	10,000.00	.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

		RICO FUND				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>						
16-40-850	RICO AUTHORIZED EXPENDITURES	.00	.00	10,000.00	10,000.00	.0
	TOTAL EXPENDITURES	.00	.00	10,000.00	10,000.00	.0
	TOTAL FUND EXPENDITURES	.00	.00	10,000.00	10,000.00	.0
	NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

TRUST FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
20-30-200	FINES AND BAILS	10,405.23	10,405.23	174,000.00	163,594.77	6.0
20-30-300	BONDS	.00	.00	100.00	100.00	.0
20-30-500	JCEF	.00	.00	100.00	100.00	.0
	<b>TOTAL REVENUE</b>	<b>10,405.23</b>	<b>10,405.23</b>	<b>174,200.00</b>	<b>163,794.77</b>	<b>6.0</b>
<u>MISCELLANEOUS REVENUE</u>						
20-36-900	MISCELLANEOUS	.00	.00	100.00	100.00	.0
	<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>.00</b>	<b>.00</b>	<b>100.00</b>	<b>100.00</b>	<b>.0</b>
	<b>TOTAL FUND REVENUE</b>	<b>10,405.23</b>	<b>10,405.23</b>	<b>174,300.00</b>	<b>163,894.77</b>	<b>6.0</b>

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

TRUST FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
20-40-200 FINES AND BAILS	7,681.33	7,681.33	174,000.00	166,318.67	4.4
20-40-400 RESTITUTION	.00	.00	100.00	100.00	.0
20-40-401 BOND	.00	.00	100.00	100.00	.0
20-40-500 JCEF	.00	.00	100.00	100.00	.0
TOTAL EXPENDITURES	7,681.33	7,681.33	174,300.00	166,618.67	4.4
TOTAL FUND EXPENDITURES	7,681.33	7,681.33	174,300.00	166,618.67	4.4
NET REVENUE OVER EXPENDITURES	2,723.90	2,723.90	.00	( 2,723.90)	.0



TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

ROAD USER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
23-30-300 GAS TAX REVENUES - HURF	16,976.00	16,976.00	162,413.00	145,437.00	10.5
TOTAL REVENUE	16,976.00	16,976.00	162,413.00	145,437.00	10.5
<u>CONTRIBUTIONS AND TRANSFERS</u>					
23-39-998 TRANSFERS IN FROM FUND BALANCE	11,250.00	11,250.00	135,000.00	123,750.00	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	11,250.00	11,250.00	135,000.00	123,750.00	8.3
TOTAL FUND REVENUE	28,226.00	28,226.00	297,413.00	269,187.00	9.5

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

ROAD USER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ROAD USERS</u>					
23-40-100 PERSONNEL SERVICES	942.08	942.08	47,654.00	46,711.92	2.0
23-40-105 OVERTIME	.00	.00	1,238.00	1,238.00	.0
23-40-130 EMPLOYEE BENEFITS	164.59	164.59	13,842.00	13,677.41	1.2
23-40-340 UTILITIES	2,169.31	2,169.31	30,000.00	27,830.69	7.2
23-40-410 UNIFORMS & BOOTS	53.52	53.52	930.00	876.48	5.8
23-40-460 MAINTENANCE AND SUPPLIES	.00	.00	5,000.00	5,000.00	.0
23-40-475 FUEL	.00	.00	5,000.00	5,000.00	.0
23-40-490 ROAD REPAIR	.00	.00	97,249.00	97,249.00	.0
23-40-610 EQUIPMENT REPAIR	3,362.24	3,362.24	9,000.00	5,637.76	37.4
23-40-650 PROFESSIONAL SERVICES	765.00	765.00	7,500.00	6,735.00	10.2
23-40-831 CAPITAL OUTLAY	.00	.00	80,000.00	80,000.00	.0
<b>TOTAL ROAD USERS</b>	<b>7,456.74</b>	<b>7,456.74</b>	<b>297,413.00</b>	<b>289,956.26</b>	<b>2.5</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>7,456.74</b>	<b>7,456.74</b>	<b>297,413.00</b>	<b>289,956.26</b>	<b>2.5</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>20,769.26</b>	<b>20,769.26</b>	<b>.00</b>	<b>( 20,769.26)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

WATER INFRASTRUCTURE SUST

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT REVENUE</u>					
26-30-101 GRANT REVENUE	.00	.00	112,000.00	112,000.00	.0
TOTAL GRANT REVENUE	.00	.00	112,000.00	112,000.00	.0
<u>CONTRIBUTIONS AND TRANSFERS</u>					
26-39-951 TRANSFERS IN FROM WATER FUND	2,333.33	2,333.33	28,000.00	25,666.67	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	2,333.33	2,333.33	28,000.00	25,666.67	8.3
TOTAL FUND REVENUE	2,333.33	2,333.33	140,000.00	137,666.67	1.7

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

WATER INFRASTRUCTURE SUST

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>EXPENDITURES</u>					
26-40-840 AUTHORIZED EXPENDITURES	.00	.00	140,000.00	140,000.00	.0
TOTAL EXPENDITURES	.00	.00	140,000.00	140,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	140,000.00	140,000.00	.0
NET REVENUE OVER EXPENDITURES	2,333.33	2,333.33	.00	( 2,333.33)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

MINDFUL METERING GRANT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>GRANT REVENUE</u>					
27-30-101 GRANT REVENUE	.00	.00	448,000.00	448,000.00	.0
TOTAL GRANT REVENUE	.00	.00	448,000.00	448,000.00	.0
<u>CONTRIBUTIONS AND TRANSFERS</u>					
27-39-951 TRANSFERS IN FROM WATE FUND	7,466.67	7,466.67	89,600.00	82,133.33	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	7,466.67	7,466.67	89,600.00	82,133.33	8.3
TOTAL FUND REVENUE	7,466.67	7,466.67	537,600.00	530,133.33	1.4

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

MINDFUL METERING GRANT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT EXPENDITURES</u>					
27-40-840 AUTHORIZED EXPENDITURES	.00	.00	537,600.00	537,600.00	.0
TOTAL GRANT EXPENDITURES	.00	.00	537,600.00	537,600.00	.0
TOTAL FUND EXPENDITURES	.00	.00	537,600.00	537,600.00	.0
NET REVENUE OVER EXPENDITURES	7,466.67	7,466.67	.00	( 7,466.67)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

STATE HURF - SKYLINE PROJECT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
28-30-998 TRANSFERS IN FROM FUND BALANCE	172,568.42	172,568.42	2,070,821.00	1,898,252.58	8.3
TOTAL REVENUE	172,568.42	172,568.42	2,070,821.00	1,898,252.58	8.3
TOTAL FUND REVENUE	172,568.42	172,568.42	2,070,821.00	1,898,252.58	8.3

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

STATE HURF - SKYLINE PROJECT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>STATE HURF EXPENDITURES</u>					
28-40-805 DESIGN	.00	.00	215,821.00	215,821.00	.0
28-40-810 CONSTRUCTION	.00	.00	1,855,000.00	1,855,000.00	.0
TOTAL STATE HURF EXPENDITURES	.00	.00	2,070,821.00	2,070,821.00	.0
TOTAL FUND EXPENDITURES	.00	.00	2,070,821.00	2,070,821.00	.0
NET REVENUE OVER EXPENDITURES	172,568.42	172,568.42	.00	( 172,568.42)	.0



TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GRANT OPPORTUNITY

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT REVENUE</u>						
29-30-800	GRANT REVENUE CDBG	.00	.00	500,000.00	500,000.00	.0
	TOTAL GRANT REVENUE	.00	.00	500,000.00	500,000.00	.0
<u>SOURCE 39</u>						
29-39-998	TRANSFERS IN FROM FUND BALANCE	2,083.33	2,083.33	25,000.00	22,916.67	8.3
	TOTAL SOURCE 39	2,083.33	2,083.33	25,000.00	22,916.67	8.3
	TOTAL FUND REVENUE	2,083.33	2,083.33	525,000.00	522,916.67	.4

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

GRANT OPPORTUNITY

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT EXPENDITURES</u>					
29-40-840 AUTHORIZED EXPENDITURES	.00	.00	500,000.00	500,000.00	.0
29-40-841 AUTH EXP - LIBRARY COX GRANT	.00	.00	25,000.00	25,000.00	.0
TOTAL GRANT EXPENDITURES	.00	.00	525,000.00	525,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	525,000.00	525,000.00	.0
NET REVENUE OVER EXPENDITURES	2,083.33	2,083.33	.00	( 2,083.33)	.0

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

WATER FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
51-30-200	WATER SALES	38,389.55	38,389.55	409,940.00	371,550.45	9.4
51-30-202	RC: RECONNECT FEE	.00	.00	1,000.00	1,000.00	.0
51-30-300	CONNECTION FEES	135.00	135.00	1,500.00	1,365.00	9.0
51-30-400	PENALTIES & FORFEITURES	2,425.33	2,425.33	7,000.00	4,574.67	34.7
51-30-900	WATER ADMIN FEE	.00	.00	1,000.00	1,000.00	.0
	<b>TOTAL REVENUE</b>	<b>40,949.88</b>	<b>40,949.88</b>	<b>420,440.00</b>	<b>379,490.12</b>	<b>9.7</b>
<u>MISCELLANEOUS REVENUE</u>						
51-36-900	MISCELLANEOUS	.00	.00	1,500.00	1,500.00	.0
	<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>.00</b>	<b>.00</b>	<b>1,500.00</b>	<b>1,500.00</b>	<b>.0</b>
<u>CONTRIBUTIONS AND TRANSFERS</u>						
51-39-998	TRANSFERS IN FROM FUND BALANCE	16,133.33	16,133.33	193,600.00	177,466.67	8.3
	<b>TOTAL CONTRIBUTIONS AND TRANSFERS</b>	<b>16,133.33</b>	<b>16,133.33</b>	<b>193,600.00</b>	<b>177,466.67</b>	<b>8.3</b>
	<b>TOTAL FUND REVENUE</b>	<b>57,083.21</b>	<b>57,083.21</b>	<b>615,540.00</b>	<b>558,456.79</b>	<b>9.3</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

WATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WATER EXPENDITURES</u>					
51-40-100 UNIFORM ALLOWANCE	7,976.32	7,976.32	120,084.00	112,107.68	6.6
51-40-105 OVERTIME	127.93	127.93	3,718.00	3,590.07	3.4
51-40-130 EMPLOYEE BENEFITS	1,868.62	1,868.62	42,839.00	40,970.38	4.4
51-40-271 TELEPHONE	.00	.00	300.00	300.00	.0
51-40-280 INSURANCE	1,000.00	1,000.00	18,200.00	17,200.00	5.5
51-40-290 OFFICE SUPPLIES	4.71	4.71	2,000.00	1,995.29	.2
51-40-300 PRINTING	.00	.00	1,000.00	1,000.00	.0
51-40-340 UTILITIES	3,707.97	3,707.97	45,000.00	41,292.03	8.2
51-40-360 CONTRACT LABOR	.00	.00	6,000.00	6,000.00	.0
51-40-366 INMATE LABOR	244.90	244.90	3,500.00	3,255.10	7.0
51-40-410 UNIFORMS & BOOTS	114.90	114.90	1,200.00	1,085.10	9.6
51-40-440 POSTAGE	.00	.00	3,500.00	3,500.00	.0
51-40-460 MAINTENANCE & SUPPLIES	.00	.00	11,000.00	11,000.00	.0
51-40-470 VEHICLE EXPENSE	.00	.00	10,000.00	10,000.00	.0
51-40-472 METER REPLACEMENT	851.57	851.57	9,000.00	8,148.43	9.5
51-40-475 FUEL EXPENSE	.00	.00	5,200.00	5,200.00	.0
51-40-476 DIESEL	.00	.00	5,000.00	5,000.00	.0
51-40-480 SOFTWARE LICENSING - CASELLE	.00	.00	2,700.00	2,700.00	.0
51-40-483 BANK FEES	.00	.00	1,000.00	1,000.00	.0
51-40-510 WATER TESTS	.00	.00	3,000.00	3,000.00	.0
51-40-516 ADEQ FEES	.00	.00	5,000.00	5,000.00	.0
51-40-610 EQUIPMENT MAINTENANCE	1,745.41	1,745.41	20,000.00	18,254.59	8.7
51-40-640 MEMBERSHIP	.00	.00	1,200.00	1,200.00	.0
51-40-650 PROFESSIONAL SERVICES	2,210.00	2,210.00	45,000.00	42,790.00	4.9
51-40-660 TRAVEL & TRAINING	.00	.00	1,500.00	1,500.00	.0
51-40-680 DEPRECIATION EXPENSE	.00	.00	76,000.00	76,000.00	.0
51-40-840 WATER CAPITAL OUTLAY	.00	.00	30,000.00	30,000.00	.0
51-40-845 CONTINGENCY EXP	.00	.00	21,999.00	21,999.00	.0
51-40-900 BAD DEBT EXPENSE	.00	.00	3,000.00	3,000.00	.0
51-40-926 TRANSFERS OUT TO WATER INF SUS	2,333.33	2,333.33	28,000.00	25,666.67	8.3
51-40-927 TRANSFERS OUT TO MINDFUL METER	7,466.67	7,466.67	89,600.00	82,133.33	8.3
<b>TOTAL WATER EXPENDITURES</b>	<b>29,652.33</b>	<b>29,652.33</b>	<b>615,540.00</b>	<b>585,887.67</b>	<b>4.8</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>29,652.33</b>	<b>29,652.33</b>	<b>615,540.00</b>	<b>585,887.67</b>	<b>4.8</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>27,430.88</b>	<b>27,430.88</b>	<b>.00</b>	<b>( 27,430.88)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

SEWER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
52-30-200 SEWER SERVICES	23,999.06	23,999.06	275,500.00	251,500.94	8.7
52-30-300 CONNECTION FEES	.00	.00	1,000.00	1,000.00	.0
<b>TOTAL REVENUE</b>	<b>23,999.06</b>	<b>23,999.06</b>	<b>276,500.00</b>	<b>252,500.94</b>	<b>8.7</b>
<u>MISCELLANEOUS REVENUE</u>					
52-36-900 MISCELLANEOUS	.00	.00	500.00	500.00	.0
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>.00</b>	<b>.00</b>	<b>500.00</b>	<b>500.00</b>	<b>.0</b>
<u>CONTRIBUTIONS AND TRANSFERS</u>					
52-39-998 TRANSFERS IN FROM FUND BALANCE	3,833.33	3,833.33	46,000.00	42,166.67	8.3
<b>TOTAL CONTRIBUTIONS AND TRANSFERS</b>	<b>3,833.33</b>	<b>3,833.33</b>	<b>46,000.00</b>	<b>42,166.67</b>	<b>8.3</b>
<b>TOTAL FUND REVENUE</b>	<b>27,832.39</b>	<b>27,832.39</b>	<b>323,000.00</b>	<b>295,167.61</b>	<b>8.6</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

SEWER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SEWER EXPENDITURES</u>					
52-40-100 PERSONNEL SERVICES	6,019.71	6,019.71	64,720.00	58,700.29	9.3
52-40-105 OVERTIME	127.94	127.94	1,907.00	1,779.06	6.7
52-40-130 EMPLOYEE BENEFITS	1,444.60	1,444.60	23,332.00	21,887.40	6.2
52-40-271 TELEPHONE	.00	.00	200.00	200.00	.0
52-40-280 INSURANCE	1,000.00	1,000.00	18,200.00	17,200.00	5.5
52-40-300 PRINTING	.00	.00	1,000.00	1,000.00	.0
52-40-340 UTILITIES	311.23	311.23	11,000.00	10,688.77	2.8
52-40-366 INMATE LABOR	244.90	244.90	7,500.00	7,255.10	3.3
52-40-410 UNIFORMS & BOOTS	114.90	114.90	1,200.00	1,085.10	9.6
52-40-440 POSTAGE	.00	.00	3,500.00	3,500.00	.0
52-40-460 MAINTENANCE AND SUPPLIES	.00	.00	2,800.00	2,800.00	.0
52-40-470 VEHICLE EXPENSE	.00	.00	4,500.00	4,500.00	.0
52-40-475 FUEL	.00	.00	8,000.00	8,000.00	.0
52-40-476 DIESEL	.00	.00	4,000.00	4,000.00	.0
52-40-480 SOFTWARE LICENSING - CASELLE	.00	.00	2,500.00	2,500.00	.0
52-40-483 BANK FEES	.00	.00	1,000.00	1,000.00	.0
52-40-516 ADEQ FEES	.00	.00	3,000.00	3,000.00	.0
52-40-610 EQUIPMENT MAINTENANCE	1,977.39	1,977.39	5,000.00	3,022.61	39.6
52-40-650 PROFESSIONAL SERVICES	2,846.88	2,846.88	33,700.00	30,853.12	8.5
52-40-680 DEPRECIATION EXPENSE	.00	.00	46,000.00	46,000.00	.0
52-40-702 SEWAGE POND COMPLIANCE	.00	.00	9,000.00	9,000.00	.0
52-40-846 CONTINGENCY EXP	.00	.00	16,441.00	16,441.00	.0
52-40-900 BAD DEBT EXPENSE	.00	.00	500.00	500.00	.0
52-40-950 PAYMENT ON WIFA LOAN	.00	.00	54,000.00	54,000.00	.0
<b>TOTAL SEWER EXPENDITURES</b>	<b>14,087.55</b>	<b>14,087.55</b>	<b>323,000.00</b>	<b>308,912.45</b>	<b>4.4</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>14,087.55</b>	<b>14,087.55</b>	<b>323,000.00</b>	<b>308,912.45</b>	<b>4.4</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>13,744.84</b>	<b>13,744.84</b>	<b>.00</b>	<b>( 13,744.84)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

GARBAGE FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
54-30-200 SALES RECEIPTS	13,760.49	13,760.49	205,000.00	191,239.51	6.7
TOTAL REVENUE	13,760.49	13,760.49	205,000.00	191,239.51	6.7
TOTAL FUND REVENUE	13,760.49	13,760.49	205,000.00	191,239.51	6.7

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

GARBAGE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GARBAGE EXPENDITURES</u>					
54-40-360 CONTRACT	12,049.78	12,049.78	205,000.00	192,950.22	5.9
TOTAL GARBAGE EXPENDITURES	12,049.78	12,049.78	205,000.00	192,950.22	5.9
TOTAL FUND EXPENDITURES	12,049.78	12,049.78	205,000.00	192,950.22	5.9
NET REVENUE OVER EXPENDITURES	1,710.71	1,710.71	.00	( 1,710.71)	.0



TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

LANDFILL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
55-30-200 SALES - LANDFILL	121,045.57	121,045.57	1,792,916.00	1,671,870.43	6.8
55-30-201 LATE PENALTIES	.00	.00	500.00	500.00	.0
55-30-205 MISC.REVENUE	.00	.00	5,000.00	5,000.00	.0
55-30-210 TIPPING FEES	17,590.97	17,590.97	209,300.00	191,709.03	8.4
<b>TOTAL REVENUE</b>	<b>138,636.54</b>	<b>138,636.54</b>	<b>2,007,716.00</b>	<b>1,869,079.46</b>	<b>6.9</b>
<u>MISCELLANEOUS REVENUE</u>					
55-36-400 SALE OF FIXED ASSETS	.00	.00	15,000.00	15,000.00	.0
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>.00</b>	<b>.00</b>	<b>15,000.00</b>	<b>15,000.00</b>	<b>.0</b>
<b>TOTAL FUND REVENUE</b>	<b>138,636.54</b>	<b>138,636.54</b>	<b>2,022,716.00</b>	<b>1,884,079.46</b>	<b>6.9</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

LANDFILL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>LANDFILL EXPENDITURES</u>					
55-40-100 PERSONNEL SERVICES	14,368.76	14,368.76	279,902.00	265,533.24	5.1
55-40-105 OVERTIME	4,359.52	4,359.52	29,313.00	24,953.48	14.9
55-40-130 EMPLOYEE BENEFITS	4,850.42	4,850.42	102,502.00	97,651.58	4.7
55-40-265 BANK COSTS/FEES	1,435.88	1,435.88	30,000.00	28,564.12	4.8
55-40-271 TELEPHONE	.00	.00	1,000.00	1,000.00	.0
55-40-280 INSURANCE	1,000.00	1,000.00	18,200.00	17,200.00	5.5
55-40-290 OFFICE SUPPLIES	22.04	22.04	1,000.00	977.96	2.2
55-40-300 PRINTING	.00	.00	2,850.00	2,850.00	.0
55-40-337 PROPERTY LEASE	58,500.00	58,500.00	702,000.00	643,500.00	8.3
55-40-340 UTILITIES	884.11	884.11	12,500.00	11,615.89	7.1
55-40-350 SAFETY EQUIPMENT	.00	.00	1,400.00	1,400.00	.0
55-40-360 CONTRACT LABOR	190.00	190.00	9,000.00	8,810.00	2.1
55-40-366 INMATE LABOR	362.00	362.00	4,500.00	4,138.00	8.0
55-40-410 UNIFORMS & BOOTS	1,680.07	1,680.07	9,500.00	7,819.93	17.7
55-40-440 POSTAGE	.00	.00	2,000.00	2,000.00	.0
55-40-460 MAINTENANCE & SUPPLIES	99.22	99.22	16,000.00	15,900.78	.6
55-40-470 VEHICLE EXPENSE	.00	.00	4,500.00	4,500.00	.0
55-40-475 FUEL EXPENSE	.00	.00	6,000.00	6,000.00	.0
55-40-476 DIESEL	.00	.00	135,000.00	135,000.00	.0
55-40-480 SOFTWARE LICENSING - CASELLE	.00	.00	3,200.00	3,200.00	.0
55-40-481 INTERNET	95.28	95.28	500.00	404.72	19.1
55-40-483 BANK FEES	.00	.00	3,000.00	3,000.00	.0
55-40-510 LAB FEES	.00	.00	3,500.00	3,500.00	.0
55-40-511 WATER MONITORING	.00	.00	2,500.00	2,500.00	.0
55-40-516 ADEQ FEES	.00	.00	15,000.00	15,000.00	.0
55-40-610 EQUIPMENT MAINTENANCE	7,706.87	7,706.87	170,000.00	162,293.13	4.5
55-40-640 MEMBERSHIP	.00	.00	600.00	600.00	.0
55-40-650 PROFESSIONAL SERVICES	1,445.00	1,445.00	30,000.00	28,555.00	4.8
55-40-660 TRAVEL - TRAVEL/TRAINING	.00	.00	2,000.00	2,000.00	.0
55-40-680 DEPRECIATION EXPENSE	.00	.00	135,000.00	135,000.00	.0
55-40-705 CAPITAL LEASE	6,764.69	6,764.69	82,000.00	75,235.31	8.3
55-40-710 CAPITAL EQUIPMENT	.00	.00	20,000.00	20,000.00	.0
55-40-725 CHANGE IN POSTCLOSURE COSTS	.00	.00	100,000.00	100,000.00	.0
55-40-804 SOFTWARE LICENSING	.00	.00	3,000.00	3,000.00	.0
55-40-846 CONTINGENCY EXP	.00	.00	78,249.00	78,249.00	.0
55-40-855 METHANE MONITORING	.00	.00	6,500.00	6,500.00	.0
55-40-900 BAD DEBT EXPENSE	.00	.00	500.00	500.00	.0
<b>TOTAL LANDFILL EXPENDITURES</b>	<b>103,763.86</b>	<b>103,763.86</b>	<b>2,022,716.00</b>	<b>1,918,952.14</b>	<b>5.1</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>103,763.86</b>	<b>103,763.86</b>	<b>2,022,716.00</b>	<b>1,918,952.14</b>	<b>5.1</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>34,872.68</b>	<b>34,872.68</b>	<b>.00</b>	<b>( 34,872.68)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

TRANSIT SERVICES FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
65-30-100 CONTRACT REVENUE	20,132.36	20,132.36	241,588.00	221,455.64	8.3
TOTAL REVENUE	<u>20,132.36</u>	<u>20,132.36</u>	<u>241,588.00</u>	<u>221,455.64</u>	<u>8.3</u>
<u>CONTRIBUTIONS AND TRANSFERS</u>					
65-39-998 TRANSFERS IN FROM FUND BALANCE	1,666.67	1,666.67	20,000.00	18,333.33	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	<u>1,666.67</u>	<u>1,666.67</u>	<u>20,000.00</u>	<u>18,333.33</u>	<u>8.3</u>
TOTAL FUND REVENUE	<u>21,799.03</u>	<u>21,799.03</u>	<u>261,588.00</u>	<u>239,788.97</u>	<u>8.3</u>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

TRANSIT SERVICES FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
65-40-100 PERSONNEL SERVICES	10,275.25	10,275.25	129,612.00	119,336.75	7.9
65-40-105 OVERTIME	.00	.00	542.00	542.00	.0
65-40-130 EMPLOYEE BENEFITS	3,180.35	3,180.35	50,571.00	47,390.65	6.3
65-40-280 INSURANCE	1,000.00	1,000.00	18,200.00	17,200.00	5.5
65-40-475 FUEL EXPENSE	938.79	938.79	13,500.00	12,561.21	7.0
65-40-480 VEHICLE REPAIR & MAINTENANCE	5,786.62	5,786.62	16,573.00	10,786.38	34.9
65-40-660 TRAVEL AND TRAINING	.00	.00	1,000.00	1,000.00	.0
65-40-710 CAPITAL EQUIPMENT	.00	.00	10,000.00	10,000.00	.0
65-40-910 TRANSFER OUT GF-ADMIN %	1,799.17	1,799.17	21,590.00	19,790.83	8.3
TOTAL EXPENDITURES	<u>22,980.18</u>	<u>22,980.18</u>	<u>261,588.00</u>	<u>238,607.82</u>	<u>8.8</u>
TOTAL FUND EXPENDITURES	<u>22,980.18</u>	<u>22,980.18</u>	<u>261,588.00</u>	<u>238,607.82</u>	<u>8.8</u>
NET REVENUE OVER EXPENDITURES	<u>( 1,181.15)</u>	<u>( 1,181.15)</u>	<u>.00</u>	<u>1,181.15</u>	<u>.0</u>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

FORT HUACHUCA CONTRACTS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
67-30-100 CONTRACT REVENUE	.00	.00	700,000.00	700,000.00	.0
TOTAL REVENUE	.00	.00	700,000.00	700,000.00	.0
TOTAL FUND REVENUE	.00	.00	700,000.00	700,000.00	.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

FORT HUACHUCA CONTRACTS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
67-40-840 AUTHORIZED EXPENDITURES	.00	.00	650,000.00	650,000.00	.0
67-40-910 TRANSFERS OUT GF - ADMIN%	4,166.67	4,166.67	50,000.00	45,833.33	8.3
TOTAL EXPENDITURES	4,166.67	4,166.67	700,000.00	695,833.33	.6
TOTAL FUND EXPENDITURES	4,166.67	4,166.67	700,000.00	695,833.33	.6
NET REVENUE OVER EXPENDITURES	( 4,166.67)	( 4,166.67)	.00	4,166.67	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CONTRIBUTIONS AND TRANSFERS</u>					
80-39-998 TRANSFERS IN FROM FUND BALANCE	13,333.33	13,333.33	160,000.00	146,666.67	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	13,333.33	13,333.33	160,000.00	146,666.67	8.3
TOTAL FUND REVENUE	13,333.33	13,333.33	160,000.00	146,666.67	8.3

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
80-40-805 HUNT PARK PROJECT	.00	.00	50,000.00	50,000.00	.0
80-40-806 BUILDING IMPROVEMENT PROJECT	.00	.00	10,000.00	10,000.00	.0
80-40-807 ROAD, STREET & SIDEWALK IMPROV	.00	.00	100,000.00	100,000.00	.0
TOTAL EXPENDITURES	.00	.00	160,000.00	160,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	160,000.00	160,000.00	.0
NET REVENUE OVER EXPENDITURES	13,333.33	13,333.33	.00	( 13,333.33)	.0



TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 1 MONTHS ENDING JULY 31, 2024

FIRE PROTECTION & PREVENTION G

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT REVENUE</u>					
82-30-800 GRANT REVENUE	.00	.00	336,000.00	336,000.00	.0
TOTAL GRANT REVENUE	.00	.00	336,000.00	336,000.00	.0
<u>CONTRIBUTIONS AND TRANSFERS</u>					
82-39-998 TRANSFERS IN FROM FUND BALANCE	9,343.75	9,343.75	112,125.00	102,781.25	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	9,343.75	9,343.75	112,125.00	102,781.25	8.3
TOTAL FUND REVENUE	9,343.75	9,343.75	448,125.00	438,781.25	2.1

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

FIRE PROTECTION & PREVENTION G

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT EXPENDITURES</u>					
82-40-840 AUTHORIZED EXPENDITURES	.00	.00	448,125.00	448,125.00	.0
TOTAL GRANT EXPENDITURES	.00	.00	448,125.00	448,125.00	.0
TOTAL FUND EXPENDITURES	.00	.00	448,125.00	448,125.00	.0
NET REVENUE OVER EXPENDITURES	9,343.75	9,343.75	.00	( 9,343.75)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

HOLIDAY FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
86-30-200 HOLIDAY FUND DONATION	400.00	400.00	4,000.00	3,600.00	10.0
TOTAL REVENUE	400.00	400.00	4,000.00	3,600.00	10.0
<u>CONTRIBUTIONS AND TRANSFERS</u>					
86-39-998 TRANSFERS IN FROM FUND BALANCE	1,350.25	1,350.25	16,203.00	14,852.75	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	1,350.25	1,350.25	16,203.00	14,852.75	8.3
TOTAL FUND REVENUE	1,750.25	1,750.25	20,203.00	18,452.75	8.7

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

HOLIDAY FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>HOLIDAY FUND EXPENDITURES</u>					
86-40-100 CHILDREN'S FUND GIFTS/FOOD	.00	.00	20,203.00	20,203.00	.0
TOTAL HOLIDAY FUND EXPENDITURES	.00	.00	20,203.00	20,203.00	.0
TOTAL FUND EXPENDITURES	.00	.00	20,203.00	20,203.00	.0
NET REVENUE OVER EXPENDITURES	1,750.25	1,750.25	.00	( 1,750.25)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

BACK TO SCHOOL FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
87-30-200 BACK TO SCHOOL PRGM DONATIONS	1,517.12	1,517.12	5,000.00	3,482.88	30.3
TOTAL REVENUE	1,517.12	1,517.12	5,000.00	3,482.88	30.3
<u>CONTRIBUTIONS AND TRANSFERS</u>					
87-39-998 TRANSFERS IN FROM FUND BALANCE	269.25	269.25	3,231.00	2,961.75	8.3
TOTAL CONTRIBUTIONS AND TRANSFERS	269.25	269.25	3,231.00	2,961.75	8.3
TOTAL FUND REVENUE	1,786.37	1,786.37	8,231.00	6,444.63	21.7

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

BACK TO SCHOOL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>BACK TO SCHOOL EXPENDITURES</u>					
87-40-100 BACK TO SCHOOL PRGM EXPENSES	.00	.00	8,231.00	8,231.00	.0
TOTAL BACK TO SCHOOL EXPENDITURES	.00	.00	8,231.00	8,231.00	.0
TOTAL FUND EXPENDITURES	.00	.00	8,231.00	8,231.00	.0
NET REVENUE OVER EXPENDITURES	1,786.37	1,786.37	.00	( 1,786.37)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

AMERICAN RELIEF PROGRAM ACT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>GRANT REVENUE</u>					
88-30-300 TRANSFER IN FROM FUND BALANCE	38,972.08	38,972.08	467,665.00	428,692.92	8.3
TOTAL GRANT REVENUE	38,972.08	38,972.08	467,665.00	428,692.92	8.3
TOTAL FUND REVENUE	38,972.08	38,972.08	467,665.00	428,692.92	8.3

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 1 MONTHS ENDING JULY 31, 2024

AMERICAN RELIEF PROGRAM ACT

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>GRANT EXPENDITURES</u>					
88-40-100 AUTHORIZED EXPENDITURES	.00	.00	467,665.00	467,665.00	.0
TOTAL GRANT EXPENDITURES	.00	.00	467,665.00	467,665.00	.0
TOTAL FUND EXPENDITURES	.00	.00	467,665.00	467,665.00	.0
NET REVENUE OVER EXPENDITURES	38,972.08	38,972.08	.00	( 38,972.08)	.0





August 23, 2024

To the Honorable Mayor and Town Council  
Town of Huachuca City, Arizona

We have audited the financial statements of the Town of Huachuca City, Arizona of and for the year ended June 30, 2023, and have issued our report thereon dated August 23, 2024. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 14, 2021, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Town of Huachuca City, Arizona solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated August 23, 2024.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence. Safeguards have been applied to eliminate identified threats to independence or reduce them to an acceptable level.

### **Significant Risks Identified**

We have identified the following significant risks:

According to Generally Accepted Auding Standards, significant risks should include management override of controls. Accordingly, we have considered this a significant risk.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Town of Huachuca City, Arizona is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023, except as noted in Note 1 for SBITAs. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of depreciation expense is based on the assigned depreciable lives.

Management's estimate of the allowance for doubtful accounts is based on percentages of outstanding receivable balances in the accounts receivable aging report at year end.

Management's estimate of the compensated absences accrual is based on current pay rates and accrued vacation pay hours.

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, management's estimates have been determined on the same basis as they are reported by the Public Safety Personnel Retirement System (PSPRS). The Town's PSPRS net pension/OPEB liability was measured as of June 30, 2022, and the total pension/OPEB liability used to calculate the net pension/OPEB liability was determined by an actuarial valuation as of that date. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole.

We evaluated the key factors and assumptions used to develop the above estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We noted no significant unusual transactions that require communication to you.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the

appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified significant misstatements and a list of the adjustments noted during the audit has been provided to management. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Management has a list of the material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Town of Huachuca City, Arizona's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There are no unusual circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in a separate letter dated August 23, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Town of Huachuca City, Arizona, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Town of Huachuca City, Arizona's auditors.

### **Noncompliance with Laws and Regulations, Violations of Contract Provisions or Grant Agreements**

We have identified the following matters involving noncompliance with laws and regulations, violations of contract provisions or grant agreements that came to our attention during the course of the audit.

The General Fund has a fund deficit of \$1,941,585 as of June 30, 2023 and has a payable to other funds in the amount of \$2,090,813. Governments are required to maintain positive fund balance.

### **Other Information Included in Annual Reports**

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the Town of Huachuca City, Arizona's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

Read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the Town of Huachuca City, Arizona and is not intended to be and should not be used by anyone other than these specified parties.

*HintonBurdick, PLLC*



**TOWN OF HUACHUCA CITY, ARIZONA**  
**FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
**WITH REPORT OF**  
**INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TOWN OF HUACHUCA CITY, ARIZONA**

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**FINANCIAL SECTION**



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**HINTONBURDICK**  
CPAs & ADVISORS

## **Independent Auditors' Report**

The Honorable Mayor and  
Town Council  
Town of Huachuca City, Arizona

### **Report on the Audit of the Financial Statements**

#### ***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 Huachuca City, Arizona, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town'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 Huachuca City, Arizona, as of June 30, 2023, 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 (GAAS) 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 Huachuca City, 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.

#### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, in fiscal year 2023, the Town of Huachuca City, Arizona implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

The Town of Huachuca City, Arizona's 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 Huachuca City, Arizona's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

### ***Auditor's 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 GAAS 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 GAAS, 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 Huachuca City, 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 Town of Huachuca City, 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, the pension/OPEB schedules and notes as listed in the table of contents, and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements,

and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Huachuca City, Arizona's basic financial statements. The combining nonmajor fund financial statements, and nonmajor fund budget and actual 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and nonmajor fund budget and actual schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2024 on our consideration of the Town of Huachuca City, 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 Town of Huachuca City, Arizona's internal control over financial reporting and compliance.

*HintonBurdick, PLLC*

Gilbert, Arizona  
August 23, 2024

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(Required Supplementary Information)**

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**TOWN OF HUACHUCA CITY, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended June 30, 2023**

As management of the Town of Huachuca City, 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, 2023. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Town's financial activity (3) identify changes in the Town's financial position (4) identify any material deviations from the financial plan (the approved budget) and (5) individual fund issues or concerns. Please read in conjunction with the accompanying financial statements.

**FINANCIAL HIGHLIGHTS**

- The Town's total net position at the close of the fiscal year was \$9.72 million. This amount is comprised of \$7.15 million in net investment in capital assets, \$4.80 million of restricted net position and (\$2.22) million in unrestricted net position.
- Governmental net position increased by \$900,027, and Business-Type net position decreased by \$251,345
- Total City and State Sales tax revenue increased by 7.8 percent from last year and combined are the largest general revenue sources in the budget for the governmental activities.
- Improvements and additions totaling \$635,925 were made to the Town's capital assets.
- Total debt service payments on notes payable and bonds totaled \$150,649. Overall, compensated absences decreased by \$13,341, the net pension/OPEB liability increased by \$117,764, and the Landfill closure/post-closure liability increased by \$180,560. The Town reported approximately \$5.7 million in total outstanding debt at the close of the year.
- The General Fund's unassigned fund deficit increased by \$17,332 to (\$2,001,539).
- Other governmental fund balances increased by \$433,341 to \$2,183,994, all of which is restricted.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the Town as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. (3) Notes to the financial statements.



## **Reporting the Town as a Whole**

### **The Statement of Net Position and the Statement of Activities (Government-wide)**

A frequently asked question regarding the Town's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. Net position, the difference between assets and liabilities, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the Town's property tax base or condition of the Town's roads to accurately assess the overall health of the Town.

The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the Town's basic services are considered to be governmental activities, including general government, public safety, public works/streets, economic development, culture and recreation, and interest on long-term debt. Sales tax, federal grants, intergovernmental revenues and charges for services finance most of these activities.
- Proprietary activities/Business type activities – The Town charges a fee to customers that is intended to cover all or most of the cost of the services provided.

## **Reporting the Town's Most Significant Funds**

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds—not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes other funds which aid in the management of money for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The Town's two major kinds of funds, governmental and proprietary, use different accounting approaches as explained below.

- Governmental funds – Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included on pages 22 and 24.
- Proprietary funds – When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the Town's financial position. The Town's combined assets exceed liabilities by \$9.72 million as of June 30, 2023 as shown in the following condensed statement of net position.

### Town of Huachuca City Statement of Net Position

	Governmental activities		Business-type activities		Combined Total	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Current and other assets	\$ 459,329	\$ 94,705	\$ 6,243,017	\$ 6,316,355	\$ 6,702,346	6,411,060
Capital assets	3,993,618	3,624,804	5,036,856	5,222,391	9,030,474	8,847,195
Total assets	<u>4,452,947</u>	<u>3,719,509</u>	<u>11,279,873</u>	<u>11,538,746</u>	<u>15,732,820</u>	<u>15,258,255</u>
Deferred outflows of resources	231,107	314,980	-	-	231,107	314,980
Long-term liabilities outstanding	669,623	621,172	1,422,637	1,523,681	2,092,260	2,144,853
Other liabilities	274,083	357,346	3,688,717	3,595,201	3,962,800	3,952,547
Total liabilities	<u>943,706</u>	<u>978,518</u>	<u>5,111,354</u>	<u>5,118,882</u>	<u>6,055,060</u>	<u>6,097,400</u>
Deferred inflows of resources	185,753	401,403	-	-	185,753	401,403
Net position:						
Invested in capital assets, net of related debt	3,632,741	3,189,197	3,514,140	4,801,955	7,146,881	7,991,152
Restricted	2,218,637	1,785,296	2,579,766	2,413,308	4,798,403	4,198,604
Unrestricted	(2,296,783)	(2,319,925)	74,613	(795,399)	(2,222,170)	(3,115,324)
Total net position	<u>\$ 3,554,595</u>	<u>\$ 2,654,568</u>	<u>\$ 6,168,519</u>	<u>\$ 6,419,864</u>	<u>\$ 9,723,114</u>	<u>\$ 9,074,432</u>

The Town has \$15.96 million in total assets and deferred outflows, with \$9.03 million in capital assets (net of depreciation). The Town's Utility Funds, (Water, Sewer, Sanitation, and Landfill) operations are included in the Business-type activities column.

### Governmental Activities

The Town's governmental programs include: General Government, Public Safety, Highways and Streets, and Culture and Recreation. Each programs' net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the extent to which the Town's general taxes support each of the Town's programs.

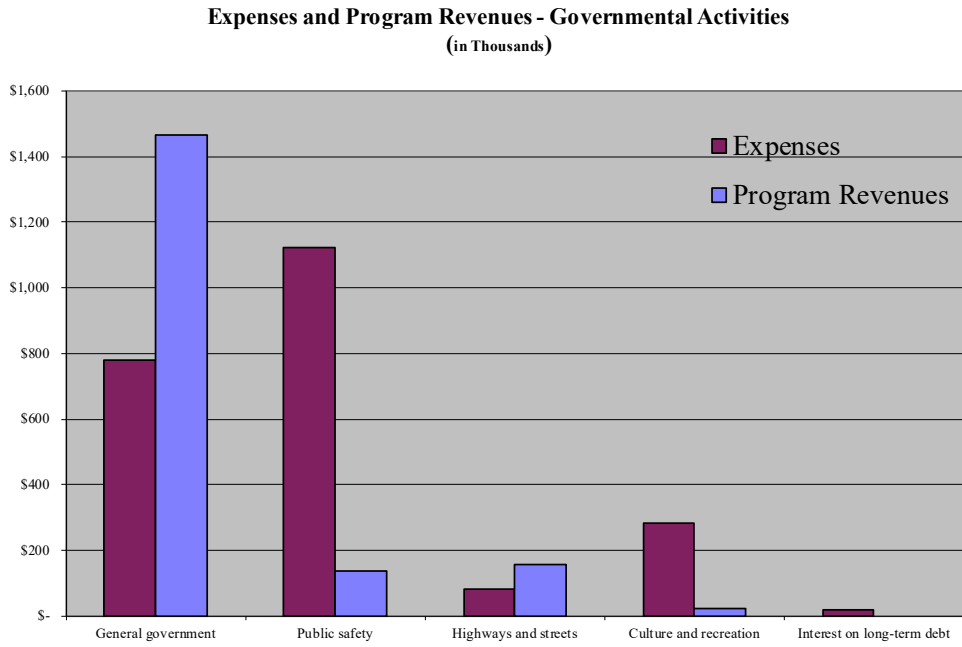
## Town of Huachuca City Changes in Net Position

	Governmental activities		Business-type activities		Combined Total	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Revenues:						
Program revenues:						
Charges for services	\$ 836,300	\$ 761,231	\$ 2,356,860	\$ 2,318,023	\$ 3,193,160	\$ 3,079,254
Operating grants and contributions	478,325	527,108	-	531,000	478,325	1,058,108
Capital grants and contributions	463,271	67,929	-	-	463,271	67,929
General revenues:						
Sales taxes	626,416	580,924	-	-	626,416	580,924
Other taxes	117,722	106,014	-	-	117,722	106,014
State revenue sharing	405,367	320,666	-	-	405,367	320,666
Other	253,728	75,492	40,654	-	294,382	75,492
Total revenues	<u>3,181,129</u>	<u>2,439,364</u>	<u>2,397,514</u>	<u>2,849,023</u>	<u>5,578,643</u>	<u>5,288,387</u>
Expenses:						
General government	779,581	609,875	-	-	779,581	609,875
Public safety	1,120,667	1,210,131	-	-	1,120,667	1,210,131
Highways and streets	81,303	97,660	-	-	81,303	97,660
Culture and recreation	281,092	287,291	-	-	281,092	287,291
Community development	-	65,214	-	-	-	65,214
Interest on long-term debt	18,459	20,600	-	-	18,459	20,600
Water	-	-	352,500	389,261	352,500	389,261
Sewer	-	-	251,769	1,957,074	251,769	1,957,074
Sanitation	-	-	159,921	150,127	159,921	150,127
Landfill	-	-	1,884,669	1,739,712	1,884,669	1,739,712
Total expenses	<u>2,281,102</u>	<u>2,290,771</u>	<u>2,648,859</u>	<u>4,236,174</u>	<u>4,929,961</u>	<u>6,526,945</u>
(Decrease)/Increase in net assets	900,027	148,593	(251,345)	(1,387,151)	648,682	(1,238,558)
Net position, beginning	2,654,568	2,505,975	6,419,864	7,715,366	9,074,432	10,221,341
Restatement adjustment	-	-	-	91,649	-	91,649
Net position, ending	<u>\$ 3,554,595</u>	<u>\$ 2,654,568</u>	<u>\$ 6,168,519</u>	<u>\$ 6,419,864</u>	<u>\$ 9,723,114</u>	<u>\$ 9,074,432</u>

The cost of all governmental activities this year was \$2.28 million as shown in the schedule of Changes in Net Position above. \$836,300 of this cost was paid for by those who directly benefited from the programs. \$941,596 was subsidized by grants received from other governmental organizations for both capital and operating activities. General taxes, Urban Revenue Sharing, investment earnings and other revenues totaled \$1.40 million.

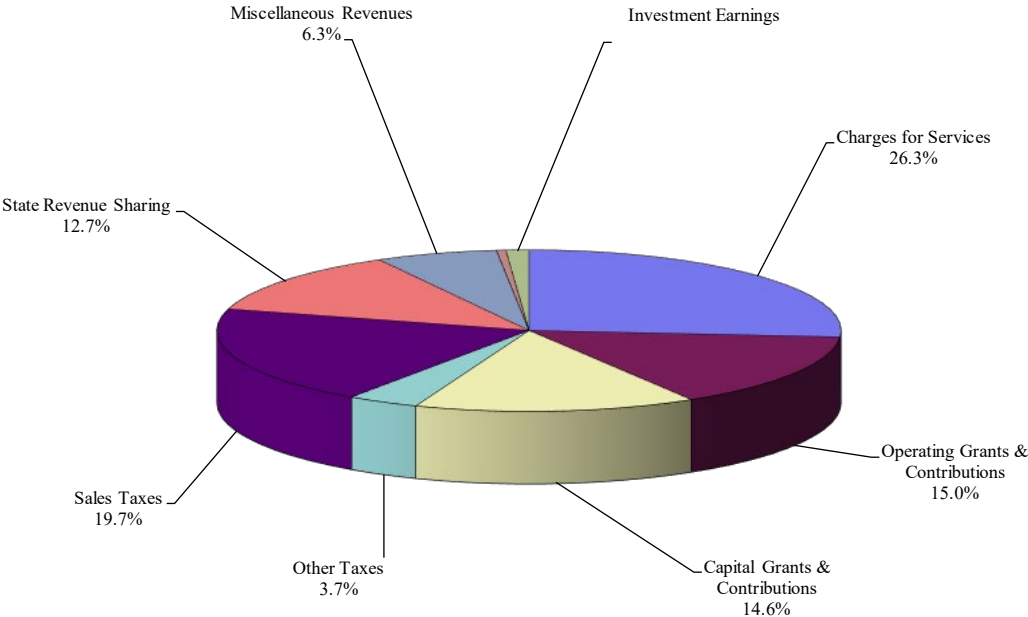
Total resources available during the year to finance governmental operations were \$5.84 million consisting of Net position at July 1, 1899 of \$2.65 million, program revenues of \$1.78 million and General Revenues of \$1.40 million. Total Governmental Activities expenses during the year were \$2.28 million. Thus Governmental Net Position increased by \$900,027 to \$2.65 million.

The following graphs compare program expenses to program revenues and provide a breakdown of revenues by source for all government activities.



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**Revenue By Source - Governmental Activities**

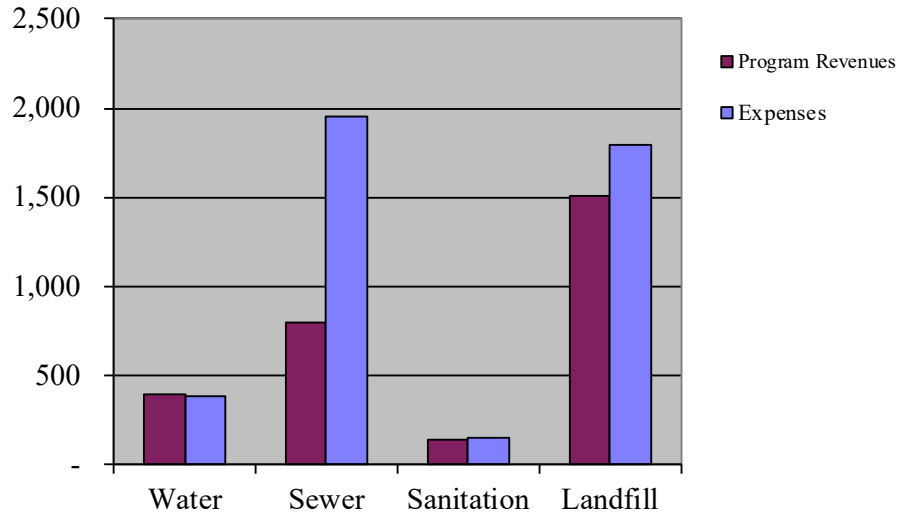


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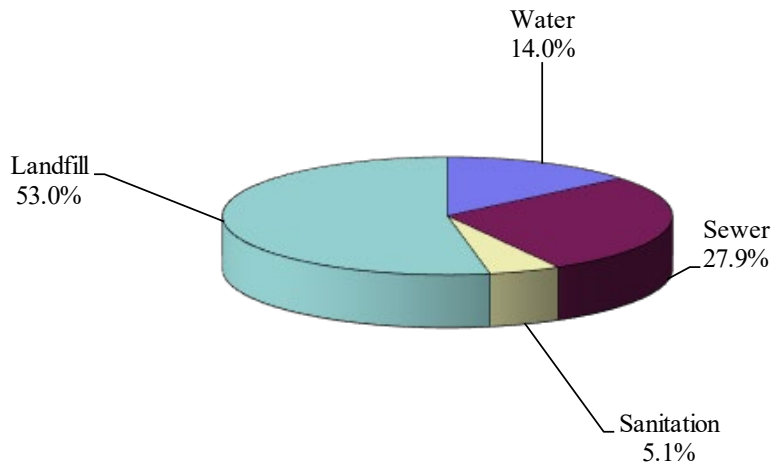
## Business Type Activities

Net position of the Business Type activities at June 30, 2023, as reflected in the Statement of Net Position was \$6.17 million. The cost of providing all Proprietary (Business Type) activities this year was \$2.65 million. As shown in the statement of Changes in Net Position, the amounts paid by users of the system were \$2.36 million. Interest earnings and other revenues (losses) were \$40,654. Net Position decreased by \$251,345.

**Expenses and Program Revenues - Business-type Activities**  
(in Thousands)



**Revenue By Source - Business-type Activities**



## **Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the Town of Huachuca City's governmental funds reported combined ending fund balances of \$242,409, an increase in fund balance of \$441,320 in comparison with the prior year. Of this total amount (\$2,001,539) constitutes unassigned fund balance (deficit). The remainder of the fund balance is restricted, committed or assigned because it has already been committed 1) to pay debt service, 2) to pay for capital improvements or 3) for a variety of other restricted purposes.

The general fund is the chief operating fund of the Town of Huachuca City. At the end of the current fiscal year, total fund deficit in the general fund was (\$1,941,585), of which (\$2,001,539) is unassigned, \$34,643 is restricted and \$25,311 is nonspendable.

Streets fund expenditures of \$18,622 were funded by Highway User revenues of \$155,145. Fund balance in the Streets fund increased by \$136,523, which resulted in ending fund balance of \$1,590,604.

The grant opportunity fund balance of \$10,931 consists of grant funds and donations restricted for culture and recreation.

The non-major fund balance of \$582,459 consists of grant funds and donations restricted for various purposes.

### **General Fund Budgetary Highlights**

The Town's annual budget is the legally adopted expenditure control document of the Town. Budgetary comparison statements are required for the General Fund and all major special revenue funds. These statements compare the original adopted budget, the budget if amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis.

General Fund revenues of \$2,247,696 were less than the budget of \$3,396,746 by \$1,149,050 mainly due to the Town budgeting approximately \$1,225,000 million for potential grants. Actual expenditures of \$2,247,329 were \$1,269,417 less than budgeted expenditures of \$3,516,746. The most significant variance was due to the Town budgeting \$2.06 million for contingencies and capital outlay in the event the Town was awarded the grants mentioned previously.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The capital assets of the Town are those assets that are used in performance of Town functions including infrastructure assets. Capital Assets include equipment, vehicles, buildings, land, land improvements, utility infrastructure and roads. At the end of fiscal year 2023, net capital assets of the government activities totaled \$3.99 million and the net capital assets of the business-type activities totaled \$5.04 million. Combined capital assets additions were \$635,925 for fiscal year 2023 consisting of: assorted capital assets for various Town departments. Depreciation on capital assets is recognized in the Government-Wide financial statements. (See note 6 to the financial statements.)

### **Debt**

At year-end, the Town had \$742,174 in governmental type debt, and \$4,943,861 in business-type debt. (See note 8 the financial statements.)

## **NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

In considering the Town budget for fiscal year 2023/2024, the Town Council and management were cautious as to the growth of revenues and expenditures. Overall General Fund operating expenditures were budgeted so as to contain costs at the same level as fiscal year 1899/2023.

## **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Town's finances for all of those with an interest in the government's finances and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to: Town of Huachuca City, Finance Department, 500 Gonzales Blvd, Huachuca City, AZ.  
(520) 456-1354.



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**BASIC FINANCIAL STATEMENTS**

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**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Net Position**  
**June 30, 2023**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>			
Assets:			
Current assets:			
Cash and cash equivalents	\$ 2,388,137	\$ 1,135,706	\$ 3,523,843
Accounts receivable (net of allowance)	91,113	424,761	515,874
Prepaid expenses	24,811	-	24,811
Inventory	500	-	500
Internal balances	(2,091,331)	2,091,331	-
Other assets	-	500	500
Due from other governments	-	10,953	10,953
<b>Total current assets</b>	<b>413,230</b>	<b>3,663,251</b>	<b>4,076,481</b>
Non-current assets:			
Restricted cash and cash equivalents	34,643	2,579,766	2,614,409
Capital assets:			
Not being depreciated	27,056	251,619	278,675
Net of accumulated depreciation	3,966,562	4,785,237	8,751,799
Net pension/OPEB asset	11,456	-	11,456
<b>Total non-current assets</b>	<b>4,039,717</b>	<b>7,616,622</b>	<b>11,656,339</b>
<b>Total Assets</b>	<b>4,452,947</b>	<b>11,279,873</b>	<b>15,732,820</b>
Deferred outflows related to pensions/OPEB	231,107	-	231,107
<b>Total deferred outflows</b>	<b>231,107</b>	<b>-</b>	<b>231,107</b>
<b>Total assets and deferred outflows of resources</b>	<b>4,684,054</b>	<b>11,279,873</b>	<b>15,963,927</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>			
Liabilities			
Current liabilities:			
Accounts payable and other current liabilities	176,348	112,053	288,401
Customer deposits	-	44,538	44,538
Unearned revenue	25,184	-	25,184
Compensated absences - current	27,618	14,384	42,002
Bonds payable-current	20,000	-	20,000
Notes payable - current	-	100,079	100,079
Capital leases - current	24,933	-	24,933
<b>Total current liabilities</b>	<b>274,083</b>	<b>281,955</b>	<b>556,038</b>
Noncurrent liabilities:			
Compensated absences	6,904	3,596	10,500
Bonds payable	290,000	-	290,000
Notes payable	-	1,422,637	1,422,637
Capital leases	25,944	-	25,944
Net pension/OPEB liability	346,775	-	346,775
Landfill closure and post-closure costs	-	3,403,166	3,403,166
<b>Total non-current liabilities</b>	<b>669,623</b>	<b>4,829,399</b>	<b>5,499,022</b>
<b>Total Liabilities</b>	<b>943,706</b>	<b>5,111,354</b>	<b>6,055,060</b>
Deferred inflows related to pensions/OPEB	185,753	-	185,753
<b>Total liabilities and deferred inflows of resources</b>	<b>1,129,459</b>	<b>5,111,354</b>	<b>6,240,813</b>
<b>NET POSITION:</b>			
Net investment in capital assets	3,632,741	3,514,140	7,146,881
Restricted for:			
Debt service	34,643	-	34,643
General government	579,790	-	579,790
Public Safety	2,669	-	2,669
Highways and streets	1,590,604	-	1,590,604
Culture and recreation	10,931	-	10,931
Landfill closure/postclosure	-	2,579,766	2,579,766
Unrestricted	(2,296,783)	74,613	(2,222,170)
<b>Total net (deficit) position</b>	<b>3,554,595</b>	<b>6,168,519</b>	<b>9,723,114</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 4,684,054</b>	<b>\$ 11,279,873</b>	<b>\$ 15,963,927</b>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
Governmental activities:							
General government	\$ 779,581	\$ 753,147	\$ 289,895	\$ 420,823	\$ 684,284	\$ -	\$ 684,284
Public safety	1,120,667	77,896	15,585	42,448	(984,738)	-	(984,738)
Highways and streets	81,303	-	155,145	-	73,842	-	73,842
Culture and recreation	281,092	5,257	17,700	-	(258,135)	-	(258,135)
Interest on long-term debt	18,459	-	-	-	(18,459)	-	(18,459)
Total governmental activities	<u>2,281,102</u>	<u>836,300</u>	<u>478,325</u>	<u>463,271</u>	<u>(503,206)</u>	<u>-</u>	<u>(503,206)</u>
Business-type activities:							
Water	352,500	397,312	-	-	-	44,812	44,812
Sewer	251,769	263,603	-	-	-	11,834	11,834
Sanitation	159,921	150,606	-	-	-	(9,315)	(9,315)
Landfill	1,884,669	1,545,339	-	-	-	(339,330)	(339,330)
Total business-type activities	<u>2,648,859</u>	<u>2,356,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(291,999)</u>	<u>(291,999)</u>
Total primary government	<u>\$ 4,929,961</u>	<u>\$ 3,193,160</u>	<u>\$ 478,325</u>	<u>\$ 463,271</u>	<u>(503,206)</u>	<u>(291,999)</u>	<u>(795,205)</u>
General Revenues:							
Property taxes levied for general purposes					98,249	-	98,249
City sales tax					386,355	-	386,355
State sales tax					240,061	-	240,061
Urban revenue sharing					308,075	-	308,075
Vehicle license tax					97,292	-	97,292
Franchise tax					19,473	-	19,473
Miscellaneous revenues					200,524	40,654	241,178
Gain (loss) on disposal of assets					15,481	-	15,481
Unrestricted investment earnings/(loss)					37,723	-	37,723
Total general revenues & transfers					<u>1,403,233</u>	<u>40,654</u>	<u>1,443,887</u>
Change in net position					900,027	(251,345)	648,682
Net position - beginning					<u>2,654,568</u>	<u>6,419,864</u>	<u>9,074,432</u>
Net position - ending					<u>\$ 3,554,595</u>	<u>\$ 6,168,519</u>	<u>\$ 9,723,114</u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	General Fund	Streets Fund	Grant Opportunity Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 217,560	\$ 1,576,669	\$ 10,931	\$ 582,977	\$ 2,388,137
Receivables:					
Accounts	7,500	-	-	-	7,500
Property taxes	4,840	-	-	-	4,840
Intergovernmental	63,420	15,353	-	-	78,773
Prepaid expenses	24,811	-	-	-	24,811
Inventory	500	-	-	-	500
Restricted cash and cash equivalents	34,643	-	-	-	34,643
Total assets	<u>\$ 353,274</u>	<u>\$ 1,592,022</u>	<u>\$ 10,931</u>	<u>\$ 582,977</u>	<u>\$ 2,539,204</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 153,530	\$ 1,418	\$ -	\$ -	\$ 154,948
Due to other funds	2,090,813	-	-	518	2,091,331
Accrued payroll	21,400	-	-	-	21,400
Total liabilities	<u>2,265,743</u>	<u>1,418</u>	<u>-</u>	<u>518</u>	<u>2,267,679</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	3,932	-	-	-	3,932
Unearned revenue-lease	25,184	-	-	-	25,184
Total deferred inflows of resources	<u>29,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,116</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepays	24,811	-	-	-	24,811
Inventory	500	-	-	-	500
Restricted for:					
General government	-	-	-	579,790	579,790
Public safety	-	-	-	2,669	2,669
Highways and Streets	-	1,590,604	-	-	1,590,604
Culture and recreation	-	-	10,931	-	10,931
Debt service	34,643	-	-	-	34,643
Unassigned (deficits)	(2,001,539)	-	-	-	(2,001,539)
Total fund balances (deficits)	<u>(1,941,585)</u>	<u>1,590,604</u>	<u>10,931</u>	<u>582,459</u>	<u>242,409</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 353,274</u>	<u>\$ 1,592,022</u>	<u>\$ 10,931</u>	<u>\$ 582,977</u>	<u>\$ 2,539,204</u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Reconciliation of Total Governmental Fund Balances**  
**to Net Position of Governmental Activities**  
**June 30, 2023**

Total governmental fund balances	\$	242,409
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Governmental capital assets	\$ 9,208,592	
Accumulated Depreciation	<u>(5,214,974)</u>	3,993,618
Other assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		
		3,932
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Excise tax revenue bonds	\$ (310,000)	
Note payable-Lumen	-	
Notes payable	(50,877)	
Net pension/OPEB liability	(346,775)	
Compensated absences	<u>(34,522)</u>	(742,174)
Other long term assets are not available to pay for current period expenditures and, therefore, not included in the funds.		
Net OPEB asset		11,456
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.		
Deferred outflows	\$ 231,107	
Deferred inflows	<u>(185,753)</u>	45,354
Total net position of governmental activities	\$	<u><u>3,554,595</u></u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General Fund	Streets Fund	Grant Opportunity Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 504,276	\$ -	\$ -	\$ -	\$ 504,276
Licenses, permits and fees	20,172	-	-	-	20,172
Intergovernmental revenue	694,443	155,145	420,823	305,053	1,575,464
Charges for services	22,076	-	-	-	22,076
Fines and forfeitures	79,626	-	-	-	79,626
Investment earnings	35,410	-	-	-	35,410
Rent	702,000	-	-	-	702,000
Contributions	3,710	-	7,850	-	11,560
Miscellaneous	185,983	-	-	-	185,983
<b>Total revenues</b>	<u>2,247,696</u>	<u>155,145</u>	<u>428,673</u>	<u>305,053</u>	<u>3,136,567</u>
<b>EXPENDITURES</b>					
Current:					
General government	773,964	-	-	-	773,964
Public safety	1,174,815	-	-	13,792	1,188,607
Community development	-	-	431,880	-	431,880
Culture and recreation	220,630	-	2,293	-	222,923
Highways and streets	-	18,622	-	-	18,622
Capital outlay	11,698	-	-	-	11,698
Debt service:					
Principal	47,763	-	-	-	47,763
Interest	18,459	-	-	-	18,459
<b>Total expenditures</b>	<u>2,247,329</u>	<u>18,622</u>	<u>434,173</u>	<u>13,792</u>	<u>2,713,916</u>
<b>Excess of revenues over (under) expenditures</b>	<u>367</u>	<u>136,523</u>	<u>(5,500)</u>	<u>291,261</u>	<u>422,651</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Gain/(loss) on investments	2,313	-	-	-	2,313
Sale of general capital assets	16,356	-	-	-	16,356
Transfers out	(11,057)	-	-	-	(11,057)
Transfers in	-	-	11,057	-	11,057
<b>Total other financing sources (uses)</b>	<u>7,612</u>	<u>-</u>	<u>11,057</u>	<u>-</u>	<u>18,669</u>
<b>Net change in fund balances</b>	7,979	136,523	5,557	291,261	441,320
Fund balances, beginning of year	(1,949,564)	1,454,081	5,374	291,198	(198,911)
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,941,585)</u>	<u>\$ 1,590,604</u>	<u>\$ 10,931</u>	<u>\$ 582,459</u>	<u>\$ 242,409</u>

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



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2023**

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

Net change in fund balances - total governmental funds	\$	441,320
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the differene between depreciation expense and capital outlays in the current period.</p>		
Capital Outlay	\$	567,725
Depreciation Expense		<u>(198,036)</u>
		369,689
Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		(199)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position.		(875)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds and is recorded as an expenditure, but the repayment reduces long-term liabilities in the statement of net position.		74,730
<p>Pension/OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension/OPEB liability is measured a year before the City's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions/OPEB, is reported in the Statement of Activities.</p>		
Pension/OPEB contributions		52,794
Pension/OPEB expense		<u>(44,410)</u>
		8,384
Compensated absences and other expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences expense		<u>6,978</u>
Change in net position of governmental activities	\$	<u><u>900,027</u></u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Sanitation	Landfill	Total
<b>ASSETS:</b>					
Assets					
Current assets:					
Cash and cash equivalents	\$ 190,229	\$ 432,100	\$ 513,377	\$ -	\$ 1,135,706
Receivables (net of allowance)	59,625	37,121	26,725	301,290	424,761
Due from other funds	-	-	-	2,280,431	2,280,431
Due from other governments	-	-	-	10,953	10,953
Other assets	-	500	-	-	500
<b>Total Current Assets</b>	<b>249,854</b>	<b>469,721</b>	<b>540,102</b>	<b>2,592,674</b>	<b>3,852,351</b>
Non-current assets:					
Restricted cash and cash equivalents	-	-	-	2,579,766	2,579,766
Capital assets					
Land	1,012	1,969	-	248,638	251,619
Buildings	31,627	-	-	198,405	230,032
Improvements over than buildings	8,365	-	-	286,351	294,716
Machinery and equipment	75,852	117,163	-	1,438,584	1,631,599
Infrastructure	4,346,256	3,071,038	-	8,613	7,425,907
Accumulated depreciation	(2,274,867)	(1,485,337)	-	(1,036,813)	(4,797,017)
<b>Total Noncurrent Assets</b>	<b>2,188,245</b>	<b>1,704,833</b>	<b>-</b>	<b>3,723,544</b>	<b>7,616,622</b>
<b>Total assets</b>	<b>\$ 2,438,099</b>	<b>\$ 2,174,554</b>	<b>\$ 540,102</b>	<b>\$ 6,316,218</b>	<b>\$ 11,468,973</b>
<b>LIABILITIES:</b>					
Liabilities					
Current liabilities:					
Accounts payable	\$ 56,222	\$ 2,616	\$ 12,955	\$ 40,260	\$ 112,053
Accrued interest payable	-	10,901	-	-	10,901
Due to other funds	189,100	-	-	-	189,100
Customer deposits	26,005	11,079	-	7,454	44,538
Compensated absences - current	3,329	2,601	-	8,454	14,384
Current portion - long-term debt	-	33,793	-	66,286	100,079
<b>Total Current Liabilities</b>	<b>274,656</b>	<b>60,990</b>	<b>12,955</b>	<b>122,454</b>	<b>471,055</b>
Non-current liabilities:					
Compensated absences	832	650	-	2,114	3,596
Landfill closure and post-closure costs	-	-	-	3,403,166	3,403,166
Long-term debt, net of current portion	-	1,142,957	-	279,680	1,422,637
<b>Total non-current liabilities</b>	<b>832</b>	<b>1,143,607</b>	<b>-</b>	<b>3,684,960</b>	<b>4,829,399</b>
<b>Total liabilities</b>	<b>275,488</b>	<b>1,204,597</b>	<b>12,955</b>	<b>3,807,414</b>	<b>5,300,454</b>
<b>NET POSITION:</b>					
Net investment in capital assets	2,188,245	528,083	-	797,812	3,514,140
Restricted for landfill closure/postclosure	-	-	-	2,579,766	2,579,766
Unrestricted (deficit)	(25,634)	441,874	527,147	(868,774)	74,613
<b>Total net position (deficit)</b>	<b>2,162,611</b>	<b>969,957</b>	<b>527,147</b>	<b>2,508,804</b>	<b>6,168,519</b>
<b>Total liabilities and net position</b>	<b>\$ 2,438,099</b>	<b>\$ 2,174,554</b>	<b>\$ 540,102</b>	<b>\$ 6,316,218</b>	<b>\$ 11,468,973</b>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Sanitation	Landfill	Total
<b>Operating revenues:</b>					
Charges for services	\$ 395,763	\$ 263,603	\$ 150,606	\$ 1,545,339	\$ 2,355,311
Customer penalties and interest	1,549	-	-	-	1,549
Other revenues	10,189	422	12,149	17,894	40,654
<b>Total operating revenues</b>	<u>407,501</u>	<u>264,025</u>	<u>162,755</u>	<u>1,563,233</u>	<u>2,397,514</u>
<b>Operating expenses:</b>					
Salaries, wages and benefits	142,880	119,366	-	308,629	570,875
Administration	-	-	2,911	-	2,911
Supplies and services	50,508	43,356	157,010	360,279	611,153
Repairs and maintenance	26,544	13,282	-	173,675	213,501
Rent	-	-	-	702,000	702,000
Utilities	39,523	5,457	-	11,054	56,034
Bad debt	-	1,823	-	-	1,823
Depreciation	79,525	45,732	-	128,478	253,735
Miscellaneous	13,520	1,620	-	-	15,140
<b>Total operating expenses</b>	<u>352,500</u>	<u>230,636</u>	<u>159,921</u>	<u>1,684,115</u>	<u>2,427,172</u>
<b>Net operating income (loss)</b>	<u>55,001</u>	<u>33,389</u>	<u>2,834</u>	<u>(120,882)</u>	<u>(29,658)</u>
<b>Non-operating revenues (expenses):</b>					
Interest expense and fiscal charges	-	(21,133)	-	(19,995)	(41,128)
Change in landfill closure and post-closure costs	-	-	-	(180,559)	(180,559)
<b>Total non-operating revenue (expense)</b>	<u>-</u>	<u>(21,133)</u>	<u>-</u>	<u>(200,554)</u>	<u>(221,687)</u>
<b>Change in net position</b>	55,001	12,256	2,834	(321,436)	(251,345)
<b>Total net position (deficit), beginning of year</b>	<u>2,107,610</u>	<u>957,701</u>	<u>524,313</u>	<u>2,830,240</u>	<u>6,419,864</u>
<b>Total net position (deficit), end of year</b>	<u>\$ 2,162,611</u>	<u>\$ 969,957</u>	<u>\$ 527,147</u>	<u>\$ 2,508,804</u>	<u>\$ 6,168,519</u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Sanitation	Landfill	Total
<b>Cash flows from operating activities:</b>					
Cash received from customers, service fees	\$ 370,120	\$ 261,086	\$ 139,773	\$ 1,560,284	\$ 2,331,263
Cash received from customers, other	11,738	422	12,149	17,894	42,203
Cash paid to suppliers	(101,768)	(66,843)	(171,168)	(1,337,385)	(1,677,164)
Cash paid to employees	(149,873)	(126,962)	-	(305,679)	(582,514)
Net cash flows from operating activities	<u>130,217</u>	<u>67,703</u>	<u>(19,246)</u>	<u>(64,886)</u>	<u>113,788</u>
<b>Cash flows from noncapital financing activities:</b>					
Change in due to/due from	(92,000)	-	-	216,334	124,334
Net cash flows from noncapital financing activities	<u>(92,000)</u>	<u>-</u>	<u>-</u>	<u>216,334</u>	<u>124,334</u>
<b>Cash flows from capital and related financing activities:</b>					
Purchase of capital assets	(68,200)	-	-	-	(68,200)
Principal paid on long-term debt	-	(33,215)	-	(74,470)	(107,685)
Interest and fiscal charges paid	-	(18,819)	-	(19,995)	(38,814)
Net cash flows from capital and related financing activities	<u>(68,200)</u>	<u>(52,034)</u>	<u>-</u>	<u>(94,465)</u>	<u>(214,699)</u>
Net change in cash and cash equivalents	(29,983)	15,669	(19,246)	56,983	23,423
Cash and cash equivalents, including restricted cash, beginning of year	220,212	416,431	532,623	2,522,783	3,692,049
<b>Cash and cash equivalents, including restricted cash, end of year</b>	<u>\$ 190,229</u>	<u>\$ 432,100</u>	<u>\$ 513,377</u>	<u>\$ 2,579,766</u>	<u>\$ 3,715,472</u>
Reconciliation of operating income to net cash flows from operating activities:					
Net operating income	\$ 55,001	\$ 33,389	\$ 2,834	\$ (120,882)	\$ (29,658)
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation	79,525	45,732	-	128,478	253,735
Changes in operating assets and liabilities:					
(Increase)/Decrease in receivables	(26,730)	(2,995)	(10,833)	12,985	(27,573)
Increase/(Decrease) in accounts payable	28,327	(1,305)	(11,247)	(90,377)	(74,602)
Increase/(Decrease) in customer deposits	1,087	478	-	1,960	3,525
Increase/(Decrease) in accrued payroll and employee benefits	(1,652)	(1,370)	-	(2,254)	(5,276)
Increase/(Decrease) in compensated absences	(5,341)	(6,226)	-	5,204	(6,363)
Net cash flows from operating activities	<u>\$ 130,217</u>	<u>\$ 67,703</u>	<u>\$ (19,246)</u>	<u>\$ (64,886)</u>	<u>\$ 113,788</u>
<b>Supplemental schedule of non-cash Financing and investing activities:</b>					
Change in landfill closure and post-closure costs	\$ -	\$ -	\$ -	\$ 180,560	\$ 180,560

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

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	<u>Volunteer Firefighters' Relief and Pension</u>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 67,286</u>
Total assets and other debits	<u><u>\$ 67,286</u></u>
<b>LIABILITIES</b>	
Total liabilities	<u>\$ -</u>
<b>NET POSITION</b>	
Held in trust for pension benefits and other purposes	<u><u>\$ 67,286</u></u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2023**

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	<u>Volunteer Firefighters' Relief and Pension</u>
<b>Additions:</b>	
Total Additions	<u>\$ -</u>
<b>Deductions:</b>	
Miscellaneous expense	<u>1,797</u>
Total Deductions	<u>1,797</u>
Net Increase (Decrease)	(1,797)
Net Position Held in Trust for Pension Benefits Beginning of Year	<u>69,083</u>
End of Year	<u><u>\$ 67,286</u></u>

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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

**Description of government-wide financial statements**

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

**Reporting Entity**

The Town is a municipal entity governed by an elected mayor and council and provides the following services as authorized by general law: public safety, highways and streets, culture and recreation, and general administrative services. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations and so data from these units are combined with data of the Town, the primary government.

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. 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. Furthermore, component units combined with the Town for financial statement presentation purposes, and the Town, are not included in any other governmental reporting entity. Consequently, the Town's financial statements include the funds of those organizational entities for which its elected governing body is financially accountable.

The following is a brief review of the component units included in defining the Town's reporting entity. There are no discretely presented component units and one blended component units.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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Blended component units included within the reporting entity:

The **Town of Huachuca City, Arizona Municipal Property Corporation (MPC)** is governed by a three-member board appointed by the Town Council. The MPC, which is a nonprofit corporation incorporated under the laws of the State of Arizona, was formed for the sole purpose of assisting the Town in obtaining financing for various projects of the Town. Although it is legally separate from the Town, the MPC is reported as if it were part of the primary government. The MPC debt service is reported within the governmental activities in the government-wide statements. Separate financial statements for the MPC are not prepared.

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental fund, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Basis of presentation – fund financial statements**

The fund financial statements provide information about the Town's funds, including the blended component unit. Separate statements for each fund category—governmental and enterprise are presented. 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. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

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

The **Streets Fund** accounts for the operation and maintenance of the Town's streets, rights of way and street lighting throughout the Town.

The **Grant Opportunity Fund** is used to account for federal and state grants and other contributions that are restricted for specific use.



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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The Town reports the following major enterprise funds:

The **Water Fund** accounts for the operations, maintenance, and construction of the Town-owned water system.

The **Sewer Fund** accounts for the operations, maintenance, and construction projects of the Town-owned sewer system

The **Sanitation Fund** accounts for the operations, maintenance, and capital projects of the Town-owned solid waste collection and disposal services.

The **Landfill Fund** accounts for the operations, maintenance, and construction projects of the Town-owned Landfill.

Additionally, the Town reports the following fund types:

The **Fiduciary Fund** is an agency fund which accounts for resources held by the Town on behalf of others and includes the Volunteer Firefighters Relief and Pension Trust Fund. The Volunteer Firefighters Relief and Pension Trust Fund accounts for the contributions to and earnings of the volunteer firefighters' pension trust.

During the course of operations the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Measurement focus and basis of accounting**

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, state shared revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Town.

The proprietary funds are reported using the *economic resources measurement* focus and the *accrual basis of accounting*.

**Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance**

***Deposits and Investments***

For the purposes of the statement of cash flows, the Town considers only those highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and cash equivalents include amounts the Town is required by Arizona Department of Environmental Quality (ADEQ) to set aside to pay for future landfill closure and post-closure costs.

All investments are carried at fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices. The reported value of the state treasurer's pool is the same as the fair value of the pool shares. Investment earnings is composed of interest, dividends, and net changes in the estimated fair value of applicable investments.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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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 may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

***Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Internal balances" in the Statement of Net Position and as "Due to" or "Due from" other funds in the fund financial statements. All trade accounts receivable in the enterprise funds are shown net of an allowance for doubtful accounts. Due to the nature of the accounts receivable in government type activities, management does not consider an allowance for uncollectible accounts receivable necessary or material. Therefore, no allowance for uncollectible accounts receivable is presented.

***Inventories and Prepaid Items***

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Inventories for the proprietary funds consist principally of materials used in the repair of the distribution, collection and treatment systems and are valued at the lower of cost (first-in, first-out) or market.

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

***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capitalized assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. General government infrastructure capital assets include only those assets acquired or constructed since July 1, 2003.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. Depreciation for other property, plant, equipment, and infrastructure is computed using the straight-line method over the following estimated useful lives:

Buildings	50 years
Building improvements	20 years
Land improvements	20 years
Machinery, vehicles and equipment	8 to 15 years
Infrastructure	75 years

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

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The Town has one type of item that qualifies for reporting in this category. It is pension/OPEB related items reported on the government-wide financial statements. See footnote 10 for more information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has three types of items that qualify for reporting in this category. Pension/OPEB related items reported on the government-wide financial statements. See footnote 10 for more information. Unearned revenue – lease is reported on the government-wide and governmental fund financial statements and is recognized as revenue as the lease term progresses. Another item, which arises only under a modified accrual basis of accounting, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

***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 plan’s fiduciary net position of the Arizona Public Safety Personnel Retirement System (PSPRS), and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by PSPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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*Net position flow assumption*

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

*Fund balance flow assumptions*

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

*Fund balance policies*

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

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

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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Unassigned fund balance is a residual classification of the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the General Fund

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

**Leases and Subscription-Based Information Technology Arrangements**

Lessee: The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town] uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The Town is a lessor for a five-year noncancellable lease of a land for a cell phone tower that was prepaid by the lessee. The Town recognizes a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Town initially measures a lease receivable at the present value of payments expected to be received during the lease term.

Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-based information technology arrangements: The Town recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements, when applicable. The Town recognizes subscription liabilities with an initial, individual value of \$5,000 or more. The Town uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement.

**Revenues and expenditures/expenses**

***Program revenues***

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

***Property taxes***

Property tax revenues are recognized as revenues in the year collected or if collected within 60 days thereafter unless they are prepaid. Property taxes not collected within 60 days subsequent to the fiscal-year end or collected in advance of the fiscal year for which they are levied are reported as deferred revenues. Cochise County levies real property taxes on or before the third Monday in August, which become due and payable in two equal installments on October 1 of the current year and March 1 of the subsequent year. Taxes become delinquent after the first business day of November and May, respectively. Interest attaches on installments after the delinquency date.

The County also levies various personal property taxes during the year. A lien against property assessed attaches on the first day of January preceding the assessment and levy.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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***Compensated Absences***

Compensated absences consist of paid time off, which can be used as vacation or sick leave. The Town's permanent full-time employees may accumulate up to 200 hours of vacation. If the total amount of unused vacation time reaches the maximum of 200 hours, accruals stop until the amount falls below the cap. An employee may be allowed to carry forward paid time off to of the following year if staffing shortages prevent the employee from utilizing their paid time off. Unpaid vacation time shall be paid out in a lump sum at termination of employment once the employee has satisfactorily completed six months' probation. Employees also accrue annual sick leave which may accumulate and carryforward a maximum of 240 hours. Sick leave is not paid out at termination of employment and, is therefore, excluded from the compensated absence liability. An employee taking leave for a serious illness of a family member under the Family Medical Leave Act may use the paid time off as part of the unpaid 12 week period allowed by law.

All vacation is accrued when incurred in the government-wide and proprietary fund financial statements. For governmental funds amounts of accumulated vacation and compensatory time that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements.

***Proprietary funds operating and nonoperating revenues and expenses***

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, sewer fund, sanitation fund, and landfill fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Tax Abatements**

The Town has not entered into any tax abatement agreements and the Town is not aware of any tax abatement agreements that have been entered into by other governments that would reduce the Town's tax revenues.

**Use of Estimates**

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



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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

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**New Pronouncements**

For the year ended June 30, 2023, the Town implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which (1) defines a subscription-based information technology arrangement (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The Town had no SBITAs during the year ended June 30, 2023 that required reporting under GASB statement No. 96.

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**Note 2. Reconciliation of Government-Wide and Fund Financial Statements**

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The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 22.

The governmental fund statement of revenues, expenditures, and changes in fund balance includes reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis for governmental fund statements to the economic resources measurement focus and full accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 24.

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**Note 3. Stewardship, Compliance, and Accountability**

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Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the Town. The use of budgets and monitoring of equity status facilitate the Town's compliance with legal requirements.

**Budgets and Budgetary Accounting**

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

1. In accordance with Arizona Revised Statutes, the Town Manager submits a proposed budget for the fiscal year commencing the following July 1 to the Town Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 3. Stewardship, Compliance, and Accountability, Continued**

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2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the first of September, the expenditure limitation for the Town is legally enacted through passage of a resolution. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total Town expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. State law requires that, prior to April 1, the Economic Estimates Commission provide the Town with a final expenditure limit for the coming fiscal year.
5. Expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the Town adopts a budget by department for the General Fund and in total by fund for other funds. The Town Council has adopted a budget transfer policy and all amendments must be done in accordance with this policy.
6. The Town has adopted budgets in accordance with A.R.S. requirements and utilizes the budgets as a management control device during the year for the General, Special Revenue, Capital Projects, Debt Service, and Enterprise funds. The budgets are prepared on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the 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.

Supplementary budgetary appropriations were made during the year ended June 30, 2023.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation for future years, is not employed by the Town.

**Expenditures over Appropriations**

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual reports as listed in the table of contents present all of the departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2023, if any.

**Deficit Fund Balance**

As of June 30, 2023, the General Fund reported a fund balance deficit of \$1,941,585. The General Fund deficit decreased by \$7,979 when compared to the prior year.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 4. Deposits and Investments**

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A reconciliation of cash and investments as shown on the statement of net position is as follows:

Cash and cash equivalents	\$ 2,919,355
Cash on hand	543
Restricted cash and cash equivalents	2,614,409
Investments	671,232
Total cash and investments	<u>\$ 6,205,538</u>

For purposes of its statement of cash flows, the Town considers only those highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and cash equivalents includes amounts the Town is required to set aside to pay for future closure and post-closure costs of the Town's landfill (see Note 7).

**Deposits**

*Custodial Credit Risk*

For deposits this is the risk that in the event of a bank failure, the Town's deposit may not be returned to it. Statutes require collateral for deposits at 102 percent of all deposits federal depository insurance does not cover. The Town does not have a formal policy for custodial credit risk. At year end, the carrying amount of the Town's deposits was \$5,533,764 and the bank balance was \$5,734,907. The bank balance was fully covered by FDIC coverage or collateral held by the pledging financial institution in the Town's name.

**Investments**

The provisions of State law (A.R.S. 35-323) govern the investment of funds in excess of \$100,000. A.R.S. 35-323 allows for investment in certificates of deposit, interest bearing savings accounts, repurchase agreements with a maximum maturity of 180 days, pooled investment funds established by the State Treasurer, obligations guaranteed by the United States, bonds of the State of Arizona or other local municipalities, commercial paper of prime quality that is rated "P1" by Moody's investors or "A1" by Standard and Poor's rating service, and bonds, debentures or notes that are issued by corporations organized and doing business in the United States subject to certain restrictions. For investments of less than \$100,000, procedures as specified by local ordinance or resolution must be followed.

As of June 30, 2023, the Town had investments in municipal bonds valued at \$671,232. As these investments are convertible to cash at any time, they are included with cash and cash equivalents on the financial statements.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 4. Deposits and Investments, Continued**

**Credit risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town's policy for reducing its exposure to credit risk is to comply with State law (A.R.S. 35-323). A.R.S. 35-323 limits investment in commercial paper and corporate bonds to the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor's and Moody's Investor Services. The Town invests in equity securities, certificates of deposit, US government securities, repurchase agreements, pooled investment funds established by the State Treasurer, bonds issued by the state, county, incorporated cities, towns or school districts, or cash and cash equivalents with a local financial institution. The Town's investments were rated by Standard and Poor's as follows:

<b>Investment Type</b>	<b>Standard and Poor's Rating</b>				<b>Total</b>
	<b>AAA</b>	<b>AA</b>	<b>AA-</b>	<b>A+</b>	
Municipal Bonds	\$ 197,757	\$ 272,450	\$ 201,025	\$ -	\$ 671,232
Total	\$ 197,757	\$ 272,450	\$ 201,025	\$ -	\$ 671,232

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

<b>Investment Type</b>	<b>Investment Maturities (in Years)</b>		
	<b>Less than 5</b>	<b>More than 5</b>	<b>Total</b>
Municipal Bonds	\$ 124,648	\$ 546,584	\$ 671,232
Total	\$ 124,648	\$ 546,584	\$ 671,232

**Fair value measurements**

As noted above, the Town holds investments that are measured at fair value on a recurring basis. 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The investments, as listed above, are valued using quoted prices in active markets (Level 1 inputs).

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 5.           Restricted Assets**

Restricted assets at June 30, 2023 consisted of cash reserves totaling \$2,579,766 for landfill closure and post-closure costs and \$ 34,643 for Debt Service.

**Note 6.           Capital Assets**

The following table summarizes the changes to capital assets for governmental activities during the year:

<b>Governmental Activities:</b>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2023</u>
Capital assets, not being depreciated:				
Land	\$ 27,056	\$ -	\$ -	\$ 27,056
Total capital assets not being depreciated	<u>27,056</u>	<u>-</u>	<u>-</u>	<u>27,056</u>
Capital assets, being depreciated:				
Land Improvements	2,223,928	447,603	-	2,671,531
Buildings and Improvements	2,015,018	-	-	2,015,018
Infrastructure	3,135,739	-	-	3,135,739
Furniture, Equipment, Vehicles	<u>1,253,126</u>	<u>120,122</u>	<u>(14,000)</u>	<u>1,359,248</u>
Total capital assets being depreciated	<u>8,627,811</u>	<u>567,725</u>	<u>(14,000)</u>	<u>9,181,536</u>
Less accumulated depreciation for:				
Land Improvements	(1,212,293)	(56,917)	-	(1,269,210)
Buildings and Improvements	(1,220,460)	(56,433)	-	(1,276,893)
Infrastructure	(1,536,182)	(41,810)	-	(1,577,992)
Furniture, Equipment, Vehicles	<u>(1,061,128)</u>	<u>(42,876)</u>	<u>13,125</u>	<u>(1,090,879)</u>
Total accumulated depreciation	<u>(5,030,063)</u>	<u>(198,036)</u>	<u>13,125</u>	<u>(5,214,974)</u>
Total capital assets being depreciated, net	<u>3,597,748</u>	<u>369,689</u>	<u>(875)</u>	<u>3,966,562</u>
Governmental activities capital assets, net	<u>\$ 3,624,804</u>	<u>\$ 369,689</u>	<u>\$ (875)</u>	<u>\$ 3,993,618</u>

**Depreciation expense was charged to the functions/programs of the Town as follows:**

<b>Governmental Activities:</b>	
General government	\$ 16,871
Public safety	42,809
Highways and streets	62,731
Culture and recreation	<u>75,625</u>
Total depreciation expense - governmental activities	<u>\$ 198,036</u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 6. Capital Assets, Continued**

The following table summarizes the changes to capital assets for business-type activities during the year:

<b>Business Type Activities:</b>	<b>Balance June 30, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2023</b>
Capital assets, not being depreciated:				
Land	\$ 251,619	\$ -	\$ -	\$ 251,619
Total capital assets not being depreciated	<u>251,619</u>	<u>-</u>	<u>-</u>	<u>251,619</u>
Capital assets, being depreciated:				
Land Improvements	294,716	-	-	294,716
Buildings and Improvements	230,032	-	-	230,032
System and Other Improvements	7,357,707	68,200	-	7,425,907
Furniture, Equipment, Vehicles	1,631,599	-	-	1,631,599
Total capital assets being depreciated	<u>9,514,054</u>	<u>68,200</u>	<u>-</u>	<u>9,582,254</u>
Less accumulated depreciation for:				
Land Improvements	(94,822)	(11,894)	-	(106,716)
Buildings and Improvements	(130,612)	(4,601)	-	(135,213)
System and Other Improvements	(3,539,665)	(109,998)	-	(3,649,663)
Furniture, Equipment, Vehicles	(778,183)	(127,242)	-	(905,425)
Total accumulated depreciation	<u>(4,543,282)</u>	<u>(253,735)</u>	<u>-</u>	<u>(4,797,017)</u>
Total capital assets being depreciated, net	<u>4,970,772</u>	<u>(185,535)</u>	<u>-</u>	<u>4,785,237</u>
Business-type activities capital assets, net	<u>\$ 5,222,391</u>	<u>\$ (185,535)</u>	<u>\$ -</u>	<u>\$ 5,036,856</u>

**Depreciation expense was charged to the functions/programs of the Town as follows:**

<b>Business Type Activities:</b>	
Water	79,525
Sewer	45,732
Landfill	128,478
Total depreciation expense - business activities	<u>\$ 253,735</u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 7. Landfill Closure and Post-Closure Costs**

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State and federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will not be paid until near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and post-closure care costs as an addition to long-term liabilities on the statement of Net Position in each period based on the landfill capacity the Town used as of fiscal year end. The \$3,403,166 reported as landfill closure and post-closure care liability at year end, represents the cumulative amount reported to date based on prior closure and post-closure costs recognized. As of June 30, 2023, the estimated landfill capacity used was 75.45%, and the estimated remaining life of the landfill is 17 years. The Town will recognize the remaining estimated cost of closure and post-closure care of \$1,107,404 as the remaining estimated capacity is filled. These amounts are based on an estimate of what it would cost to perform all closure and post-closure care in 2023. Actual costs will likely vary due to inflation, changes in technology, or revisions of applicable laws and regulations.

The Town has entered into a Trust Agreement with ADEQ, which required the Town to deposit approximately \$1.9 million in September 2017 into a Trust account as a means of providing financial assurance that funds will be available when needed for closure and post-closure of the landfill. The Trust Agreement requires the Town to make annual deposits starting December 2017 until the full estimated closure and post-closure costs are held in the Trust account. As of June 30, 2023, the cash restricted for this purpose is \$2,579,766.

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**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 8. Long-Term Liabilities**

The following is a summary of changes in long-term obligations for the current fiscal year:

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>	<u>Current Portion</u>
<b>Governmental Activities:</b>					
<b>Direct Borrowings:</b>					
Excise Tax Revenue Bonds	\$ 329,000	\$ -	\$ (19,000)	\$ 310,000	\$ 20,000
Note payable - Lumen Technologies	31,767	-	(31,767)	-	-
Notes payable	74,840	-	(23,963)	50,877	24,933
Total direct borrowings	<u>435,607</u>	<u>-</u>	<u>(74,730)</u>	<u>360,877</u>	<u>44,933</u>
Other long-term liabilities					
Net Pension/OPEB Liability	229,011	117,764	-	346,775	-
Accrued Compensated Absences	41,500	26,585	(33,563)	34,522	27,618
Total other long-term liabilities	<u>270,511</u>	<u>144,349</u>	<u>(33,563)</u>	<u>381,297</u>	<u>27,618</u>
Total Governmental Activity Long-Term Liabilities	<u>\$ 706,118</u>	<u>\$ 144,349</u>	<u>\$ (108,293)</u>	<u>\$ 742,174</u>	<u>\$ 72,551</u>
<b>Business-Type Activities:</b>					
<b>Direct Borrowings:</b>					
Notes payable	\$ 1,630,401	\$ -	\$ (107,686)	\$ 1,522,715	\$ 100,079
Total direct borrowings	<u>1,630,401</u>	<u>-</u>	<u>(107,686)</u>	<u>1,522,715</u>	<u>100,079</u>
Other long-term liabilities					
Landfill closure and post-closure	3,222,606	180,560	-	3,403,166	-
Accrued Compensated Absences	24,343	13,846	(20,209)	17,980	14,384
Total other long-term liabilities	<u>3,246,949</u>	<u>194,406</u>	<u>(20,209)</u>	<u>3,421,146</u>	<u>14,384</u>
Total Business-Type Activity Long-Term Liabilities	<u>\$ 4,877,350</u>	<u>\$ 194,406</u>	<u>\$ (127,895)</u>	<u>\$ 4,943,861</u>	<u>\$ 114,463</u>
<b>Total Long-Term Liabilities</b>	<u>\$ 5,583,468</u>	<u>\$ 338,755</u>	<u>\$ (236,188)</u>	<u>\$ 5,686,035</u>	<u>\$ 187,014</u>

Generally, resources from the General fund are used to liquidate notes payable, pension liabilities and compensated absences for governmental activities.



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 8. Long-Term Liabilities, Continued**

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Long-term debt activity for the primary government at June 30, 2023 is comprised of the following issues:

**Revenue bonds payable from direct borrowings:**

**Governmental activities:**

Excise Tax Revenue Obligation Bonds, Series 2019, due in semiannual principal and interest installments, bearing interest at 4.70%, maturing August 1, 2034, secured by the City's Excise Tax revenues.	\$ 310,000
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**Notes Payable:**

**Governmental activities:**

Note payable due in annual installments of \$26,994 through September 2024, including interest of 4.05%, secured by vehicles.	50,877
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**Business-type activities:**

Note payable to Water Infrastructure Finance Authority due in annual payments ranging from \$52,034 to \$54,041 including interest of 1.739%, maturing July 1, 2050.	1,176,750
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Note payable in monthly installments of \$3,314 through December, 2025, including interest of 4.70%, after which final payment of \$75,554 is due. Secured by a Catepillar Compactor.	160,107
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Note payable in monthly installments of \$3,451 through December, 2025, including interest of 4.70%, after which a final payment of \$100,331 is due. Secured by a Catepillar Tractor.	185,858
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Total notes payable	<u>1,573,592</u>
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<b>Landfill closure and post-closure</b>	3,403,166
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<b>Accrued compensated absences</b>	52,502
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<b>Net pension/opeb liability</b>	<u>346,775</u>
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<b>Total long-term liabilities</b>	5,686,035
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**Less current portion:**

Governmental activities	(72,551)
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Business-type activities	<u>(114,463)</u>
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<b>Net long-term liabilities</b>	<u>\$ 5,499,020</u>
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**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 8. Long-Term Liabilities, Continued**

Excise Tax Revenue Obligation Bonds from direct placement debt service maturities are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 20,000	\$ 14,100	\$ 34,100
2025	21,000	13,137	34,137
2026	22,000	12,126	34,126
2027	23,000	11,069	34,069
2028	24,000	9,964	33,964
2029-2033	136,000	31,584	167,584
2034-2035	64,000	3,055	67,055
Total	<u>\$ 310,000</u>	<u>\$ 95,034</u>	<u>\$ 405,034</u>

Note payable debt service maturities are as follows:

Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 24,933	\$ 2,061	\$ 26,994	\$ 100,079	\$ 41,371	\$ 141,450
2025	25,943	1,051	26,994	103,850	34,467	138,318
2026	-	-	-	245,867	30,681	276,547
2027	-	-	-	35,587	23,659	59,246
2028	-	-	-	36,206	17,737	53,942
2029-2033	-	-	-	190,694	78,933	269,627
2034-2038	-	-	-	207,862	61,615	269,478
2039-2043	-	-	-	226,576	42,739	269,315
2044-2048	-	-	-	246,975	22,163	269,138
2049-2051	-	-	-	129,019	31,945	160,964
Total	<u>\$ 50,877</u>	<u>\$ 3,111</u>	<u>\$ 53,988</u>	<u>\$ 1,522,715</u>	<u>\$ 385,310</u>	<u>\$ 1,908,025</u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 9. Interfund Receivables, Payables and Transfers**

As of June 30, 2023, interfund receivables and payables that resulted from various interfund transactions are as follows:

<b>Due to</b>	<b>Due from</b>			<b>Total</b>
	General Fund	Water Fund	Nonmajor Funds	
Landfill Fund	\$ 2,090,813	\$ 189,100	\$ 518	\$ 2,280,431
Total	\$ 2,090,813	\$ 189,100	\$ 518	\$ 2,280,431

The interfund receivables and payables were recorded to eliminate short-term deficit pooled cash balances in the various funds.

For the year ended June 30, 2023 interfund transfers consisted of the following:

<b>Transfers Out</b>	<b>Transfers In</b>	
	Grant Opportunity	Total
General Fund	\$ 11,057	\$ 11,057
Total	\$ 11,057	\$ 11,057

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Note 10. Pensions and Other Postemployment Benefits**

The Town contributes to the plan described below. The plan is a component unit of the State of Arizona. At June 30, 2023, the Town reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

<b>Statement of Net Position and Statement of Activities</b>	<b>Governmental Activities</b>
Net pension and OPEB asset	\$ 11,456
Net pension and OPEB liability	346,775
Deferred outflows of resources	231,107
Deferred inflows of resources	185,753
Pension/OPEB expense	43,450

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 10. Pensions and Other Postemployment Benefits, Continued**

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The Town's accrued payroll and employee benefits includes \$0 of outstanding pension and OPEB contribution amounts payable to all pension plans for the year ended June 30, 2023. Also, the Town reported \$57,101 of pension and OPEB contributions as expenditures in the governmental funds related to all pension/OPEB plans to which it contributes.

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

**Plan description** – The Town employees who are regularly assigned hazardous duty 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).

The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. The reports are available on the PSPRS website at [www.psprs.com](http://www.psprs.com).

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

	<b>Initial Membership Date Before January 1, 2012</b>	<b>Initial Membership Date On or After January 1, 2012 and Before July 1, 2017</b>
<b>Retirement and Disability</b>		
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 percent		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	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	
<b>Survivor Benefit</b>		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job	

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

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. 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, 2023, the following employees were covered by the agent plans’ benefit terms:

<b>PSPRS - Police</b>	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	2	2
Inactive employees entitled to but not yet receiving benefits	1	0
Active employees	4	4
Total	7	6

**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. Contribution rates for the year ended June 30, 2023, are indicated below. Rates are a percentage of active members’ annual covered payroll.

	Active member - Pension	Town - Pension	Town-Health insurance premium
PSPRS Police	7.65%	25.36%	0.31%
PSPRS Tier 3 risk pool	9.00%	23.78%	0.12%

Also, statute required the Town to contribute at the actuarially determined rate of 13.96 percent of the annual covered payroll of Town employees who were PSPRS Tier 3 Risk Pool members, in addition to the Town’s required contributions to the PSPRS Tier 3 Risk Pool for these employees.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

The Town’s contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2023, were:

<b>PSPRS - Police</b>	Pension	Health insurance premium benefit
PSPRS	\$ 46,384	\$ 1,664
PSPRS Tier 3 risk pool	4,746	-

**Liability** – At June 30, 2023, the Town reported the following assets and liabilities:

	Net pension (asset) liability	Net OPEB (asset) liability
PSPRS Police	\$ 346,775	\$ (11,456)

The net assets and net liabilities were measured as of June 30, 1899, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2022, reflect changes of actuarial assumptions, including decreasing the investment rate of return from 7.3 percent to 7.2 percent, changing the wage inflation from 3.5 percent to a range of 3.0 – 6.25 percent, and increasing the cost-of-living adjustment from 1.75 percent to 1.85 percent.

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

<b>PSPRS</b>	
Actuarial valuation date	June 30, 1899
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
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 adjustments	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, 1899, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

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 expense and inflation) are developed for each major asset class. The target allocation and best estimate of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS Asset class	Target allocation	Long-term expected geometric real rate of return
US public equity	24%	3.49%
International public equity	16%	4.47%
Global private equity	20%	7.18%
Other assets (capital appreciation)	7%	4.83%
Core bonds	2%	0.45%
Private credit	20%	5.10%
Diversifying strategies	10%	2.68%
Cash - Mellon	<u>1%</u>	-0.35%
Total	<u>100%</u>	

**Discount Rate** –At June 30, 1899, the discount rate used to measure the PSPRS total pension/OPEB liabilities was 7.2 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2021. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

**Changes in the Net Pension/OPEB Liability**

**PSPRS-Police**

	Pension			Health insurance premium benefit		
	Increase (decrease)			Increase (decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2022	\$ 1,512,682	\$ 1,283,671	\$ 229,011	\$ 31,073	\$ 48,158	\$ (17,085)
Changes for the year:						
Service cost	42,847	-	42,847	1,664	-	1,664
Interest on total pension/OPEB liability	111,457	-	111,457	2,390	-	2,390
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience in the measurement of the pension/OPEB liability	(14,797)	-	(14,797)	409	-	409
Changes of assumptions	3,639	-	3,639	(114)	-	(114)
Contributions - employer	-	59,393	(32,144)	-	663	(663)
Contributions - employee	-	18,222	(17,971)	-	-	-
Net investment income	-	(51,308)	51,308	-	(1,909)	1,909
Benefit payments, including refunds of employee contributions	(57,429)	(57,429)	-	-	-	-
Plan administrative expenses	-	(925)	925	-	(34)	34
Net changes	85,717	(32,047)	117,764	4,349	(1,280)	5,629
Balances at June 30, 2023	\$ 1,598,399	\$ 1,251,624	\$ 346,775	\$ 35,422	\$ 46,878	\$ (11,456)

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

**Sensitivity of the proportionate share of the net pension/OPEB (asset) liability to changes in the discount rate** – The following table presents the Town's net pension/OPEB (asset) liability 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 or 1 percentage point higher than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
<b>PSPRS-Police</b>			
Net pension (asset) / liability	\$ 563,442	\$ 346,775	\$ 167,860
Net OPEB (asset)/ liability	(6,912)	(11,456)	(15,278)

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

**Expense** – For the year ended June 30, 2023, the Town recognized the following pension and OPEB expense:

	Pension expense	OPEB expense
PSPRS Police	\$ 44,469	\$ (4,726)

**Deferred outflows/inflows of resources** –At June 30, 2023, 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 Be	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred In of Resou
Differences between expected and actual experience	\$ 133,662	\$ 173,386	\$ 708	\$ 1
Changes in assumptions	22,537	-	153	
Net difference between projected and actual earnings on pension/OPEB plan investments	20,336	-	917	
Contributions subsequent to the measurement date	51,130	-	1,664	
Total	\$ 227,665	\$ 173,386	\$ 3,442	\$ 1

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

**Note 10. Pensions and Other Postemployment Benefits, Continued**

The amounts reported as deferred outflows of resources related to PSPRS 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PSPRS pensions and OPEB will be recognized in pension expense as follows:

Year Ended June 30	PSPRS Police	
	Pension	Health Insurance Premium Benefit
2024	\$ (741)	\$ (5,303)
2025	5,984	(3,254)
2026	(31,238)	(3,229)
2027	29,144	1,197
2028	-	-
Thereafter	-	-

**Note 11. Deferred Compensation**

The Town's employees (other than volunteer firemen and police officers) are covered under a defined contribution pension plan (401(k) plan), which provides retirement benefits for all of the Town's full-time employees. The plan is administered by John Hancock. The provisions of the plan were established by a pension board of the Town's council, which may amend the plan's provisions as necessary.

Employees are required to complete a six-month probationary period and attain permanent status before a certificate in the pension fund is issued. Once a certificate is issued in an employee's name, 5% of the employee's gross wages per pay period for the previous five months of employment are deposited in the pension fund. Upon completion of one year's service, all funds deposited on behalf of employees are 100% vested.

Withdrawals from the pension fund must meet the following criteria in accordance with the Equitable Life Insurance policy:

- a. Termination of employment, or
- b. Unforeseen emergencies, i.e., medical, dental, death, accident or other types of emergencies

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 11.       Deferred Compensation, Continued**

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Employees may deposit funds from their paychecks, up to predetermined amounts or one-third of their annual wages, whichever is less. Employees may be authorized to withdraw these deposited funds for the specified reasons noted above. A written request to do so must be submitted to the Pension Board for its determination. Equity Life Insurance requires that a balance of \$300 remain in an account prior to any withdrawals and in order to have an active certificate.

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**Note 12.       Firefighters' Relief and Pension Fund**

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The Volunteer Firefighters' Relief and pension Fund (VFRPF) is a defined contribution plan to provide pensions to volunteer firefighters only. State statute requires that after a volunteer firefighter has 20 years of service, he or she is entitled to a monthly pension, the amount of which is determined by the board of trustees of the VFRPF, not to exceed \$150, as determined by the board of trustees. If an employee resigns before completing 20 years of service, he or she is entitled to a refund of his or her contributions only. He or she is not entitled to any part of the employer's contributions, the amounts received from the State or earnings on any of the contributions. No contributions were made for the year ended June 30, 2023 as funds were available to provide for future benefits.

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**Note 13.       Risk Management**

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The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters.

The Town is a member of the Arizona Municipal Risk Retention Pool (AMRRP), a public entity risk pool currently operating as a common risk management and insurance program for Arizona municipalities. The Town pays an annual premium to AMRRP for its general insurance coverage. The Agreement for Formation of the AMRRP provides that AMRRP will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims for each insured event.

The Town is also a member of the Arizona Municipal Workers Compensation Pool (AMWCP), a public entity risk pool. The pool provides member cities with workers' compensation coverage, as required by law, and risk management services. The Town is responsible for paying premiums based on an experience rating formula that allocates pool expenditures and liabilities among the members.

The Town carries commercial insurance for other risks of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year nor the three prior years.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to the Financial Statements**  
**June 30, 2023**

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**Note 14.      Contingent Liabilities and Significant Commitments**

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Federal grants: In the normal course of operations, the Town receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed by Town officials to be material.

Litigation: The Town is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Each year, the Town may receive notices of claims for damages occurring. The filing of such claims commences a statutory period for initiating a lawsuit against the Town arising therefrom. The Town has comprehensive general liability insurance with Arizona Municipal Risk Retention Pool. The Town is not aware of any litigation that might result in a materially adverse outcome.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**TOWN OF HUACHUCA CITY, ARIZONA**  
**Required Supplementary Information**  
**Schedule of Changes in the Net Pension/OPEB Liability and Related Ratios**  
**June 30, 2023**

**PSPRS - Pension**

**Reporting Fiscal Year**  
**(Measurement Date)**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
	<b>(2022)</b>	<b>(2021)</b>	<b>(2020)</b>	<b>(2019)</b>	<b>(2018)</b>	<b>(2017)</b>	<b>(2016)</b>	<b>(2015)</b>	<b>(2014)</b>
<b>Total pension liability</b>									
Service cost	\$ 42,847	41,674	47,409	\$ 60,962	\$ 64,002	\$ 77,901	\$ 76,816	\$ 69,307	\$ 51,492
Interest on total pension liability	111,457	110,430	81,502	91,300	88,347	82,472	64,911	45,503	35,530
Changes of benefit terms	-	-	-	-	-	19,415	111,340	-	(1,914)
Difference between expected and actual experience of the total net pension liability	(14,797)	(82,341)	320,342	(245,647)	(121,224)	(102,344)	(15,802)	128,678	19,856
Changes of assumptions	3,639	-	-	18,877	-	-	-	-	13,167
Benefit payments, including refunds of employee contributions	(57,429)	(56,303)	(38,162)	(20,377)	(19,976)	42,989	44,176	-	-
<b>Net change in total pension liability</b>	<b>85,717</b>	<b>13,460</b>	<b>411,091</b>	<b>(94,885)</b>	<b>11,149</b>	<b>101,936</b>	<b>281,441</b>	<b>243,488</b>	<b>118,131</b>
<b>Total pension liability - beginning</b>	<b>1,512,682</b>	<b>1,499,222</b>	<b>1,088,131</b>	<b>1,183,016</b>	<b>1,171,867</b>	<b>1,069,931</b>	<b>788,490</b>	<b>545,002</b>	<b>426,871</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 1,598,399</b>	<b>\$ 1,512,682</b>	<b>1,499,222</b>	<b>\$ 1,088,131</b>	<b>\$ 1,183,016</b>	<b>\$ 1,171,867</b>	<b>\$ 1,069,931</b>	<b>\$ 788,490</b>	<b>\$ 545,002</b>
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ 59,393	32,144	54,503	\$ 60,931	\$ 78,110	\$ 59,415	\$ 65,465	\$ 66,642	\$ 66,189
Contributions - employee	18,222	17,971	20,694	20,201	24,618	35,965	41,048	37,135	33,116
Net investment income	(51,308)	279,225	12,533	48,166	54,497	80,385	3,376	13,985	31,663
Benefit payments, including refunds of employee contributions	(57,429)	(56,303)	(38,162)	(20,377)	(19,976)	(18,497)	-	-	-
Pension Plan Administrative Expense	(925)	(1,312)	(1,022)	(1,837)	(1,529)	(1,111)	(886)	(727)	-
Hall/Parker settlement	-	-	-	-	(51,583)	-	-	-	-
Other (net transfer)	-	-	-	(967)	7	(24,431)	33,985	79,324	(8,282)
<b>Net change in plan fiduciary net position</b>	<b>(32,047)</b>	<b>271,725</b>	<b>48,546</b>	<b>106,117</b>	<b>84,144</b>	<b>131,726</b>	<b>142,988</b>	<b>196,359</b>	<b>122,686</b>
<b>Plan fiduciary net position - beginning</b>	<b>1,283,671</b>	<b>1,011,946</b>	<b>963,400</b>	<b>857,283</b>	<b>773,139</b>	<b>641,413</b>	<b>498,425</b>	<b>302,066</b>	<b>191,583</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,251,624</b>	<b>1,283,671</b>	<b>1,011,946</b>	<b>\$ 963,400</b>	<b>\$ 857,283</b>	<b>\$ 773,139</b>	<b>\$ 641,413</b>	<b>\$ 498,425</b>	<b>\$ 314,269</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 346,775</b>	<b>\$ 229,011</b>	<b>\$ 487,276</b>	<b>\$ 124,731</b>	<b>\$ 325,733</b>	<b>\$ 398,728</b>	<b>\$ 428,518</b>	<b>\$ 290,065</b>	<b>\$ 230,733</b>
Plan fiduciary net position as a percentage of the total pension liability	78.30%	84.86%	67.50%	88.54%	72.47%	65.97%	59.95%	63.21%	57.66%
Covered valuation payroll	\$ 212,622	\$ 210,507	\$ 219,003	\$ 244,622	\$ 297,963	\$ 301,941	\$ 354,318	\$ 336,066	\$ 325,471
Net pension liability as a percentage of covered-employee payroll	163.09%	108.79%	222.50%	50.99%	109.32%	132.05%	120.94%	86.31%	70.89%

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



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Required Supplementary Information**  
**Schedule of Changes in the Net Pension/OPEB Liability and Related Ratios**  
**June 30, 2023**

**PSPRS-Health Insurance Premium Benefit**

	Reporting Fiscal Year (Measurement Date)					
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
<b>Total OPEB liability</b>						
Service cost	\$ 1,664	\$ 1,623	\$ 1,914	\$ 1,341	\$ 1,311	\$ 1,902
Interest on total OPEB liability	2,390	2,094	2,719	2,827	2,439	3,564
Changes of benefit terms*	-	-	-	-	-	38
Difference between expected and actual experience of the total net OPEB liability	409	293	(12,394)	(6,557)	804	(17,131)
Changes of assumptions or other inputs	(114)	-	-	358	-	(2,647)
<b>Net change in total OPEB liability</b>	4,349	4,010	(7,761)	(2,031)	4,554	(14,274)
<b>Total OPEB liability - beginning</b>	31,073	27,063	34,824	36,855	32,301	46,575
<b>Total OPEB liability - ending (a)</b>	<u>\$ 35,422</u>	<u>\$ 31,073</u>	<u>\$ 27,063</u>	<u>\$ 34,824</u>	<u>\$ 36,855</u>	<u>\$ 32,301</u>
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 663	\$ 1,543	\$ 1,433	\$ 1,206	\$ 2,221	\$ 2,862
Contributions - employee	-	-	-	-	-	-
Net investment income	(1,909)	10,092	440	1,704	1,932	2,674
Administrative expense	(34)	(41)	(36)	(29)	(29)	(24)
<b>Net change in plan fiduciary net position</b>	(1,280)	11,594	1,837	3,848	4,124	5,512
<b>Plan fiduciary net position - beginning</b>	48,158	36,564	34,727	30,879	26,755	21,243
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 46,878</u>	<u>\$ 48,158</u>	<u>\$ 36,564</u>	<u>\$ 34,727</u>	<u>\$ 30,879</u>	<u>\$ 26,755</u>
<b>Net OPEB liability - ending (a) - (b)</b>	<u>\$ (11,456)</u>	<u>\$ (17,085)</u>	<u>\$ (9,501)</u>	<u>\$ 97</u>	<u>\$ 5,976</u>	<u>\$ 5,546</u>
Plan fiduciary net position as a percentage of the total OPEB liability	132.34%	154.98%	135.11%	99.72%	83.79%	82.83%
Covered employee payroll	\$ 212,622	\$ 210,507	\$ 219,003	\$ 244,622	\$ 297,963	\$ 301,941
Net OPEB liability as a percentage of covered-employee payroll	-5.39%	-8.12%	-4.34%	0.04%	2.01%	1.84%

Note: The Town implemented GASB 75 in fiscal year 2018. Information prior to 2018 is not available.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Required Supplementary Information**  
**Schedule of Pension/OPEB Contributions**  
**June 30, 2023**

**PSPRS-Pensions**

	Reporting Fiscal Year (Measurement Date)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 46,384	\$ 59,393	\$ 32,144	\$ 54,503	\$ 60,931	\$ 78,110	\$ 59,415	\$ 65,465	\$ 66,642	\$ 66,189
Contributions in relation to the actuarially determined contribution	\$ (46,384)	\$ (59,393)	\$ (32,144)	\$ (54,503)	\$ (60,931)	\$ (78,110)	\$ (59,415)	\$ (65,465)	\$ (66,642)	\$ (66,189)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 215,862	\$ 212,622	\$ 210,507	\$ 219,003	\$ 244,622	\$ 297,963	\$ 301,941	\$ 354,318	\$ 336,066	\$ 325,471
Contributions as a percentage of covered-employee payroll	21.49%	27.93%	15.27%	24.89%	24.91%	26.21%	19.68%	18.48%	19.83%	20.34%

**PSPRS-Health Insurance Premium Benefit**

	Reporting Fiscal Year (Measurement Date)						
	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 1,664	\$ 663	\$ 1,543	\$ 1,433	\$ 1,206	\$ 2,221	\$ 2,862
Contributions in relation to the actuarially determined contribution	\$ (1,664)	\$ (663)	\$ (1,543)	\$ (1,433)	\$ (1,206)	\$ (2,221)	\$ (2,862)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 215,862	\$ 212,622	\$ 210,507	\$ 219,003	\$ 244,622	\$ 297,963	\$ 301,941
Contributions as a percentage of covered-employee payroll		0.77%	0.31%	0.73%	0.65%	0.49%	0.75% #

Note: The Town implemented GASB 75 in fiscal year 2018. Information prior to 2018 is not available.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Required Supplementary Information**  
**Notes to Pension/OPEB Plan Schedules**  
**June 30, 2023**

**Note 1. Actuarially Determined Contribution Rates**

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

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2021 actuarial valuation	16 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 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% to 4.0%–8.0% for PSPRS. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5% for PSPRS.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS.
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)

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Required Supplementary Information**  
**Notes to Pension/OPEB Plan Schedules**  
**June 30, 2023**

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**Note 2.           Factors that Affect Trends**

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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 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 increased 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.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGETARY COMPARISON SCHEDULES**

**FOR THE FOLLOWING MAJOR FUNDS:**

- The **General Fund** is the Town's primary operating fund. It accounts for all financial resources of the general government, except for those accounted for in another fund.
- The **Streets Fund** accounts for the operation and maintenance of the Town's streets, rights of way and street lighting throughout the Town.
- The **Grant Opportunity Fund** is used to account for federal and state grants and other contributions that are restricted for specific use.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**GENERAL FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes:				
City sales tax	\$ 345,450	\$ 345,450	\$ 386,355	\$ 40,905
Property taxes	98,754	98,754	98,448	(306)
Franchise taxes	20,604	20,604	19,473	(1,131)
Total taxes	<u>464,808</u> #	<u>464,808</u>	<u>504,276</u>	<u>39,468</u>
Fines and forfeitures	122,200	122,200	79,626	(42,574)
Licenses and permits	24,100	24,100	20,172	(3,928)
Intergovernmental:				
State sales tax	232,737	232,737	240,061	7,324
Auto lieu tax	109,768	109,768	97,292	(12,476)
Urban revenue sharing	313,832	313,832	308,075	(5,757)
Other intergovernmental revenues	<u>1,225,000</u>	<u>1,225,000</u>	<u>49,015</u>	<u>(1,175,985)</u>
Total intergovernmental	<u>1,881,337</u>	<u>1,881,337</u>	<u>694,443</u>	<u>(1,186,894)</u>
Charges for services	19,700	19,700	22,076	2,376
Investment earnings	31,000	31,000	35,410	4,410
Other revenues:				
Landfill land lease	702,000	702,000	702,000	-
Contributions	21,000	21,000	3,710	(17,290)
Miscellaneous	<u>130,601</u>	<u>130,601</u>	<u>185,983</u>	<u>55,382</u>
Total other revenues	<u>853,601</u>	<u>853,601</u>	<u>891,693</u>	<u>38,092</u>
<b>Total revenues</b>	<u>3,396,746</u>	<u>3,396,746</u>	<u>2,247,696</u>	<u>(1,149,050)</u>
<b>EXPENDITURES:</b>				
General government				
Mayor and council	68,050	68,050	56,197	11,853
Administration	602,789	602,789	413,152	189,637
Information systems	107,652	107,652	49,682	57,970
Animal shelter	1,000	1,000	-	1,000
Public works administration	115,053	115,053	56,619	58,434
City bus	124,016	124,016	97,850	26,166
Building inspector	78,000	78,000	54,070	23,930
Contingency	<u>90,439</u>	<u>90,439</u>	<u>46,394</u>	<u>44,045</u>
Total general government	<u>1,186,999</u>	<u>1,186,999</u>	<u>773,964</u>	<u>413,035</u>

(Continued)

**TOWN OF HUACHUCA CITY, ARIZONA**  
**GENERAL FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Public safety				
Police department	1,217,609	1,217,609	694,446	523,163
Fire department	624,711	624,711	412,948	211,763
City magistrate	83,264	83,264	67,421	15,843
Total public safety	<u>1,925,584</u>	<u>1,925,584</u>	<u>1,174,815</u>	<u>750,769</u>
Culture and recreation				
Parks	19,600	19,600	10,737	8,863
Swimming pool	44,331	44,331	38,382	5,949
Library	214,593	214,593	167,496	47,097
Senior citizens' center	32,068	32,068	4,015	28,053
Total culture and recreation	<u>310,592</u>	<u>310,592</u>	<u>220,630</u>	<u>89,962</u>
Capital outlay	19,977	19,977	11,698	8,279
Debt service:				
Principal	55,135	55,135	47,763	7,372
Interest	18,459	18,459	18,459	-
Total debt service	<u>73,594</u>	<u>73,594</u>	<u>77,920</u>	<u>15,651</u>
<b>Total expenditures</b>	<u>3,516,746</u>	<u>3,516,746</u>	<u>2,247,329</u>	<u>1,269,417</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(120,000)</u>	<u>(120,000)</u>	<u>367</u>	<u>120,367</u>
<b>Other financing sources (uses):</b>				
Debt proceeds	-	-	-	-
Sale of capital assets	110,000	110,000	16,356	(93,644)
Gain/(loss) on investments	10,000	10,000	2,313	(7,687)
Transfer to other funds	-	-	(11,057)	(11,057)
<b>Total other financing sources (uses)</b>	<u>120,000</u>	<u>120,000</u>	<u>7,612</u>	<u>(112,388)</u>
<b>Net change in fund balance</b>	-	-	7,979	7,979
Fund balance, beginning of year	<u>(1,949,564)</u>	<u>(1,949,564)</u>	<u>(1,949,564)</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (1,949,564)</u>	<u>\$ (1,949,564)</u>	<u>\$ (1,941,585)</u>	<u>\$ 7,979</u>



**TOWN OF HUACHUCA CITY, ARIZONA**  
**STREETS FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental	\$ 187,042	\$ 187,042	\$ 155,145	\$ (31,897)
Miscellaneous	70,000	70,000	-	(70,000)
<b>Total revenues</b>	<u>257,042</u>	<u>257,042</u>	<u>155,145</u>	<u>(31,897)</u>
<b>EXPENDITURES:</b>				
Highways and streets	357,042	357,042	18,622	338,420
Capital outlay	50,000	50,000	-	50,000
<b>Total expenditures</b>	<u>407,042</u>	<u>407,042</u>	<u>18,622</u>	<u>388,420</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(150,000)</u>	<u>(150,000)</u>	<u>136,523</u>	<u>286,523</u>
<b>Net change in fund balance</b>	(150,000)	(150,000)	136,523	286,523
Fund balance, beginning of year	<u>1,454,081</u>	<u>1,454,081</u>	<u>1,454,081</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 1,304,081</u></u>	<u><u>\$ 1,304,081</u></u>	<u><u>\$ 1,590,604</u></u>	<u><u>\$ 286,523</u></u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**GRANT OPPORTUNITY FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
<b>REVENUES</b>				
Intergovernmental revenue	\$ 449,420	\$ 449,420	\$ 420,823	\$ (28,597)
Contributions	4,000	4,000	7,850	3,850
<b>Total revenues</b>	<u>453,420</u>	<u>453,420</u>	<u>428,673</u>	<u>(24,747)</u>
<b>EXPENDITURES</b>				
Community development	449,420	449,420	431,880	17,540
Culture and recreation	4,000	4,000	2,293	1,707
<b>Total expenditures</b>	<u>453,420</u>	<u>453,420</u>	<u>434,173</u>	<u>19,247</u>
<b>Excess of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>(5,500)</u>	<u>(5,500)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	11,057	11,057
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>11,057</u>	<u>11,057</u>
<b>Net change in fund balances</b>	-	-	5,557	5,557
Fund balance, beginning of year	<u>5,374</u>	<u>5,374</u>	<u>5,374</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 5,374</u></u>	<u><u>\$ 5,374</u></u>	<u><u>\$ 10,931</u></u>	<u><u>\$ 5,557</u></u>

**SUPPLEMENTARY INFORMATION**  
**COMBINING STATEMENTS AND**  
**BUDGETARY COMPARISON SCHEDULES**  
**NON-MAJOR GOVERNMENTAL FUNDS**

**Special Revenue Funds**

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

- The **Police Grants Fund** is used to account for federal and state grants and contributions that are restricted for police.
- The **ARPA Fund** accounts for the funds received as a result of the American Rescue Plan Act.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Combining Balance Sheet**  
**Non-major Governmental Funds**  
**June 30, 2023**

	<u>Special Revenue Funds</u>		<u>Total Non-major Funds</u>
	<u>Police Grants</u>	<u>ARPA</u>	
<b>ASSETS</b>			
Cash and investments	\$ 3,187	\$ 579,790	\$ 582,977
Total assets	<u>\$ 3,187</u>	<u>\$ 579,790</u>	<u>\$ 582,977</u>
<b>LIABILITIES</b>			
Liabilities:			
Due to other funds	\$ 518	\$ -	\$ 518
Total liabilities	<u>518</u>	<u>-</u>	<u>518</u>
<b>FUND BALANCES</b>			
Restricted for:			
General government	-	579,790	579,790
Public safety	2,669	-	2,669
Total fund balances	<u>2,669</u>	<u>579,790</u>	<u>582,459</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,187</u>	<u>\$ 579,790</u>	<u>\$ 582,977</u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-major Governmental Funds**  
**For the Year Ended June 30, 2023**

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	Special Revenue Funds		Total Non-major Funds
	Police Grants	ARPA	
<b>REVENUES</b>			
Intergovernmental revenue	\$ 15,158	\$ 289,895	\$ 305,053
<b>Total revenues</b>	15,158	289,895	305,053
<b>EXPENDITURES</b>			
Public safety	13,792	-	13,792
<b>Total expenditures</b>	13,792	-	13,792
<b>Excess of revenues     over (under) expenditures</b>	1,366	289,895	291,261
<b>Net change in fund balances</b>	1,366	289,895	291,261
Fund balances (deficits), beginning of year	1,303	289,895	291,198
<b>Fund balances (deficits), end of year</b>	\$ 2,669	\$ 579,790	\$ 582,459

**TOWN OF HUACHUCA CITY, ARIZONA**  
**POLICE GRANTS**  
**SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
<b>REVENUES</b>				
Intergovernmental revenue	\$ 70,340	\$ 70,340	\$ 15,158	\$ (55,182)
<b>Total revenues</b>	<u>70,340</u>	<u>70,340</u>	<u>15,158</u>	<u>(55,182)</u>
<b>EXPENDITURES</b>				
Public safety	70,340	70,340	13,792	56,548
<b>Total expenditures</b>	<u>70,340</u>	<u>70,340</u>	<u>13,792</u>	<u>56,548</u>
<b>Excess of revenues over (under) expenditures</b>	<u>-</u>	<u>-</u>	<u>1,366</u>	<u>1,366</u>
<b>Net change in fund balances</b>	-	-	1,366	1,366
Fund balance, beginning of year	<u>1,303</u>	<u>1,303</u>	<u>1,303</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 1,303</u></u>	<u><u>\$ 1,303</u></u>	<u><u>\$ 2,669</u></u>	<u><u>\$ 1,366</u></u>

**TOWN OF HUACHUCA CITY, ARIZONA**  
**ARPA**  
**SPECIAL REVENUE FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Intergovernmental	\$ 579,790	\$ 289,895	\$ 289,895	\$ -
<b>Total revenues</b>	<u>579,790</u>	<u>289,895</u>	<u>289,895</u>	<u>-</u>
<b>EXPENDITURES:</b>				
General government	579,790	579,790	-	579,790
<b>Total expenditures</b>	<u>579,790</u>	<u>579,790</u>	<u>-</u>	<u>579,790</u>
<b>Excess of revenues over (under) expenditures</b>	<u>-</u>	<u>(289,895)</u>	<u>289,895</u>	<u>579,790</u>
<b>Net change in fund balance</b>	-	(289,895)	289,895	579,790
Fund balance, beginning of year	<u>289,895</u>	<u>289,895</u>	<u>289,895</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 289,895</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 579,790</u></u>	<u><u>\$ 579,790</u></u>

**OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS**



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**HINTONBURDICK**  
CPAs & ADVISORS

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

The Honorable Mayor and  
Town Council  
Town of Huachuca City, Arizona

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Huachuca City, Arizona as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Huachuca City, Arizona's basic financial statements, and have issued our report thereon dated August 23, 2024.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town of Huachuca City, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Huachuca City, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Huachuca City, Arizona's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control that we consider to be a material weakness.

2023-001      Misstatements and Reconciliations

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Huachuca City, Arizona's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

2018-003      General Fund Deficit and Interfund Payables (reissued)

### **Purpose of this Report**

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

*HintonBurdick, PLLC*

Gilbert, Arizona

August 23, 2024



## Independent Auditors' Report on State Legal Compliance

The Honorable Mayor and  
Town Council  
Town of Huachuca City, Arizona

We have audited the basic financial statements of the Town of Huachuca City, Arizona for the year ended June 30, 2023, and have issued our report thereon dated August 23, 2024. Our audit also included test work on the Town of Huachuca City's compliance with selected requirements identified in the State of Arizona Revised Statutes and the Arizona State Constitution including, but not limited to, Title 28, Chapter 18, Article 2.

The management of the Town of Huachuca City is responsible for the Town's compliance with all requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit; accordingly, we make the following statements:

The Town of Huachuca City has established separate funds to account for Highway User Revenue funds and Local Transportation Assistance funds. Highway user revenue fund monies received by the Town of Huachuca City pursuant to Title 28, Chapter 18, Article 2 and other dedicated state transportation revenues received during the current fiscal year appear to have been used solely for authorized purposes. The funds are administered in accordance with Generally Accepted Accounting Principles. Sources of revenues available and fund balances are reflected in the individual fund financial statements.

Our opinion regarding the Town's compliance with annual expenditure limitations has been issued separately with the Town's Annual Expenditure Limitation Report.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Town of Huachuca City complied, in all material respects, with the requirements identified above for the year ended June 30, 2023.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Arizona Revised Statutes as noted above and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.

*HintonBurdick, PLLC*  
Gilbert, Arizona  
August 23, 2024

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**TOWN OF HUACHUCA CITY, ARIZONA**  
**ANNUAL EXPENDITURE LIMITATION REPORT**  
**JUNE 30, 2023**  
**WITH REPORT OF**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**TOWN OF HUACHUCA CITY, ARIZONA**  
**ANNUAL EXPENDITURE LIMITATION REPORT**

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## Independent Accountants' Report on AELR

The Auditor General of the State of Arizona and  
The Honorable Mayor and Town Council  
Town of Huachuca City, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Huachuca City, Arizona, for the year ended June 30, 2023. This report is the responsibility of the Town of Huachuca City, Arizona's management. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of the Town of Huachuca City, Arizona, referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

*HintonBurdick, PLLC*

HintonBurdick, PLLC  
Gilbert, Arizona  
August 23, 2024



**TOWN OF HUACHUCA CITY, ARIZONA**  
**Annual Expenditure Limitation Report – Part I**  
**Year Ended June 30, 2023**

1. Economic Estimates Commission expenditure limitation	N/A	
2. Voter-approved alternative expenditure limitation (Approved June 25, 2020)	<u>7,797,167</u>	
3. Enter applicable amount from line 1 or line 2		\$ 7,797,167
4. Amount subject to the expenditure limitation (total amount from Part II, Line C)		<u>5,106,163</u>
5. Amount under (in excess of) the expenditure limitation (If excess expenditures are reported, provide an explanation)		<u>\$ 2,691,004</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Telephone Number: (520) 456-1354      Date: \_\_\_\_\_

See accompanying notes to report.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Annual Expenditure Limitation Report – Part II**  
**Year Ended June 30, 2023**

Description	Governmental Funds	Enterprise Funds	Total
A. Amounts reported on the Reconciliation Line D	<u>\$ 2,713,916</u>	<u>\$ 2,390,450</u>	<u>\$ 5,106,163</u>
B. Less exclusions claimed:			
14. Total exclusions claimed	<u>-</u>	<u>-</u>	<u>-</u>
C. Amount subject to the expenditure limitation (If an individual fund type amount is negative, reduce ) exclusions claimed to net to zero.)	<u>\$ 2,713,916</u>	<u>\$ 2,390,450</u>	<u>\$ 5,106,163</u>
	<u>\$ 2,713,916</u>	<u>\$ 2,390,450</u>	<u>\$ 5,106,163</u>

See accompanying notes to report.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Annual Expenditure Limitation Report – Reconciliation**  
**Year Ended June 30, 2023**

Description	Governmental Funds	Enterprise Funds	Fiduciary Funds	Total
A. Total expenditures (and expenses) and applicable other financing uses reported within the financial statements	<u>\$ 2,713,916</u>	<u>\$ 2,648,859</u>	<u>\$ 1,797</u>	<u>\$ 5,364,572</u>
B. Subtractions:				
1. Items not requiring use of working capital:				
Depreciation	-	253,735	-	253,735
Landfill closure and postclosure care costs	-	180,559	-	180,559
5. Total subtractions	<u>-</u>	<u>434,294</u>	<u>-</u>	<u>434,294</u>
C. Additions:				
1. Principal payments on long-term debt	-	107,685	-	107,685
2. Acquisition of capital assets	-	68,200	-	68,200
4. Total additions	<u>-</u>	<u>175,885</u>	<u>-</u>	<u>175,885</u>
D. Amounts reported on Part II, Line A	<u><u>2,713,916</u></u>	<u><u>2,390,450</u></u>	<u><u>1,797</u></u>	<u><u>5,106,163</u></u>

See accompanying notes to report.

**TOWN OF HUACHUCA CITY, ARIZONA**  
**Notes to Annual Expenditure Limitation Report**  
**Year Ended June 30, 2023**

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

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The Annual Expenditure Limitation Report (AELR) is presented on the basis of accounting prescribed by the *Uniform Expenditure Reporting System* (UERS), as required by Arizona Revised Statutes §41-1279.07, and in accordance with the voter-approved alternative expenditure limitation plan extended June 25, 2020 as authorized by the Arizona Constitution, Article IX, §20 (9).

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed in part II and each deduction or addition in the Reconciliation that cannot be traced directly to an amount reported in the annual financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds, Statement of Revenues, Expenses, and Changes in Net Position for the Proprietary Funds, Statement of Cash Flows for the Proprietary Funds, and the Statement of Changes in Fiduciary Net Position.

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**Note 2. Reconciliation**

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The addition of \$107,685 for principal payments on long-term debt in the Enterprise Funds consists of principal payments on notes payable as listed in the long-term debt footnote. The addition of \$68,200 for acquisition of capital assets consists of improvements in the water fund.

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**Note 3. Exclusions**

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Exclusions from local revenues, including those enumerated in the Constitution, may be taken against alternative expenditure limitations only if such exclusions are specifically identified in the resolution and the publicity pamphlet. The City's most current resolution does not specify any exclusions and therefore, no exclusions are reported within this document.



**Findings and Recommendations  
For the Year Ended June 30, 2023**

The Honorable Mayor and  
Town Council  
Town of Huachuca City, Arizona

Professional standards require that we communicate, in writing; deficiencies in internal control over financial reporting that are considered significant deficiencies or material weaknesses that are identified during the audit of the financial statements. We wish to commend the Town for their achievements with the Town's accounting and budgeting system. During our audit of the Town of Huachuca City, Arizona, for the fiscal year ended June 30, 2023, we noted a few areas needing corrective action in order for the Town to be in compliance with laws and regulations and we found a few circumstances that, if improved, would strengthen the Town's accounting system and control over its assets. These items are discussed below for your consideration.

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

**Material Weaknesses:**

2023-001. Misstatements and Reconciliations

**Criteria:** Auditing standards indicate that the identification by the auditor of misstatements in the financial statements may be a deficiency in the Town's internal controls.

**Condition:** Bank reconciliations included multiple outstanding items that included double posted receipts, reversals of checks that were not cleared and items that were cleared that were not included on the bank statement. In addition, some transactions were lumped together which hindered the ability to identify specific items such as grant related receipts.

**Cause:** Timing restraints and/or size of finance department may be the cause for various adjustments.

**Effect:** The Town's financial statements would not have been fairly stated in all material respects without adjustments to correct the bank reconciliation issues.

**Recommendation:** We recommend that management review processes to ensure that errors are caught in the normal course of operations. We recommend that activity is recorded in sufficient detail to identify its source. We also recommend that only activity included in the bank statement is cleared in the reconciliation and that outstanding items are periodically reviewed to determine whether they are valid.

**Significant Deficiencies:**

None noted

**Control Deficiencies:**

None noted

**COMPLIANCE AND OTHER MATTERS:**

**Compliance:**

2018-003.      General Fund Deficit and Interfund Payables (reissued)

**Criteria:** Governments are required to maintain positive fund balance

**Condition:** The General Fund reported a fund deficit of \$1,941,585 at June 30, 2023. Cash has been borrowed from other Funds to cover shortfalls. The outstanding payable to the other funds was \$2,090,813 as of June 30, 2023.

**Cause:** The deficit is a result of expenditures exceeding revenues in prior years.

**Effect:** The Town is not in compliance with State law.

**Recommendations:** We recommend the Town work to ensure fund deficits are avoided and interfund payables are repaid as soon as possible.

**Other Matters:**

None noted

Please respond to the above findings and recommendations in letter form.

It has been a pleasure to be of service to the Town this past year. We would like to express special thanks to all those who assisted us so efficiently in this year's audit. We invite you to ask questions of us throughout the year as you feel necessary. We look forward to a continued professional relationship.

Sincerely,

*HintonBurdick, PLLC*  
Gilbert, Arizona  
August 23, 2024

**TOWN OF HUACHUCA CITY**  
**Landfill Rate Adjustment Options for Large Haulers Compared to Estimated Expenses**  
**FY25**

**A. RATE OPTIONS**

Customer Type	Est. Annual Tons	Current		Option 1		Option 2		Option 3		Option 4		Option 5	
				Proposed (39.5% Over current)		30% Over Current		Inflationary Adj (34.6%)		10% Over Current		Matched	
Large Haulers	27,265	\$ 38	\$ 1,036,070	\$ 53	\$ 1,445,045	\$ 49	\$ 1,335,985	\$ 47	\$ 1,281,455	\$ 42	\$ 1,145,130	\$ 45	\$ 1,226,925
Other Billed Accounts	5,690	\$ 59	\$ 335,710	\$ 61	\$ 347,090	\$ 61	\$ 347,090	\$ 61	\$ 347,090	\$ 61	\$ 347,090	\$ 61	\$ 347,090
Cash Accounts	3,444	\$ 59	\$ 203,193	\$ 61	\$ 210,081	\$ 61	\$ 210,081	\$ 61	\$ 210,081	\$ 61	\$ 210,081	\$ 61	\$ 210,081
Tons/Revenue	36,399	\$ 1,574,973		\$ 2,002,216		\$ 1,893,156		\$ 1,838,626		\$ 1,702,301		\$ 1,784,096	
<b>B. BUDGET SUMMARY</b>													
<u>Revenue Sources</u>													
<u>Fees</u>													
Sales - Landfill		\$ 1,371,780		\$ 1,792,135		\$ 1,683,075		\$ 1,628,545		\$ 1,492,220		\$ 1,574,015	
Tipping Fees		\$ 203,193		\$ 210,081		\$ 210,081		\$ 210,081		\$ 210,081		\$ 210,081	
Total Fees		\$ 1,574,973		\$ 2,002,216		\$ 1,893,156		\$ 1,838,626		\$ 1,702,301		\$ 1,784,096	
<u>Other Revenue</u>													
Late Penalties		\$ 500		\$ 500		\$ 500		\$ 500		\$ 500		\$ 500	
Misc. Revenue		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000	
Sale Of Fixed Assets		\$ 15,000		\$ 15,000		\$ 15,000		\$ 15,000		\$ 15,000		\$ 15,000	
Total Other Revenue		\$ 20,500		\$ 20,500		\$ 20,500		\$ 20,500		\$ 20,500		\$ 20,500	
Total All Sources		\$ 1,595,473		\$ 2,022,716		\$ 1,913,656		\$ 1,859,126		\$ 1,722,801		\$ 1,804,596	
<u>Estimated Expenses</u>		\$ 2,022,716		\$ 2,022,716		\$ 2,022,716		\$ 2,022,716		\$ 2,022,716		\$ 2,022,716	
<b>Surplus\ (Shortfall)</b>		\$ (427,243)		\$ (0)		\$ (109,060)		\$ (163,590)		\$ (299,915)		\$ (218,120)	

**TOWN OF HUACHUCA CITY**  
**REVENUES COMPARED TO EXPENDITURES (ACTUAL)**  
**FROM FY20 TO FY25 (unaudited)**

		2020	2021	2022	2023	2024	2025 (9/12)	Total
<b>REVENUE</b>								
55-30-200	Sales - Landfill	1,216,370	1,413,797	1,312,930	1,337,767	1,357,255	242,167	6,638,118
55-30-205	Misc.Revenue	780	1,470	34,095	17,894	538	-	54,777
55-30-210	Tipping Fees	152,951	147,124	174,510	207,572	202,728	46,176	884,886
55-36-400	Sale Of Fixed Assets	43,875	31,047	-	-	-	-	74,922
	<b>Total Revenues</b>	<b>1,413,976</b>	<b>1,593,438</b>	<b>1,521,535</b>	<b>1,563,233</b>	<b>1,560,521</b>	<b>288,343</b>	<b>7,652,703</b>
<b>EXPENDITURES</b>								
55-40-100	Personnel Services	194,453	222,792	223,805	211,310	214,729	31,770	1,098,859
55-40-101	Unsupported Costs	-	-	195	-	-	-	195
55-40-102	New Hire	360	-	-	-	-	-	360
55-40-105	Overtime	17,825	22,954	12,255	36,150	36,450	8,117	125,634
55-40-110	Uniform Allowance	4,742	4,690	6,239	7,568	1,819	(0)	25,057
55-40-130	Employee Benefits	58,703	63,735	62,591	61,430	60,886	8,729	307,346
55-40-250	Advertising	675	-	-	-	-	-	675
55-40-265	Bank Costs/Fees	39,580	43,576	31,976	32,999	30,977	-	179,109
55-40-271	Telephone	-	-	-	-	806	-	806
55-40-280	Insurance	5,267	768	595	10,498	12,909	2,000	30,037
55-40-290	Office Supplies	-	626	702	644	459	825	2,430
55-40-300	Printing	-	-	477	403	2,499	-	3,379
55-40-337	Property Lease	702,955	571,193	624,000	702,000	702,000	-	3,302,148
55-40-340	Utilities	13,952	9,511	11,235	11,054	12,528	2,727	58,281
55-40-350	Safety Equipment	-	1,529	130	1,388	316	-	3,362
55-40-360	Contract Labor	34,746	9,727	55,425	36,487	4,750	380	141,134
55-40-366	Inmate Labor	-	-	168	4,132	5,070	1,153	9,371
55-40-410	Uniforms & Boots	-	-	-	-	9,265	2,549	9,265
55-40-440	Postage	1,387	565	765	1,299	1,734	423	5,749
55-40-460	Maintenance & Supplies	41,097	26,687	39,338	16,081	15,255	4,129	138,457
55-40-470	Vehicle Expense	3,973	4,590	3,451	4,497	961	-	17,472
55-40-475	Fuel Expense	54,341	68,809	133,482	12,590	5,243	660	274,466



**TOWN OF HUACHUCA CITY**  
**REVENUES COMPARED TO EXPENDITURES (ACTUAL)**  
**FROM FY20 TO FY25 (unaudited)**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b> <b>(9/12)</b>	<b>Total</b>
55-40-476 Diesel	-	-	15,943	166,759	118,497	7,490	301,199
55-40-480 Software Licensing - Caselle	1,413	410	616	3,194	382	61	6,015
55-40-481 Internet	-	-	-	-	277	186	277
55-40-483 Bank Fees	-	-	-	-	1,524	63	1,524
55-40-500 Building Maintenance	1,503	624	-	-	-	-	2,127
55-40-510 Lab Fees	4,632	2,558	2,523	2,338	2,386	-	14,437
55-40-511 Water Monitoring	-	-	-	-	2,464	-	2,464
55-40-515 Engineering Services	2,316	-	3,190	-	-	-	5,506
55-40-516 Adeq Fees	13,886	11,669	12,449	13,417	14,493	2,319	65,914
55-40-610 Equipment Maintenance	119,134	80,716	162,199	153,098	170,230	17,551	685,376
55-40-640 Membership	-	-	-	642	639	-	1,281
55-40-650 Professional Services	16,831	17,875	19,453	19,275	20,208	3,864	93,641
55-40-660 Travel - Travel/Training	-	100	5,230	-	-	-	5,330
55-40-670 Interest Expense	30,908	25,678	17,553	19,995	20,000	-	114,133
55-40-680 Depreciation Expense	145,071	143,592	138,210	128,478	125,000	-	680,351
55-40-705 Capital Lease	0	-	0	0	62,200	6,765	62,200
55-40-710 Capital Equipment	-	-	-	657	46,936	-	47,594
55-40-725 Change In Postclosure Costs	91,670	98,426	93,351	180,559	180,000	-	644,006
55-40-804 Software Licensing	-	-	-	402	402	-	804
55-40-840 Landfill Capital Outlay	478	90,049	1,975	-	-	-	92,502
55-40-846 Contingency Exp	-	-	66,548	41,508	6,782	-	114,838
55-40-855 Methane Monitoring	3,601	5,229	5,968	3,700	7,820	-	26,318
<b>Total Expenditures</b>	<b>1,605,498</b>	<b>1,528,678</b>	<b>1,752,038</b>	<b>1,884,551</b>	<b>1,898,897</b>	<b>101,760</b>	<b>8,701,432</b>
<b>Revenues over (Expenditures)</b>	<b>(191,522)</b>	<b>64,761</b>	<b>(230,503)</b>	<b>(321,318)</b>	<b>① (338,376)</b>	<b>① 186,583</b>	<b>(1,048,729)</b>

① Unaudited and with estimated audit entries for depreciation and post closure

prepared by: Ruben A Villa

source: Caselle Accounting System and Audited Financial Statements

**TOWN OF HUACHUCA CITY**  
**Budget Adjustments in Response to Reduced Landfill Rates from Original Proposal: Line-Item Revisions**  
**(Based on Option 5)**

Code	Title	FY25 Adopted Budget	Adjustment	Adjusted Budget	Notes
<b>LANDFILL (55)</b>					
55-40-100	Personnel Services	279,902.00	(10,620.00)	269,282.00	(Vacant Positions: 25% It Spec, 30% AP Clerk)
55-40-105	Overtime	29,313.00	-	29,313.00	(Already reduced compared to prior year)
55-40-110	Uniform Allowance	-	-	-	
55-40-130	Employee Benefits	102,502.00	-	102,502.00	
55-40-265	Bank Costs/fees	30,000.00	-	30,000.00	
55-40-271	TELEPHONE	1,000.00	-	1,000.00	
55-40-280	Insurance	18,200.00	(2,000.00)	16,200.00	(Reallocation to other Funds)
55-40-290	Office Supplies	1,000.00	-	1,000.00	
55-40-300	Printing	2,850.00	-	2,850.00	
55-40-337	Property Lease	702,000.00	(125,000.00)	577,000.00	(See General Fund Reduction Detail Below)*
55-40-340	Utilities	12,500.00	-	12,500.00	
55-40-350	Safety Equipment	1,400.00	-	1,400.00	
55-40-360	Contract Labor	9,000.00	-	9,000.00	
55-40-366	Inmate Labor	4,500.00	-	4,500.00	
55-40-410	Uniform & Boots	9,500.00	-	9,500.00	
55-40-440	Postage	2,000.00	-	2,000.00	
55-40-460	Maintenance & Supplies	16,000.00	-	16,000.00	
55-40-470	Vehicle Expense	4,500.00	-	4,500.00	
55-40-475	Fuel Expense	6,000.00	-	6,000.00	
55-40-476	Diesel	135,000.00	-	135,000.00	
55-40-480	Software Licensing - Caselle	3,200.00	-	3,200.00	
55-40-481	INTERNET	500.00	-	500.00	
55-40-483	BANK FEES	3,000.00	(3,000.00)	-	(Reallocation to 55-40-265)
55-40-510	Lab Fees	3,500.00	-	3,500.00	
55-40-511	Water Monitoring	2,500.00	-	2,500.00	
55-40-516	Adeq Fees	15,000.00	-	15,000.00	

**TOWN OF HUACHUCA CITY**  
**Budget Adjustments in Response to Reduced Landfill Rates from Original Proposal: Line-Item Revisions**  
**(Based on Option 5)**

Code	Title	FY25 Adopted Budget	Adjustment	Adjusted Budget	Notes
55-40-610	Equipment Maintenance	170,000.00	(9,500.00)	160,500.00	(Reducing by the projected 5.5% growth)
55-40-640	Membership	600.00		600.00	
55-40-650	Professional Services	30,000.00	(5,000.00)	25,000.00	(Reduced to prior year level)
55-40-660	Travel - Travel/training	2,000.00		2,000.00	
55-40-680	Depreciation Expense	135,000.00	(11,000.00)	124,000.00	(Reduction based on Audited Financials)
55-40-705	Capital Lease	82,000.00		82,000.00	
55-40-710	Capital Equipment	20,000.00		20,000.00	
55-40-725	Change In Postclosure Costs	100,000.00		100,000.00	
55-40-804	Software Licensing	3,000.00		3,000.00	
55-40-846	Contingency Exp	78,249.00	(52,000.00)	26,249.00	(Reduced closer to prior year level)
55-40-855	Methane Monitoring	6,500.00		6,500.00	
55-40-900	Bad Debt Expense	500.00		500.00	
<b>Adjusted Totals:</b>		<b>2,022,716.00</b>	<b>(218,120.00)</b>	<b>1,804,596.00</b>	

**GENERAL FUND (10)**

Various	Salary and Benefit Lines	37,728.00	(37,728.00)	-	(AP Clerk, Admin Asst, IT Spec)
10-70-995	Contingency - Urs Set Aside	64,778.00	(64,778.00)	-	URS Set Aside Contingency
10-70-990	Contingency	22,494.00	(22,494.00)	-	Contingency
		<b>(125,000.00)</b>			Expense Reduction to match Lease Payment Reduction

prepared by: Ruben A Villa

source: FY25 Adopted Budget



# TOWN OF HUACHUCA CITY

The Sunset City

9/23/2024

## **Amended Proposal for Amendment to IGSA - W91QUS-IGSA-A60TC-23-0004 for solid waste management services between the Town of Huachuca City and the United States Army Garrison Fort Huachuca**

The Town proposes to amend IGSA - W91QUS-IGSA-A60TC-23-0004 to include landfill tipping fees for waste from the Garrison deposited in the Huachuca City Landfill.

The Town provides waste disposal services (landfill accommodation) to the Garrison under contract DA EA 18-75-C-008, most recently modified on 1 October 2023 (Amendment/Modification number P00222). The Town also provides solid waste management services in accordance with the above-referenced IGSA.

Amending the IGSA to include the waste disposal (landfill) services/fees would benefit both the Town and the Garrison, providing greater efficiency and reducing the administrative burden of administering two separate contracts.

Landfill tipping fees will be based on actual tonnage delivered in accordance with the Town-approved landfill fee structure not to exceed a total of \$120,000 per year. Future years may require a cap adjustment if the Town changes the landfill rate structure or if the amount of Garrison tonnage increases beyond 2560 total tons per year.

If this proposed amendment is approved, contract DA EA 18-75-C-008 would be terminated, and the IGSA amended to include waste disposal services. Of course, the amended IGSA could be further modified at any time by written agreement of both parties.

Please address any questions concerning this proposal to Contracts Manager, Gerald Hursh, at 520-456-1354.

**If the Garrison wishes to accept this proposal, please sign below, and return a copy to the Town for execution. By signing, each party represents and warrants compliance with all applicable laws and regulations.**

Reviewed: \_\_\_\_\_  
Thomas Benavidez  
Town Attorney

Approved: \_\_\_\_\_  
Suzanne D. Harvey  
Town Manager

Reviewed: \_\_\_\_\_  
CARLSON.KRIS.C Digitally signed by  
CARLSON.KRIS.CARL.1243311973  
Date: 2024.09.24 09:34:32 -07'00'  
ARL.1243311973  
Kris Carlson  
Attorney-Advisor (Environmental)  
Office of the Staff Judge Advocate

Approved: \_\_\_\_\_  
Michael J. Childs  
COL, MI  
Garrison Commander



# Town of Huachuca City

## Huachuca City Police Department

500 N Gonzales Blvd • Huachuca City, Arizona 85616  
Phone: (520) 456-1101 • Fax: (520) 456-9208



Fee Schedule		
Previous		
Police	Fees	
<b>Vehicle Impound Fees:</b>		
Administrative fees:	\$150.00 ( <b>maximum allowed per ARS23-3514</b> )	
Daily Storage fees:	\$15.00 per day ( <b>maximum allowed per ARS28-3511</b> )	
Total Vehicle Impoundment	Total Daily Storage + Administrative fee + cost of Towing (starts at \$85.00)	
<b>Reports</b>		
Basic Report	\$.50 per page	
Body Camera/Video Footage on Disc or Thumb drive	\$50.00 body camera footage \$7.00 per disk or thumb drive	
Photos (up to 8x10), Color or black and white	\$5.00 per page, (regular copy paper)	
Fingerprinting	\$5.00 per card	
<b>Animal Control Fees</b>		
Animal Surrender		
Adult	\$30.00	
Pregnant	\$50.00	
Baby	\$25.00 for 1 <sup>st</sup> , \$8.00 for each additional	
Request to Euthanize	\$35.00	
Expired Animal Disposal	\$15.00	
Microchip	\$20.00	
Huachuca City Dog License & Registration	Fixed	Not Fixed
1 Year	\$8.00	\$17.00
3 Year	\$22.00	\$50.00



# Town of Huachuca City

## Huachuca City Police Department

500 N Gonzales Blvd • Huachuca City, Arizona 85616  
Phone: (520) 456-1101 • Fax: (520) 456-9208



Fee Schedule 2024		
Police	Fees	
<b>Vehicle Impound Fees:</b>		
Administrative fees:	\$150.00 ( <b>maximum allowed per ARS23-3514</b> )	
Daily Storage fees:	\$15.00 per day ( <b>maximum allowed per ARS28-3511</b> )	
Total Vehicle Impoundment	Total Daily Storage + Administrative fee + cost of Towing (starts at \$85.00)	
<b>Reports</b>		
Basic Report	\$.50 per page	
Body Camera/Video Footage on Disc or Thumb drive	\$46.00 per video hour + cost of storage device used	
Photos (up to 8x10), Color or black and white	\$5.00 per page, (regular copy paper)	
Fingerprinting	\$5.00 per card	
<b>Animal Control Fees</b>		
Animal Surrender		
Adult	\$30.00	
Pregnant	\$50.00	
Baby	\$25.00 for 1 <sup>st</sup> , \$8.00 for each additional	
Request to Euthanize	\$50.00	
Expired Animal Disposal	\$20.00	
Microchip	\$20.00	
Huachuca City Dog License & Registration	Fixed	Not Fixed
1 Year	\$10.00	\$20.00
3 Year	\$25.00	\$55.00



# INVOICE

## Integrated Machinery Inc.

25550 MC 85  
Buckeye, AZ 85326  
United States

Invoice Number: **110-INV0001**

Issue Date: **Sep 19, 2024**

Due Date: **Oct 19, 2024**

Sales Person: **Karely Vizcarra**

# UNPAID

### Bill to:

Town of Huachuca City  
Jim Halterman  
500 Gonzales Boulevard  
Huachuca City, AZ 85616  
United States  
[jhalterman@huachucacityaz.gov](mailto:jhalterman@huachucacityaz.gov)  
(520) 249-5241  
(520) 456-1334

### Ship to:

Town of Huachuca City  
Jim Halterman  
500 Gonzales Boulevard  
Huachuca City, AZ 85616  
United States  
[jhalterman@huachucacityaz.gov](mailto:jhalterman@huachucacityaz.gov)  
(520) 249-5241  
(520) 456-1334

Description	Price	Qty	Amount
Make: Caterpillar Model: 120G Motor Grader; Stock #: 11334 Serial Number: 87V07063 Year: 1990 Horsepower: 95 Engine: Cat 3304 4-cyl Turbo Diesel Transmission: 8-speed PowerShift Tires: 13.00-24 Mouldboard: 14' Weight: 28,350lbs Cab: Enclosed	\$46,500.00	1	\$46,500.00
Trade In Allowance (\$3,500): CATERPILLAR 112F; Serial Number: 89J685	\$0.00	1	\$0.00

### FOB Buckeye

**TERMS:** UNIT SOLD AS IS WHERE IS WITH NO WARRANTIES EXPRESSED OR IMPLIED.

Upon delivery of equipment, customer is accepting the equipment, including attachments, in "AS IS" condition, agreeing to notify Integrated Machinery Inc. within 24 hours upon receipt of equipment of any damages or discrepancies found. Customer's rights and remedies pertaining to this purchase are limited as set forth in this contract. Implied warranties of merchantability and fitness are not made and are excluded. Integrated has made every effort to ensure information has been compiled accurately from all available data. However, it is the responsibility of the customer to know what they are purchasing. Integrated makes no guarantees as to actual hours/miles/kilometers. The description reflects what can be visually observed. Buyer agrees that if any dispute should arise between the parties, all litigation will be conducted in Maricopa County, State of Arizona.

<b>Subtotal</b>	<b>\$46,500.00</b>
<b>Trade Allowance</b>	<b>(\$3,500.00)</b>
<b>Sales Tax</b>	<b>\$0.00</b>
<b>Shipping</b>	<b>\$0.00</b>
<b>Total</b>	<b>\$43,000.00</b>

\_\_\_\_\_  
Buyer's Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

# MUNICIPAL LEASE AND OPTION AGREEMENT

<b>LESSOR:</b> Leasing Specialists, LLC 8242 Cessna Drive Peyton, CO 80831 (719) 433-9978	<b>Send all documents to:</b> <b>Leasing Specialists, LLC</b> 8242 Cessna Drive Peyton, CO 80132 (719) 433-9978	Agreement No.: 2014 Date: 09/23/2024
<b>LESSEE:</b> Town of Huachuca City, AZ 500 N Gonzales Blvd Huachuca City, AZ 85616 Phone: 520-456-1354	<b>VENDORS:</b> See Exhibit A & B	
NOTE: This is an Interest Income tax-exempt transaction. No TIN/SSN must be provided because none of the payments are IRS reportable (such as Form 1099). (See Sections 103, 149, and 6041 of the Internal Revenue Code of 1986, as amended, and the Instructions for Forms 1099, 8038-G, and 8038-GC.)		
<b>EQUIPMENT DESCRIPTION:</b> One (1) 2024 Chevy Tahoe PPV Black VIN 1GNSKLED8RR192638 as more thoroughly described in Exhibit A to the Agreement		
Any additional equipment will be described in any Detailed Equipment Description Amendment that is executed and which refers to this Agreement.		
<b>Lessor assumes and shall have no responsibility for performance or maintenance of Equipment.</b> Equipment is to be insured by Lessee. <b>VENDOR IS NOT AN AGENT OF LESSOR</b> and no representative of Vendor is authorized to waive, supplement or otherwise alter any provision hereof. Maintenance and/or supplies ARE NOT included in this Agreement unless specified in the Equipment Description. Lessor or its assignee has a security interest in Equipment and <u>must be notified in writing</u> of any removal or trade-in of Equipment before full payment is made to Lessor or assignee.		
<b>Equipment Location. Complete only if Equipment will not be located at Renter's address shown above.</b>		
Address	City	State      Zip
<b>EQUIPMENT COST – TERM – PAYMENTS</b>		
<b>LEASE TERM</b>	5-year term – 5 annual payments in the amount of \$19,538.00 starting 10/15/2024 (includes interest, see Section 5.02).	
<b>PAYMENTS</b>	\$19,583.00 due for each payment as provided in the Payment Schedule.	
<b>TOTAL AMOUNT FINANCED</b>	\$87,595.38 - Includes no sales tax, all additional taxes will be the sole responsibility of Lessee.	
<b>PURCHASE OPTION AMOUNT</b>	Purchase Option is \$1.00 after timely making all payments.	

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE FOLLOWING PAGES, WHICH TERMS ARE MADE A PART HEREOF.

## TERMS AND CONDITIONS

Lessor hereby leases the equipment to Lessee for the following purposes and upon the following terms and conditions:

**ARTICLE I: COVENANTS OF LESSEE.** Lessee represents, covenants and warrants, for the benefit of Lessor and its assignee(s), as follows:

- A. Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State as set forth above ("State") and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.
- B. Lessee has been duly authorized to execute, deliver and perform this Agreement under the Constitution and laws of the State and under the terms and provisions of the resolution of its governing body, or by other appropriate official approval. Lessee further represents, covenants and warrants that all requirements have been met, and procedures have occurred in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. If requested, Lessee shall deliver to Lessor an opinion of Lessee's counsel in form acceptable to Lessor certifying that all requirements of state law or municipal code or ordinance have been complied with.
- C. During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.
- D. During the period this Agreement is in force, Lessee will annually provide Lessor or its assignee(s) with proof of appropriation of funds in the current budget for the lease payments and other obligations of Lessee under this Agreement (or a copy of the complete budget if so requested by Lessor or its assignees), and proof of appropriation for the ensuing fiscal year when such appropriation has been approved by the Lessee's governing body. Lessee further agrees to make its best effort to budget for and have appropriated for each budget and/or appropriation cycle, sufficient funds to make the Lease Purchase Payments throughout the entire Lease Term.
- E. The Equipment will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term plus any Renewal Terms.
- F. The Equipment is, and shall remain during the period this Agreement is in force, personal property and when subject to use by Lessee under this Agreement, will not be or become a fixture under applicable law.
- G. This Agreement, and all of its Amendments and Addendums, including the Detailed Equipment Description, supersedes and replaces any and all representations and warranties made by Lessor or Vendor prior to execution of the Agreement.
- H. The Equipment described above is NOT BEING LEASED ON ANY TYPE OR FORM OF A TRIAL OR RENTAL BASIS.
- I. Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986 (the "Code"), including without limitation Sections 103 and 148 thereof, and the applicable regulations of the U.S. Treasury Department in order to maintain the exclusion of the interest components of Lease Purchase Payments from gross income for the purposes of U.S. federal income taxation.
- J. Lessee will use the proceeds of this Agreement as soon as practicable, and with all reasonable dispatch, for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement shall be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of the Agreement to be or become \*arbitrage bonds\* within the meaning of Section 103(b)(2) or Section 148 of the Code, as amended, and the applicable regulations of the U.S. Treasury Department.
- K. Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3) (B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued, or to be issued, by Lessee and all subordinate entities thereof during the calendar year of commencement of this Agreement (the "issuance Year") is not reasonably expected to exceed \$10,000,000.00 Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000.00 of qualified tax-exempt obligations (including this Agreement, but excluding private activity bonds other than qualified 501(c)(3) during the issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt obligations acceptable to Lessor that the designation of this Agreement as a "qualified tax-exempt obligation" will not be adversely affected. (Omit and initial this paragraph if it is not applicable.)
- L. Lessee represents and warrants that it is a governmental unit under the laws of the State with general taxing powers, this Agreement is not a private activity bond as defined in Section 141 of the Code, as amended, 95% or more of the net proceeds of this Agreement will be used for local governmental activities of Lessee and the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued, or to be issued, by the Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$5,000,000.00 Lessee and all subordinate entities thereof will not issue in excess of \$5,000,000.00 of tax-exempt bonds (including this Agreement, but excluding private activity bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the excludability of the interest on the Agreement from gross income for federal tax purposes will not be adversely affected. (Omit and initial this paragraph if it is not applicable.)
- M. Lessee represents and warrants that it will at no time during the Lease Term or thereafter exercise or attempt to exercise the power of eminent domain with respect to the Equipment. The Lessee's rights to acquire title to the Equipment free of the obligations of this Agreement are defined solely in this Agreement.



## ARTICLE II: DEFINITIONS.

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“**Agreement**” means this Municipal Lease and Option Agreement.

“**Lease Term**” means the Original Term defined in Article III hereof and a sufficient number of automatic renewal Term as will equal the Lease Term set forth on the face of this Agreement.

“**Lessor**” means (i) the entity designated on the face of this Agreement as Lessor hereunder, (ii) any surviving, resulting or transferee corporation and (iii) except where the context requires otherwise, any assignee(s) of Lessor.

“**Buy-out After Payment Amount**” means the amount of the payments for the balance of the entire Lease Term (assuming no early termination for non-appropriation or other cause) plus the Purchase Option Amount shown above, if any, discounted to the date of payment at the rate equal to the rate paid on United States Treasury obligations having a similar term as of the date of original acceptance of the Equipment by the Lessee, plus payment of any amounts due hereunder but not yet paid, together with interest on such overdue amounts at ten percent (10%) per annum through the date of payment.

“**Renewal Term(s)**” means the automatic renewal periods of this Agreement, each having a duration of one (1) year co-terminus with Lessee’s fiscal year except that last of such periods which shall end on the anniversary of the Commencement Date. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Lease Purchase Payments shall be as provided in the attached Payment Schedule.

“**Vendor**” means the Vendor identified on page 1 of this Agreement and the manufacturers of any of the Equipment as well as the agents or dealers of the manufacturers from whom Lessor purchased or is purchasing the Equipment.

## ARTICLE III: COMMENCEMENT OF LEASE TERM.

The Original Term of this Agreement shall commence on the date the Equipment is accepted by Lessee as indicated on the Certificate of Acceptance (“Commencement Date”) and shall terminate the last day of Lessee’s current fiscal year. For the duration of the Lease Term, this Agreement will be automatically renewed at the end of the Original Term and any Renewal Term unless the Lessee exercises an Early Option to Purchase under Article X or Section 5.05 applies. If Lessee fails to accept the Equipment conforming to Lessee’s purchase order within a reasonable time after its delivery (not to exceed ten (10) days,) then at the option of Lessor, the obligations of Lessor to provide Equipment to Lessee hereunder may be cancelled and in such event Lessee shall assume all of Lessor’s obligations under any purchase order or purchase agreement with the Vendor related to the Equipment in lieu of its obligation to make Lease Purchase Payments. Further, in such case, Lessee agrees to indemnify and hold Lessor harmless from any claims, including demand for payment of the purchase price of the Equipment.

## ARTICLE IV: INSPECTION.

Lessor and any assignee of Lessor’s right under this Agreement shall have the right at all reasonable times and upon reasonable notice during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

## ARTICLE V: LEASE PURCHASE PAYMENTS.

**Section 5.01 Lease Purchase Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Purchase Payments hereunder shall constitute a current expense of Lease and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**Section 5.02 Payment of Lease Purchase Payments.** Lessee shall pay Lease Purchase Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in the Payment Schedule attached to this Agreement. A portion of each Lease Purchase Payment is paid as, and represents payment of, interest and principal, respectively. The Payment Schedule sets forth the interest component and principal component of each Payment during the Lease Term. Prepayment: The Lessee may prepay in whole or in part at any time without penalty. Prepayment will reduce the interest due and the total amount of this Agreement to be paid hereunder. Partial prepayments will not relieve the Lessee obligation to continue to make payments each year as scheduled in this Agreement. In the event that all amounts due and owing to Assignee pursuant to this Agreement are fully paid in advance, no further interest will accrue.

**Section 5.03 Lease Purchase Payments to be Unconditional.** Subject to Section 5.05, the obligation of Lessee to make payments of Lease Purchase Payments and other payments required under this Agreement shall be absolute and unconditional in all events and are intended by the parties to be “net” of personal property and sales taxes and insurance. Lessee shall make all such payments when due and shall not withhold any such payments as a result of any disputes arising between or among Lessee and Lessor, any Vendor or any other person, nor shall Lessee have the right to assert any set-off, reduction or deduction, defense, or counterclaim against its obligation to make such payments or be entitled to any abatement of such payments as a result of accident or unforeseen circumstances or any other reason.

**Section 5.04 Continuation of Lease Term by Lessee.** Lessee intends to renew this Agreement through all of the Renewal Terms and to pay all the Lease Purchase Payments hereunder. Lessee reasonably believes that legally available funds of an amount sufficient to make all Lease Purchase Payments during the Original Term and each Renewal Term can be obtained. Lessee further intends to do all things lawful within its power to obtain and maintain funds from which Lease Purchase Payments may be made, including making provision for such payments to the extent necessary in each bi-annual, annual, or otherwise periodic budget submitted and adopted in accordance with applicable provisions of state and local law, to have such portion of the budget approved and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

**Section 5.05 Non-appropriation.** In the event sufficient funds shall not be appropriated for the payment of the Lease Purchase Payments required to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement at the end of the Original Term or then current Renewal Term, and Lessee shall not be obligated to make payment of the Lease Purchase Payments provided for in this Agreement beyond the Original Term or the then current Renewal Term. Lessee agrees to deliver to Lessor notice of non-appropriation, rejection of reviews, and rejection of appeals within five (5) business days after each such event. If this Agreement is terminated under this Section 5.05, Lessee agrees, at Lessee’s cost and expense, to peaceably deliver the Equipment to Lessor at the location specified by Lessor that is a reasonable distance from the initial location of the leased Equipment.

**Section 5.06 Late Payment Charge.** If any Lease Purchase Payment is not made when due or within 10 days after its due date, Lessee shall pay an additional late payment charge of 5% Of the amount of the late payment.

## ARTICLE VI: TITLE TO EQUIPMENT; SECURITY INTEREST.

**Section 6.01 Title to the Equipment.** During the term of this Agreement, risk of loss and title to the Equipment and any and all additional, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement. In the event of default as set forth in Section 12.01 or non-appropriation as set forth in Section 5.05, title to the Equipment shall immediately vest in Lessor, and Lessee will, upon Lessor’s request, surrender possession of the Equipment to Lessor.

**Section 6.02 Security Interest.** To secure the payment of all Lessee’s obligations under this Agreement, Lessee grants Lessor a first priority purchase money security interest in the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds there from. Lessee agrees to execute and authorize Lessor to execute and file on Lessee’s behalf, such additional documents, including a UCC-1 financing statement in the form required for filing, and such other financing statements, certificates of title, affidavits, notices and similar instruments, satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest, and upon assignment, the security interest of any assignee of Lessor, in the Equipment.

## ARTICLE VII: MAINTENANCE; MODIFICATION; TAXES; AND INSURANCE.

**Section 7.01 Maintenance of Equipment by Lessee.** Lessee agrees that at all times during the Lease Term, Lessee will, at Lessee’s own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and will from time to time make or cause to be made all necessary and proper repairs, replacements and modifications. If appropriate, Lessee will enter into a maintenance contract for the Equipment with Vendor or such other firm as Lessee may choose subject to the express written approval of Lessor, which approval shall not be unreasonably withheld.

**Section 7.02 Taxes, Other Governmental Charges and Utility Charges.** The parties to this Agreement contemplate that the Equipment will be used for governmental or proprietary purpose of Lessee and, therefore, the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event the ownership, use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes payable by Lessor) Lessee will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment. If such tax is imposed directly on Lessor or its assigns, Lessee shall reimburse the person paying such tax on demand. If Lessee causes or allows events to happen that changes the interest income tax-exempt status of this Agreement, as outlined in Sections 103, 149 and 6041 on the Internal Revenue Code of 1986, as amended, or, assuming the Lessee has designated this Agreement as a “qualified tax-exempt obligation”, if the Lessee exceeds ten million dollars (\$10,000,000.00) in “qualified tax-exempt obligations”, as specified in Section 265(b)(3) (B) of the Internal Revenue Code of 1986, as amended, during the calendar year of commencement of this Agreement so that Lessee does not qualify as a “qualified small issuer” thereunder it will pay

the “taxable interest rate” on this Agreement retroactive to its Commencement Date. The “taxable interest rate” is hereby defined as that rate that results in the same after tax yield to the Lessor or to its Assigns, as the tax-exempt rate on this Agreement or the highest rate permitted by law, whichever is less. In all events, Lessee shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment.

**Section 7.03 Insurance.** At its own expense Lessee shall cause casualty, PUBLIC LIABILITY AND PROPERTY DAMAGE insurance to be carried and maintained, or shall demonstrate to Lessor’s satisfaction that adequate self-insurance is provided with respect to the Equipment, sufficient to protect the full replacement value (new) of the Equipment or the then applicable Buy-Out After Payment Amount, whichever is greater, and to protect Lessor from any liability related to the Equipment in all events. All insurance proceeds from casualty losses shall be payable as provided in Article VIII hereof. Lessee shall pay all deductibles and shall furnish to Lessor, or to its Assigns, Certificates evidencing such coverage throughout the Lease Term. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies, which cover not only the Equipment but also other properties. If Lessee shall insure similar properties by self-insurance, Lessee will insure the Equipment by means of an adequate insurance fund. All insurance shall name Lessee and Lessor as insured’s, and loss payees as their respective interests may appear and shall provide for at least ten (10) days prior written notice by the underwriter or insurance company to the Lessor and its assigns in the event of cancellation or expiration.

**ARTICLE VIII: DAMAGE; DESTRUCTION AND CONDEMNATION; PROCEEDS.**

**Section 8.01 Damage, Destruction and Condemnation.** Lessee is responsible for any theft of destruction of, or damage to, the Equipment, whether insured or not (“Loss). The proceeds of any insurance claim applicable to the Equipment, after deducting all expenses (including attorney fees) incurred in the collection of such claim or reward (“Net Proceeds”), shall be applied as set forth in Section 8.02.

**Section 8.02 Application of Net Proceeds.** In the event of a loss to the Equipment which is not deemed to be a total loss, Lessee shall cause the repair, replacement or restoration of the Equipment and pay the cost thereof, and shall apply the net proceeds of any insurance claims on the Equipment to such cost, provided, however, that if Lessee is then in default on the payments due under this Agreement, the net proceeds shall be applied as if total destruction or damage has occurred. In the event of total destruction or damage to the Equipment, whether or not Lessee is in default, at Lessor’s option, Lessee shall pay to Lessor on the Lease Purchase Payment due date next succeeding the date of such loss the amount of the Buy-Out after Payment Amount applicable to such date, plus the Lease Purchase Payment due on such date, plus any other amounts payable by Lessee hereunder, and, upon payment in full of such amounts, the Lease Term shall terminate and Lessor’s security interest in the Equipment shall terminate. Lessee shall retain Net Proceeds in excess of the then applicable Buy-Out after Payment Amount, if any. Lessee agrees that if the Net Proceeds are insufficient to pay in full Lessee’s obligations hereunder, Lessee shall make such payments to extent of any deficiency.

**ARTICLE IX: DISCLAIMER OR WARRANTIES; VENDOR’S WARRANTIES; USE**

**Section 9.01 Disclaimer of Warranties.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR ANY OTHER WARRANTY WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE’S USE OF THE EQUIPMENT OR ANY ITEM THEREOF OR SERVICES PROVIDED FOR IN THIS AGREEMENT, OR ANY SERVICES PROVIDED BY VENDOR. Any transfer of the Equipment to the Lessee shall be made disclaiming all express and implied warranties from Lessor and its assigns.

**Section 9.02 Vendor’s Warranties.** Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor and/or manufacturer of the Equipment. Lessee’s sole remedy for the breach of any such warranty, indemnification or representation shall be against the Vendor and/or manufacturer of the Equipment. Lessee expressly acknowledges that Lessor makes, and has made no representation or warranties whatsoever as to the existence or availability or enforceability of such warranties of the Vendor or manufacturer.

**Section 9.03 Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving an item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement. Lessee agrees that no more than 10% of the use of the Equipment in any month will be by persons or entities other than the Lessee or its employees on matters relating to such employment, and no more than 5% of the use of the Equipment in any month will be unrelated to use by or for the Lessee. Lessee further agrees that no management contracts will be entered into with respect to the use of the Equipment unless: (a) at least half of the compensation is on a periodic, fixed fee basis; (b) no compensation is based on a share of net profits; (c) the Lessee is able to terminate the contract without penalties at the end of any three years; and (d) the total term of such contract, including any renewals does not exceed five years.

**ARTICLE X: EARLY OPTION TO PURCHASE.**

Provided Lessee is not in default hereunder, Lessee may, upon giving Lessor not less than thirty (30) days prior written notice, elect to purchase all, but not less than all, of the Equipment at the end of each month, or Payment due date as established by the Commencement Date, for the Buy-Out After Payment Amount. Upon exercise of this early option to purchase, Lessee shall pay these amounts to Lessor or its assigns, on demand. As a condition precedent to exercising this early option to purchase, Lessee shall deliver to Lessor and its assigns a termination of any maintenance funding or disbursing obligations related to this Agreement.

**ARTICLE XI: ASSIGNMENT; SUBLEASING; AND ADDITIONAL COVENANTS.**

**Section 11.01 Assignment by Lessor.** This Agreement, and the rights to receive the payments to be made hereunder, may be assigned by Lessor and reassigned in whole or in part to one or more assignees at any time subsequent to the execution of this Agreement, without obtaining the consent of Lessee. Lessor agrees to give notice of assignment and upon receipt of such notice Lessee agrees to make all payments to the assignee designated in the notice of assignment, notwithstanding any claim, defense, set-off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the assignee. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested and provided by Lessor or its assignee in order to protect their interests in the Equipment and in this Agreement. The Lessor’s interest in this Agreement may not be assigned or reassigned in whole or in part unless (i) the document by which such assignment is made discloses the name and address of the assignee and (ii) the Lessee receives written notification of the name and address of the assignee. The Lessee covenants and agrees with the Lessor and each subsequent assignee of Lessor to maintain for the full term of this Agreement a complete and accurate written record of each such assignment and reassignment in form necessary to comply with Section 149(e) of the Internal Revenue Code of 1986, as amended, and the regulations proposed or existing from time to time promulgated hereunder. Anything in the foregoing apparently to the contrary notwithstanding, the Lessor’s interest in this Agreement may be assigned in whole or in part upon terms which provide in effect that the assignee will act as a collection and paying agent for holders of certificates of participation in this Agreement, provided the Lessee receives written notification of the name and address of such collection and paying agent, and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Agreement a written record of each assignment and reassignment of such certificates of participation.

**Section 11.02 No Sale, Assignment or Subleasing by Lessee.** This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

**Section 11.03 Additional Covenants.** Lessee shall protect and hold harmless Lessor from and against any and all liability, claims, demands, losses and damages arising out of or as a result of the entering into of this Agreement, the ownership or use of the Equipment pursuant to this Agreement, or the obligations of Lessee under this Agreement, except such liability, claims, demands, losses and damages caused by Lessor or its assigns. Such liability, claims, demands, losses and damages shall include, without limitation, counsel fees and expenses, penalties and interest, court costs, witness deposition and investigation costs, and any other expenses incurred in defense of any such liability, claims, demands, losses and damages. This obligation of Lessee shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

**ARTICLE XII: EVENTS OF DEFAULT AND REMEDIES.**

**Section 12.01 Events of Default Defined.** The following shall constitute an “event of default” hereunder:

- A. Failure by Lessee to pay any Lease Purchase Payment or other payment required to be paid hereunder at the time specified herein; or
- B. Failure by Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed, other than for a period of thirty (30) days after written notice to Lessee, specifying such failure and requesting that it be remedied unless

Lessor shall agree in writing to an extension of such time prior to its expiration provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or

- C. Breach of any material representation or warranty by Lessee under this Agreement; or
- D. Commencement by Lessee of a case or proceeding under the Federal bankruptcy laws of filing by Lessee of any petition or answer seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any existing or future bankruptcy, insolvency or other similar law or an answer admitting or not contesting the material allegations of a petition filed against Lessee in any such proceeding; or
- E. A petition against Lessee in a proceeding under any existing or future bankruptcy, insolvency or other similar law shall be filed and not withdrawn or dismissed within thirty (30) days thereafter.

**Section 12.02 Remedies on Default.** Upon the occurrence of an event of default, Lessor shall have the right, at its sole option without any further demand or notice, to exercise any one or more of the following remedies:

- A. By written notice to Lessee, Lessor may declare all payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;
- B. With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment with the net proceeds thereof to be applied as provided herein;
- C. Require Lessee at Lessee's risk and expense to promptly return the Equipment in the manner and in the condition set forth in Section 13.10 hereof;
- D. If Lessee refuses to return the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the Buy-Out after Payment Amount;
- E. Take whatever other action at law or in equity that may appear necessary or desirable to enforce its rights as the owner of the Equipment; and
- F. The proceeds of such sale, lease or sublease or the Equipment pursuant to Section 12.02(B) shall be applied in the following order: 1) to all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditions and selling, leasing or subleasing of the Equipment and all brokerage, auctioneer's and attorney's fees 2) the applicable Buy-Out After Payment Amount 3) all unpaid Lease Purchase Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term and 4) the balance to the Lessee unless Lessee shall so waive such payment. If the proceeds of such sale, lease or sublease shall be insufficient to pay all of items 1), 2), and 3), Lessee shall remain liable for any deficiency as to item 3), but will not remain liable for any deficiency as to items 1) and 2) in this Section F.

**Section 12.03 No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

#### **ARTICLE XIII: MISCELLANEOUS.**

**Section 13.01 Notices.** All notices, certifications or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties, or their permitted assignees, at their respective addresses.

**Section 13.02 Binding Effect.** Subject to the limitations on assignment, this Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

**Section 13.03 Severability; Interest Limitations.** In the event any court of competent jurisdiction shall hold any provision of this Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof. Lessee will not be required to pay and Lessor will not be permitted to collect any amount in excess of the maximum amount of interest permitted by law ("Excess Interest"). If any Excess Interest is provided for or determined to have been provided for under this Agreement, then: (A) this subsection shall govern and control; (B) Lessee will not be obligated to pay any Excess Interest; (C) any Excess Interest that Lessor may have received hereunder shall be, at Lessor's option (1) applied as a credit against the outstanding lease payment obligations (not to exceed the maximum amount permitted by law), (2) refunded to Lessee, or (3) any combination of the foregoing; (D) any interest rate(s) provided for herein shall be automatically reduced to the maximum lawful rate allowed under applicable law, and this Agreement shall be deemed to have been, and shall be, reformed and modified to reflect such reduction; and (E) Lessee will not have any action against Lessor for any damages arising out of the payment or collection of any Excess Interest.

**Section 13.04 Advances.** In the event Lessee fails to pay any amounts due hereunder or to perform any of its obligations under this Agreement, Lessor may at its option pay such amounts or perform such obligation, and Lessee shall reimburse Lessor the amount of such payment or cost of performance upon demand, together with interest at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less.

**Section 13.05 Execution in Counterparts.** This Agreement may be executed in multiple counterparts, all of which shall constitute one and the same instrument. The counterpart bearing Lessor's signature shall constitute the sole chattel paper original of this Agreement.

**Section 13.06 Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of the Lessee.

**Section 13.07 Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 13.08 Entire Agreement.** This Agreement, together with any Amendments or Addendums and including (i) the Detailed Equipment Description annexed hereto, (ii) the Acceptance Certificate executed by Lessee, (iii) the Payment Schedule annexed hereto, (iv) the Incumbency Certificate of Lessee, (v) any documents evidencing Lessor's security interest under the Uniform Commercial Code, and (vi) the Opinion of Lessee's legal Counsel, constitute the entire agreement between Lessor and Lessee and may not be amended, altered or modified except by written instrument signed by Lessor and Lessee. The execution of such writing by Lessor's assignee shall be sufficient for such purposes if Lessor has assigned this Agreement. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other document (with the exception of Supplements) submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply.

**Section 13.09 Finance Lease.** The parties intend that the Lessor shall have all benefits of a lessor under a finance lease under the uniform commercial code. Lessor did not select, manufacture, or supply the leased property and only acquired it (or the right to use such lease property) in connection with this Agreement. Lessee waives any and all rights and remedies Lessee may have under the UCC 2A-508 through 2A-522, including any right to: (a) revoke acceptance of the Equipment; (b) recover damages for any breach of warranty; and (c) make deductions or set-offs, for any reason, from amounts due Lessor or its assigns under this Agreement. If any part of this Agreement is inconsistent with UCC 2A, the terms of this Agreement will govern.

**Section 13.10 Return of Equipment.** Upon termination of the Agreement for any reason (except purchase by the Lessee), at the option of Lessor, (i) at its sole cost and expense, Lessee will immediately return the Equipment to Lessor in accordance with the provisions of this section, or (ii) Lessor shall transfer ownership of the Equipment to Lessee. If shipped, the Equipment shall be packed in accordance with the Vendor's specifications and returned to Lessor at the location specified by Lessor in the Continental United States reasonably close to where it was originally delivered, in the same condition as when accepted, ordinary wear and tear excepted. Such shipment shall be f.o.b. destination. Lessee shall bear all costs associated with such packing and shipping and the risk of loss shall not pass to Lessor until the Equipment has been received by it.

(ARIZONA SPECIFIC)

(ARIZONA)

WHEREAS, Lessee has executed the above-referenced Agreement and supporting documentation in order to provide for the acquisition and financing of certain equipment, as more fully described in Exhibit "A" to the Lease Purchase Agreement, attached thereto (the "Equipment"); and  
WHEREAS, the parties wish to modify certain terms and provisions of this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

Covenants

1. Any references in the original Lease/Purchase Agreement to the phrase "public agency of the State of Arizona" or "public agency of the State," as it relates to the Lessee, shall be modified to read "political subdivision of the State of Arizona."

2. Article II (Definitions), is hereby amended to add the following definition of "Lease Payments":  
"Lease Payments" means the properly appropriated rental payments described in Exhibit "A" hereto.

3. Article V, Section 5:03 (Non-Appropriation) is hereby amended to add the following:

Nothing in this Agreement shall be construed to direct or require that Lessee take or direct that any legislative act be done, or that the Governing Body of Lessee improperly or unlawfully delegate any of its legislative authority.

4. The last paragraph of Article XII, Section 12.01 (Events of Default Defined) is hereby amended to add the following:

The foregoing provisions of this Section 12.01 are subject to the provisions of Section 5.05 hereof with respect to non-appropriation and termination. An Event of Non-appropriation or termination under 5.05 shall not be considered an event of default. 2

5. Article XII, Section 12.02 (Remedies on Default) is hereby amended to read as follows:

(b) subject to the non-appropriation provisions of this Agreement, upon the occurrence of an event of default, Lessor shall have the right, at its sole option without any further demand or notice, to exercise any one or more of the following remedies:

A. By written notice to Lessee, Lessor may declare all payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

B. With or without terminating this Agreement, retake possession of the Equipment and sell, lease or sublease the Equipment with the net proceeds thereof to be applied as provided herein;

C. Require Lessee at Lessee's risk and expense to promptly return the Equipment in the manner and in the condition set forth in Section 13.10 hereof;

D. If Lessee refuses to return the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the Buy-Out after Payment Amount;

E. Take whatever other action at law or in equity that may appear necessary or desirable to enforce its rights as the owner of the Equipment; and

F. The proceeds of such sale, lease or sublease, or the Equipment pursuant to Section 12.02(B) shall be applied in the following order: 1) to all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditions and selling, leasing or subleasing of the Equipment and all brokerage, auctioneer's and attorney's fees 2) the applicable Buy-Out Payment Amount 3) all unpaid Lease Purchase Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term and 4) the balance to the Lessee unless Lessee shall so waive such payment. If the proceeds of such sale, lease or sublease shall be insufficient to pay all of items 1), 2) and 3), Lessee shall remain liable for any deficiency as to item 3) but will not remain liable for any deficiency as to items 1) and 2) in this Section F.

6. The following Sections shall be added to Article XIII (Miscellaneous):

Section 13.11 Boycotting Israel. To the extent applicable, Lessor hereby certifies it is not currently engaged in, and for the duration of this Agreement shall not engage in, a boycott of Israel.

Section 13.12 Non-Discrimination. Lessor is a large organization with policies in place to aid it in complying with any state and federal laws, rules and regulations which mandate that all persons, regardless of race, color, creed, religion, sex, genetic information, age, national origin, disability, familial status or political affiliation, shall have equal access to employment opportunities, including but not limited to the Americans with Disabilities Act. The Lessor shall use reasonable efforts to ensure that it will not participate either directly or indirectly in discrimination as prohibited by or pursuant to Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Age Discrimination Act of 1975, and the Genetic Information Nondiscrimination Act of 2008. 3

Section 13.13 Conflict of Interest. The parties acknowledge that this Agreement is subject to cancellation pursuant to A.R.S § 38-511, or any successor statute.

**INSURANCE COVERAGE REQUIREMENTS**

In accordance with this Agreement either:

1. We have instructed our insurance agent to issue to you:
  - a. All risk physical damage insurance on the leased Equipment properly reflected by an Evidence of Insurance and Long Form Loss Payable Clause (Acord Form 27 or its equivalent) naming Lessor designated above and/or its Assigns as an additional insured and loss payee, and
  - b. Public Liability insurance reflected by an Evidence of Insurance (Acord Form 27 or its equivalent) naming Lessor and/or its assigns as an additional insured and loss payee; or
2. We are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.

Proof of insurance coverage will be provided to you prior to the time that the Equipment is delivered to us.

**CUSTOMER ACCEPTANCE:**

**Date:** \_\_\_\_\_ **By:** \_\_\_\_\_ (Authorized Official)  
 Suzanne Harvey, Town Manager

**ESSENTIAL USE/SOURCE OF FUNDS LETTER**

Ladies/Gentleman:

This confirms and affirms that the Equipment described in this Agreement is essential to the function of the undersigned or to the service we provide to our citizens. Further, we have an immediate need for, and expect to make immediate use of, substantially all such Equipment which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority.

The estimated useful life of such Equipment based upon manufacturer’s representations and our projected needs is for at least six years. Our source of funds for payments of the rent due under the Agreement for the current fiscal year is: Current/proposed budget. We expect and anticipate adequate funds to be available for all future Lease Purchase Payments due after the current fiscal year.

**CUSTOMER ACCEPTANCE:**

**Date:** \_\_\_\_\_ **By:** \_\_\_\_\_ (Authorized Official)  
 Suzanne Harvey, Town Manager

<p><b>ACCEPTED BY:</b></p> <p><b><u>LESSOR: Leasing Specialists LLC</u></b></p> <p><b>Signature:</b> _____</p> <p><b>Date:</b> _____</p> <p>Name: John Watts</p> <p>Title: Owner</p>	<p><b>ACCEPTED BY:</b></p> <p>Lessee acknowledges reading and receiving a copy of this Agreement. The undersigned affirms that she/he has been duly authorized to execute this Agreement on behalf of the above-named Lessee. Depending on the jurisdiction, this may be the highest elected official.</p> <p><b><u>LESSEE: Town of Huachuca City, AZ</u></b></p> <p><b>Signature:</b> _____</p> <p><b>Date:</b> _____</p> <p>Name: Suzanne Harvey</p> <p>Title: Town Manager</p>
---	---

# Incumbency Certificate

Leasing Specialists, LLC (“Lessor”)  
8242 Cessna Drive  
Peyton, CO 80831

Town of Huachuca, AZ (“Lessee”)  
500 N. Gonzales Blvd  
Huachuca City, AZ 85616

Dated: September 23, 2024

Lease Number: 2014

I, Johann Wallace, Mayor, for the Town of Huachuca, AZ, hereby certify that:

Suzanne Harvey, Town Manager of the Town of Huachuca, AZ has been, is and, until further notice, continues to be duly authorized to execute any and all documents related to the Municipal Lease and Option Agreement No. 2014, for the equipment described therein and that the signature shown is his or her signature.

Signature: \_\_\_\_\_

Johann Wallace, Mayor  
The Town of Huachuca, AZ

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Suzanne Harvey, Town Manager  
Authorized Signer for the Town of Huachuca, AZ

Date: \_\_\_\_\_

Municipal Lease/Finance Program  
**Invoice for Payment**

TO: Accounts Payable  
Town of Huachuca City, AZ  
500 N Gonzales Blvd  
Huachuca City, AZ 85616

Date of Invoice: 09/23/2024

Lease Number: 2014

Equipment Description:  
One (1) 2024 Chevy Tahoe PPV Black VIN 1GNSKLED8RR192638 with Upfit

Please make check for \$400.00 payable to:  
Leasing Specialists, LLC  
8242 Cessna Drive  
Peyton, CO 80831

Service	Description	Amount
DOC FEE	DOCUMENTATION FEE FOR LEASE AGREEMENT 2014	\$400.00

When Payment is Due: Upon return of Signed Documents

Municipal Lease/Finance Program  
**Invoice for Payment**

TO: Accounts Payable  
Town of Huachuca City, AZ  
500 N Gonzales Blvd  
Huachuca City, AZ 85616

Date of Invoice: 09/23/2024

Lease Number: 2014

Equipment Description:

One (1) 2024 Chevy Tahoe PPV Black VIN 1GNSKLED8RR192638 with Upfit

Please make check for \$19,583.00 payable to:

**Farmers State Bank of Calhan**  
**1500 8<sup>th</sup> Street**  
**Calhan, CO 80808**

Service	Description	Amount
First Payment	FIRST PAYMENT FOR LEASE AGREEMENT 2014	\$19,583.00

When Payment is Due: Upon return of Signed Documents



# MUNICIPAL ANNEXATION OVERVIEW

## Introduction

Annexation is the legal process by which a city or town may assume jurisdiction over unincorporated territory adjacent to its territorial boundaries. Because annexation is subject to challenge on procedural grounds, the town attorney needs to be involved throughout every phase of the process from early planning through adoption of the annexation ordinance.

The time to consider any problem which might result from annexing an area is at the *very beginning* of the annexation planning process.

## Policy Considerations

Most municipalities develop a *general* annexation policy that serves as a guide to staff and to residents in unincorporated areas contiguous to the city or town. This type of policy should be adopted following council study of the various factors involved in any annexation. Much of the consideration undertaken involves the financial costs of serving a new area. While the annexation of territory may mean additional state shared revenue and taxes will come in, the additional expenditures to provide services to the annexed area must be realistically evaluated.

The Council must use wise discretion in determining whether to pursue any annexation. As always, the Council has a *fiduciary duty* to the *current* residents of the Town, which means that the Council must make a careful analysis of the costs and benefits of an annexation to its current residents.

## Approvals Needed

Annexation requires the consent of the owners of at least one-half of the value of the real and personal property and more than one-half by number of the property owners in the territory to be annexed as shown by the last county assessment. In addition, the consent of the town council, through adoption of an ordinance, is also required.

## Basic Requirements for the Specific Area to be Annexed

**A Plan for Service** - A plan, policy, or procedure is required by law to be in place, prior to adoption of the annexation ordinance, to provide the annexed territory with appropriate levels of infrastructure and services to serve anticipated new development in the annexed area within ten years of when the annexation becomes final.

**Contiguity with Town Boundary** - Arizona law requires that the territory to be annexed shall adjoin the boundary of the annexing city or town for at least 300 feet.

**Length and Width of Annexation Area** - The size and shape of the parcel to be annexed must be a minimum of 200 feet in width at all points, exclusive of rights-of-way and roadways. The length of the parcel is measured from where the territory adjoins the town to the furthest point of the parcel and cannot be more than twice the maximum width of the annexed territory. These length and width requirements do not apply if the territory considered for annexation is surrounded by the town on at least three sides.

**Cannot Create a County Island** - A city or town may not annex territory if, as a result of the annexation, unincorporated territory is completely surrounded by the annexing city or town. In other words, an annexation cannot result in the creation of a county island.

### **Procedural Requirements for Pursuing the Annexation**

Petitions Must Be Created - Once the decision has been made to proceed with annexation of a given area, annexation petitions must be prepared. The petitions are usually printed by the city or town. The territory to be annexed must be *accurately and completely* described on the petition. This means that a complete description of the exterior boundaries of the area proposed to be annexed must be on the petitions. The description also must identify the entity, if any, that will be responsible for maintaining the existing rights-of-way and roadways that are within or contiguous to the exterior boundaries of the area of the proposed annexation. In addition, an accurate map of the territory to be annexed must be attached to each petition, including all county rights-of-way and roadways with no taxable value within or contiguous to the exterior boundaries of the area of the proposed annexation. Most cities and towns place this map on the back of their petitions, since this arrangement avoids having the map and petition separated. The territory to be annexed must be drawn very carefully—the area cannot be altered to reduce or increase the territory once the petition is filed with the Recorder’s office.

File the Petition - a blank copy including the map and description of the territory to be annexed must be filed with the county recorder. In addition, a sworn affidavit verifying that the territory is not subject to an earlier filing for annexation must also be filed at this time.

Request a List of Property Owners - Immediately upon determining the area to be annexed, a request should be sent to the county assessor and the Department of Revenue for a list of the real and personal Property owners in the area to be annexed.

Hold a Public Hearing - Before petitions may be circulated there is a thirty-day waiting period after filing the petition and map with the county recorder. Within the last ten days of the thirty-day waiting period, the town must hold a public hearing to discuss the annexation proposal.

Circulate Petitions - Following the hearing, and after the end of the thirty-day waiting period, petitions may be circulated in the area to be annexed. Petitions may be circulated by the interested property owners in the area to be annexed or by other individuals chosen by the town.

One Year Allowed for Gathering Signatures - completed petitions must be filed with the county recorder within one year after the last day of the thirty-day waiting period.

File Signed Petitions - After all signatures have been collected, the petition containing the signatures must be filed with the county recorder.





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## **PROPOSED ANNEXATION**

I recently drove through the 4 – 5 – 600 block of lower Huachuca City to determine what Building/Zoning/Code Enforcement issues would be encountered should the Town decide to annex this area into the Town limits.

### **Building Department**

All construction in this area after the annexation would be required to apply for a building permit and meet all provisions of the adopted building codes and Town codes pertaining to construction. This is standard and should not have any negative impact in this area.

### **Zoning Department**

Once annexed the properties will be assigned a zoning classification that closely matches the current zoning in the County. One thing to consider is that the current Town code no longer allows for the placement of manufactured homes on individual lots. All new placements are required to be within an approved manufactured home park. It was noted that most of the properties in this proposed annexation area are manufactured homes on individual lots. All these properties would become non-conforming uses and the manufactured homes would be allowed to remain. The only circumstances that would change this would be: 1) If the manufactured home is abandoned or occupancy is discontinued for at least 6 continuous months; 2) If a manufactured home is damaged by at least 51% of the value. These circumstances would result in the property losing the non-conforming use classification and the requirement for the removal of the manufactured home. All future use of the property would be required to comply with the current Town Code.

### **Code Enforcement**

This is what will most impact the newly annexed properties. There is no grandfathering for the code enforcement issues, such as high weeds, dilapidated structures, parking in front yards, etc. Grandfathering (non-conformance) only applies to zoning uses, not proper maintenance of structures and premises. During my drive-thru it was noted that approximately 90% of the properties would have some Title 16 code violation. I am anticipating a lot of resistance from the property owners/occupants in this area, as the County was not very diligent in code enforcement. I am anticipating a lot of NOV notices and a fair number of citations and court cases for a couple years until the area gets cleaned up to meet Town code standards.

### **Financial Impacts on Building/Zoning/Code Enforcement**

I do not anticipate much of a financial impact on our contract with the Town for Building and Zoning issues, except with the increased costs incurred for the online program we use to track building permits. These are straightforward. Where I do anticipate a financial impact on our contract with the Town is in Code Enforcement. There will be an increased fee for the online program we use to track the code enforcement cases (it is the same program used for the building permits). The cost of this program is based upon the number of properties within the Town limits. I am also anticipating increased cases for code enforcement and many of these cases escalating to citations and court. This will include increased time to patrol the area, increased time to manage the cases, increased correspondence/notices, increased mailing costs, as well as increased preparations of cases for court.

I am estimating our Town contract fees will increase about \$20,000-\$35,000 a year.

Dr. Jim Johnson

# Town of Huachuca City

## *The Sunset City*

500 North Gonzales Boulevard, Huachuca City, Arizona 85616

Phone (520) 456-1354, TDD(520) 456-1353, E-mail [jhalterman@huachucacityaz.gov](mailto:jhalterman@huachucacityaz.gov)

Fax: (520) 456-0374

September 15<sup>th</sup>, 2023

To: Town Manager

From: Public works Foreman and Landfill Supervisor.

Subj: *Estimate Cost of Bringing County Blocks to City Limits*

***A: Concrete Curb Installation, Estimate 52,000 Linear Feet***

- 1. Low Cost \$629,373.32 @ \$36,31 Per Linear Foot***
- 2. High Cost \$750,706.52 @ 43.31 Per Linear Foot***

***B: Septic Tank Removal, Estimate 62 Residents***

- 1. Low Cost \$310,000 @ \$5000 on Average***
- 2. High Cost \$372,000 @ \$6000 on Average***

***C: Sewer Lateral Line, Estimate 62 Residents***

- 1. Low Cost @ \$186,000 @ \$3000 on Average***
- 2. High Cost @ \$434,000 @ \$7000 on Average***

***D: Sewer Main, Estimate 62 Residents***

- 1. Low Cost \$1,766,666.5 @ \$10,000 on a 30 Foot Run***
- 2. High Cost \$3,532,200 @ \$20,000 on a 30 Foot Run***

***E: Street Lights, County Residents***

- 1. Low Cost @ \$24,000 @ Twelve Street Lights***
- 2. High Cost @ \$60,000 @ Twelve Street Lights***

James A Halterman  
Public Works Supervisor  
Landfill Manager



How much does it cost to install one street light? X



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About 83,500,000 results (0.52 seconds)

On average, the cost of traditional street lights is around \$2,000 to \$5,000 per light, not including installation costs. In contrast, the cost of solar street lights is significantly lower. On average, the cost of solar street lights is around \$1,000 to \$2,500 per light, including installation.

Jan 26, 2023



anethic

https://www.anethic.com › blog › cost-comparison-of-sol...

### Cost Comparison of Solar Street Lights vs Traditional ... - anethic

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#### More questions :

How much does it cost to run one street light?

How much does a small street light cost?

How long does it take to install a street light?

How much does it cost to put in a light pole?

Feedback



LightMart.com

https://www.lightmart.com › Knowledgebase

### How Much Do Street Light Poles Cost?

Mar 23, 2021 — Typically, a street light might cost between \$2,000 and 3,000 dollars. The installation fee for a street light can cost \$1,000, depending on the ...

Who Is Responsible For... · Who Pays For Street Lights? · What Is The Typical Distance...

*ESTIMATE 12 light Poles*

*LOW COST \$24,000.00*

*HIGH COST \$60,000.00*



MKLIGHTS

https://www.mklights.com › BLOGS › how-much-doe...

### How Much does Street Light Cost?

For instance, if you want to install 100W LED comparable street lights, you should budget at least \$110. While LED streetlights are more expensive than high- ...

What Is the Cost of Installing a... · How Much Does a High...



ZGSM

https://www.zgsm-china.com › Blog

### How Much do The Street Lights Cost?

A street light(not LEDs) will typically cost **between \$200 and 400 dollars**(include the street light price and cost of post). Depending on where you live, ...

How Much Does A Street Light... · Introduction · Energy Costs



LedsMaster

https://www.ledsmaster.com › channel › How-Much-D...

### How Much Do Street Lights Cost, Replacing and Running ...

The cost of street light 100W is ranged from **US\$99 to US\$180**. Since there are many applications such as highway, sidewalk, pavement and square, there are four ...



**Cost to Install a Concrete Curb**

June 2023



Concrete Curb Installation Calculator    Zip Code: 85616    Linear Feet: 3000   

Item details	Qty	Low	High
<input checked="" type="checkbox"/> <b>Concrete Curb Cost</b> Non-discounted retail pricing for: 4+ inch thick, fibermesh reinforced 3500 PSI concrete. Broom finish. Quantity includes typical waste overage, material for repair and local delivery.	3165 FT	\$26,183	\$29,984
<input checked="" type="checkbox"/> <b>Concrete Curb Installation Labor, Basic</b> Basic labor to install concrete curb with favorable site conditions. Layout finished height and slope. Lightly grade and remove loose soil. Set forms and reinforcing. Pour and finish concrete. Excavation, gravel base layer, compaction or hardscape demolition not included. includes planning, equipment and material acquisition, area preparation and protection, setup and cleanup.	936.1 h	\$81,892	\$99,263
<input checked="" type="checkbox"/> <b>Concrete Curb Installation Job Supplies</b> Cost of related materials and supplies typically required to install concrete curb including: reinforcing materials and additives, isolation materials, cleaning and chemical release agents.	3165 FT	\$731	\$832
<input checked="" type="checkbox"/> <b>Concrete Curb Installation Equipment Allowance</b> Job related costs of specialty equipment used for job quality and efficiency, including: Slab perimeter form boards and stakes. 2 HP concrete vibrator, 48" Bull Float, reinforcing bar cutters, 5+ cubic foot mixing box with mortar hoe. Daily rental.	1 job	\$110	\$165

**Unit Costs: How Pros Price**

Unlike other websites that publish pricing from unrelated jobs in the past, Homewyse creates up-to-date estimates from current **Unit Costs**. The **Unit Cost** method delivers high accuracy by using location, details and options for the unique requirements of each job. Contracting, trade, design and maintenance businesses rely on the **Unit Cost** method for transparency, accuracy and fair profits.

Totals - Cost To Install Concrete Curb	3000 FT	\$108,916	\$130,244
Average Cost per Linear Foot		\$36.31	\$43.41

Create your own price list in Homewyse Lists

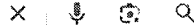
1" = 200 FT BY BLUE PRINT  
 TOTAL 259,045' IN THE COUNTY  
 TOTAL 52,000 FT IN THE COUNTY  
 BY 3000 FT = 17333.333  
 LOW COST \$629,373.32  
 HIGH COST \$750,706.52

In June 2023 the cost to Install a Concrete Curb starts at \$44.46 - \$54.55 per linear foot. For accurate estimating, use our **Cost Calculator** for estimates customized to the location, size and options of your project.





average cost to close out a septic tank in az



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### Septic Tank Removal Average Cost

The cost to remove a septic tank costs \$5,000-\$6,000 on average, including disposal of the tank. Septic tank removal costs can vary a great deal, from as low as a couple thousand dollars to as high as \$10,000+.



HomeAdvisor

https://www.homeadvisor.com > blog

### Septic Tank Removal Cost Guide: Pricing Information You ...

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### More questions

How do you close a septic tank?

Three common processes for dealing with an empty tank are:

1. Remove and dispose of the tank at an approved site (normally a landfill).
2. Crush the tank completely and backfill. ...
3. Fill the tank with granular material or some other inert, flowable material such as concrete.

May 25, 2023



testbook.com

https://testbook.com > question-answer > how-to-perman...

### [Solved] How to permanently close the septic tank? - Testbook

Search for: How do you close a septic tank?

What is the average cost of a septic system in Arizona?

Can you build close to a septic tank?

How close to a house should a septic tank be?

What do you do if your septic tank is full?

Can an old septic tank cause a sinkhole?

Feedback



HomeAdvisor

https://www.homeadvisor.com > ... > Plumbing

### What's the Average Cost to Pump a Septic Tank?

On average, it costs \$420 or between \$288 and \$556 to clean or pump a septic tank. Extremely large tanks can run \$1,000 or more. Most tanks need pumping ...



thegreywaterguide.com

https://www.thegreywaterguide.com > septic-tank > ho...

### How Much Does Septic Tank Cost In Az?

ESTIMATE 62 SEPTIC TANKS  
 low COST \$310,000.00  
 High COST \$372,000.00



average cost for lateral line installation



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The main sewer line and lateral sewer replacement from house to street costs \$3,000 to \$7,000 on average. Costs depend on the trenching and removal of existing pipes, and the size of the pipe you need to match the main line. A lateral sewer refers to the part of a sewer pipe on a homeowner's property. Apr 5, 2023

HomeGuide https://homeguide.com Cost Guides

### 2023 Sewer Line Replacement & Repair Costs - HomeGuide

About featured snippets Feedback

#### More questions :

How much does epoxy pipe lining cost?

How far down are lateral lines buried?

What is a lateral line for home?

How much does it cost to convert septic to sewer in NJ?

Feedback

LATER COST FOR 62  
ESTIMATE RESIDENT

LOW COST \$186,000.00 TOTAL  
HIGH COST \$434,000.00

This Old House https://www.thisoldhouse.com plumbing reviews

### How Much Does a Sewer Line Replacement Cost? (2023 ...

Apr 11, 2023 — Overall, the average price for sewer line replacement is about \$5,000. Typically, you'll pay between \$50 and \$200 per linear foot of sewer ...  
Sewer Line Cost By Line... · Sewer Line Cost By Repair... · Costs For A Sewer Line...

Forbes https://www.forbes.com plumbing sewer-line-repai...

### Average Sewer Line Repair And Replacement Cost 2023

May 29, 2023 — Typically, replacing a short sewer line costs \$1,250, while replacing longer lines can cost up to \$25,000. Sewer Line Replacement From House to ...  
Sewer Line Replacement From... · Types Of Sewer Line... · Diy Sewer Repair Vs. Calling...

Angi https://www.angi.com Solution Center Plumbing

### How Much Does Sewer Line Installation Cost? [2023 Data]

May 23, 2023 — The average cost of sewer line installation is about \$3,355, but most homeowners pay between \$1,338 to \$5,386. If your home is connected ...  
Costs by Location · City Water and Sewer · Cost Breakdown · Additional Costs

Smiley Drain Cleaning https://www.smileydrain.com what-is-the-cost-of-rep...

### What Is The Cost Of Replacing A Sewer Line? (2022-2023 ...



sewer main in streets installation cost from a co

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### Sewer Line Replacement From House to Street

As this distance can often be lengthy, expect to pay up to \$10,000 for a 30-foot run of the sewer line. Depending on your area, the type of soil, time of year and other factors, a full sewer line replacement to the street can cost up to \$20,000. May 29, 2023

Forbes  
https://www.forbes.com › home-improvement › plumbing

### Average Sewer Line Repair And Replacement Cost 2023

About featured snippets, Feedback

### More questions

Are local governments responsible for paying for sewer line repairs?

How much does it cost to sleeve a pipe?

What is trenchless sewer repair?

What are the signs of a broken sewer pipe?

Feedback

Angi  
https://www.angi.com › Solution Center › Plumbing

### How Much Does Sewer Line Installation Cost? [2023 Data]

May 23, 2023 – The average cost to install a sewer line ranges from \$50 to \$250 per linear foot. Sewer line pipes are typically about 5 inches in diameter and ... Costs by Location · City Water and Sewer · Cost Breakdown · Additional Costs

*ESTIMATE 5300 FEET  
LOW COST 1,766,666.5  
HIGH COST 3,532,200*

HomeAdvisor  
https://www.homeadvisor.com › ... › Plumbing

### How Much Does Sewer Line Installation Cost?

Aug 1, 2022 – Installation for a new main sewer line costs \$1,432 on average, with a typical range of \$536 and \$2,340. Once the plumber places the line, ...

This Old House  
https://www.thisoldhouse.com › plumbing › reviews

### How Much Does a Sewer Line Replacement Cost? (2023 ...

Apr 11, 2023 – Since prices tend to range from \$50–\$200 per linear foot, here's what you can expect to pay for various lengths of sewer pipe replacement. Sewer ... Sewer Line Cost By Line... · Sewer Line Cost By Pipe... · Sewer Line Cost By Repair...

HomeGuide  
https://homeguide.com › Cost Guides

### 2023 Sewer Line Replacement & Repair Costs

Apr 5, 2023 – The main sewer line and lateral sewer replacement from house to street costs \$3,000 to \$7,000 on average. Costs depend on the trenching and ... Sewer Line Replacement Cost... · Cost to Repair Sewer Main...



**Town of Huachuca City**

**DOMESTIC VIOLENCE AWARENESS MONTH, 2024**

**PROCLAMATION NO. 2024-16**

**A PROCLAMATION OF THE MAYOR OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, DECLARING OCTOBER, 2024, AS DOMESTIC VIOLENCE AWARENESS MONTH IN THE TOWN OF HUACHUCA CITY.**

**WHEREAS**, domestic violence is an issue affecting Arizonans in all communities, regardless of age, gender, economic status, race, religion, nationality, or educational background; and

**WHEREAS**, one in four women and one in ten men have experienced sexual violence, physical violence, and/or stalking by an intimate partner during their lifetime; and

**WHEREAS**, victims of domestic violence are more likely to experience long-term mental and physical health concerns including a higher risk of chronic disease, substance abuse, post-traumatic stress disorder, depression and anxiety; and

**WHEREAS**, Domestic Violence Awareness Month provides important opportunities to enhance education, prevention and intervention efforts around domestic violence and support organizations and individuals who provide advocacy efforts, services and assistance to victims.

**NOW, THEREFORE**, I, Johann R. Wallace, Mayor of the Town of Huachuca City, by the authority vested in me by the laws of the State of Arizona and Town Code, and by this Proclamation, do:

1. Hereby proclaim October, 2024, as Domestic Violence Awareness Month in the Town of Huachuca City.
2. Encourage all residents of the Town to support the Huachuca City Police Department and domestic violence survivors, by taking a stand against all forms of violence and abuse in relationships.

**PROCLAIMED** by the Mayor of the Town of Huachuca City, Cochise County, Arizona, this 26th day of September, 2024.

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**Johann R. Wallace, Mayor**

**ATTEST:**

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**Brandye Thorpe, Town Clerk**

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**Thomas Benavidez, Town Attorney**

**Town of Huachuca City**

**FIRE PREVENTION WEEK, 2024**

**PROCLAMATION NO. 2024-15**

**A PROCLAMATION OF THE MAYOR OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, DECLARING OCTOBER 6 THROUGH 12, AS FIRE PREVENTION WEEK IN THE TOWN OF HUACHUCA CITY.**

**WHEREAS**, fire is a serious public safety concern both locally and nationally, and homes are the locations where people are at greatest risk from fire; and

**WHEREAS**, home fires caused 2,285 civilian deaths in the United States in 2022; and

**WHEREAS**, roughly three out of five fire deaths happen in homes with either no smoke alarms or with no working smoke alarms; and

**WHEREAS**, working smoke alarms cut the risk of dying in reported home fires almost in half; and

**WHEREAS**, Town residents should install smoke alarms in every sleeping room, outside each separate sleeping area, and on every level of the home; and

**WHEREAS**, the 2024 Fire Prevention Week theme, "Smoke alarms, make them work for you!" serves to remind us of the importance of having working smoke alarms in our homes.

**NOW, THEREFORE**, I, Johann R. Wallace, Mayor of the Town of Huachuca City, by the authority vested in me by the laws of the State of Arizona and Town Code, and by this Proclamation, do:

1. Hereby proclaim October 6 through 12, 2024, as Fire Prevention Week in the Town of Huachuca City.
2. Encourage all residents of the Town to make sure you have working smoke alarms in your homes and support the many public safety activities and efforts of the Town's first responders.

**PROCLAIMED** by the Mayor of the Town of Huachuca City, Cochise County, Arizona, this 26th day of September, 2024.

\_\_\_\_\_  
**Johann R. Wallace, Mayor**

**ATTEST:**

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**Brandye Thorpe, Town Clerk**

\_\_\_\_\_  
**Thomas Benavidez, Town Attorney**



# Town of Huachuca City

## PROCLAMATION NO. 2024-17

A PROCLAMATION OF THE MAYOR OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, DECLARING THE MONTH OF OCTOBER, 2024, AS "HISPANIC HERITAGE MONTH."

WHEREAS, for more than a century, Arizona has celebrated a diverse culture, and today, Hispanics make up nearly one-third of the state's population; and

WHEREAS, the Hispanic community is a dynamic, valued part of our borderlands region and a vital contributor to our economy, with an entrepreneurial spirit, a strong work ethic, and an unwavering belief in the American dream; and

WHEREAS, the prosperity of our region is closely tied to the success of our citizens of Hispanic heritage, who are a significant and growing segment of our population and who contribute in every aspect to our way of life, while preserving the unique customs and traditions of their ancestors; and

WHEREAS, Hispanic culture shapes the Southern Arizona experience and influences our art, literature, music, food, and faith, thereby enriching our region; and

WHEREAS, Hispanics have earned our Nation's highest military decorations, including 60 Medal of Honor recipients, and play a significant role in our academic, scientific, legal, political and artistic communities.

NOW, THEREFORE, I, Johann R. Wallace, Mayor of the Town of Huachuca City, Arizona, by the authority vested in me by the laws of the State of Arizona and Town Code hereby proclaim October, 2024, as Hispanic Heritage Month in the Town of Huachuca City. I call upon the citizens of the Town to celebrate the profound contributions of Hispanic Americans to our Town, and honor their many talents, culture and spirit.

PROCLAIMED by the Mayor of the Town of Huachuca City, Cochise County, Arizona, this 26th day of September, 2024.

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Johann R. Wallace, Mayor

ATTEST:

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Brandye Thorpe, Town Clerk

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Thomas Benavidez, Town Attorney