

CITY OF BULLHEAD CITY, ARIZONA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

CITY OF BULLHEAD CITY, ARIZONA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025



**Prepared by the Finance Department
Robert Drexler, Finance Director**

City of Bullhead City, Arizona

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Introductory Section





CITY OF BULLHEAD CITY

FINANCE DEPARTMENT

2355 Trane Road

Bullhead City, AZ 86442

(928) 763-9400 TDD (928) 763-9400

December 19, 2025

TO: The Honorable Mayor, Members of the City Council,
and Citizens of the City of Bullhead City, Arizona

The Annual Comprehensive Financial Report (ACFR) of the City of Bullhead City, Arizona (the City) for the fiscal year ended June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

Baker Tilly US, LLP, has audited the City of Bullhead City financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Bullhead City for the fiscal year ending June 30, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditors' report is presented as the first component of the financial section of this report.

The City is required to undergo an annual single audit in conformity with the provisions requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of expenditure of federal awards, findings and recommendations, and the auditors' reports on the internal control over financial reporting and compliance with applicable laws and regulations are included in a separately issued report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Bullhead City's MD&A can be found immediately following the report of the independent auditors.

GENERAL INFORMATION - CITY OF BULLHEAD CITY

Bullhead City is located in west-central Mohave County on the east side of the Colorado River in the tri-state area of Arizona, California and Nevada. Among Arizona's fastest growing communities, it is the sister city to Laughlin, Nevada and just 90 minutes south of Las Vegas.

The early human settlement of the Bullhead City area began with the Mojave Indians and then transitioned to the American soldiers who inhabited Fort Mohave in the 1850-60's.

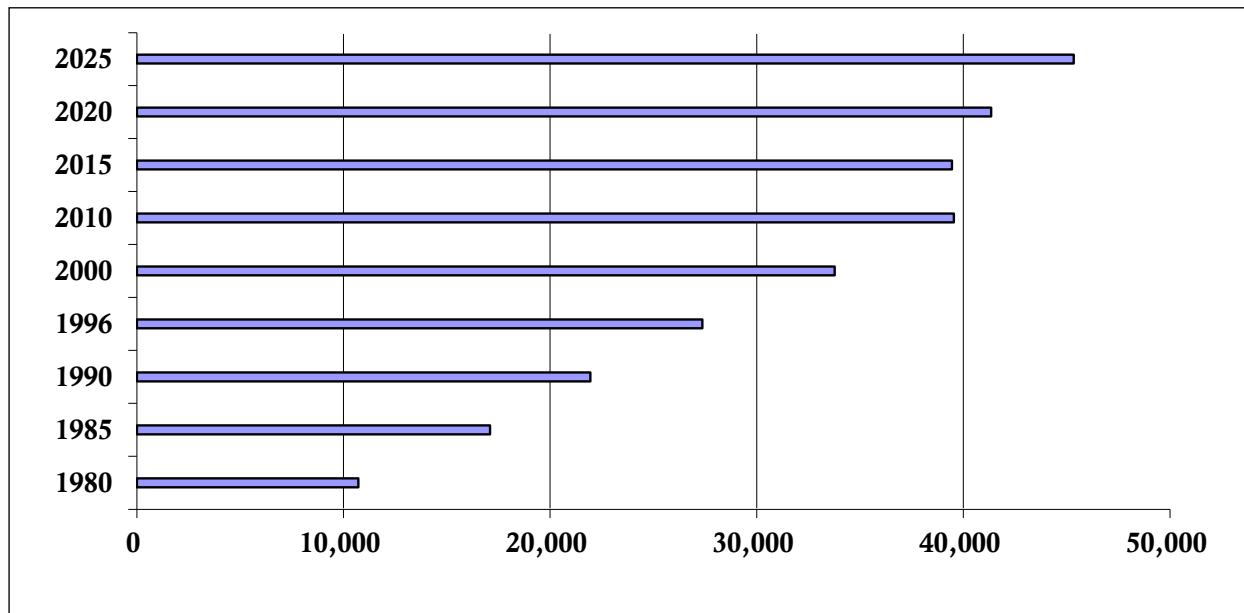
In 1945 Bullhead City was the headquarters for the construction of Davis Dam. The city name was derived from its proximity to Bullhead Rock, now largely concealed by Lake Mohave.

Bullhead City was incorporated in August 1984. Since then, it has operated under a Council/Manager form of government with a seven-member City Council.

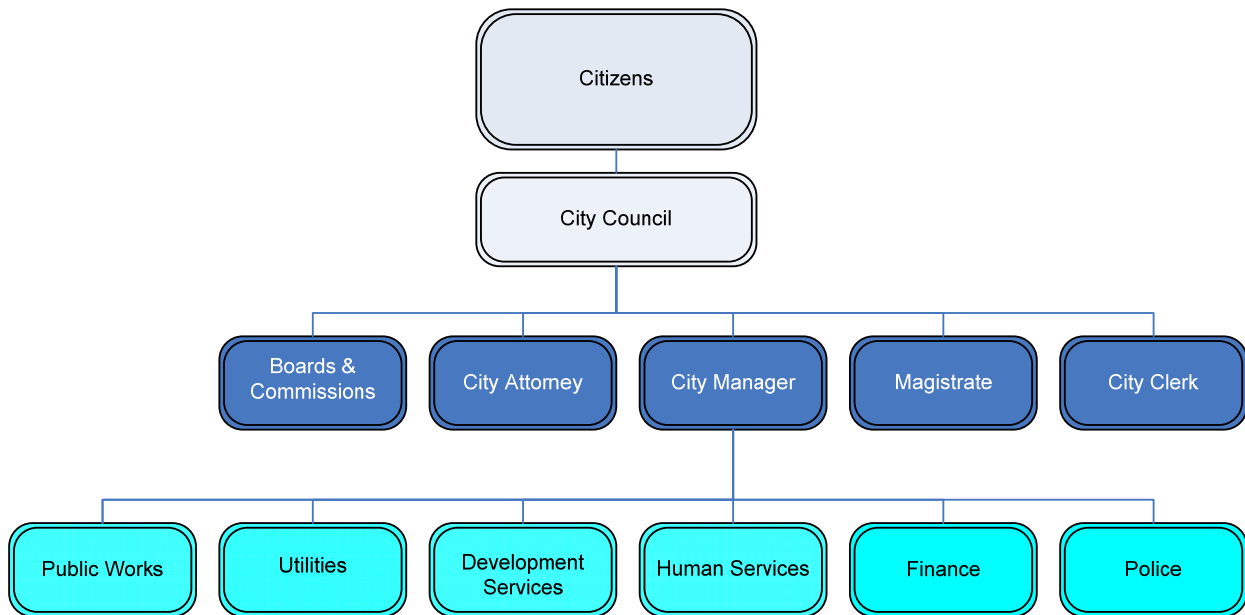
The following graph illustrates the population growth from 1980 and projected until 2025.

Population Growth

1980	10,719
1985	17,091
1990	21,951
1996 DES Estimate	27,270
2000	33,769
2010	39,540
2015 Census Estimate	39,445
2020 Census	41,348
2025 Census Estimate	45,337



CITY ORGANIZATIONAL CHART



The City provides a useful range of services, which includes general government; police protection; wastewater services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events. In addition to general government activities, the City Council is financially accountable for the Municipal Property Corporation and special assessment districts; therefore, these activities are included in the reporting entity.

ECONOMIC CONDITION AND OUTLOOK

Bullhead City's economic activities are mainly related to tourism and retail sales, although recent developments are helping to diversify the economy. The City as well as community groups have been working diligently to attract visitors from throughout the United States and beyond for events being held within the community.

The City hosts many sport tournaments and special events throughout the year. The City hosts an annual youth soccer tournament in February of each year. The tournament attracts upwards of 120 teams from California, Nevada, and Arizona. Softball leagues and tournaments are held throughout the year. The largest tournaments take place in March including the Tournament of Champions softball tournament that attracts 50 teams from throughout the southwest. The event is featured online and traditional media outlets. The City estimates more than \$30 million is spent locally because of sports tourism.

There are eight casinos in Laughlin, Nevada located just across the Colorado River from Bullhead City, employing approximately 5,000 people in full-time positions. Most casino employees reside in Bullhead City. The resorts and casinos have added income and an influx of jobs to the retail, service and tourism sectors of the economy from the estimated 1.3 million annual visitors. Tourism is a primary economic activity centered on the Laughlin resort/gaming industry, area water sports, golfing

and fishing. Laughlin hotels have approximately 8,692 rooms with an average occupancy rate of 53%. Bullhead City has more than 750 short term rentals and the hotels have approximately 1,000 rooms available for occupancy. In addition, there are approximately 2,250 full hook-up RV spots in the Bullhead City/Laughlin area.

The City will continue to work with its community partners on both sides of the Colorado River to bring visitors from all over the United States and beyond to Bullhead City for special events. The economic impact from these events and future events assist the entire region in building a positive future.

The City has made great progress in North Bullhead (the River District) from Community Park north to the Laughlin Bridge. The City has invested several million dollars in infrastructure and the private sector has invested greatly into improving the area. The City is very excited about several new developments being planned for this area. Two new hotels, a gas station and numerous restaurants are planned for this neighborhood. Recently completed or under construction commercial developments, Heartland Dental, Boot Barn, CalRanch and Laughlin Industrial Building

Upcoming or potential commercial projects, Emerald Bay mixed use development, Storage facilities – Baker Storage and Toy Box, CityCentre mixed-use development, AutoBox mixed-use development, Anthem Travel Center, Circle K Fueling Station & Car Wash, Olive Garden and Church's Chicken. According to Placer.ai, more than 1.5 million visitors traveled into the community, some visited multiple times, creating a visitor volume off 10.9 million. The highest visitor volume was on Saturday July 5th followed by Saturday August 30th.

The City's sales tax revenues increased 1.5% over last year collections. Revenue from the transportation tax classification increased by almost 15%, and the retail classification (largest classification) increased by 1.5% over the prior year collections.

The City plans to maintain all service levels during the upcoming year and will continue to monitor costs and programs. The City will also continue to take advantage of opportunities to enhance the local economy through economic development in partnership with the Bullhead Area Chamber of Commerce by attending retail conventions and continually working to attract new retail and distribution companies.

RELEVANT FINANCIAL POLICIES

The City of Bullhead City has adopted a comprehensive set of financial policies. During the current year, some of the policies were especially relevant. The city revenue policy is to estimate annual revenues by an objective and analytical process. Residents passed proposition 416 increasing the City's State imposed spending limit, which inhibited the City's ability for capital improvement in the City. The city projects general fund revenues with a conservative approach. However, the City continues to see positive commercial development and many visitors to our city. Bullhead City has an annual balanced budget policy that estimated revenues must equal appropriations

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. This concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefit likely to be derived; and 2) the valuation of cost and benefits requires estimates and judgments by management.

As a recipient of federal, state and county financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place, which is in compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the finance department staff of the City.

Budgetary Controls. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Enterprise Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level in the General Fund and at the individual fund level for all other funds. The City also maintains an encumbrance accounting system as a technique of accomplishing budgetary control.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

CASH MANAGEMENT

All cash not necessary to meet current obligations is invested in the Local Government Investment Pool (LGIP). The State of Arizona manages this pool. The City had \$24,521,823 invested at June 30, 2025. The average yield for fiscal year 2025 was 4.66%. The City continues to monitor the benefit of investing in long-term investments other than LGIP.

INDEPENDENT AUDIT

State law requires an annual audit of the City's financial records and transactions supporting the financial statements. This requirement has been complied with and the auditors' opinion has been included in this report.

Baker Tilly US, LLP, independent certified public accountants, have examined the accompanying financial statements. The firm is engaged by the City Council to render an opinion on the City's financial statements in accordance with auditing standards generally accepted in the United States of America.

The City Council is responsible for:

- Assuring that the City administration fulfills its responsibilities in the preparation of the financial statements; and,
- Engaging the independent public accountants with whom the City Council determines the scope of the audit.

Baker Tilly US, LLP has full and free access to meet with the City Council to discuss the results of their examination, their assessment of the adequacy of internal accounting controls, and the quality of financial reporting.


ACKNOWLEDGMENTS

The preparation of this report could not be accomplished without the dedicated efforts of the Finance Department staff.

We also express appreciation to the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a fiscally responsible manner.

Respectfully submitted,

City of Bullhead City, Arizona



Toby Cotter
City Manager

Robert Drexler
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bullhead City
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

**City of Bullhead City, Arizona
List of Principal Officials
Fiscal Year Ended June 30, 2025**

City Council

Rodney Head, Mayor

Dan Alfonzo, Vice Mayor

Karen Dallman, Council Member

Pamela Smith, Council Member

Jason Newlin, Council Member

Eugene O'Neill, Council Member

Tami Ring, Council Member

City Manager

Toby Cotter

Finance Director

Robert Drexler



Financial Section



Independent Auditors' Report

To the Honorable Mayor and City Council of
City of Bullhead 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 City of Bullhead City, Arizona (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 City, as of June 30, 2025 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

Other Matters

Compliance Over Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections as listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025 on our consideration of the City'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 solely 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Tempe, Arizona
December 19, 2025

Financial Section
Management's Discussion and Analysis



City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

City of Bullhead City, Arizona's (the City or Bullhead City) discussion and analysis offers readers of the City's financial statements a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, and in the financial statements and notes to the financial statements (which immediately follow this discussion).

Financial Highlights

- Bullhead City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by \$161,906,847 (net position). Of this amount, net investment of capital assets was \$147,264,690; restricted net position was \$18,097,990 and \$(3,455,833) represents unrestricted net position. The unrestricted net position represents the amounts available to meet City of Bullhead's ongoing obligations to citizens and creditors.
- City of Bullhead's total net position decreased in fiscal year 2025 by \$2,517,913 or -1.53% primarily because of capital improvements expenses incurred during the current year and grant funding not yet received.
- At the end of fiscal year 2025, Bullhead City's governmental funds reported combined fund balances of \$37,148,814, a decrease of \$14,672,803 in comparison to the prior fiscal year. Approximately 88% of this amount \$32,753,060 is available for spending at the City's discretion (unassigned fund balance).
- At the end of fiscal year 2025, unassigned fund balance for the General Fund is \$42,842,252 or 103% of total general fund expenditures.
- Bullhead City's total outstanding long-term liabilities increased by \$1,274,763 or 0.72% during fiscal year 2025. The increase in long-term liabilities is due to new capital bond for wastewater plant expansion.

Overview of the Financial Statements

This annual report consists of four parts: management's discussion and analysis (this portion); the basic financial statements; required supplementary information; and optional combining statements for nonmajor governmental funds, nonmajor enterprise fund, and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

- The government-wide financial statements provide both long-term and short-term information about the City's overall financial status.
- Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
 - Governmental fund statements tell how general government services such as police and public works were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements offer short-term and long-term financial information about the activities the City operates like businesses, such as wastewater services.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

Government-Wide Financial Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all the City's assets and liabilities. All the current year's revenues and expenses are reported in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the City's net positions and how they have changed during the fiscal year. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating.

The government-wide financial statements of the City are divided as follows:

Governmental Activities - Most of the City's basic services are included here such as police, public works, parks and recreation, and general administration. Taxes and intergovernmental revenues finance most of these activities.

Business-Type Activities - Customer fees fund certain services provided by the City. The City currently has two active utility services - wastewater services and water services.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's major funds, not the City as a whole.

The City has three types of funds:

Governmental Funds - Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliation that explains the relationship (or difference) between governmental funds and governmental activities follow each of the governmental fund statements.

Proprietary Funds - Services for which the City charges customers a fee generally are reported in proprietary funds. Proprietary fund financial statements, like the government-wide statements, provide both short-term and long-term financial information.

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.
- Internal service funds report activities that provide services for the City's other programs and activities, such as the City's fleet fund and risk management fund.

Government-Wide Financial Analysis

The government-wide financial statements provide short-term and long-term information about the City's overall financial condition. Net position over time serves as a useful indicator of financial position. Bullhead City's assets and deferred outflows exceeded liabilities by \$76,527,111 at the close of fiscal year 2025.

Net position of the City represents the difference between the City's resources and its obligations. As of June 30, 2025, the largest portion of the City's total net position approximately 77% reflects the investment in capital assets, (e.g., land, buildings, machinery, equipment, vehicles and infrastructure) less related debt outstanding used to acquire capital assets. These capital assets are used by the City to provide services to its citizens. As such, these assets are not available for future spending.

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

The City's restricted net position \$4,327,812 represents amounts that are to be used in accordance with external restrictions. The remaining balance of \$13,092,203 is unrestricted.

City of Bullhead City, Arizona Condensed Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 54,322,669	\$ 72,117,036	\$ 7,834,412	\$ 12,671,750	\$ 62,157,081	\$ 84,788,786
Capital assets	79,986,906	68,085,320	205,955,911	194,633,650	285,942,817	262,718,970
Total assets	134,309,575	140,202,356	213,790,323	207,305,400	348,099,898	347,507,756
Total deferred outflows of resources	7,550,425	6,877,381	178,057	118,705	7,728,482	6,996,086
Liabilities:						
Other liabilities	6,899,860	9,591,190	9,040,728	4,201,693	15,940,588	13,792,883
Long-term liabilities	57,880,457	60,430,734	119,547,916	115,722,876	177,428,373	176,153,610
Total liabilities	64,780,317	70,021,924	128,588,644	119,924,569	193,368,961	189,946,493
Total deferred inflows of resources	552,572	132,589	-	-	552,572	132,589
Net position:						
Net investment in capital assets	59,107,096	57,841,217	88,157,594	82,157,207	147,264,690	139,998,424
Restricted	4,327,812	7,825,769	13,770,178	6,501,514	18,097,990	14,327,283
Unrestricted	13,092,203	11,258,238	(16,548,036)	(1,159,185)	(3,455,833)	10,099,053
Total net position	\$ 76,527,111	\$ 76,925,224	\$ 85,379,736	\$ 87,499,536	\$ 161,906,847	\$ 164,424,760

Current and other assets decreased in governmental activities by \$17,794,367 million from the prior year. The spending of bond proceeds from the prior fiscal year was major reason for decrease in current and other assets.

Other liabilities in governmental activities decreased from the prior year \$2,691,330 million due to the decrease of accounts payable of \$1,990,372 million and \$1,186,668 million of decreased unearned revenue. Reduction of general fund accounts payable of \$1,209,554 million is the biggest reduction.

Long-term liabilities, which consist of bonds, notes, leases, compensated absences, and net pension liability, decreased \$2.5 million in governmental activities, and increased \$3.8 million for business-type activities. Notes payable debt of \$2.6 million for equipment loans increased \$1.7 million and an increase of net pension liability of \$0.06 million to the Arizona Public Safety Retirement System. Compensated Absences totaled \$2.2 million and an increase of \$54,433 from 2024. There was a net investment income of \$3.5 million reported by the Retirement System for the Plan Fiduciary Net Position.

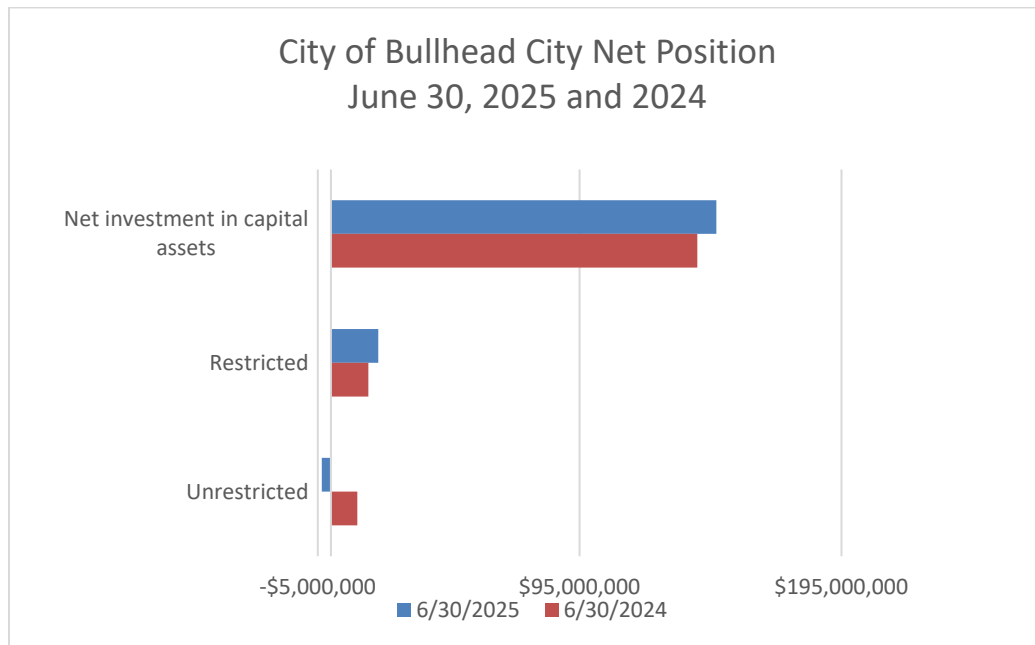
Business-type activities includes \$82 million for the acquisition of the local water system, \$18.3 million for water system capital acquisitions and \$8.9 million for wastewater plant expansion. Total business-type activity liabilities increased as debt payments were made during the fiscal year.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2025

The largest portion of the City's net position, \$147,264,690, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles and infrastructure), net of accumulated depreciation and less any related outstanding debt that was used to acquire those assets. The City uses those capital assets to provide a variety of services to its citizens. These assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources use to repay the debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$18,097,990 represents resources that are subject to external restrictions on how they may be used. As of the end of the current year, the City's unrestricted net position was a balance of \$(3,455,833).



The City's overall net position decreased \$2,517,913 from the prior fiscal year. The following sections will discuss the reasons for the decrease.

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

City of Bullhead City, Arizona Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 5,315,783	\$ 7,711,569	\$ 24,543,370	\$ 23,140,058	\$ 29,859,153	\$ 30,851,627
Operating grants and contributions	7,755,601	12,547,999	-	-	7,755,601	12,547,999
Capital grants and contributions	5,058,439	11,254,533	-	-	5,058,439	11,254,533
General revenues:						
City sales tax	21,756,887	21,901,767	-	-	21,756,887	21,901,767
State shared sales tax	6,641,423	6,489,323	-	-	6,641,423	6,489,323
Urban revenue sharing	9,211,545	11,373,437	-	-	9,211,545	11,373,437
Franchise tax	483,974	519,192	-	-	483,974	519,192
State shared vehicle license tax	3,919,644	3,607,002	-	-	3,919,644	3,607,002
Investment earnings	1,957,876	2,224,830	137,042	293,991	2,094,918	2,518,821
Gain (loss) on disposition of capital assets	58,367	249,943	43,440	(4,348,427)	101,807	(4,098,484)
Total revenues	62,159,539	77,879,595	24,723,852	19,085,622	86,883,391	96,965,217
Expenses:						
Governmental activities:						
General government	19,455,578	17,457,647	-	-	19,455,578	17,457,647
Public safety	22,426,891	19,411,713	-	-	22,426,891	19,411,713
Culture and recreation	7,741,639	5,708,856	-	-	7,741,639	5,708,856
Economic development	175,282	208,404	-	-	175,282	208,404
Redevelopment and housing	488,231	389,630	-	-	488,231	389,630
Highways and streets	8,569,486	8,580,114	-	-	8,569,486	8,580,114
Health and welfare	1,127,989	1,023,461	-	-	1,127,989	1,023,461
Interest on long-term debt	887,868	747,805	-	-	887,868	747,805
Business-type activities:			-			
Water	-	-	12,372,296	12,562,490	12,372,296	12,562,490
Wastewater	-	-	14,915,948	13,288,448	14,915,948	13,288,448
Marketplace	-	-	1,240,096	-	1,240,096	-
Total expenses	60,872,964	53,527,630	28,528,340	25,850,938	89,401,304	79,378,568
Change in net position before transfers	1,286,575	24,351,965	(3,804,488)	(6,765,316)	(2,517,913)	17,586,649
Transfers in (out)	(1,684,688)	(5,298,108)	1,684,688	5,298,108	-	-
Change in net position	(398,113)	19,053,857	(2,119,800)	(1,467,208)	(2,517,913)	17,586,649
Net position, beginning	76,925,224	57,871,367	87,499,536	88,966,744	164,424,760	146,838,111
Net position, ending	\$ 76,527,111	\$ 76,925,224	\$ 85,379,736	\$ 87,499,536	\$ 161,906,847	\$ 164,424,760

Bullhead City's net position for governmental activities decreased \$398,113 from the prior fiscal year to an ending balance of \$76,527,111.

City of Bullhead City, Arizona

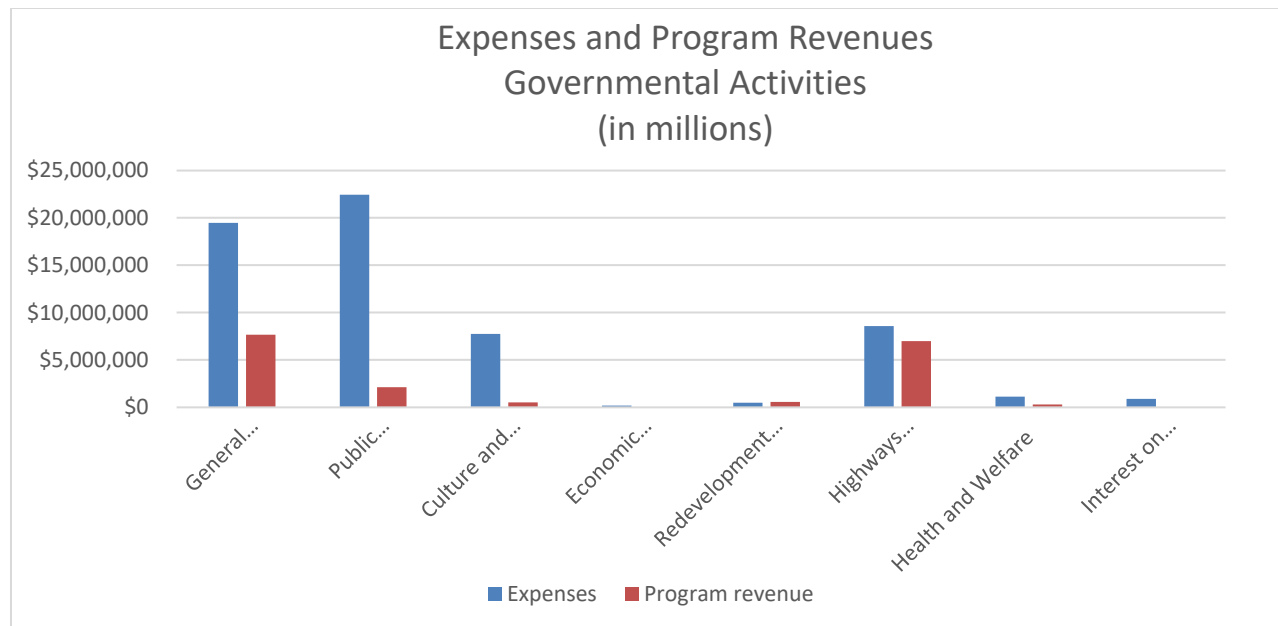
Management's Discussion and Analysis
June 30, 2025

Governmental Activities

Revenues decreased \$15.7 million from the prior year. Capital grants revenue decreased \$6.2 million included \$8 million for right turn lanes from the State in the prior year. Local sales tax and state shared tax increased \$7,220 and urban revenue sharing decreased \$2.1 million from the prior year. Governmental activities revenue decreased 20% from the prior year.

Expenditures grew from the prior year, increasing from \$7.3 million in the prior year to \$60.8 million in the current year. The significant increases were \$2.0 million in the general government function and \$3.0 million increases for public safety. The increases were primarily investments in capital assets such as municipal facilities for the community center renovation, rehabilitation of new animal shelter and right turn lane construction. Expenses for the culture and recreation function increased by \$2.0 million. Governmental activities expenses increased 13% from the prior year.

The chart below shows revenues generated by the City's programs are not sufficient to cover the costs. The City relies on local sales tax, state shared revenues and other general revenues to cover the costs associated with various programs.



Business-Type Activities

Bullhead City's business-type activities for fiscal year 2025 show that the overall net position decreased to an ending balance of \$85,379,736. The total decrease in net position for business-type activities was \$2,119,800 from the prior fiscal year. Fiscal year 2025 was the third full fiscal year of the City operating the local water system. However, the water system infrastructure needs significant maintenance. A water master plan was completed to develop capital improvement plan.

Revenue from business-type activities (water and wastewater funds) totaled \$24,723,852 compared to \$19,085,622 from the prior year. This is an increase of \$5,638,230 from the prior year due to the loss on disposition of capital assets from the prior year. Expenses increased \$2,677,402 from the prior year with the sewer system expenses decreasing \$0.9 million and the water system expenses increasing \$2.4 million.

The City conducted a Water and Wastewater Rate Study and determined with the maintenance and capital improvement needs there would need to be rate increase. The prior fixed wastewater user charge was adopted in 2018 for wastewater. After multiple work sessions, the City's Council approved a rate increase for water and wastewater on September 16th, 2025, beginning the billing period of January 2026.

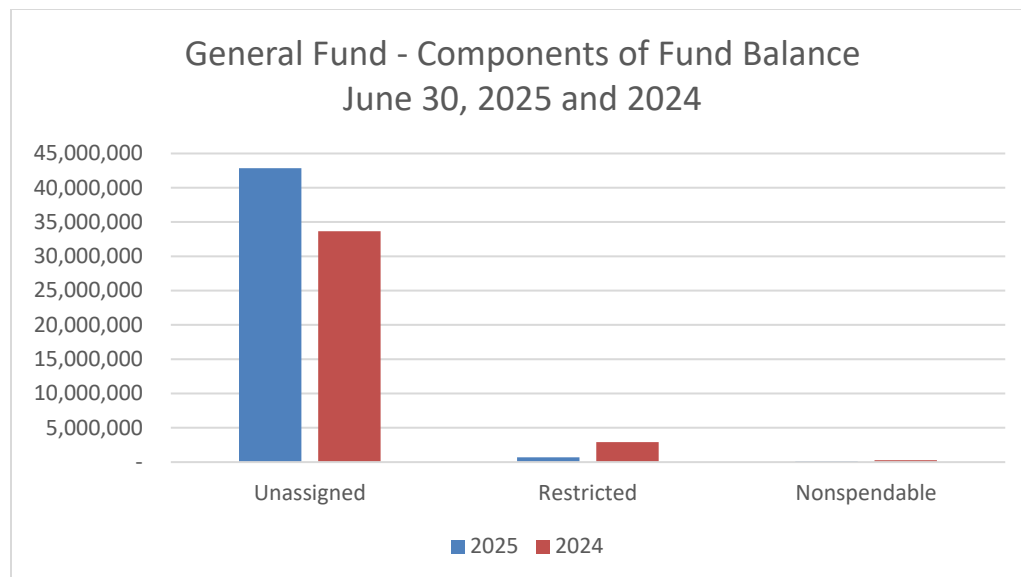
Financial Analysis of Governmental Funds

The City uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government while reporting the City operations in more detail than the government-wide statements. The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available to use for a particular purpose.

Analysis of Individual Funds

The general fund is the chief operating fund of the City. At the end of the fiscal year unassigned fund balance of the general fund was \$42,842,252. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 103% of the total general fund expenditures, while total fund balance represents approximately 105% of the same amount.

The fund balance of Bullhead City's general fund grew by \$6,796,421 during the 2025 fiscal year.



The HURF fund, a major fund, had a decrease of \$62,872 in fund balance during the current fiscal year which put the ending fund balance in a positive position of \$1,192,905. The fund balance is spent down as the street preservation program progresses.

The Capital Projects Funds, a major fund, had a decrease in fund balance of \$16,589,457 during the current fiscal year to an ending balance of \$(4,166,862). There were \$16,945,070 million of capital expenditures which consisted of \$3.2 million of park improvements, \$4.7 million of street improvements and \$8.9 million in municipal facility improvements during the current year. The sources of capital projects funding ranges from grants, financing and other city funds.

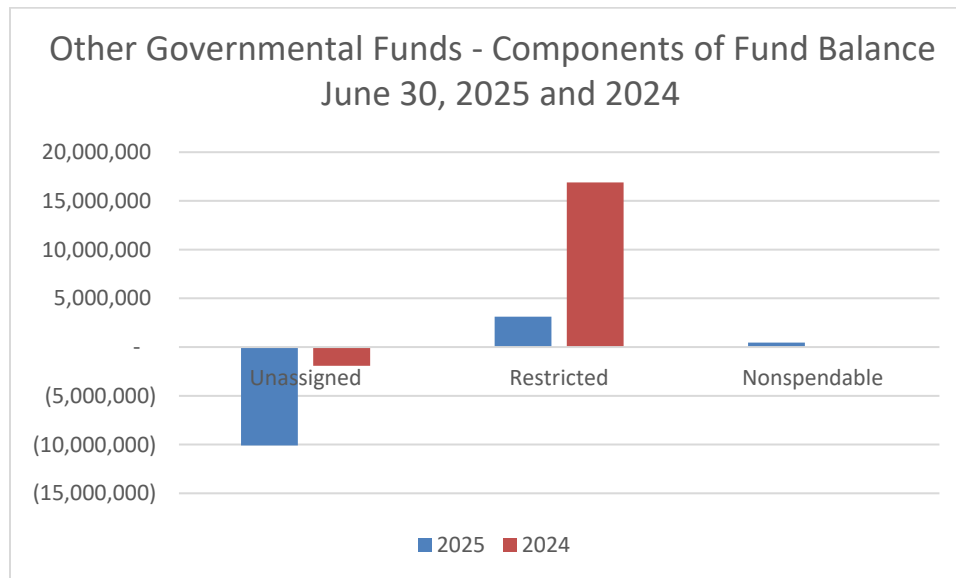
SID Debt Service Funds, a major fund, had a decrease in fund balance of \$63,565 during the current fiscal year to an ending balance of \$(579,137) Special assessments from property owners collected semi-annually are used to pay debt payments. Special assessment district #3 will have the final billing recorded during the fiscal year 2026 resulting in the decrease of fund balance as the district comes to a close. The customers of special assessment district #3 still have one more year of payments.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2025

Excise Revenue Bond Refunding Funds, a major fund, had an increase of \$5,996 in fund balance during the current fiscal year to an ending balance of \$65,935. This fund was used to account for Series 2013 and Series 2015B Bonds debt repayments. Series 2015B Bonds is now the only active bond and fund balance will remain for the most part stable.

The fund balances of Bullhead City's other governmental funds decreased by \$21,471,349 during the 2025 fiscal year.



The City's governmental funds reported combined fund balances on June 30, 2025, of \$51,821,617, which is an increase of \$18,688,061 compared to the previous fiscal year. Approximately 61% of this amount \$31,734,421 constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either (1) not in spendable form \$281,235, or (2) restricted for a particular purpose \$19,805,961.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the business-type activities portion of the government-wide financial statements, but in more detail.

Unrestricted net position of the wastewater operations at the end of the year was \$4,730,658 and for the water operations there was a deficit of \$1,694,010. The total change in net position for each of the funds is \$(3,389,147) and \$1,921,939, respectively.

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

General Fund Budgetary Highlights

Original Budget Compared to Final Budget

During the year there was no need for significant budget amendments to increase original budgeted appropriations. Generally, there are minor budget amendments to reallocate appropriations within departments.

Final Budget Compared to Actual Results

The most significant differences between estimated revenues and actual revenues were as follows:

	Estimated Revenues	Actual Revenues	Variance
Revenue source:			
Taxes	\$ 23,476,957	\$ 22,240,861	\$ (1,236,096)
Intergovernmental revenue	19,841,501	20,360,598	519,097
Charges for services	1,790,510	1,876,093	85,583
Licenses and permits	1,576,925	1,542,038	(34,887)
Other	2,563,684	2,262,076	(301,608)
Total	<u>\$ 49,249,577</u>	<u>\$ 48,281,666</u>	<u>\$ (967,911)</u>

The City has worked diligently to diversify the local economy. The City is working with developers to bring in hotels, retail businesses and multiple developments within the City. The City is expanding amenities at Community Park with beach expansion and future developments in the master plan. The City continues to host many athletic tournaments throughout the year bringing in teams throughout the southwest.

The nearby Colorado River, park amenities and weather attract many visitors from all over the country for sporting events and water sports.

The impact to our local economy is strong local tax collections. Local transaction privilege tax stayed relatively flat from the prior year decreasing around 0.5%. The top three tax classifications are retail, restaurant and bar, and construction. Retail tax collections comprise 58% of tax revenue. The vacation home rental market continues to thrive locally as Transient Occupancy Tax (TOT) collections were \$434,433 in the current year.

The shortfall in the taxes revenue to budget were due to tax revenues staying the same compared to the modest budgeted increase.

A review of actual expenditures compared to the appropriations in the final budget shows the following variances.

	Final Budget	Actual Expenditures	Variance
Classification:			
Personnel costs	\$ 30,568,191	\$ 29,735,936	\$ (832,255)
Maintenance and operations	13,745,605	9,660,502	(4,085,103)
Property	3,249,587	2,048,992	(1,200,595)
Debt service	1,909,988	128,591	(1,781,397)
Other financing sources (uses)	3,280,530	1,026,540	(2,253,990)
Total	<u>\$ 52,753,901</u>	<u>\$ 42,600,561</u>	<u>\$ (10,153,340)</u>

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

Budgetary savings were present in all expenditure classifications. Personnel costs savings are the result of employee turnover and recruitment timing. Long order lead-times for materials from vendors delayed many city purchases. The availability of materials impacted capital purchases. Some projects were scaled down, delayed, or cancelled due to high inflationary costs. As a result, capital projects were pushed out to the next fiscal year. financed were not done.

Overall expenditure budget savings were \$10,153,340 for the General Fund.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2025, the City invested \$285,942,817 (net of accumulated depreciation) in a broad range of capital assets, including police equipment, buildings, park improvements, roads, sewer transmission and distribution systems, and water system. The total increase in capital assets for the current fiscal year was 8.9%.

City of Bullhead City, Arizona Capital Assets						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Capital assets not being depreciated:						
Land and improvements	\$ 3,713,117	\$ 3,273,105	\$ 3,213,803	\$ 3,213,803	\$ 6,926,920	\$ 6,486,908
Water rights		-	6,716,785	6,716,785	6,716,785	6,716,785
Construction in progress	8,655,465	13,944,274	23,242,922	7,535,449	31,898,387	21,479,723
Depreciable capital assets:						
Buildings	6,989,100	5,163,838	306,021	71,402	7,295,121	5,235,240
Improvements, other than buildings	19,646,951	6,581,918	-	-	19,646,951	6,581,918
Furniture, vehicles and equipment	7,813,904	7,741,249	2,828,136	2,074,790	10,642,040	9,816,039
Infrastructure	32,763,137	30,707,067	167,333,376	172,545,689	200,096,513	203,252,756
Right-to-use subscription assets	405,232	673,869	2,314,868	2,475,732	2,720,100	3,149,601
Total	<u>\$ 79,986,906</u>	<u>\$ 68,085,320</u>	<u>\$ 205,955,911</u>	<u>\$ 194,633,650</u>	<u>\$ 285,942,817</u>	<u>\$ 262,718,970</u>

Major capital asset events during the year include the following:

- Completion of new Senior Enrichment Center Building \$1,223,804
- Started renovation on the new Animal Shelter Building \$3,737,824
- Started renovation of Community Center and parking lot \$3,572,225
- Construction and near completion of new UTV/ATV Trailhead \$1,206,375
- Merrill Avenue realignment \$3,368,644
- Wastewater lift station wet well rehabilitation \$2,661,451
- The City had commitments of approximately \$3,663,000 for capital expenditures commitments as of June 30, 2025.

Additional information on the City's capital assets can be found in Note 6 of this report.

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2025

Long-Term Debt

As of June 30, 2025, the City had \$138,288,966 in bonded, and note debt. Of this amount, \$135,678,966 is debt backed the full faith and credit of the City and \$2,610,000 is special assessment debt for which the city is liable in the event of default by the property owners subject to the assessment. The remainder of the City's long-term obligations is comprised of net pension liabilities, compensated absences and capital leases.

City of Bullhead City, Arizona Outstanding Debt						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenue bonds, net of premiums and discounts	\$ 18,791,000	\$ 22,915,000	\$ 116,841,152	\$ 112,904,671	\$ 135,632,152	\$ 135,819,671
Notes payable	2,656,814	933,810	-	-	2,656,814	933,810
Subscriptions liability	405,232	673,869	2,314,868	2,475,732	2,720,100	3,149,601
Net pension liabilities	33,806,342	33,741,419	-	-	33,806,342	33,741,419
Compensated absences	2,221,069	2,166,636	391,896	342,473	2,612,965	2,509,109
Total	<u>\$ 57,880,457</u>	<u>\$ 60,430,734</u>	<u>\$ 119,547,916</u>	<u>\$ 115,722,876</u>	<u>\$ 177,428,373</u>	<u>\$ 176,153,610</u>

The City's total long-term liabilities increased by \$1,274,763 or 0.7%. The following are the reasons for the overall increase.

During the current year the City issued Series 2025 Excise Tax Revenue bonds in the amount of \$8,945,000 for wastewater treatment plant expansion.

The City made principal payments during the year totaling \$9,064,000

Additional information on the City's long-term liabilities can be found in Note 7 of this report.

Economic Factors and Next Year's Budget and Rates

The following economic factors were taken into consideration in developing the fiscal year 2024-2025 budget.

- Estimated local tax revenue with an increase of 2.5% compared to 2025 budget.
- State shared revenue distributions were estimated to decrease less than 0.5% per the State of Arizona projections.
- Cost of living adjustment of 3.0% for employees.
- Employer public safety retirement costs for a total of 75.45% for Tier 1 employees; 72.45% or 75.45% for Tier 2 employees (depending on hire date); and 74.06% for Tier 3 employees
- The unemployment rate for the City in April 2025 was 4.3%.

All these factors were considered in preparing the City's budget.

The General Fund operating budget for fiscal year 2025-2026 appropriation is \$50,580,517, a decrease of 0.1%, or \$79,441 over the prior year.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2025

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of Bullhead City, 2355 Trane Road, Bullhead City, Arizona, 86442.

Financial Section

Basic Financial Statements

Government-Wide Financial Statements - include the Statement of Net Position and Statement of Activities and use the accrual basis of accounting for financial reporting.

Governmental Funds Financial Statements - include the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance for the major governmental funds that use the modified accrual basis of reporting. Also includes the reconciliations to the government-wide financial statements.

Proprietary Funds Financial Statements - include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows for the business-type activities that use the accrual basis of accounting for financial reporting.

Notes to Financial Statements



Financial Section
Government-Wide Financial Statements



City of Bullhead City, Arizona

Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 27,814,868	\$ -	\$ 27,814,868
Receivables, net:			
Accounts	1,835,577	2,463,357	4,298,934
Taxes	3,173	-	3,173
Intergovernmental	3,381,171	-	3,381,171
Special assessment receivable	179,029	-	179,029
Prepays and inventory	3,804,608	749,709	4,554,317
Restricted cash	7,641,877	13,770,178	21,412,055
Internal balances	9,148,832	(9,148,832)	-
Net OPEB asset	513,534	-	513,534
Capital assets:			
Nondepreciable/amortized	12,368,582	33,173,510	45,542,092
Depreciable/amortized (net)	67,618,324	172,782,401	240,400,725
Total assets	134,309,575	213,790,323	348,099,898
Deferred Outflows of Resources			
Deferred outflows related to pensions and OPEB	7,550,425	-	7,550,425
Deferred charge on debt refunding	-	178,057	178,057
Total deferred outflows of resources	7,550,425	178,057	7,728,482
Liabilities			
Accounts payable	3,070,629	5,674,034	8,744,663
Accrued payroll and related liabilities	1,042,454	163,705	1,206,159
Other liabilities	960,099	42,350	1,002,449
Deposits held for others	981,757	255,055	1,236,812
Interest payable	404,849	1,380,641	1,785,490
Retainage payable	440,072	1,524,943	1,965,015
Long-term liabilities:			
Due within one year:			
Compensated absences	528,051	97,974	626,025
Subscriptions liability	220,356	407,242	627,598
Notes payable	309,164	-	309,164
Bonds payable	3,782,000	5,415,000	9,197,000
Due in more than one year:			
Compensated absences	1,693,018	293,922	1,986,940
Subscriptions liability	184,876	1,907,626	2,092,502
Notes payable	2,347,650	-	2,347,650
Bonds payable	15,009,000	111,426,152	126,435,152
Net pension liabilities	33,806,342	-	33,806,342
Total liabilities	64,780,317	128,588,644	193,368,961
Deferred Inflows of Resources			
Deferred inflows related to pensions and OPEB	552,572	-	552,572
Total deferred inflows of resources	552,572	-	552,572
Net Position			
Net investment in capital assets	59,107,096	88,157,594	147,264,690
Restricted for:			
Post-employment benefits	513,534	-	513,534
Highways and streets	984,179	-	984,179
Community development	1,372,355	-	1,372,355
Public safety	844,996	-	844,996
Debt service	94,525	13,770,178	13,864,703
Grants	505,972	-	505,972
Other purposes	12,251	-	12,251
Unrestricted (deficit)	13,092,203	(16,548,036)	(3,455,833)
Total net position	\$ 76,527,111	\$ 85,379,736	\$ 161,906,847

See notes to financial statements

City of Bullhead City, Arizona

Statement of Activities

Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General government	\$ 19,455,578	\$ 2,942,898	\$ 1,714,620	\$ 3,005,095	\$ (11,792,965)	\$ -	\$ (11,792,965)
Public safety	22,426,891	1,844,335	269,141	-	(20,313,415)	-	(20,313,415)
Culture and recreation	7,741,639	369,870	149,994	-	(7,221,775)	-	(7,221,775)
Economic development	175,282	-	-	-	(175,282)	-	(175,282)
Redevelopment and housing	488,231	44,743	518,893	-	75,405	-	75,405
Highways and streets	8,569,486	113,036	4,812,566	2,053,344	(1,590,540)	-	(1,590,540)
Health and welfare	1,127,989	901	290,387	-	(836,701)	-	(836,701)
Interest on long-term debt	887,868	-	-	-	(887,868)	-	(887,868)
Total governmental activities	60,872,964	5,315,783	7,755,601	5,058,439	(42,743,141)	-	(42,743,141)
Business-Type Activities							
Wastewater	12,372,296	10,901,582	-	-	-	(1,470,714)	(1,470,714)
Water utility	14,915,948	12,442,917	-	-	-	(2,473,031)	(2,473,031)
Marketplace	1,240,096	1,198,871	-	-	-	(41,225)	(41,225)
Total business-type activities	28,528,340	24,543,370	-	-	-	(3,984,970)	(3,984,970)
Total government	<u>\$ 89,401,304</u>	<u>\$ 29,859,153</u>	<u>\$ 7,755,601</u>	<u>\$ 5,058,439</u>	<u>(42,743,141)</u>	<u>(3,984,970)</u>	<u>(46,728,111)</u>
General Revenues							
Taxes:							
City sales tax					21,756,887	-	21,756,887
Franchise tax					483,974	-	483,974
Intergovernmental:							
State shared sales taxes (unrestricted)					6,641,423	-	6,641,423
Urban revenue sharing (unrestricted)					9,211,545	-	9,211,545
Stated shared vehicle license tax					3,919,644	-	3,919,644
Unrestricted investment earnings					1,957,876	137,042	2,094,918
Gain on sale of fixed assets					58,367	43,440	101,807
Transfers in (out)					(1,684,688)	1,684,688	-
Total general revenues and transfers					42,345,028	1,865,170	44,210,198
Change in net position					(398,113)	(2,119,800)	(2,517,913)
Net Position, Beginning					76,925,224	87,499,536	164,424,760
Net Position, Ending					<u>\$ 76,527,111</u>	<u>\$ 85,379,736</u>	<u>\$ 161,906,847</u>

See notes to financial statements

Financial Statements

Major Funds Government Funds Financial Statements

General Fund - This fund is the City's operating fund. It accounts for all financial resources of the City, except those required to be accounted for in other funds.

HURF Fund - This fund accounts for the City's share of Arizona's highway user tax revenues and associated expenditures legally restricted for road construction and maintenance.

Capital Projects Fund - This fund is used to account for funds received and expended for the construction of buildings and improvements as well as for the acquisition of equipment used by the City.

Special Improvement District (SID) Debt Service Fund - This fund is used to account for resources accumulated and payments made for principal and interest on long-term special assessment debt of the governmental funds.

Excise Revenue Bond Refunding - This fund is used to account for all governmental fund debt activity for Excise Tax Revenue Bonds.

Nonmajor Funds - Other governmental funds are the nonmajor funds and are special revenue, debt service and capital project funds.



City of Bullhead City, Arizona

Balance Sheet - Governmental Funds

June 30, 2025

	General	HURF	Capital Projects Funds	SID Debt Service Funds	Excise Revenue Bond Refunding Funds	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 23,328,035	\$ 717,426	\$ -	\$ -	\$ 65,935	\$ 1,870,052	\$ 25,981,448
Restricted cash	88,813	-	1,413,308	-	169,663	5,970,093	7,641,877
Receivables, net:							
Accounts	1,423,648	-	-	-	-	284,781	1,708,429
Taxes	-	-	-	-	-	3,173	3,173
Intergovernmental	2,621,186	475,479	11,622	-	-	272,884	3,381,171
Special assessments receivable	-	-	-	178,492	-	537	179,029
Due from other funds	20,374,790	-	-	-	-	-	20,374,790
Inventory and prepaids	117,134	-	462,182	-	-	2,160	581,476
Total assets	<u>\$ 47,953,606</u>	<u>\$ 1,192,905</u>	<u>\$ 1,887,112</u>	<u>\$ 178,492</u>	<u>\$ 235,598</u>	<u>\$ 8,403,680</u>	<u>\$ 59,851,393</u>
Liabilities							
Accounts payable	\$ 903,022	\$ 144,183	\$ 1,222,543	\$ -	\$ -	\$ 121,486	\$ 2,391,234
Accrued payroll and related liabilities	922,618	43,851	-	-	-	60,691	1,027,160
Due to other funds	-	-	4,408,427	192,044	-	5,592,475	10,192,946
Other liabilities	852,579	1,001	-	1,350	-	100,660	955,590
Retainage payable	-	-	423,004	-	-	17,068	440,072
Deposits held for others	823,672	-	-	158,085	-	-	981,757
Unearned revenue	-	-	-	-	-	-	-
Interest payable	-	-	-	-	1,663	377,438	379,101
Matured bonds payable	-	-	-	-	168,000	4,859,000	5,027,000
Total liabilities	<u>3,501,891</u>	<u>189,035</u>	<u>6,053,974</u>	<u>351,479</u>	<u>169,663</u>	<u>11,128,818</u>	<u>21,394,860</u>
Deferred Inflows of Resources							
Unavailable revenue, other	363,452	19,691	-	-	-	39,375	422,518
Unavailable revenue, nuisance and building abatement fees	441,025	-	-	-	-	-	441,025
Unavailable revenue, special assessments	-	-	-	406,150	-	38,026	444,176
Total deferred inflows of resources	<u>804,477</u>	<u>19,691</u>	<u>-</u>	<u>406,150</u>	<u>-</u>	<u>77,401</u>	<u>1,307,719</u>
Fund Balances							
Nonspendable:							
Inventory and prepaids	117,134	-	462,182	-	-	2,160	581,476
Restricted:							
Highways and streets	-	984,179	-	-	-	-	984,179
Community development	-	-	-	-	-	1,372,355	1,372,355
Public safety	687,852	-	-	-	-	157,144	844,996
Debt service	-	-	-	-	65,935	28,590	94,525
Grants	-	-	-	-	-	505,972	505,972
Other purposes	-	-	-	-	-	12,251	12,251
Unassigned	<u>42,842,252</u>	<u>-</u>	<u>(4,629,044)</u>	<u>(579,137)</u>	<u>-</u>	<u>(4,881,011)</u>	<u>32,753,060</u>
Total fund balances	<u>43,647,238</u>	<u>984,179</u>	<u>(4,166,862)</u>	<u>(579,137)</u>	<u>65,935</u>	<u>(2,802,539)</u>	<u>37,148,814</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,953,606</u>	<u>\$ 1,192,905</u>	<u>\$ 1,887,112</u>	<u>\$ 178,492</u>	<u>\$ 235,598</u>	<u>\$ 8,403,680</u>	<u>\$ 59,851,393</u>

See notes to financial statements

City of Bullhead City, Arizona

Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds
June 30, 2025

Fund Balances - Total Governmental Funds \$ 37,148,814

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 79,986,906

Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds 1,307,719

Long-term assets and liabilities are not due and payable in the current period and, therefore, they are not reported in the funds:

Revenue bonds	\$ (11,154,000)	
Improvement bonds	(2,610,000)	
Notes payable	(2,379,686)	
Finance purchase arrangement	(277,128)	
Subscription-based information technology arrangements	(405,232)	
Accrued interest payable	(25,748)	
Net pension liability	(33,806,342)	
Net OPEB asset	513,534	
Compensated absences	<u>(2,221,069)</u>	(52,365,671)

Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods and, therefore, are not reported in the funds. 6,997,853

Internal service funds are used by management to charge the cost of certain activities, such as fleet management, risk management and employee benefits to individual funds. The assets and liabilities of internal service funds, net of long-term assets and liabilities reconciled above, are included in in governmental activities in the Statement of Net Position 3,451,490

Total Net Position of Governmental Activities \$ 76,527,111

City of Bullhead City, Arizona

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2025

	General Fund	HURF	Capital Projects Funds	SID Debt Service Funds	Excise Revenue Bond Refunding Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
City tax revenue	\$ 22,240,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,240,861
Intergovernmental	20,360,598	4,813,070	968,670	-	-	3,601,267	29,743,605
Charges for services	1,876,093	-	-	-	-	646,033	2,522,126
Special assessments	-	-	-	533,512	-	270,482	803,994
Licenses and permits	1,542,038	-	-	-	-	20	1,542,058
Fines and forfeitures	727,155	-	-	-	-	69,803	796,958
Rents	41,281	-	-	-	-	-	41,281
Investment earnings	1,228,120	171,384	469	10,178	4,306	543,419	1,957,876
Other revenues	265,520	8,010	48,000	-	-	170,487	492,017
Total revenues	48,281,666	4,992,464	1,017,139	543,690	4,306	5,301,511	60,140,776
Expenditures							
Current:							
General government	12,521,259	261	-	1,794	-	2,428,695	14,952,009
Public safety	20,388,611	-	-	-	-	218,033	20,606,644
Culture and recreation	5,999,943	-	-	-	-	248,047	6,247,990
Economic development	173,564	-	-	-	-	-	173,564
Redevelopment and housing	-	-	-	-	-	488,231	488,231
Highways and streets	-	4,923,232	-	-	-	336,907	5,260,139
Health and welfare	597,287	1,800	-	-	-	476,108	1,075,195
Capital outlay	1,583,928	788,406	16,945,070	-	-	799,987	20,117,391
Debt service:							
Principal	264,818	52,102	-	598,459	168,000	5,030,325	6,113,704
Interest and fiscal charges	44,610	25,663	-	7,002	3,326	807,267	887,868
Total expenditures	41,574,020	5,791,464	16,945,070	607,255	171,326	10,833,600	75,922,735
Excess (deficiency) of revenues over (under) expenditures	6,707,646	(799,000)	(15,927,931)	(63,565)	(167,020)	(5,532,089)	(15,781,959)
Other Financing Sources (Uses)							
Sale of capital assets	64,753	5,775	-	-	-	96	70,624
Proceeds from debt issuance	-	-	-	-	-	2,441,011	2,441,011
Transfers in	1,052,687	647,371	5,035,670	-	173,016	853,524	7,762,268
Transfers out	(1,026,540)	-	(5,697,196)	-	-	(2,441,011)	(9,164,747)
Total other financing (uses) sources	90,900	653,146	(661,526)	-	173,016	853,620	1,109,156
Net change in fund balances	6,798,546	(145,854)	(16,589,457)	(63,565)	5,996	(4,678,469)	(14,672,803)
Fund Balances, Beginning	36,848,692	1,130,033	12,422,595	(515,572)	59,939	1,875,930	51,821,617
Fund Balances, Ending	\$ 43,647,238	\$ 984,179	\$ (4,166,862)	\$ (579,137)	\$ 65,935	\$ (2,802,539)	\$ 37,148,814

See notes to financial statements

City of Bullhead City, Arizona

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds

\$ (14,672,803)

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation/amortization expense.

Capital outlay	\$ 15,772,522	
Contributed capital	2,991,164	
Loss of disposal capital assets	(12,256)	
Depreciation/amortization expense	<u>(6,567,634)</u>	12,183,796

The net effect of various miscellaneous transactions involving capital asset
is an increase (decrease) to net position.

Transfer of capital assets to proprietary funds	(282,209)
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Pension and OPEB contributions are reported as expenditures in the governmenta
funds when made. However, they are reported as deferred outflows of
resources in the Statement of Net Position because the reported net pension
liability is measured a year before the City's report date. Pension/OPEB
expense, which is the change in the net pension liability adjusted for changes in
deferred outflows and inflows of resources related to pensions/OPEB, is reported
in the Statement of Activities.

259,269

Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds.

(1,026,195)

Debt proceeds provide current financial resources to governmental funds,
but issuing debt increases long-term liabilities in the Statement of Net Position
Repayment of debt principal is an expenditure in the governmental funds,
but the repayment reduces long-term liabilities in the Statement of Net Position.
Also, governmental funds report the effect of premiums, discounts, and similar
items when debt is issued, whereas these amounts are amortized in the
Statement of Activities.

Bond proceeds	(2,441,011)	
Principal repaid	5,855,006	
Subscription-based information technology arrangement payments	<u>268,637</u>	3,682,632

Some expenses reported in the Statement of Activities do not require the use of
current financial resources, and therefore, are not reported as expenses
in governmental funds.

Compensated absences payable	(54,433)
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Internal service funds are used by management to charge the costs of certain
activities, such as fleet management, risk management and employee benefits to
individual funds. The change in net position of internal service funds less the
change in noncurrent assets and liabilities is reported with governmental activities
in the Statement of Activities.

(488,170)

Change in Net Position of Governmental Activities

\$ (398,113)

Financial Statements

Proprietary Funds

Enterprise Funds

Wastewater Fund - This fund is used to account for the administration, operations and maintenance of the wastewater collection lines and treatment facility.

Water Fund - This fund is used to account for the activities of the City's water utility operations.

Marketplace Fund - This fund is used to account for the activities of the City's Belle restaurant, various rental fees, and similar services.

Internal Service Funds - Internal service funds are used to account for services and commodities furnished by one department to other departments in the City on a cost reimbursement basis. The City's internal service funds included are Fleet Services, Risk Management, and Employee Benefit Trust.



City of Bullhead City, ArizonaStatement of Net Position - Proprietary Funds
June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Wastewater Fund	Water Fund	(Nonmajor) Marketplace Fund	Total	Internal Services Funds
Assets					
Current assets:					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,833,420
Accounts receivable, net	1,154,522	1,304,835	4,000	2,463,357	127,148
Inventory	-	522,047	113,003	635,050	28,777
Prepaid expenses	-	114,659	-	114,659	3,194,355
Total current assets	1,154,522	1,941,541	117,003	3,213,066	5,183,700
Noncurrent Assets					
Restricted cash	9,587,331	4,182,847	-	13,770,178	-
Capital assets:					
Capital assets, not being depreciated/amortized	18,215,269	14,958,241	-	33,173,510	-
Capital assets, being depreciated/amortized, net	81,568,880	90,931,312	282,209	172,782,401	-
Total noncurrent assets	109,371,480	110,072,400	282,209	219,726,089	-
Total assets	110,526,002	112,013,941	399,212	222,939,155	5,183,700
Deferred Outflows of Resources					
Deferred charge on debt refunding	178,057	-	-	178,057	-
Total deferred outflows of resources	178,057	-	-	178,057	-
Liabilities					
Current liabilities:					
Accounts payable	3,542,406	2,127,201	4,427	5,674,034	679,395
Accrued payroll and related liabilities	85,573	78,132	-	163,705	15,294
Due to other funds	2,775,939	6,244,456	128,437	9,148,832	1,033,012
Other liabilities	32,260	-	10,090	42,350	4,509
Deposits held for others	16,335	237,820	900	255,055	-
Interest payable	49,605	1,331,036	-	1,380,641	-
Retainage payable	1,293,755	231,188	-	1,524,943	-
Current portion of:					
Compensated absences	61,480	33,350	3,144	97,974	-
SBITA payable	199,604	207,638	-	407,242	-
Bonds payable	2,605,000	2,810,000	-	5,415,000	-
Total current liabilities	10,661,957	13,300,821	146,998	24,109,776	1,732,210
Noncurrent liabilities:					
Compensated absences	184,439	100,050	9,433	293,922	-
SBITA payable	949,796	957,830	-	1,907,626	-
Bonds payable, net	9,907,464	101,518,688	-	111,426,152	-
Total noncurrent liabilities	11,041,699	102,576,568	9,433	113,627,700	-
Total liabilities	21,703,656	115,877,389	156,431	137,737,476	1,732,210
Net Position					
Net investment in capital assets	85,006,587	2,868,798	282,209	88,157,594	-
Restricted for debt service	9,587,331	4,182,847	-	13,770,178	-
Unrestricted (deficit)	(5,593,515)	(10,915,093)	(39,428)	(16,548,036)	3,451,490
Total net position	\$ 89,000,403	\$ (3,863,448)	\$ 242,781	\$ 85,379,736	\$ 3,451,490

See notes to financial statements

City of Bullhead City, Arizona

Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds
Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental
	Wastewater Fund	Water Fund	(Nonmajor) Marketplace Fund	Total	Internal Services Funds
Operating Revenues					
Charges for services	\$ 10,870,845	\$ 11,809,863	\$ 1,198,871	\$ 23,879,579	\$ 7,666,797
Application fees, tap fees and other	-	191,078	-	191,078	-
Other revenues	30,737	441,976	-	472,713	603,232
Total operating revenues	10,901,582	12,442,917	1,198,871	24,543,370	8,270,029
Operating Expenses					
Salaries and related expenses	3,279,101	2,805,540	1,240,096	7,324,737	578,596
Medical claims and self-insurance	115,296	134,892	-	250,188	5,981,773
Administration	1,173,597	1,366,631	-	2,540,228	2,120,838
Utilities	1,046,504	997,252	-	2,043,756	48,801
Maintenance, supplies and equipment	701,103	1,597,918	-	2,299,021	58,459
Depreciation/amortization	4,228,568	3,754,911	-	7,983,479	-
Other	1,471,545	1,564,219	-	3,035,764	26,014
Total operating expenses	12,015,714	12,221,363	1,240,096	25,477,173	8,814,481
Operating income (loss)	(1,114,132)	221,554	(41,225)	(933,803)	(544,452)
Nonoperating Revenues (Expenses)					
Investment income	115,063	20,182	1,797	137,042	56,282
Gain (loss) on disposal of capital assets	33,400	10,040	-	43,440	-
Interest expense and fiscal charges	(356,582)	(2,694,585)	-	(3,051,167)	-
Total nonoperating revenues (expense)	(208,119)	(2,664,363)	1,797	(2,870,685)	56,282
Income (loss) before transfers and contributions	(1,322,251)	(2,442,809)	(39,428)	(3,804,488)	(488,170)
Capital Contributions, Transfers In	-	-	282,209	282,209	-
Transfers In	1,129,108	273,371	-	1,402,479	-
Change in net position	(193,143)	(2,169,438)	242,781	(2,119,800)	(488,170)
Net Position, Beginning	89,193,546	(1,694,010)	-	87,499,536	3,939,660
Net Position, Ending	<u>\$ 89,000,403</u>	<u>\$ (3,863,448)</u>	<u>\$ 242,781</u>	<u>\$ 85,379,736</u>	<u>\$ 3,451,490</u>

See notes to financial statements

City of Bullhead City, Arizona

Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
			(Nonmajor)		Internal
	Wastewater	Water	Marketplace	Total	Services
	Fund	Fund	Fund		Funds
Cash Flows From Operating Activities					
Receipts from customers	\$ 11,020,053	\$ 12,091,000	\$ 1,197,771	\$ 24,308,824	\$ -
Receipts from interfund services	-	-	-	-	8,035,255
Other operating receipts	30,737	441,976	-	472,713	603,232
Payments to suppliers	(2,361,461)	(4,054,720)	(116,412)	(6,532,593)	(8,178,855)
Payments to employees	(3,366,910)	(2,926,631)	(1,272,649)	(7,566,190)	(579,109)
Cash flows provided by (used in) operating activities	5,322,419	5,551,625	(191,290)	10,682,754	(119,477)
Cash Flows From Noncapital Financing Activities					
Interfund borrowings from	-	-	-	-	(148,153)
Interfund borrowings to	2,775,939	3,151,017	128,437	6,055,393	109,688
Interfund transfers in	1,129,108	273,371	-	1,402,479	-
Cash flows provided by (used in) noncapital and related financing activities	3,905,047	3,424,388	128,437	7,457,872	(38,465)
Cash Flows From Capital and Related Financing Activities					
Purchase of capital assets	(13,851,860)	(3,614,374)	-	(17,466,234)	-
Proceeds from sale of capital assets	33,400	10,040	-	43,440	-
Capital debt proceeds	9,127,464	-	-	9,127,464	-
Principal paid on long-term debt	(2,453,484)	(2,991,518)	-	(5,445,002)	-
Interest paid on long-term debt	(511,301)	(2,789,036)	-	(3,300,337)	-
Cash flows provided by (used in) capital and related financing activities	(7,655,781)	(9,384,888)	-	(17,040,669)	-
Cash Flows From Investing Activities					
Interest received	115,063	20,182	1,797	137,042	56,282
Cash flows provided by (used in) investing activities	115,063	20,182	1,797	137,042	56,282
Net change in cash and cash equivalents	1,686,748	(388,693)	(61,056)	1,236,999	(101,660)
Cash and Cash Equivalents, Beginning	7,900,583	4,571,540	61,056	12,533,179	1,935,080
Cash and Cash Equivalents, Ending	<u>\$ 9,587,331</u>	<u>\$ 4,182,847</u>	<u>\$ -</u>	<u>\$ 13,770,178</u>	<u>\$ 1,833,420</u>

See notes to financial statements

City of Bullhead City, Arizona

Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Wastewater Fund	Water Fund	(Nonmajor) Marketplace Fund	Total	Internal Services Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Net operating income (loss)	\$ (1,114,132)	\$ 221,554	\$ (41,225)	\$ (933,803)	\$ (544,452)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation/amortization expense	4,228,568	3,754,911	-	7,983,479	-
(Increase) decrease in:					
Accounts receivable	139,498	4,420	(2,000)	141,918	368,458
Intergovernmental receivable	-	-	-	-	-
Inventory and prepaid items	1,191	51,894	(28,800)	24,285	(177,660)
Other assets	-	-	-	-	-
Increase (decrease) in:					
Accounts payable	2,030,097	1,419,416	(92,525)	3,356,988	234,690
Accrued payroll and related liabilities	(1,216)	5,658	(31,725)	(27,283)	(513)
Other liabilities	-	(10)	6,913	6,903	-
Customer deposits	9,710	85,639	900	96,249	-
Unearned revenue	-	-	(2,000)	(2,000)	-
Compensated absences	28,703	8,143	(828)	36,018	-
Net cash provided by (used in) operating activities	<u>\$ 5,322,419</u>	<u>\$ 5,551,625</u>	<u>\$ (191,290)</u>	<u>\$ 10,682,754</u>	<u>\$ (119,477)</u>
Noncash Investing, Capital and Financing Activities					
Loss on disposal of capital	\$ 978,743	\$ 445,845	\$ -	\$ -	\$ -
Amortization of bond premium	60,562	80,421	-	140,983	-
Amortization of deferred charge on refunding	(59,352)	-	-	(59,352)	-
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,833,420
Restricted cash	<u>9,587,331</u>	<u>4,182,847</u>	<u>-</u>	<u>13,770,178</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 9,587,331</u>	<u>\$ 4,182,847</u>	<u>\$ -</u>	<u>\$ 13,770,178</u>	<u>\$ 1,833,420</u>

See notes to financial statements

Financial Statements
Notes to Financial Statements



1. Summary of Significant Accounting Policies

The accounting policies of the City of Bullhead City, Arizona (the City) conform to U.S. generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the City's more significant accounting policies follows.

Reporting Entity

The City, incorporated in 1984, is a general purpose local government that is governed by an elected Mayor and Council. As required under generally accepted accounting principles, these financial statements present the activities of the City (a primary government) and its component units. Component units are legally separate entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the City's operations. Therefore, data from these component units is combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in combined financial statements to emphasize that it is legally separate from the government. The City has no discretely presented component units.

Blended Component Units

The Bullhead City Municipal Property Corporation (MPC) was formed as a nonprofit corporation that assists in the acquisition and financing of municipal projects and facilities. The City Council appoints all members of the Board of Directors. The City has no liability for the Corporations' debt. For financial reporting purposes, transactions of the Corporation are combined together and included as if they were part of the City's operations.

The Bullhead City Sewer Improvement Districts #1, 2 and 3 were formed as improvement districts that were created to fund sewer services for specific property owners. The City Council serves as the Board of Directors and has ability to significantly influence operations. The City has no liability for the Districts' debt. For financial reporting purposes, transactions of the Districts are combined together and included as if they were part of the City's operations.

The Bullhead City Parkway Road Improvement District and East Branch Sewer District were formed as Improvement districts that were created to fund construction of a roadway and a supporting sewer line. The City Council serves as the Board of Directors and has the ability to significantly influence operations. The City has no liability for the Districts' debt. For financial reporting purposes, transactions of the Districts are combined together and included as if they were part of the City's operations.

Financial data for each of the individual component units may be obtained at the City's administrative offices.

Basis of Presentation - Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment (e.g., special assessments). Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements; all nonmajor funds are aggregated and presented in a single column.

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City 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.

Sales taxes, franchise taxes, 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. Only the portion of special assessments receivable due within the next fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The **High User Revenue Fund (HURF)** accounts for the City's share of Arizona highway user tax revenues and associated expenditures legally restricted for road construction and maintenance.

The **Capital Projects Fund** is used to account for maintenance and operations of the City's parks and other municipal facilities.

The **Special Improvement District (SID) Debt Service Fund** is used to account for the resources accumulated and payments made for principal and interest on long-term special assessment debt of the governmental funds.

The **Excise Revenue Bond Refunding Fund** is used to account for the resources accumulated and payments made for principal and interest on long-term excise tax debt of the governmental funds.

The City reports the following major proprietary funds:

The **Wastewater Fund** is used to account for the administration, operations and maintenance of the wastewater collection lines and treatment facility.

The **Water Fund** is used to account for the activities of the City's water utility operations.

Additionally, the City reports the following fund type:

Internal Service Funds account for the fleet management services and insurance services provided to other departments or agencies of the government on a cost reimbursement basis.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2025

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

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 wastewater and water funds, and of the City's internal service funds, are charges to customers and departments for sales and services provided. The wastewater fund also recognizes as operating revenue the tap fees intended to recover the cost of connecting new customers to the collection system. Operating expense for enterprise and internal service funds include the cost of sales and services, administration expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City, as well as for its component unit, are reported at fair value. The Arizona State Treasurer's local government investment pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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 "advances to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade receivables are shown net of an allowance for uncollectibles. The amount of the estimated uncollectible trade receivables at June 30, 2025 was \$870,281, which represents approximately 6.8% of the current trade receivables balance. There is no allowance for uncollectibles on special assessments receivable as the City has a subordinated lien on all properties subject to the special assessments.

Inventories and Prepaid Items

All inventories are valued at cost (determined by weighted average method) and consist of expendable supplies held for consumption. Inventories of the City are recorded as expenditures when consumed.

Certain payments to vendors reflect costs applicable to future 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 (consumption method) rather than when purchased.

Restricted Assets

Certain proceeds of the City's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

Capital Assets

The City's capital assets, which include land, buildings and related improvements, furniture, vehicles, equipment, construction in progress and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), including right-to-use assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported consistent with all other capital assets and are presented in the government-wide financial statements.

Intangible right-to-use lease and subscription assets are amortized over the shorter of the contract term or the useful life of the underlying asset.

Property, plant and equipment of the City, as well as its component unit, is depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	25 - 40
Building improvements	5 - 25
Public domain infrastructure	15 - 25
System infrastructure (wastewater system)	40 - 45
Furniture, vehicles and equipment	3 - 10

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused personal leave and vacation. Upon termination, the employee would be entitled to 50% - 100% of unused personal leave. Compensated absences are accrued and reported as liabilities more likely than not to be used, paid or converted after year-end in the government-wide and proprietary fund financial statements. Governmental funds report only the current portion of compensated absences payable.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period of bond issuance. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Post-Employment Benefits

For purposes of measuring the net pension liability/OPEB, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Net Position Flow Assumption

Sometimes the City 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 City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Sometimes the City 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 City'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 City 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 City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City 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 City for specific purposes but do not meet the criteria to be classified as committed. The City Manager is authorized to assign amounts to a specific purpose in accordance with the City's budget policy. 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.

The City has adopted a policy whereby it will set a minimum unassigned fund balance, equal to 30% of current year expenditures in the General Fund, to provide for any shortfalls in the enterprise funds and for required redemptions related to special assessment debt, should the collections of special assessments not cover the current liability.

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.

Special Assessments

The City has made certain special assessments, in lieu of adopting a property tax, to pay for the cost of constructing wastewater collection lines. Revenue from special assessments is recognized upon completion of the related improvement and is recorded in governmental capital project funds, to the extent available.

Intergovernmental Grants and Aid

Money received from other government agencies in the form of grants or aid based on an entitlement period is recorded as intergovernmental receivables and revenues when entitlement occurs. Reimbursement grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

Leases

As lessee, the City recognizes lease liabilities with an initial, individual value of \$20,000. The City uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The City's estimated incremental borrowing rate is based on the average interest rate of other financing instruments with similar terms and risks as those currently entered into by the City.

As lessor, the City recognizes lease receivables with an initial, individual value of \$100,000. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City's estimated incremental borrowing rate is calculated using the same method used on their lessee transactions above.

Subscription-Based Information Technology Arrangements

The City recognizes subscription liabilities with an initial, individual value that is sufficient to meet the criteria of the City's policy. The City uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The City's estimated incremental borrowing rate is calculated as described above for leases.

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 proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual amounts may differ from such estimates.

Budgetary Information

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

Expenditures Over Appropriations

The individual schedules of revenues, expenditures and changes in fund balance - budget and actual reports found in the required supplementary information and the supplementary information present all of the departments and funds which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2025, if any.

Change in Accounting Principle

Effective for the fiscal year ending June 30, 2025, the City has implemented GASB Statement No. 101, *Compensated Absences*, which supersedes GASB Statement No. 16. GASB 101 establishes a unified recognition and measurement model for all types of compensated absences, including vacation, sick leave, paid time off (PTO), holidays, parental leave, bereavement leave and certain types of sabbatical leave based on what is more likely than not to be used, paid out, or converted after year end. The implementation of GASB 101 did not result in a material change to the accrued compensated absence balance reported.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Deficit Net Position/Fund Balance

At June 30, 2025, the following funds reported deficits in net position or fund balances:

Fund:

Capital Project Fund	\$ 4,166,862
CDBG/HTF Fund	78,623
Court Improvement Fund	942
Excise Tax Debt Service Fund	2,992,791
Flood Control Fund	323,097
Pest Abatement Fund	26,009
Police Grant Fund	40,044
SID Debt Service Fund	579,137
Special Events Fund	141,262
Street Lighting Fund	8,957
Transit Fund	1,269,286
Water Fund	3,863,448

The City anticipates resolving the deficits through transfers from other funds.

2. Deposits and Investments

State law limits deposits and investments to the Arizona State Treasurer's local government investment pool (LGIP), interest bearing savings accounts, certificates of deposit, United States Treasury Bills, notes or bonds which have a maturity date of not more than one year, and in accounts of any savings and loan associations insured by an agency of the government of the United States, up to the amount of such insurance or pledged collateral.

Deposits

Statutes require collateral for demand deposits, certificates of deposit, and repurchase agreements at 102% of all deposits not covered by federal depository insurance. In the case of deposits, custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned.

As of June 30, 2025, the City's carrying amount of unrestricted deposits was \$3,223,526 and the bank balance was \$3,685,889. As of June 30, 2025, the City's deposits were fully insured by the Federal Deposit Insurance Corporation or covered by collateral held by the pledging financial institution's trust department in the City's name. The City also maintains petty cash for use in daily operations that totals \$10,601.

Restricted cash consists of \$21,012,381 held by a trustee for bonds outstanding. The carrying amount of restricted cash in bank was \$309,885 restricted for courts, and \$89,789 restricted for public safety and the bank balances were \$328,876 and \$89,789, respectively. As of June 30, 2025, the City's deposits for restricted cash were fully insured by the Federal Deposit Insurance Corporation or covered by collateral held by the pledging financial institution's trust department in the City's name. Future use will be for one or more of the following: (1) payments on current liabilities relating to outstanding bonds payable, (2) to reduce the employer portion of required contributions to the qualified retirement plan or (3) for payments on future construction projects.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Investments

The City invests in the Local Government Investment Pool 5 (LGIP), an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. The State Board of Investments provides oversight for the State Treasurer's investment pools. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the City held. The fair value of a participant's position in the pools approximates the value of the participant's pool shares. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy. The LGIP is registered with the Securities Exchange Commission under the 1940 Investment Advisors Act and is rated by Standard and Poors with AAAs/S1+.

The Arizona State Treasurer issues a publicly available financial report that includes financial statements and required supplementary information. Copies may be obtained by contacting the Arizona State Treasurer, 1700 West Washington, Phoenix, Arizona 85007.

As of June 30, 2025, the City's deposit with the State Treasurer's Local Government Investment Pool 5 was \$24,521,825.

Custodial Credit Risk

For investments, this is the risk that, in the event of a failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have an investment policy for custodial credit risk. Funds held in the State Treasurer's LGIP represent a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City does not have a formal investment policy regarding credit risk. However, the City's formal investment policy restricts investments as follows: (i) limiting investments to the safest types of securities, (ii) pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business, and (iii) diversifying the investment portfolio so that potential losses on individual securities will be minimized. At June 30, 2025, credit risk for the City's investments was as follows:

	Ratings			
	Total	AAAs/S1+	AAA	Unrated
Investment type:				
Primary government:				
LGIP	\$ 24,521,825	\$ 24,521,825	\$ -	\$ -
Total	\$ 24,521,825	\$ 24,521,825	\$ -	\$ -

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investment by maturity.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2025

At June 30, 2025, the City had the following investments:

	Remaining Maturity 12 Months or Less
Investment type:	
Primary government	
LGIP	\$ 24,521,825
Total	<u>\$ 24,521,825</u>

The City has no specific policy regarding interest rate risk. State law limits investments in securities having maturities no greater than five years. Additionally, in accordance with its formal investment policy, the City manages its exposure to declines in fair values by limiting (a) structuring the investment portfolio to meet cash requirements for ongoing operations, and (b) investing operating funds primarily in short-term securities.

Concentration of Credit Risk

The City's policies do not limit the maximum amount that can be invested in any single issuer. At June 30, 2025, all of the City's investments were with the Arizona State Treasurer's local government investment pool.

Custodial Credit Risk

For investments, this is the risk that, in the event of a failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have an investment policy for custodial credit risk.

3. Receivables

Receivables as of June 30, 2025 for the City's individual major funds, nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	HURF Fund	Capital Projects Fund	SID Debt Service Funds	Nonmajor Governmental Funds	Wastewater Fund	Water Fund	Marketplace Fund	Internal Service Fund	Total
Receivables:										
Accounts	\$ 1,423,648	\$ -	\$ -	\$ -	\$ 284,781	\$ 1,644,102	\$ 1,685,536	\$ 4,000	\$ 127,148	\$ 5,169,215
Taxes	-	-	-	-	3,173	-	-	-	-	3,173
Intergovernmental	2,621,186	475,479	11,622	-	272,884	-	-	-	-	3,381,171
Special assessments	-	-	-	178,492	537	-	-	-	-	179,029
Gross receivables	4,044,834	475,479	11,622	178,492	561,375	1,644,102	1,685,536	4,000	127,148	8,732,588
Less allowance for uncollectibles	-	-	-	-	-	(489,580)	(380,701)	-	-	(870,281)
Net total receivables	<u>\$ 4,044,834</u>	<u>\$ 475,479</u>	<u>\$ 11,622</u>	<u>\$ 178,492</u>	<u>\$ 561,375</u>	<u>\$ 1,154,522</u>	<u>\$ 1,304,835</u>	<u>\$ 4,000</u>	<u>\$ 127,148</u>	<u>\$ 7,862,307</u>

Revenues of the enterprise funds are reported net of uncollectible amounts. The Wastewater Fund and the Water Fund recorded no bad debt expense for the current fiscal year.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

4. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2025 is as follows (due to/from other funds):

	Receivable Amount	Payable Amount
Fund:		
General Fund	\$ 20,351,622	\$ -
Capital Projects Fund	-	4,408,427
SID Debt Service Funds	-	192,044
Nonmajor Governmental Funds	-	5,569,307
Wastewater Fund	-	2,775,939
Water Fund	-	6,244,456
Marketplace Fund	-	128,437
Internal Service Funds	-	1,033,012
Total	<u>\$ 20,351,622</u>	<u>\$ 20,351,622</u>

The outstanding balances between funds results mainly from the time lag between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds which the General Fund expects to collect in the subsequent year. All interfund balances are expected to be repaid within one year.

Internal service funds and nonmajor funds had a deficit cash balance that will be paid back to the General Fund over time.

The water fund had a deficit in cash balance related to the issuance of bonds and future commitments for projects related to utilities. These funds will be paid back to the General Fund.

5. Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2025 is as follows:

	Transfers Out	Transfers In
Fund:		
General Fund	\$ 1,026,540	\$ 1,052,687
HURF Fund	-	647,371
Capital Projects Fund	5,697,196	5,035,670
Excise Revenue Bond Refunding Funds	-	173,016
Nonmajor Governmental Funds	2,441,011	853,524
Marketplace Fund	-	282,209
Wastewater Fund	-	1,129,108
Water Fund	-	273,371
Governmental activities (capital transfer)	282,209	-
Total	<u>\$ 9,446,956</u>	<u>\$ 9,446,956</u>

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.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

General Fund transfers relate to:

- Providing construction projects for the Capital Projects Fund.
- Payments for debt service.
- Other miscellaneous services for wastewater engineering, reducing negative fund balance and monthly bridge loan.

Nonmajor funds transfers relate to funding transferred to the Capital Projects Fund for allowable construction projection.

The Water Fund received transfers from the General Fund for debt payments and Cibola Water.

6. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated or amortized:				
Land	\$ 3,273,105	\$ 440,012	\$ -	\$ 3,713,117
Construction in progress	13,944,274	12,754,299	(18,043,108)	8,655,465
Total capital assets not being depreciated or amortized	17,217,379	13,194,311	(18,043,108)	12,368,582
Capital assets being depreciated or amortized:				
Buildings	21,631,115	2,550,152	(385,000)	23,796,267
Improvements, other than buildings	12,171,567	13,651,994	(583,950)	25,239,611
Furniture, vehicles and equipment	31,275,110	3,019,222	-	34,294,332
Infrastructure	166,056,910	4,391,114	-	170,448,024
Right-to-use subscription assets	1,115,938	-	-	1,115,938
Total capital assets being depreciated or amortized	232,250,640	23,612,482	(968,950)	254,894,172
Less accumulated depreciation or amortization:				
Buildings	(16,467,277)	(501,175)	161,285	(16,807,167)
Improvements, other than buildings	(5,589,649)	(586,961)	-	(6,176,610)
Furniture, vehicles and equipment	(23,533,861)	(2,875,817)	513,200	(25,896,478)
Infrastructure	(135,349,843)	(2,335,044)	-	(137,684,887)
Right-to-use subscription assets	(442,069)	(268,637)	-	(710,706)
Total accumulated depreciation or amortization	(181,382,699)	(6,567,634)	674,485	(187,275,848)
Total capital assets being depreciated or amortized, net	50,867,941	17,044,848	(294,465)	67,618,324
Governmental activities capital assets, net	\$ 68,085,320	\$ 30,239,159	\$ (18,337,573)	\$ 79,986,906

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated or amortized:				
Land	\$ 3,213,803	\$ -	\$ -	\$ 3,213,803
Water rights	6,716,785	-	-	6,716,785
Construction in progress	7,535,449	17,262,214	(1,554,741)	23,242,922
Total capital assets not being depreciated or amortized	17,466,037	17,262,214	(1,554,741)	33,173,510
Capital assets being depreciated or amortized:				
Buildings	149,647	385,000	-	534,647
Improvements, other than buildings	250,665	-	-	250,665
Equipment and vehicles	7,545,303	1,683,746	(148,382)	9,080,667
Right-of-use subscription asset	3,072,920	234,138	-	3,307,058
Wastewater facilities, equipment and collection lines	250,484,605	1,554,741	-	252,039,346
Total capital assets being depreciated or amortized	261,503,140	3,857,625	(148,382)	265,212,383
Less accumulated depreciation or amortization:				
Buildings	(63,600)	(165,026)	-	(228,626)
Improvements, other than buildings	(265,310)	(1,355)	-	(266,665)
Equipment and vehicles	(5,470,513)	(914,400)	148,382	(6,236,531)
Right-of-use subscription asset	(597,188)	(395,002)	-	(992,190)
Wastewater facilities, equipment and collection lines	(77,938,916)	(6,767,054)	-	(84,705,970)
Total accumulated depreciation or amortization	(84,335,527)	(8,242,837)	148,382	(92,429,982)
Total capital assets being depreciated or amortized, net	177,167,613	(4,385,212)	-	172,782,401
Business-type capital assets, net	\$ 194,633,650	\$ 12,877,002	\$ (1,554,741)	\$ 205,955,911

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Depreciation/amortization expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	\$ 1,971,129
Highways and streets	2,378,356
Culture and recreation	994,522
Public safety	<u>1,223,627</u>
Total depreciation/amortization expense, governmental activities	<u>\$ 6,567,634</u>
Business-type activities:	
Wastewater Fund	\$ 4,228,568
Water Fund	3,754,911
Marketplace (capital contributions - transfers in of accumulated depreciation)	<u>259,358</u>
Total depreciation/amortization expense, business-type activities	<u>\$ 8,242,837</u>

7. Long-Term Liabilities

Long-term liabilities activity for the year ended June 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within 1 Year</u>
Governmental activities:					
Bonds payable:					
Revenue bonds	\$ 20,195,000	\$ -	\$ (4,014,000)	\$ 16,181,000	\$ 3,662,000
Improvement bond	<u>2,720,000</u>	<u>-</u>	<u>(110,000)</u>	<u>2,610,000</u>	<u>120,000</u>
Total bonds payable	<u>22,915,000</u>	<u>-</u>	<u>(4,124,000)</u>	<u>18,791,000</u>	<u>3,782,000</u>
Notes payable, Water Infrastructure Financing Authority	598,460	-	(598,460)	-	-
Notes payable, Foothills Bank Finance purchase agreement	<u>335,350</u>	<u>2,441,011</u>	<u>(61,325)</u>	<u>2,379,686</u>	<u>248,700</u>
Total notes payable	<u>933,810</u>	<u>2,441,011</u>	<u>(718,007)</u>	<u>2,656,814</u>	<u>309,164</u>
Subscription liabilities	673,869	-	(268,637)	405,232	220,356
Net pension liabilities	33,741,419	64,923	-	33,806,342	-
Compensated absences	<u>2,166,636</u>	<u>54,433</u>	<u>-</u>	<u>2,221,069</u>	<u>528,051</u>
Governmental activities long-term liabilities	<u>\$ 60,430,734</u>	<u>\$ 2,560,367</u>	<u>\$ (5,110,644)</u>	<u>\$ 57,880,457</u>	<u>\$ 4,839,571</u>
Business-type activities:					
Revenue bonds	\$ 110,785,000	\$ 8,945,000	\$ (5,050,000)	\$ 114,680,000	\$ 5,415,000
Plus deferred amounts: Issuance discounts and premiums	<u>2,119,671</u>	<u>182,464</u>	<u>(140,983)</u>	<u>2,161,152</u>	<u>-</u>
Total bonds payable	<u>112,904,671</u>	<u>9,127,464</u>	<u>(5,190,983)</u>	<u>116,841,152</u>	<u>5,415,000</u>
Subscription liabilities	2,475,732	234,138	(395,002)	2,314,868	407,242
Compensated absences	<u>342,473</u>	<u>49,423</u>	<u>-</u>	<u>391,896</u>	<u>97,974</u>
Business-type activities long-term liabilities	<u>\$ 115,722,876</u>	<u>\$ 9,411,025</u>	<u>\$ (5,585,985)</u>	<u>\$ 119,547,916</u>	<u>\$ 5,920,216</u>

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Internal service funds predominantly serve the governmental activities. Accordingly, long-term liabilities for all internal service funds are included as part of the above totals for governmental activities.

Bonds Payable

The City has pledged revenue derived from taxes collected or from the acquired or constructed assets to pay debt service on the excise tax revenue bonds.

Bonds currently outstanding at year-end are as follows:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Outstanding Principal</u>	<u>Maturity Date</u>
Governmental activities:				
MPC Excise Tax Revenue				
Bonds, Series 2015B	\$ 1,554,000	1.98 %	\$ 168,000	2026
Laughlin Ranch Improvement				
Bonds Series 2017	3,230,000	2.30-4.00	2,610,000	2042
Excise Tax Revenue Bonds:				
Series 2018	3,100,000	3.01	1,333,000	2028
Series 2021	4,600,000	1.97	3,975,000	2028
Series 2023	14,145,000	4.97	10,885,000	2028
Total governmental activities	<u>\$ 26,629,000</u>		<u>\$ 18,971,000</u>	
Business-type activities:				
Wastewater Revenue Bonds,				
Series 2013	\$ 15,845,000	3.25-5.00	\$ 2,585,000	2025
Excise Tax Revenue and				
Refunding Bonds:				
Series 2019	6,945,000	3.00-4.00	2,860,000	2039
Series 2021	89,255,000	0.40-2.70	82,005,000	2051
Series 2022	18,750,000	4.00-5.00	18,285,000	2052
Series 2025	8,945,000	4.25-5.00	8,945,000	2044
Total business-type activities	<u>\$ 139,740,000</u>		<u>\$ 114,680,000</u>	

Annual debt service requirements to maturity for the bonds are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Years ending June 30:				
2026	\$ 3,782,000	\$ 756,541	\$ 5,415,000	\$ 3,125,862
2027	3,263,000	592,189	4,240,000	3,002,820
2028	3,423,000	446,983	3,255,000	2,923,833
2029	3,568,000	294,297	3,340,000	2,851,863
2030	430,000	134,688	3,425,000	2,772,563
2031-2035	2,860,000	570,962	22,555,000	14,605,282
2036-2040	1,465,000	730,658	21,735,000	9,041,589
2041-2045	-	-	22,850,000	5,751,352
2046-2050	-	-	24,050,000	2,389,840
2051-2052	-	-	3,815,000	42,800
Total	<u>\$ 18,791,000</u>	<u>\$ 3,526,318</u>	<u>\$ 114,680,000</u>	<u>\$ 46,507,804</u>

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Notes Payable

The City received loans from the Water Infrastructure Financing Authority (WIFA) for the construction of wastewater collection lines and facilities. The debt is secured by, and to be repaid from, amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the City must provide resources to cover the deficiency until other resources are received, as of June 30, 2025 the WIFA loans were fully paid off.

During 2023, the City entered into a finance purchase arrangement with Empire Southwest for a new Loader financing \$288,677 through 2028 at an interest rate of 6.38%. During 2024, the City entered into a finance purchase arrangement with Empire Southwest for a new Loader financing \$123,215 through 2028 at an interest rate of 5.99%.

Notes payable at year-end are as follows:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Outstanding Principal</u>	<u>Maturity Date</u>
Governmental activities:				
Foothills Bank, 2025	\$ 2,441,011	7.155 %	\$ 2,379,686	2032
Finance Purchase, Empire Southwest, 2023	288,677	6.38	189,647	2028
Finance Purchase, Empire Southwest, 2024	<u>123,215</u>	5.99	<u>87,481</u>	2028
Total	<u>\$ 2,852,903</u>		<u>\$ 2,656,814</u>	

Annual debt service requirements to maturity for the notes are as follows:

	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
Years ending June 30:		
2026	\$ 309,184	\$ 165,990
2027	368,226	156,756
2028	481,467	128,148
2029	352,303	95,639
2030	378,189	69,753
2031-2032	<u>767,445</u>	<u>53,783</u>
Total	<u>\$ 2,656,814</u>	<u>\$ 670,069</u>

During 2023, the City obtained \$6,595,000 and \$6,445,000 in additional financing from WIFA for various infrastructure projects with loan terms of 30 years. Of those loans \$1,300,000 and \$1,177,000, respectively, are forgivable principal. As of year-end, the City had not drawn on any portion of the loans.

Subscription-Based Information Technology Arrangements (SBITAs)

The City has obtained the right to use various IT software under the provisions of various subscription-based information technology arrangements.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

The total amount of subscription assets and the related accumulated amortization are as follows:

	Governmental Activities	Business-Type Activities
Total intangible right-to-use subscription assets	\$ 1,115,938	\$ 3,307,058
Less accumulated amortization	(710,706)	(992,190)
Total	<u>\$ 405,232</u>	<u>\$ 2,314,868</u>

The following schedule details minimum subscription payments to maturity for the City's subscriptions:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Years ending June 30:				
2026	\$ 220,356	\$ 8,863	\$ 407,242	\$ 73,440
2027	134,620	4,177	419,482	61,200
2028	50,256	-	353,676	48,960
2029	-	-	365,916	36,720
2030	-	-	378,156	24,480
2031	-	-	390,396	12,240
Total	<u>\$ 405,232</u>	<u>\$ 13,040</u>	<u>\$ 2,314,868</u>	<u>\$ 257,040</u>

8. Contingencies

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City uses a combination of self-insurance and third-party insurance. The City is self-insured for general and automobile liability. An excess coverage insurance policy is available for individual claims in excess of \$75,000 and is provided by the Arizona Municipal Risk Retention Pool.

The City provides life, health, and disability benefits to its employees and their dependents through the Northwest Arizona Employee Benefit Trust, currently composed of three member cities. The Trust provides the benefits through a self-funding agreement with its participants and administers the program, and the City is responsible for paying the premium and requires its employees to contribute a portion of that premium. If it withdraws from the Trust, the City is responsible for any claims run-out costs, including claims reported but not settled, claims incurred but not reported, and administrative costs. If the Trust were to terminate, the City would be responsible for its proportional share of any Trust deficit. To protect the City against significant claims, a \$95,000 stop loss insurance policy is in place.

Consent Decree With Arizona Department of Environmental Quality

The City voluntarily entered into a Consent Decree with the Arizona Department of Environmental Quality (ADEQ) in 1997. This decree stipulated that the City would construct improvements and additions to the Bullhead City Wastewater System designed to expand the service area and capacity of the system.

The consent decree identified specific expansion requirements and the timeline in which those expansions must be completed. If the City fails to meet the specific performance requirements of the decree, ADEQ can impose monetary fines that range from \$1,000 to \$3,000 per day depending on the length of time that the City remains in noncompliance. The City is currently in compliance with the consent decree.

Litigation

The City is a defendant in various lawsuits, which arise in the ordinary course of its operations. The City is unable to predict the outcomes of these proceedings; therefore, no liability has been accrued in the accompanying financial statements.

Construction Commitments

The City has active construction projects and related commitments. The projects include flood control projects, traffic signals, Bullhead Parkway extension, and other city street maintenance and roadway improvement projects, temporary city engineering and design services. At year-end the City had approximately \$1,997,982 in commitments to contractors for construction projects.

9. Pensions

The City contributes to two plans as described below. For public safety personnel, state statute regulates retirement, death, long-term disability, and survivor insurance premium benefits. The plan is a component unit of the State of Arizona. Benefits for nonpublic safety personnel are established based on contributions to the plan. At June 30, 2025, the City reported the following aggregate amounts related to pensions/OPEB for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities
Net OPEB assets	\$ 513,534
Net pension liabilities	33,806,342
Deferred outflows of resources related to pensions and OPEB	7,550,425
Deferred inflows of resources related to pensions and OPEB	552,572
Pension and OPEB expense	4,601,897

The City reported \$4,839,138 of pension/OPEB contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2025

Defined Contribution Plan

The City has established a mandatory defined contribution deferred compensation plan for all employees not covered under the PSPRS. Contributions to the plan are administered by a third-party, ICMA Retirement Corporation (ICMA-RC). In accordance with GASB Statement No. 32, the City provides neither administrative services nor investment advice. Consequently, no fiduciary relationship exists between the City and the compensation plan. Therefore, plan assets are not included as a fund of the City.

The ICMA-RC is the plan administrator and trustee for the defined contribution plan and provides statements to participants. Reports may be obtained by writing or calling the applicable plan.

ICMA-RC
777 North Capitol Street, NE
Washington, DC 20002
(202)962-4600

Plan Description

In lieu of participating in FICA - Social Security, the City has defined contribution plan in accordance with Internal Revenue Code Section 401(a). The plan is available to all employees not covered under the Public Safety Personnel Retirement System (PSPRS). The plan is administered through ICMA Retirement Corporation (ICMA-RC), and participants are allowed to choose from various investment funds offered by the company. There are no securities of the City included in the plan assets.

Funding Policy

The plan is available to all full-time employees of the City, except police personnel who are covered under the Arizona Public Safety Personnel Retirement System (PSPRS). The plan requires participants to contribute 6.25% of their earnings and the City to contribute 9.05%. Normal retirement age is 65 (59 ½ effective July 1, 2002). Member and employee contributions are recognized in the period that the contributions are due. The employee's contributions is 100% per year of service for exempt employees and 25% per year of service for nonexempt employees. Thus, exempt employees are vested at 100% after four years of service. Employees who leave the City's employment before one year of service do not receive any of the employer contribution. The following describes the payroll and contribution requirements for the year ended June 30, 2025.

	<u>Total Payroll</u>	<u>Covered Payroll</u>	<u>Percent of Covered Payroll</u>	<u>Required Contributions</u>	<u>Actual Contributions</u>
Employer	\$ 29,225,954	\$ 19,741,138	9.05 %	\$ 1,786,573	\$ 1,786,573
Employee	-	19,741,138	6.25	1,233,821	1,233,821

Public Safety Personnel Retirement System

Plan Description

City police department employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent and cost-sharing multiple-employer defined benefit pension plan and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan. Although the PSPRS net OPEB asset has been recorded at June 30, 2025, the plan has not been further disclosed due to the relative insignificance to the City's financial statements. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the City's financial statements.

The PSPRS issues a publicly available financial report that include their financial statements and required supplementary information. The reports are available on the PSPRS web site at www.psprs.com.

The net OPEB asset has been recorded in the financial statements in accordance with GASB Statement No. 75, however, due to the relative insignificance of the plan, the OPEB asset has not been further disclosed in the notes to the financial statements at June 30, 2025.

Benefits Provided

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

	Initial Membership Date	
PSPRS	Before January 1, 2012	On or After January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 120 years
Benefit percent per year of service:		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0%-2.5% for each year of credited service over 20 years, not to exceed 80%	1.5%-2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
Survivor Benefits		
Retired Members	80%-100% of retired member's pension benefit	
Active Members	80%-100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job	

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2025

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

Health insurance premium benefits are available to retired or disabled members with five 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, 2025, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police
Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to but not yet receiving benefits	19
Active employees	35
Total	111

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, 2025, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police
Active members, pension	7.65-11.65 %
City:	
Pension	72.16 %
Health insurance premium benefit	-

In addition, the City was required by statute to contribute at the actuarially determined rate of 72.16% of the PSPRS of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the PSPRS and employees participating in the PSPRS Tier 3 Risk Pool in addition to the City's required contributions to the PSPRS Tier 3 Risk Pool.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

For the agent plans, the City's contributions to the pension plan for the year ended June 30, 2025, were:

	PSPRS Police
Pension:	
Contributions made	\$ 4,839,138

During fiscal year 2025, the City paid 100% of the PSPRS pension contributions from the General Fund.

Pension Liability

At June 30, 2025, the City reported a PSPRS net pension liability of \$33,806,342.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

PSPRS:	
Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.20%
Wage inflation	3.0-6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	N/A

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2023.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.2% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates 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
U.S. public entity	24 %	3.62 %
International public entity	16	4.47
Global private equity	27	7.05
Core bonds	6	2.44
Private credit	20	6.24
Diversifying strategies	5	3.15
Cash, Mellon	2	0.89
Total	100 %	

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Discount Rates

At June 30, 2024, the discount rate used to measure the PSPRS total pension liabilities was 7.2%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

PSPRS - Police	Pension Increase (Decrease)		
	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2024	\$ 67,741,379	\$ 33,999,960	\$ 33,741,419
Changes for the year:			
Service cost	734,191	-	734,191
Interest on the total pension liability	4,801,684	-	4,801,684
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	1,996,604	-	1,996,604
Changes of assumptions or other inputs	(3,571,039)	-	(3,571,039)
Contributions, employer	-	3,698,833	(3,698,833)
Contributions, employee	-	299,490	(299,490)
Net investment income	-	3,497,103	(3,497,103)
Benefit payments, including refunds of employee contributions	-	(3,571,039)	3,571,039
Administrative expense	-	(27,870)	27,870
Other changes	-	-	-
Net changes	3,961,440	3,896,517	64,923
Balances at June 30, 2025	\$ 71,702,819	\$ 37,896,477	\$ 33,806,342

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate

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

PSPRS - Police	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Net pension liability	\$ 43,159,363	\$ 33,806,342	\$ 26,152,237

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

Pension Plan Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS financial reports.

Pension Expense

For the year ended June 30, 2025, the City recognized \$4,601,897 of PSPRS pension expense.

Pension Deferred Outflows/Inflows of Resources

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS - Police	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,481,603	\$ -
Changes of assumptions or other inputs	195,450	-
Net difference between projected and actual earnings on pension plan investments	-	506,504
City contributions subsequent to the measurement date	4,839,138	-
Total	<u>\$ 4,839,138</u>	<u>\$ 506,504</u>

The amounts reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PSPRS Police
Years ending June 30:	
2026	\$ 1,454,646
2027	1,160,942
2028	(238,094)
2029	(206,945)
2030	-
Thereafter	-

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2025

10. Net Investment in Capital Assets

The Net Investment in Capital Assets on the Statement of Net Position are Calculated as follows:

	Governmental Activities	Business-Type Activities
Net Investment in capital asset:		
Nondepreciable capital assets	\$ 12,368,582	\$ 33,173,510
Other capital and right-of-use, net of accumulated depreciation/amortization	67,618,324	172,782,401
Plus deferred amounts on refunding	-	178,057
Plus Capital borrowings related to unspent bond proceeds	1,413,308	-
Less notes-payable outstanding	2,656,814	-
Less long-term bonds outstanding	18,791,000	114,680,000
Plus non-capital debt	-	2,704,589
Less premiums on long-term debt	-	2,161,152
Less retainage payables	440,072	1,524,943
Less subscription liability outstanding	405,232	2,314,868
Total	<u>\$ 59,107,096</u>	<u>\$ 88,157,594</u>



Financial Section
Required Supplementary Information

Budgetary Comparison Schedules
General Fund
HURF Fund

Pension Schedules



City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, 2024	\$ 2,112,059	\$ 2,112,059	\$ 36,848,692	\$ 34,736,633
Resources (Inflows)				
City tax revenue	23,476,957	23,476,957	22,240,861	(1,236,096)
Intergovernmental revenue	19,841,501	19,841,501	20,360,598	519,097
Charges for services	1,790,510	1,790,510	1,876,093	85,583
Licenses and permits	1,576,925	1,576,925	1,542,038	(34,887)
Fines and forfeitures	596,200	596,200	727,155	130,955
Rents	65,650	65,650	41,281	(24,369)
Investment income	1,266,334	1,266,334	1,228,120	(38,214)
Other revenue	558,500	558,500	265,520	(292,980)
Total revenues	49,172,577	49,172,577	48,281,666	(890,911)
Other financing sources (uses):				
Proceeds from debt issuance	2,578,853	2,578,853	-	(2,578,853)
Proceeds from sale of fixed assets	77,000.00	77,000	64,753	(12,247)
Transfers in	-	-	1,052,687	1,052,687
Transfers out	(3,280,530)	(3,280,530)	(1,026,540)	2,253,990
Total other financing sources (uses)	(624,677)	(624,677)	90,900	715,577
Amounts available for appropriations	50,659,959	50,659,959	85,221,258	34,561,299
Charges to Appropriations (Outflows)				
General government:				
Mayor and council	262,413	262,413	188,046	74,367
City manager	725,806	725,806	728,424	(2,618)
Information technology	2,532,308	2,532,308	1,950,268	582,040
Human resources	447,226	447,226	514,814	(67,588)
Public information	559,650	559,650	485,341	74,309
Municipal court	1,804,102	1,804,102	1,389,855	414,247
Finance	834,744	834,744	776,857	57,887
City clerk	385,285	385,285	311,720	73,565
City attorney	1,648,600	1,648,600	1,537,818	110,782
Planning	396,504	396,504	393,299	3,205
Building inspections	838,723	838,723	665,450	173,273
Code enforcement	663,133	663,133	546,095	117,038
Facilities management	1,429,855	1,429,855	1,272,419	157,436
Public works administration	669,959	669,959	769,484	(99,525)
Nondepartmental	1,402,262	1,402,262	991,369	410,893
Total general government	14,600,570	14,600,570	12,521,259	2,079,311

See notes to budgetary comparison schedule

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(Budgetary Basis)	Final Budget - Positive (Negative)
Public safety:				
Police administration	\$ 2,230,830	\$ 2,230,830	\$ 2,168,036	\$ 62,794
Patrol	12,040,020	12,040,020	11,999,152	40,868
Criminal investigations	3,174,455	3,174,455	2,812,954	361,501
Support services	822,313	822,313	760,073	62,240
Emergency services	2,696,893	2,696,893	2,648,396	48,497
Total public safety	20,964,511	20,964,511	20,388,611	575,900
Culture and recreation:				
Recreation	1,231,125	1,231,125	1,467,938	(236,813)
Water activities	-	-	2,783	(2,783)
Suddenlink Community Center	176,260	176,260	115,576	60,684
Parks rangers	213,495	213,495	411,017	(197,522)
Parks maintenance	4,458,213	4,458,213	4,002,629	455,584
Total culture and recreation	6,079,093	6,079,093	5,999,943	79,150
Economic development:				
Economic development	271,294	271,294	173,564	97,730
Total economic development	271,294	271,294	173,564	97,730
Health and welfare:				
Animal control	683,422	683,422	597,287	86,135
Total health and welfare	683,422	683,422	597,287	86,135
Capital outlay	2,722,401	2,722,401	1,583,928	1,138,473
Debt service:				
Principal retirement	1,194,679	1,194,679	264,818	929,861
Interest and fiscal charges	710,934	710,934	44,610	666,324
Total debt service	1,905,613	1,905,613	309,428	1,596,185
Total expenditures	47,226,904	47,226,904	41,574,020	5,652,884
Budgetary Fund Balance, June 30, 2025	\$ 3,433,055	\$ 3,433,055	\$ 43,647,238	\$ 40,214,183

See notes to budgetary comparison schedule

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Highway User Relief Fund (HURF)

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 4,943,162	\$ 4,943,162	\$ 4,813,070	\$ (130,092)
Investment earnings	56,600	56,600	171,384	114,784
Other revenues	24,158	24,158	8,010	(16,148)
Total revenues	5,023,920	5,023,920	4,992,464	(31,456)
Expenditures				
Current:				
General government	-	-	261	(261)
Health and welfare	1,800	1,800	1,800	-
Highways and streets	5,530,193	5,530,193	4,923,232	606,961
Debt service:				
Principal	297,227	297,227	52,102	245,125
Interest and fiscal charges	99,197	99,197	25,663	73,534
Capital outlay	878,090	878,090	788,406	89,684
Total expenditures	6,806,507	6,806,507	5,791,464	1,015,043
Excess (deficiency) of revenues over (under) expenditures	(1,782,587)	(1,782,587)	(799,000)	983,587
Other Financing Sources (Uses)				
Finance purchase agreement	878,090	878,090	-	(878,090)
Sale of capital assets	-	-	5,775	5,775
Transfers in	-	-	647,371	647,371
Total other financing sources (uses)	878,090	878,090	653,146	(224,944)
Net change in fund balances	(904,497)	(904,497)	(145,854)	758,643
Fund Balances, Beginning	904,497	904,497	1,130,033	225,536
Fund Balances, Ending	\$ -	\$ -	\$ 984,179	\$ 984,179

See notes to budgetary comparison schedule

1. Budgetary Basis of Accounting

The City prepares its annual budget on a basis which differs from the GAAP basis. A budgetary comparison schedule for the General Fund and HURF Fund are all included as required supplementary information to provide meaningful comparison of actual results to budget on a budget basis. As a result, the budgetary schedule includes a reconciliation of the adjustments to convert the budgetary revenues and expenditures to revenues and expenditures/expenses on a GAAP basis, where the amounts are different. During the year ended June 30, 2024, there was no variance between actual expenditures/expenses (budgetary) and expenditures/expenses on a GAAP basis.

City of Bullhead City, Arizona

Required Supplementary Information

Schedule of the Changes in the City's Net Pension Liability and Related Ratios - Agent Pension Plan - Public Safety Personnel Retirement System

Year Ended June 30, 2025

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Total Pension Liability										
Service cost	\$ 734,191	\$ 744,034	\$ 757,132	\$ 805,309	\$ 782,838	\$ 939,357	\$ 851,358	\$ 1,075,681	\$ 894,106	\$ 879,004
Interest on the total pension liability	4,801,684	4,497,589	4,287,712	4,187,578	3,913,438	3,749,335	3,530,344	3,266,637	2,977,024	2,909,607
Changes on benefit terms	-	-	-	-	-	-	-	534,607	2,485,509	-
Differences between expected and actual experience in the measurement of the pension liability	1,996,604	2,409,143	1,389,941	(276,033)	1,849,684	(208,824)	569,370	(19,158)	(323,350)	(654,635)
Changes of assumptions or other inputs	-	-	781,799	-	-	1,279,072	-	1,641,764	1,626,214	-
Benefit payments, including refunds of employee contributions	(3,571,039)	(3,263,725)	(3,681,800)	(2,912,135)	(2,714,067)	(2,606,657)	(2,404,182)	(2,066,165)	(2,171,832)	(2,393,591)
Net change in total pension liability	3,961,440	4,387,041	3,534,784	1,804,719	3,831,893	3,152,283	2,546,890	4,433,366	5,487,671	740,385
Total Pension Liability - Beginning	<u>67,741,379</u>	<u>63,354,338</u>	<u>59,819,554</u>	<u>58,014,835</u>	<u>54,182,942</u>	<u>51,030,659</u>	<u>48,483,769</u>	<u>44,050,403</u>	<u>38,562,732</u>	<u>37,822,347</u>
Total Pension Liability - Ending (a)	<u>\$ 71,702,819</u>	<u>\$ 67,741,379</u>	<u>\$ 63,354,338</u>	<u>\$ 59,819,554</u>	<u>\$ 58,014,835</u>	<u>\$ 54,182,942</u>	<u>\$ 51,030,659</u>	<u>\$ 48,483,769</u>	<u>\$ 44,050,403</u>	<u>\$ 38,562,732</u>
Plan Fiduciary Net Position										
Contributions, employer	\$ 3,698,833	\$ 3,313,732	\$ 2,803,181	\$ 2,690,885	\$ 2,731,212	\$ 2,406,560	\$ 2,300,757	\$ 1,422,995	\$ 1,391,558	\$ 1,240,272
Contributions, employee	299,490	614,175	373,071	412,284	434,462	419,847	432,249	537,250	550,490	527,323
Hall/Parker settlement	-	-	-	-	-	-	(660,764)	-	-	-
Net investment income	3,497,103	2,407,286	(1,294,356)	7,127,770	317,400	1,258,980	1,501,552	2,375,192	118,139	734,235
Benefit payments, including refunds of employee contributions	(3,571,039)	(3,263,725)	(3,681,800)	(2,912,135)	(2,714,067)	(2,606,657)	(2,404,182)	(2,066,165)	(2,171,832)	(2,393,591)
Administrative expense	(27,870)	(21,601)	(23,350)	(33,445)	(25,885)	(22,884)	(23,553)	(21,416)	(17,400)	(18,296)
Other changes	-	-	-	-	-	-	(3,990)	(95,324)	1,966	(16,165)
Net change in plan fiduciary net position	3,896,517	3,049,867	(1,823,254)	7,285,359	743,122	1,455,846	1,142,069	2,152,532	(127,079)	73,778
Plan Fiduciary Net Position, Beginning	<u>33,999,960</u>	<u>30,950,093</u>	<u>32,773,347</u>	<u>25,487,988</u>	<u>24,867,539</u>	<u>23,416,180</u>	<u>22,274,111</u>	<u>20,121,579</u>	<u>20,248,658</u>	<u>20,174,880</u>
Adjustments to beginning of year	-	-	-	-	(122,673)	(4,487)	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ 37,896,477</u>	<u>\$ 33,999,960</u>	<u>\$ 30,950,093</u>	<u>\$ 32,773,347</u>	<u>\$ 25,487,988</u>	<u>\$ 24,867,539</u>	<u>\$ 23,416,180</u>	<u>\$ 22,274,111</u>	<u>\$ 20,121,579</u>	<u>\$ 20,248,658</u>
City's Net Pension Liability, Ending (a) - (b)	<u>\$ 33,806,342</u>	<u>\$ 33,741,419</u>	<u>\$ 32,404,245</u>	<u>\$ 27,046,207</u>	<u>\$ 32,526,847</u>	<u>\$ 29,315,403</u>	<u>\$ 27,614,479</u>	<u>\$ 26,209,658</u>	<u>\$ 23,928,824</u>	<u>\$ 18,314,074</u>

See notes to the pension plan schedules

City of Bullhead City, Arizona

Required Supplementary Information

Schedule of the Changes in the City's Net Pension Liability and Related Ratios - Agent Pension Plan - Public Safety Personnel Retirement System

Year Ended June 30, 2025

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Plan fiduciary net position as a percentage of the total pension liability	52.85 %	50.19 %	48.85 %	54.79 %	43.93 %	45.90 %	45.89 %	45.94 %	45.68 %	52.51 %
Covered payroll	\$ 3,885,801	\$ 3,821,272	\$ 4,024,338	\$ 4,084,625	\$ 4,473,758	\$ 4,121,859	\$ 4,304,133	\$ 4,768,091	\$ 4,623,094	\$ 4,758,468
City's net pension liability as a percentage of covered payroll	870.00 %	882.99 %	805.21 %	662.15 %	727.06 %	711.22 %	641.58 %	549.69 %	517.59 %	384.87 %

See notes to the pension plan schedules

City of Bullhead City, Arizona

Required Supplementary Information

Schedule of City Pension Contributions - Public Safety Personnel Retirement System

Year Ended June 30, 2025

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 3,254,952	\$ 2,731,298	\$ 3,313,732	\$ 2,803,181	\$ 2,906,961	\$ 2,731,212	\$ 2,406,560	\$ 2,300,757	\$ 1,422,995	\$ 1,391,558
City's contributions in relation to the actuarially determined contribution	3,254,952	2,731,298	3,313,732	2,803,181	2,906,961	2,731,212	2,406,560	2,300,757	1,422,995	1,391,558
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	3,885,801	4,027,275	3,821,272	4,024,338	4,084,625	4,473,758	4,121,859	4,304,133	4,768,091	4,623,094
City's contributions as a percentage of covered payroll	83.77 %	67.82 %	86.72 %	69.66 %	58.44 %	61.05 %	58.39 %	0.5 %	29.84 %	30.10 %

See notes to the pension plan schedules

City of Bullhead City, Arizona

Required Supplementary Information
Notes to the Pension Plan Schedules
Year Ended June 30, 2025

1. Actuarially Determined Contribution Rates

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

Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period as of the 2023 actuarial valuation	19 years for under funded 20 years for over funded
Asset valuation method	7-year smoothed fair value; 80%/120% market corridor
Actuarial assumptions: Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In 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% - 7.5% for PSPRS.
Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3% to 6.25% for PSPRS. 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 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).

2. Factors That Affect Trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes will increase the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the City refunded excess employee contributions to PSPRS members. PSPRS allowed the City to reduce its actual employer contributions for the refund amounts. As a result, the City's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.



Financial Section
Supplementary Information
Combining Nonmajor Fund
Financial Statements



City of Bullhead City, Arizona

Combining Balance Sheet - All Nonmajor Governmental Funds

All Nonmajor Governmental Funds - by Fund Type

June 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,867,102	\$ -	\$ 2,950	\$ 1,870,052
Restricted cash	310,861	-	5,659,232	5,970,093
Receivables, net:				
Accounts	212,281	33,569	38,931	284,781
Taxes	3,173	-	-	3,173
Intergovernmental	272,884	-	-	272,884
Special assessments receivable	-	-	537	537
Inventory and prepaids	2,160	-	-	2,160
Total assets	\$ 2,668,461	\$ 33,569	\$ 5,701,650	\$ 8,403,680
Liabilities				
Accounts payable	\$ 91,866	\$ 29,620	\$ -	\$ 121,486
Accrued payroll and related liabilities	58,092	2,599	-	60,691
Due to other funds	1,867,684	308,848	3,415,943	5,592,475
Other liabilities	100,660	-	-	100,660
Retainage payable	17,068	-	-	17,068
Deposits held for others	-	-	-	-
Unearned revenue	-	-	-	-
Interest payable	-	-	377,438	377,438
Matured bonds payable	-	-	4,859,000	4,859,000
Total liabilities	2,135,370	341,067	8,652,381	11,128,818
Deferred Inflows of Resources				
Unavailable revenue, other	39,375	-	-	39,375
Unavailable revenue, special assessments	-	24,556	13,470	38,026
Total deferred inflows of resources	39,375	24,556	13,470	77,401
Fund Balances				
Nonspendable:				
Inventory and prepaids	2,160	-	-	2,160
Restricted:				
Community development	1,372,355	-	-	1,372,355
Public safety	157,144	-	-	157,144
Debt service	-	-	28,590	28,590
Grants	505,972	-	-	505,972
Other purposes	12,251	-	-	12,251
Unassigned	(1,556,166)	(332,054)	(2,992,791)	(4,881,011)
Total fund balances	493,716	(332,054)	(2,964,201)	(2,802,539)
Total liabilities, deferred inflows of resources and fund balances	\$ 2,668,461	\$ 33,569	\$ 5,701,650	\$ 8,403,680

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

All Nonmajor Governmental Funds - by Fund Type

Year Ended June 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental	\$ 2,414,599	\$ 1,186,668	\$ -	\$ 3,601,267
Charges for services	646,033	-	-	646,033
Special assessments	17,832	105,026	147,624	270,482
Licenses and permits	20	-	-	20
Fines and forfeitures	69,803	-	-	69,803
Investment earnings	56,926	8,593	477,900	543,419
Other revenues	169,256	-	1,231	170,487
Total revenues	3,374,469	1,300,287	626,755	5,301,511
Expenditures				
Current:				
General government	2,428,695	-	-	2,428,695
Public safety	218,033	-	-	218,033
Culture and recreation	248,047	-	-	248,047
Redevelopment and housing	488,231	-	-	488,231
Highways and streets	-	336,907	-	336,907
Health and welfare	476,108	-	-	476,108
Capital outlay	81,128	718,859	-	799,987
Debt service:				
Principal	-	-	5,030,325	5,030,325
Interest and fiscal charges	-	-	807,267	807,267
Total expenditures	3,940,242	1,055,766	5,837,592	10,833,600
Excess (deficiency) of revenues over (under) expenditures	(565,773)	244,521	(5,210,837)	(5,532,089)
Other Financing Sources (Uses)				
Sale of capital assets	96	-	-	96
Proceeds from issuance of bonds	-	-	2,441,011	2,441,011
Transfers in	135,240	-	718,284	853,524
Transfers out	-	-	(2,441,011)	(2,441,011)
Total other financing (uses) sources	135,336	-	718,284	853,620
Net change in fund balances	(430,437)	244,521	(4,492,553)	(4,678,469)
Fund Balances, Beginning	924,153	(576,575)	1,528,352	1,875,930
Fund Balances, Ending	\$ 493,716	\$ (332,054)	\$ (2,964,201)	\$ (2,802,539)

Financial Section
Supplementary Information
Nonmajor Governmental Funds
Combining Financial Statements

Special Revenue Funds

- **RICO** - This fund is used to account for the City's share of the U.S. Customs Department Asset Sharing Program. The funds may only be used for law enforcement purposes.
- **Housing** - This fund is used to account for the repayment of Housing Rehab loans.
- **Art Commission** - This fund is used to account for all revenues and expenditures for the promotion of the arts.
- **Special Assessments Administration** - This fund is used to account for the administration of the City's improvement districts.
- **Judicial Collection Enhancement Fund (JCEF)** - This fund is used to account for monies received by the court to train court personnel, improve, maintain and enhance the ability to manage administration of justice.
- **Water Impost** - This fund is used to account for all revenues and expenditures paid for by the City's water impost fees.
- **Transit** - This fund is used to account for administration and operations of the City's transit system.
- **Real Estate Owned (REO)** - This fund is used to account for the administration of City owned real property.
- **Court Enhancement** - This fund is used to account for funds collected from surcharges by the City's Municipal Court.
- **Fill the Gap** - This fund is used to account for the funds received from the State of Arizona that are for reducing delays and backlogs in criminal cases.
- **CDBG/HTF** - This fund is used to account for activities related to the City's Community Development Block Grant and other related grants.

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- **Special Events** - This fund is used to account for the activities related to the City's special events.
- **Veterans Memorial Park** - This fund is used to account for the funds received through donations that assist with operating, capital, and other related expenses at the City's Veteran's Memorial Park.
- **Fines/Fees and Restitution Program (FARE) Fund** - This fund is used to account for amounts received from the State of Arizona collected on overdue fines, fees, and restitutions.
- **Pest Abatement** - This fund is used to account for all revenues and expenditures of intergovernmental revenues for pest abatement.
- **Court Security Improvement Fund** - This fund is used to account for all revenues and expenditures for the improvement of the security system for the City's court.
- **Court Improvement** - This fund is used to account for all revenues and expenditures for improvements to the City's court.
- **Victim Services Grants** - This fund is used to account for all revenues and expenditures of the victim rights grant.
- **Police Grants** - This fund is used to account for all revenues and expenditures of intergovernmental grants for the police department.
- **General Grants** - This fund is used to account for the revenues and expenditures related to grant funding received by federal, state and local agencies.
- **Senior Nutrition Center** - This fund is used to account for the revenues and expenditures related to the serving of meals to the City's senior population.

City of Bullhead City, Arizona

 Combining Balance Sheet - Special Revenue Funds
 June 30, 2025

	RICO	Housing	Arts Commission	Special Assessments Administration	JCEF	Water Impost	Transit	REO	Court Enhancement	Fill the Gap	CDBG/HTF
Assets											
Cash and cash equivalents	\$ -	\$ 28	\$ 4,097	\$ 54,926	\$ -	\$ 1,104,263	\$ -	\$ 129,962	\$ -	\$ 22,247	\$ -
Restricted cash	89,789	-	-	-	51,399	-	-	-	137,229	25,118	-
Receivables, net:											
Accounts	-	-	-	-	-	161,308	576	-	-	1,382	-
Taxes	-	-	-	3,173	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	192,154	-	-	-	41,123
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 89,789</u>	<u>\$ 28</u>	<u>\$ 4,097</u>	<u>\$ 58,099</u>	<u>\$ 51,399</u>	<u>\$ 1,265,571</u>	<u>\$ 192,730</u>	<u>\$ 129,962</u>	<u>\$ 137,229</u>	<u>\$ 48,747</u>	<u>\$ 41,123</u>
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,778	\$ 22,448	\$ 40	\$ -	\$ -	\$ -
Accrued payroll and related liabilities	-	-	-	-	-	7,660	29,678	-	-	-	199
Due to other funds	25,539	-	-	-	10,111	-	1,409,447	-	85,636	-	11,701
Other liabilities	-	-	288	9,269	-	-	5	40	-	-	90,778
Retainage payable	-	-	-	-	-	-	-	-	-	-	17,068
Total liabilities	<u>25,539</u>	<u>-</u>	<u>288</u>	<u>9,269</u>	<u>10,111</u>	<u>53,438</u>	<u>1,461,578</u>	<u>80</u>	<u>85,636</u>	<u>-</u>	<u>119,746</u>
Deferred Inflows of Resources											
Unavailable revenue, other	-	-	-	-	-	22,327	438	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,327</u>	<u>438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances											
Nonspendable:											
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-	-
Restricted:											
Community development	-	28	3,809	48,830	-	1,189,806	-	129,882	-	-	-
Public safety	64,250	-	-	-	41,288	-	-	-	51,593	-	-
Grants	-	-	-	-	-	-	-	-	-	48,747	-
Other purposes	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(1,269,286)	-	-	-	(78,623)
Total fund balances	<u>64,250</u>	<u>28</u>	<u>3,809</u>	<u>48,830</u>	<u>41,288</u>	<u>1,189,806</u>	<u>(1,269,286)</u>	<u>129,882</u>	<u>51,593</u>	<u>48,747</u>	<u>(78,623)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 89,789</u>	<u>\$ 28</u>	<u>\$ 4,097</u>	<u>\$ 58,099</u>	<u>\$ 51,399</u>	<u>\$ 1,265,571</u>	<u>\$ 192,730</u>	<u>\$ 129,962</u>	<u>\$ 137,229</u>	<u>\$ 48,747</u>	<u>\$ 41,123</u>

City of Bullhead City, Arizona

 Combining Balance Sheet - Special Revenue Funds
 June 30, 2025

	Special Events	Veterans Memorial Park	FARE	Pest Abatement	Court Security Improvement	Court Improvement	Victim Services Grants	Police Grants	General Grants	Senior Nutrition Center	Total
Assets											
Cash and cash equivalents	\$ -	\$ 1,435	\$ 3,490	\$ 700	\$ 13	\$ -	\$ -	\$ -	\$ 412,069	\$ 133,872	\$ 1,867,102
Restricted cash	-	-	7,326	-	-	-	-	-	-	-	310,861
Receivables, net:											
Accounts	9,310	-	-	-	-	-	-	-	2,270	37,435	212,281
Taxes	-	-	-	-	-	-	-	-	-	-	3,173
Intergovernmental	-	-	-	-	-	-	18,130	21,477	-	-	272,884
Inventory and prepaids	-	-	-	-	-	-	-	-	-	2,160	2,160
Total assets	<u>\$ 9,310</u>	<u>\$ 1,435</u>	<u>\$ 10,816</u>	<u>\$ 700</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 18,130</u>	<u>\$ 21,477</u>	<u>\$ 414,339</u>	<u>\$ 173,467</u>	<u>\$ 2,668,461</u>
Liabilities											
Accounts payable	\$ 1,549	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ 2,519	\$ 203	\$ 19,329	\$ 91,866
Accrued payroll and related liabilities	-	-	-	3,541	-	-	4,471	-	6,928	5,615	58,092
Due to other funds	132,133	-	-	23,168	-	942	13,659	59,002	96,346	-	1,867,684
Other liabilities	280	-	-	-	-	-	-	-	-	-	100,660
Other liabilities	-	-	-	-	-	-	-	-	-	-	17,068
Total liabilities	<u>133,962</u>	<u>-</u>	<u>-</u>	<u>26,709</u>	<u>-</u>	<u>942</u>	<u>18,130</u>	<u>61,521</u>	<u>103,477</u>	<u>24,944</u>	<u>2,135,370</u>
Deferred Inflows of Resources											
Unavailable revenue, other	16,610	-	-	-	-	-	-	-	-	-	39,375
Total deferred inflows of resources	<u>16,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,375</u>
Fund Balances											
Nonspendable:											
Inventory and prepaids	-	-	-	-	-	-	-	-	-	2,160	2,160
Restricted:											
Community development	-	-	-	-	-	-	-	-	-	-	1,372,355
Public safety	-	-	-	-	13	-	-	-	-	-	157,144
Grants	-	-	-	-	-	-	-	-	310,862	146,363	505,972
Other purposes	-	1,435	10,816	-	-	-	-	-	-	-	12,251
Unassigned	(141,262)	-	-	(26,009)	-	(942)	-	(40,044)	-	-	(1,556,166)
Total fund balances	<u>(141,262)</u>	<u>1,435</u>	<u>10,816</u>	<u>(26,009)</u>	<u>13</u>	<u>(942)</u>	<u>-</u>	<u>(40,044)</u>	<u>310,862</u>	<u>148,523</u>	<u>493,716</u>
Total liabilities, deferred inflows of resources of resources and fund balances	<u>\$ 9,310</u>	<u>\$ 1,435</u>	<u>\$ 10,816</u>	<u>\$ 700</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 18,130</u>	<u>\$ 21,477</u>	<u>\$ 414,339</u>	<u>\$ 173,467</u>	<u>\$ 2,668,461</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds

Year Ended June 30, 2025

	RICO	Housing	Arts Commission	Special Assessments Administration	JCEF	Water Impost	Transit	REO	Court Enhancement	Fill the Gap	CDBG/HTF
Revenues											
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 841,230	\$ -	\$ -	\$ -	\$ 518,893
Charges for services	-	-	-	-	-	468,111	123,433	-	-	-	-
Special assessments	-	-	-	17,832	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	26,219	-	-	-	10,424	-	-	-	28,059	3,573	-
Investment earnings	5,562	1	122	1,487	-	32,918	-	3,873	-	730	2,655
Other revenues	-	-	-	-	-	-	15,415	-	-	-	44,743
Total revenues	31,781	1	122	19,319	10,424	501,029	980,078	3,873	28,059	4,303	566,291
Expenditures											
Current:											
General government	-	-	-	9,104	2,950	468,208	1,631,591	476	-	-	-
Public safety	26,250	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Redevelopment and housing	-	-	-	-	-	-	-	-	-	-	488,231
Health and welfare	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	26,250	-	-	9,104	2,950	468,208	1,631,591	476	-	-	488,231
Excess (deficiency) of revenues over (under) expenditures	5,531	1	122	10,215	7,474	32,821	(651,513)	3,397	28,059	4,303	78,060
Other Financing Sources (Uses)											
Sale of capital assets	36	-	-	-	-	-	-	60	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Total other financing (uses) sources	36	-	-	-	-	-	-	60	-	-	-
Net change in fund balances	5,567	1	122	10,215	7,474	32,821	(651,513)	3,457	28,059	4,303	78,060
Fund Balances, Beginning	58,683	27	3,687	38,615	33,814	1,156,985	(617,773)	126,425	23,534	44,444	(156,683)
Fund Balances, Ending	\$ 64,250	\$ 28	\$ 3,809	\$ 48,830	\$ 41,288	\$ 1,189,806	\$ (1,269,286)	\$ 129,882	\$ 51,593	\$ 48,747	\$ (78,623)

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds

Year Ended June 30, 2025

	Special Events	Veterans Memorial Park	FARE	Pest Abatement	Court Security Improvement	Court Improvement	Victim Services Grants	Police Grants	General Grants	Senior Nutrition Center	Total
Revenues											
Intergovernmental	\$ -	\$ -	\$ -	\$ 185,000	\$ -	\$ -	\$ 159,848	\$ 109,293	\$ 379,895	\$ 220,440	\$ 2,414,599
Charges for services	54,489	-	-	-	-	-	-	-	-	-	646,033
Special assessments	-	-	-	-	-	-	-	-	-	-	17,832
Licenses and permits	20	-	-	-	-	-	-	-	-	-	20
Fines and forfeitures	-	-	1,528	-	-	-	-	-	-	-	69,803
Investment earnings	119	43	121	951	-	-	-	38	3,893	4,413	56,926
Other revenues	38,250	-	-	-	-	-	-	-	-	70,848	169,256
Total revenues	92,878	43	1,649	185,951	-	-	159,848	109,331	383,788	295,701	3,374,469
Expenditures											
Current:											
General government	-	-	1,198	213,961	-	-	-	-	101,207	-	2,428,695
Public safety	-	-	-	-	-	-	159,848	31,935	-	-	218,033
Culture and recreation	248,047	-	-	-	-	-	-	-	-	-	248,047
Redevelopment and housing	-	-	-	-	-	-	-	-	-	-	488,231
Health and welfare	-	-	-	-	-	-	-	-	-	476,108	476,108
Capital outlay	-	-	-	-	-	-	-	48,420	-	32,708	81,128
Total expenditures	248,047	-	1,198	213,961	-	-	159,848	80,355	101,207	508,816	3,940,242
Excess (deficiency) of revenues over (under) expenditures	(155,169)	43	451	(28,010)	-	-	-	28,976	282,581	(213,115)	(565,773)
Other Financing Sources (Uses)											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	96
Transfers in	-	-	-	-	-	-	-	-	-	135,240	135,240
Total other financing (uses) sources	-	-	-	-	-	-	-	-	-	135,240	135,336
Net change in fund balances	(155,169)	43	451	(28,010)	-	-	-	28,976	282,581	(77,875)	(430,437)
Fund Balances, Beginning	13,907	1,392	10,365	2,001	13	(942)	-	(69,020)	28,281	226,398	924,153
Fund Balances, Ending	<u>\$ (141,262)</u>	<u>\$ 1,435</u>	<u>\$ 10,816</u>	<u>\$ (26,009)</u>	<u>\$ 13</u>	<u>\$ (942)</u>	<u>\$ -</u>	<u>\$ (40,044)</u>	<u>\$ 310,862</u>	<u>\$ 148,523</u>	<u>\$ 493,716</u>

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Capital Project Funds

- **Street Lighting Improvement Districts** - This fund is used to account for maintenance and operation of the City's Street Lighting Districts.
- **The Flood Control Capital Project Fund** - This fund is used to account for capital flood improvements projects.



City of Bullhead City, Arizona

Combining Balance Sheet - Capital Projects Funds
June 30, 2025

	Street Lighting Improvement Districts	Flood Control Fund	Total
Assets			
Accounts receivable	\$ 33,569	\$ -	\$ 33,569
Total assets	<u>\$ 33,569</u>	<u>\$ -</u>	<u>\$ 33,569</u>
Liabilities			
Accounts payable	\$ 8,346	\$ 21,274	\$ 29,620
Accrued payroll and related liabilities	-	2,599	2,599
Due to other funds	9,624	299,224	308,848
Total liabilities	<u>17,970</u>	<u>323,097</u>	<u>341,067</u>
Deferred Inflows of Resources			
Unavailable revenue, special assessments	<u>24,556</u>	<u>-</u>	<u>24,556</u>
Total deferred inflows of resources	<u>24,556</u>	<u>-</u>	<u>24,556</u>
Fund Balances			
Unassigned	<u>(8,957)</u>	<u>(323,097)</u>	<u>(332,054)</u>
Total fund balances	<u>(8,957)</u>	<u>(323,097)</u>	<u>(332,054)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 33,569</u>	<u>\$ -</u>	<u>\$ 33,569</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Funds
Year Ended June 30, 2025

	Street Lighting Improvement Districts	Flood Control Fund	Total
Revenues			
Intergovernmental	\$ -	\$ 1,186,668	\$ 1,186,668
Special assessments	105,026	-	105,026
Investment earnings	616	7,977	8,593
Total revenues	105,642	1,194,645	1,300,287
Expenditures			
Current:			
Highways and streets	78,947	257,960	336,907
Capital outlay	-	718,859	718,859
Total expenditures	78,947	976,819	1,055,766
Excess (deficiency) of revenues over (under) expenditures	26,695	217,826	244,521
Net change in fund balances	26,695	217,826	244,521
Fund Balances, Beginning	(35,652)	(540,923)	(576,575)
Fund Balances, Ending	<u>\$ (8,957)</u>	<u>\$ (323,097)</u>	<u>\$ (332,054)</u>

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Debt Service Funds

- **Debt Service Fund** - This fund accounts for the accumulation of resources for, and the payment of current and future debt service requirements for governmental debt principal and interest.
- **East Branch Sewer Improvement District** - This fund is used to account for all debt activity on special assessment bonds for the East Branch Sewer Improvement District.
- **Excise Tax Bond Fund** - This fund is used to account for governmental fund debt activity for Excise Tax Revenue Bonds 2023 series.



City of Bullhead City, Arizona

Combining Balance Sheet - Debt Service Funds

June 30, 2025

	Debt Service	East Branch Sewer Improvement District	Excise Tax Bond	Total
Assets				
Cash and cash equivalents	\$ 2,950	\$ -	\$ -	\$ 2,950
Restricted cash	2,075,947	-	3,583,285	5,659,232
Accounts receivable	38,931	-	-	38,931
Special assessments receivable	-	537	-	537
Total assets	<u>\$ 2,117,828</u>	<u>\$ 537</u>	<u>\$ 3,583,285</u>	<u>\$ 5,701,650</u>
Liabilities				
Due to other funds	\$ -	\$ 359	\$ 3,415,584	\$ 3,415,943
Interest payable	106,946	-	270,492	377,438
Matured bonds payable	1,969,000	-	2,890,000	4,859,000
Total liabilities	<u>2,075,946</u>	<u>359</u>	<u>6,576,076</u>	<u>8,652,381</u>
Deferred Inflows of Resources				
Unavailable revenue, special assessments	13,470	-	-	13,470
Total deferred inflows of resources	<u>13,470</u>	<u>-</u>	<u>-</u>	<u>13,470</u>
Fund Balances				
Restricted, debt service	28,412	178	-	28,590
Unassigned	-	-	(2,992,791)	(2,992,791)
Total fund balances	<u>28,412</u>	<u>178</u>	<u>(2,992,791)</u>	<u>(2,964,201)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,117,828</u>	<u>\$ 537</u>	<u>\$ 3,583,285</u>	<u>\$ 5,701,650</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Debt Service Funds
Year Ended June 30, 2025

	Debt Service	East Branch Sewer Improvement District	Excise Tax Bond	Total
Revenues				
Special assessments	\$ 147,624	\$ -	\$ -	\$ 147,624
Investment earnings	51,515	-	426,385	477,900
Other revenues	1,231	-	-	1,231
Total revenues	200,370	-	426,385	626,755
Expenditures				
Debt service:				
Principal	2,140,325	-	2,890,000	5,030,325
Interest and fiscal charges	264,682	-	542,585	807,267
Total expenditures	2,405,007	-	3,432,585	5,837,592
Excess (deficiency) of revenues over (under) expenditures	(2,204,637)	-	(3,006,200)	(5,210,837)
Other Financing Sources (Uses)				
Proceeds from debt issuance	2,441,011	-	-	2,441,011
Transfers in	718,284	-	-	718,284
Transfers out	(2,441,011)	-	-	(2,441,011)
Total other financing sources (uses)	718,284	-	-	718,284
Net change in fund balances	(1,486,353)	-	(3,006,200)	(4,492,553)
Fund Balances, Beginning	1,514,765	178	13,409	1,528,352
Fund Balances, Ending	<u>\$ 28,412</u>	<u>\$ 178</u>	<u>\$ (2,992,791)</u>	<u>\$ (2,964,201)</u>

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City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Capital Projects Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 70,167,314	\$ 70,167,314	\$ 968,670	\$ (69,198,644)
Investment earnings	1,432	1,432	469	(963)
Other revenues	23,051,764	23,051,764	48,000	(23,003,764)
Total revenues	93,220,510	93,220,510	1,017,139	(92,203,371)
Expenditures				
Capital outlay	102,111,117	102,111,117	16,945,070	85,166,047
Total expenditures	102,111,117	102,111,117	16,945,070	85,166,047
Excess (deficiency) of revenues over (under) expenditures	(8,890,607)	(8,890,607)	(15,927,931)	(7,037,324)
Other Financing Sources (Uses)				
Transfers in	-	-	5,035,670	5,035,670
Transfers out	-	-	(5,697,196)	(5,697,196)
Total other financing sources (uses)	-	-	(661,526)	(661,526)
Net change in fund balances	(8,890,607)	(8,890,607)	(16,589,457)	(7,698,850)
Fund Balances, Beginning	8,000,000	8,000,000	12,422,595	4,422,595
Fund Balances, Ending	<u>\$ (890,607)</u>	<u>\$ (890,607)</u>	<u>\$ (4,166,862)</u>	<u>\$ (3,276,255)</u>

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

SID Debt Service Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 1,666,966	\$ 1,666,966	\$ 533,512	\$ (1,133,454)
Investment earnings	14,177	14,177	10,178	(3,999)
Total revenues	1,681,143	1,681,143	543,690	(1,137,453)
Expenditures				
Current:				
General government	13,205	13,205	1,794	11,411
Debt service:				
Principal	598,459	598,459	598,459	-
Interest and fiscal charges	14,004	14,004	7,002	7,002
Total expenditures	625,668	625,668	607,255	18,413
Excess (deficiency) of revenues over (under) expenditures	1,055,475	1,055,475	(63,565)	(1,119,040)
Net change in fund balances	1,055,475	1,055,475	(63,565)	(1,119,040)
Fund Balances, Beginning	-	-	(515,572)	(515,572)
Fund Balances, Ending	<u>\$ 1,055,475</u>	<u>\$ 1,055,475</u>	<u>\$ (579,137)</u>	<u>\$ (1,634,612)</u>

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Excise Revenue Bond Refunding Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ 1,300	\$ 1,300	\$ 4,306	\$ 3,006
Total revenues	1,300	1,300	4,306	3,006
Expenditures				
Debt service:				
Principal	168,000	168,000	168,000	-
Interest and fiscal charges	3,327	3,326	3,326	-
Total expenditures	171,327	171,326	171,326	-
Excess (deficiency) of revenues over (under) expenditures	(170,027)	(170,026)	(167,020)	3,006
Other Financing Sources (Uses)				
Transfers in	173,027	173,027	173,016	(11)
Total other financing sources (uses)	173,027	173,027	173,016	(11)
Net change in fund balances	3,000	3,001	5,996	2,995
Fund Balances, Beginning	-	-	59,939	59,939
Fund Balances, Ending	\$ 3,000	\$ 3,001	\$ 65,935	\$ 62,934



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City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

RICO Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 5,000	\$ 5,000	\$ 26,219	\$ 21,219
Investment earnings	3,000	3,000	5,562	2,562
Total revenues	8,000	8,000	31,781	23,781
Expenditures				
Current:				
General government	6,250	6,250	-	6,250
Public safety	31,250	31,250	26,250	5,000
Total expenditures	37,500	37,500	26,250	11,250
Excess (deficiency) of revenues over (under) expenditures	(29,500)	(29,500)	5,531	35,031
Other Financing Sources (Uses)				
Sale of capital assets	-	-	36	36
Total other financing sources (uses)	-	-	36	36
Net change in fund balances	(29,500)	(29,500)	5,567	35,067
Fund Balances, Beginning	29,500	29,500	58,683	29,183
Fund Balances, Ending	\$ -	\$ -	\$ 64,250	\$ 64,250

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Housing Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 1	\$ 1
Total revenues	-	-	1	1
Net change in fund balances	-	-	1	1
Fund Balances, Beginning	-	-	27	27
Fund Balances, Ending	\$ -	\$ -	\$ 28	\$ 28

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual

Arts Commission Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Investment earnings	\$ 200	\$ 200	\$ 122	\$ (78)
Total revenues	200	200	122	(78)
Expenditures				
Current:				
Culture and recreation	3,936	3,936	-	3,936
Net change in fund balances	(3,736)	(3,736)	122	3,858
Fund Balances, Beginning	3,736	3,736	3,687	(49)
Fund Balances, Ending	\$ -	\$ -	\$ 3,809	\$ 3,809

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Special Assessments Administration Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 18,000	\$ 18,000	\$ 17,832	\$ (168)
Investment earnings	1,000	1,000	1,487	487
Other revenues	-	-	-	-
Total revenues	19,000	19,000	19,319	319
Expenditures				
Current:				
General government	26,195	26,195	9,104	17,091
Net change in fund balances	(7,195)	(7,195)	10,215	17,410
Fund Balances, Beginning	15,000	15,000	38,615	23,615
Fund Balances, Ending	\$ 7,805	\$ 7,805	\$ 48,830	\$ 41,025

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Change in Fund Balances - Budget and Actual

Judicial Collection Enhancement (JCEF) Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 8,000	\$ 8,000	\$ 10,424	\$ 2,424
Investment earnings	1,500	1,500	-	(1,500)
Total revenues	9,500	9,500	10,424	924
Expenditures				
Current:				
General government	23,330	23,330	2,950	20,380
Net change in fund balances	(13,830)	(13,830)	7,474	21,304
Fund Balances, Beginning	13,830	13,830	33,814	19,984
Fund Balances, Ending	\$ -	\$ -	\$ 41,288	\$ 41,288

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Water Impost Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,000,000	\$ 3,000,000	\$ -	\$ (3,000,000)
Charges for services	452,500	452,500	468,111	15,611
Investment earnings	36,000	36,000	32,918	(3,082)
Total revenues	3,488,500	3,488,500	501,029	(2,987,471)
Expenditures				
Current:				
General government	4,157,219	4,157,219	468,208	3,689,011
Net change in fund balances	(668,719)	(668,719)	32,821	701,540
Fund Balances, Beginning	668,719	668,719	1,156,985	488,266
Fund Balances, Ending	\$ -	\$ -	\$ 1,189,806	\$ 1,189,806

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Transit Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 1,150,000	\$ 1,150,000	\$ 841,230	\$ (308,770)
Charges for services	148,000	148,000	123,433	(24,567)
Investment earnings	500	500	-	(500)
Other revenues	4,200	4,200	15,415	11,215
Total revenues	1,302,700	1,302,700	980,078	(322,622)
Expenditures				
Current:				
General government	1,809,628	1,809,628	1,631,591	178,037
Total expenditures	1,809,628	1,809,628	1,631,591	178,037
Excess (deficiency) of				
revenues over (under)				
expenditures	(506,928)	(506,928)	(651,513)	(144,585)
Other Financing Sources (Uses)				
Sale of capital assets	3,500	3,500	-	(3,500)
Transfers in	330,595	330,595	-	(330,595)
Total other financing				
sources (uses)	334,095	334,095	-	(334,095)
Net change in fund balances	(172,833)	(172,833)	(651,513)	(478,680)
Fund Balances, Beginning	172,833	172,833	(617,773)	(790,606)
Fund Balances, Ending	\$ -	\$ -	\$ (1,269,286)	\$ (1,269,286)

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Real Estate Owned (REO) Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 3,873	\$ 3,873
Other revenues	11,025	11,025	-	(11,025)
Total revenues	11,025	11,025	3,873	(7,152)
Expenditures				
Current:				
General government	26,600	26,600	475	26,125
Total expenditures	26,600	26,600	475	26,125
Excess (deficiency) of revenues over (under) expenditures	(15,575)	(15,575)	3,398	18,973
Other Financing Sources (Uses)				
Sale of capital assets	15,575	15,575	60	(15,515)
Total other financing sources (uses)	15,575	15,575	60	(15,515)
Net change in fund balances balances	-	-	3,458	3,458
Fund Balances, Beginning	-	-	126,425	126,425
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,883</u>	<u>\$ 129,883</u>

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Court Enhancement Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 24,500	\$ 24,500	\$ 28,059	\$ 3,559
Investment earnings	2,500	2,500	-	(2,500)
Total revenues	27,000	27,000	28,059	1,059
Expenditures				
Current:				
General government	12,000	12,000	-	12,000
Net change in fund balances	15,000	15,000	28,059	13,059
Fund Balances, Beginning	-	-	23,534	23,534
Fund Balances, Ending	\$ 15,000	\$ 15,000	\$ 51,593	\$ 36,593

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes In Fund Balances - Budget and Actual

Fill The Gap Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 4,700	\$ 4,700	\$ 3,573	\$ (1,127)
Investment earnings	1,000	1,000	730	(270)
Total revenues	5,700	5,700	4,303	(1,397)
Expenditures				
Current:				
General government	25,000	25,000	-	25,000
Net change in fund balances	(19,300)	(19,300)	4,303	23,603
Fund Balances, Beginning	19,300	19,300	44,444	25,144
Fund Balances, Ending	\$ -	\$ -	\$ 48,747	\$ 48,747

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

CBDG/HTF Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 839,000	\$ 839,000	\$ 518,893	\$ (320,107)
Investment earnings	-	-	2,655	2,655
Other revenues	-	-	44,743	44,743
Total revenues	839,000	839,000	566,291	(272,709)
Expenditures				
Current:				
Redevelopment and housing	839,000	839,000	488,231	350,769
Net change in fund balances	-	-	78,060	78,060
Fund Balances, Beginning	-	-	(156,683)	(156,683)
Fund Balances, Ending	\$ -	\$ -	\$ (78,623)	\$ (78,623)

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Special Events Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Charges for services	\$ 69,150	\$ 69,150	\$ 54,489	\$ (14,661)
Licenses and permits	200	200	20	(180)
Investment earnings	250	250	119	(131)
Other revenues	170,360	170,360	38,250	(132,110)
Total revenues	239,960	239,960	92,878	(147,082)
Expenditures				
Current:				
Culture and recreation	265,396	265,396	248,047	17,349
Excess (deficiency) of revenues over (under) expenditures	(25,436)	(25,436)	(155,169)	(129,733)
Other Financing Sources (Uses)				
Transfers in	25,436	25,436	-	(25,436)
Net change in fund balances	-	-	(155,169)	(155,169)
Fund Balances, Beginning	-	-	13,907	13,907
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (141,262)</u>	<u>\$ (141,262)</u>

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Veterans Memorial Park Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ 20	\$ 20	\$ 43	\$ 23
Other revenues	1,379	1,379	-	(1,379)
Total revenues	1,399	1,399	43	(1,356)
Expenditures				
Capital outlay	-	-	-	-
Net change in fund balances	1,399	1,399	43	(1,356)
Fund Balances, Beginning	1,359	1,359	1,392	33
Fund Balances, Ending	<u>\$ 2,758</u>	<u>\$ 2,758</u>	<u>\$ 1,435</u>	<u>\$ (1,323)</u>

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Fines/Fees and Restitution Program (FARE) Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ 1,528	\$ 28
Investment earnings	150	150	121	(29)
Total revenues	1,650	1,650	1,649	(1)
Expenditures				
Current:				
General government	11,836	11,836	1,198	10,638
Net change in fund balances	(10,186)	(10,186)	451	10,637
Fund Balances, Beginning	10,186	10,186	10,365	179
Fund Balances, Ending	\$ -	\$ -	\$ 10,816	\$ 10,816

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Pest Abatement Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 185,000	\$ 185,000	\$ 185,000	\$ -
Investment earnings	1,250	1,250	951	(299)
Total revenues	186,250	186,250	185,951	(299)
Expenditures				
Current:				
General government	212,877	212,877	213,961	(1,084)
Total expenditures	212,877	212,877	213,961	(1,084)
Excess (deficiency) of revenues over (under) expenditures	(26,627)	(26,627)	(28,010)	(1,383)
Other Financing Sources (uses)				
Transfers in	(26,627)	(26,627)	-	26,627
Total other financing sources (uses)	(26,627)	(26,627)	-	26,627
Net change in fund balances	(53,254)	(53,254)	(28,010)	25,244
Fund Balances, Beginning	-	-	2,001	2,001
Fund Balances, Ending	<u>\$ (53,254)</u>	<u>\$ (53,254)</u>	<u>\$ (26,009)</u>	<u>\$ 27,245</u>

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Court Security Improvement Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Net change in fund balances	-	-	-	-
Fund Balances, Beginning	-	-	13	13
Fund Balances, Ending	\$ -	\$ -	\$ 13	\$ 13

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget Actual**

Court Improvement Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
General government	-	-	-	-
Net change in fund balances	-	-	-	-
Fund Balances, Beginning	-	-	(942)	(942)
Fund Balances, Ending	\$ -	\$ -	\$ (942)	\$ (942)

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Victim Services Grant Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	151,134	\$ 151,134	\$ 159,848	\$ 8,714
Total revenues	151,134	151,134	159,848	8,714
Expenditures				
Current:				
Public safety	151,134	151,134	159,848	(8,714)
Total expenditures	151,134	151,134	159,848	(8,714)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund Balances, Beginning	-	-	-	-
Fund Balances, Ending	\$ -	\$ -	\$ -	\$ -

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Police Grant Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 369,255	\$ 369,255	\$ 109,293	\$ (259,962)
Investment earnings	-	-	38	38
Total revenues	369,255	369,255	109,331	(259,924)
Expenditures				
Current:				
Public safety	316,955	316,955	31,935	285,020
Capital outlay	52,300	52,300	48,420	3,880
Total expenditures	369,255	369,255	80,355	288,900
Net change in fund balances	-	-	28,976	28,976
Fund Balances, Beginning	-	-	(69,020)	(69,020)
Fund Balances, Ending	\$ -	\$ -	\$ (40,044)	\$ (40,044)

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Grant Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 15,907,308	\$ 15,907,308	\$ 379,895	\$ (15,527,413)
Other revenues	5,000	5,000	-	(5,000)
Total revenues	15,912,308	15,912,308	383,788	(15,528,520)
Expenditures				
Current:				
General government	902,308	902,308	101,207	801,101
Health and welfare	5,000	5,000	-	-
Capital outlay	15,005,000	15,005,000	-	15,005,000
Total expenditures	15,912,308	15,912,308	101,207	15,806,101
Net change in fund balances	-	-	282,581	282,581
Fund Balances, Beginning	-	-	28,281	28,281
Fund Balances, Ending	\$ -	\$ -	\$ 310,862	\$ 310,862

City of Bullhead City, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Senior Nutrition Center Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 221,030	\$ 221,030	\$ 220,440	\$ (590)
Investment earnings	5,000	5,000	4,413	(587)
Other revenues	55,000	55,000	70,848	15,848
Total revenues	281,030	281,030	295,701	14,671
Expenditures				
Current:				
Health and welfare	517,692	517,692	476,108	-
Capital outlay	32,709	32,708	32,708	-
Total expenditures	550,401	550,400	508,816	-
Excess (deficiency) of revenues over (under) expenditures	(269,371)	(269,370)	(213,115)	56,255
Other Financing Sources (Uses)				
Transfers in	135,241	135,241	135,240	(1)
Net change in fund balances	(134,130)	(134,129)	(77,875)	56,254
Fund Balances, Beginning	141,421	141,421	226,398	84,977
Fund Balances, Ending	\$ 7,291	\$ 7,292	\$ 148,523	\$ 141,231



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City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Street Lighting Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Special assessments	\$ 105,056	\$ 105,056	\$ 105,026	\$ (30)
Total revenues	105,056	105,056	105,642	586
Expenditures				
Current:				
Highways and streets	89,675	89,675	78,947	10,728
Net change in fund balances	15,381	15,381	26,695	11,314
Fund Balances, Beginning	-	-	(35,652)	(35,652)
Fund Balances, Ending	\$ 15,381	\$ 15,381	\$ (8,957)	\$ (24,338)

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Flood Control Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,186,000	\$ 1,186,000	\$ 1,186,668	\$ 668
Investment earnings	13,000	13,000	7,977	(5,023)
Total revenues	1,199,000	1,199,000	1,194,645	(4,355)
Expenditures				
Current:				
General government	194,971	194,971	-	194,971
Highways and streets	241,592	241,592	257,960	(16,368)
Capital outlay	828,755	828,755	718,859	109,896
Total expenditures	1,265,318	1,265,318	976,819	288,499
Excess (deficiency) of revenues over (under) expenditures	(66,318)	(66,318)	217,826	284,144
Other Financing Sources (Uses)				
Transfers in	(66,318)	(66,318)	-	66,318
Total other financing sources (uses)	(66,318)	(66,318)	-	66,318
Net change in fund balances	(132,636)	(132,636)	217,826	350,462
Fund Balances, Beginning	-	-	(540,923)	(540,923)
Fund Balances, Ending	<u>\$ (132,636)</u>	<u>\$ (132,636)</u>	<u>\$ (323,097)</u>	<u>\$ (190,461)</u>

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City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Debt Service Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 213,456	\$ 213,456	\$ 147,624	\$ (65,832)
Investment earnings	700	700	51,515	50,815
Total revenues	214,156	214,156	200,370	(13,786)
Expenditures				
Current:				
Debt service:				
Principal	714,000	714,000	2,140,325	(1,426,325)
Interest and fiscal charges	215,600	215,600	264,682	(49,082)
Total expenditures	929,600	929,600	2,405,007	(1,475,407)
Excess (deficiency) of revenues over (under) expenditures	(715,444)	(715,444)	(2,204,637)	(1,489,193)
Other Financing Sources (Uses)				
Debt issuance	-	-	2,441,011	2,441,011
Transfers in	718,286	718,286	718,284	(2)
Transfers out	-	-	(2,441,011)	(2,441,011)
Total other financing sources (uses)	718,286	718,286	718,284	(2)
Net change in fund balances	2,842	2,842	(1,486,353)	(1,489,195)
Fund Balances, Beginning	-	-	1,514,765	1,514,765
Fund Balances, Ending	\$ 2,842	\$ 2,842	\$ 28,412	\$ 25,570

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

East Branch Sewer Improvement District Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Current	-	-	-	-
Net change in fund balances	-	-	-	-
Fund Balances, Beginning	-	-	178	178
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178</u>	<u>\$ 178</u>

City of Bullhead City, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**

Excise Tax Debt Service Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 426,385	\$ 426,385
Total revenues	-	-	426,385	426,385
Expenditures				
Principal	-	-	2,890,000	(2,890,000)
Interest and fiscal charges	-	-	542,585	(542,585)
Total expenditures	-	-	3,432,585	(3,432,585)
Net change in fund balances	-	-	(3,006,200)	(3,006,200)
Fund Balances, Beginning	-	-	13,409	13,409
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,992,791)</u>	<u>\$ (2,992,791)</u>



Financial Section

Supplementary Information

Combining Financial Statements

Internal Service Funds

- **Fleet Services** - This fund is used to account for the activities relating to the purchasing and operations of the City's vehicle and heavy equipment fleet.
- **Risk Management** - This fund is used to account for the activities relating to the City's self-insurance program.
- **Employee Benefit Trust** - This fund is used to account for the activities relating to the operation of the City's health insurance program.



City of Bullhead City, Arizona

Combining Statement of Net Position - Internal Service Funds

June 30, 2025

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 555,837	\$ 1,277,583	\$ -	\$ 1,833,420
Accounts receivable, net	1,548	-	125,600	127,148
Inventory	28,777	-	-	28,777
Prepaid expenses	-	14,679	3,179,676	3,194,355
Total current assets	586,162	1,292,262	3,305,276	5,183,700
Liabilities				
Current liabilities:				
Accounts payable	39,619	207,628	432,148	679,395
Accrued payroll and related liabilities	9,933	5,361	-	15,294
Due to other funds	-	-	1,033,012	1,033,012
Other liabilities	2,689	1,820	-	4,509
Total current liabilities	52,241	214,809	1,465,160	1,732,210
Net Position				
Unrestricted (deficit)	533,921	1,077,453	1,840,116	3,451,490
Total net position	\$ 533,921	\$ 1,077,453	\$ 1,840,116	\$ 3,451,490

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds
Year Ended June 30, 2025

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Operating Revenues				
Charges for services	\$ 2,241,975	\$ 1,073,796	\$ 4,351,026	\$ 7,666,797
Other revenues	3,320	97,204	502,708	603,232
Total operating revenues	2,245,295	1,171,000	4,853,734	8,270,029
Operating Expenses				
Salaries and related expenses	403,679	174,917	-	578,596
Medical claims and self-insurance	-	1,097,524	4,884,249	5,981,773
Administration	1,051,798	1,065,958	3,082	2,120,838
Utilities	48,801	-	-	48,801
Maintenance, supplies and equipment	58,459	-	-	58,459
Other	338	25,676	-	26,014
Total operating expenses	1,563,075	2,364,075	4,887,331	8,814,481
Operating income	682,220	(1,193,075)	(33,597)	(544,452)
Nonoperating Revenues				
Investment income	6,589	49,646	47	56,282
Total nonoperating revenue	6,589	49,646	47	56,282
Change in net position	688,809	(1,143,429)	(33,550)	(488,170)
Net Position, Beginning	(154,888)	2,220,882	1,873,666	3,939,660
Net Position, Ending	\$ 533,921	\$ 1,077,453	\$ 1,840,116	\$ 3,451,490

City of Bullhead City, Arizona

Combining Statement of Cash Flows - Internal Service Funds

Year Ended June 30, 2025

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Cash Flows From Operating Activities				
Receipts from interfund services	\$ 2,241,502	\$ 1,382,557	\$ 4,411,196	\$ 8,035,255
Other operating receipts	3,320	97,204	502,708	603,232
Payments to suppliers	(1,142,229)	(2,012,987)	(5,023,639)	(8,178,855)
Payments to employees	(405,192)	(173,917)	-	(579,109)
Cash flows provided by (used in) operating activities	697,401	(707,143)	(109,735)	(119,477)
Cash Flows From Noncapital Financing Activities				
Interfund borrowings from	(148,153)	-	-	(148,153)
Interfund borrowings to	-	-	109,688	109,688
Cash flows provided by (used in) noncapital financing activities	(148,153)	-	109,688	(38,465)
Cash Flows From Investing Activities				
Interest received	6,589	49,646	47	56,282
Cash flows provided by (used in) investing activities	6,589	49,646	47	56,282
Net change in cash and cash equivalents	555,837	(657,497)	-	(101,660)
Cash and Cash Equivalents, Beginning	-	1,935,080	-	1,935,080
Cash and Cash Equivalents, Ending	<u>\$ 555,837</u>	<u>\$ 1,277,583</u>	<u>\$ -</u>	<u>\$ 1,833,420</u>

City of Bullhead City, Arizona

Combining Statement of Cash Flows - Internal Service Funds

Year Ended June 30, 2025

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Reconciliation of Operating Income (loss) to Net Cash				
Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 682,220	\$ (1,193,075)	\$ (33,597)	\$ (544,452)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization expense	-	-	-	-
Provision for bad debt	-	-	-	-
Nonoperating receipts	-	-	-	-
Changes in operating assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(473)	308,761	60,170	368,458
Intergovernmental receivable	-	-	-	-
Inventory and prepaid items	4,392	(14,679)	(167,373)	(177,660)
Prepaid expenses	-	-	-	-
Increase (decrease) in:				
Accounts payable	12,775	190,850	31,065	234,690
Accrued payroll and related liabilities	(1,513)	1,000	-	(513)
Net cash provided by (used in) operating activities	<u>\$ 697,401</u>	<u>\$ (707,143)</u>	<u>\$ (109,735)</u>	<u>\$ (119,477)</u>

Statistical Section

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	143-147
Revenue Capacity These schedules contain information to help the reader assess the government's, property taxes and the most significant local revenues source, sales tax.	148-156
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	157-160
Demographic and Economic Statistics These schedules offer economic and demographic indicators to help the reader understand the environment within which the government's financial activities take place.	161-162
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	163-165
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	



City of Bullhead City, Arizona

Net Position by Component

Table 1

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	\$ 23,203	\$ 22,222	\$ 26,472	\$ 26,654	\$ 32,794	\$ 31,798	\$ 42,410	\$ 46,633	\$ 57,841	\$ 59,107
Restricted	5,045	5,893	6,995	10,064	6,262	4,993	5,757	5,481	7,826	4,328
Unrestricted	7,715	2,611	(471)	(3,631)	(1,190)	4,618	(1,242)	5,758	11,258	13,092
Total governmental activities net position	<u>\$ 35,963</u>	<u>\$ 30,726</u>	<u>\$ 32,996</u>	<u>\$ 33,087</u>	<u>\$ 37,866</u>	<u>\$ 41,409</u>	<u>\$ 46,925</u>	<u>\$ 57,871</u>	<u>\$ 76,925</u>	<u>\$ 76,527</u>
Business-Type Activities										-
Net investment in capital assets	\$ 92,001	\$ 93,098	\$ 92,549	\$ 90,680	\$ 89,645	\$ 88,694	\$ 78,309	\$ 86,438	\$ 82,157	\$ 88,158
Restricted	3,110	3,004	2,210	2,250	2,386	2,406	11,223	8,960	6,502	13,770
Unrestricted	449	(219)	(258)	1,642	2,653	3,061	2,816	(6,431)	(1,159)	(16,548)
Total business-type activities net position	<u>\$ 95,560</u>	<u>\$ 95,883</u>	<u>\$ 94,502</u>	<u>\$ 94,572</u>	<u>\$ 94,684</u>	<u>\$ 94,161</u>	<u>\$ 92,348</u>	<u>\$ 88,967</u>	<u>\$ 87,500</u>	<u>\$ 85,380</u>
Primary Government										
Net investment in capital assets	\$ 115,203	\$ 115,319	\$ 119,022	\$ 117,334	\$ 122,439	\$ 120,492	\$ 120,719	\$ 133,071	\$ 139,998	\$ 147,265
Restricted	8,154	8,897	9,205	12,314	8,649	7,399	16,980	14,440	14,328	18,098
Unrestricted	8,165	2,392	(729)	(1,988)	1,463	7,679	1,574	(673)	10,099	(3,456)
Total primary government net position	<u>\$ 131,522</u>	<u>\$ 126,608</u>	<u>\$ 127,498</u>	<u>\$ 127,659</u>	<u>\$ 132,550</u>	<u>\$ 135,570</u>	<u>\$ 139,273</u>	<u>\$ 146,838</u>	<u>\$ 164,425</u>	<u>\$ 161,907</u>

City of Bullhead City, Arizona

Changes in Net Position

Table 2

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 10,196	\$ 10,585	\$ 12,894	\$ 12,391	\$ 9,018	\$ 10,552	\$ 12,042	\$ 8,351	\$ 17,458	\$ 19,456
Public safety	12,565	16,016	14,400	15,405	15,137	16,039	17,291	16,992	19,412	22,427
Culture and recreation	4,361	4,472	3,837	3,713	4,543	5,245	6,717	11,221	5,709	7,742
Economic development	79	339	104	85	80	76	110	131	208	175
Redevelopment and housing	421	662	171	418	290	539	361	762	390	488
Highways and streets	9,874	9,714	4,510	5,006	8,273	11,775	9,762	11,324	8,580	8,569
Health and welfare	919	869	869	884	918	775	778	761	1,023	1,128
Interest on long-term debt	782	735	742	739	530	530	412	377	748	888
Total governmental activities expenses	39,199	43,392	37,526	38,642	38,789	45,532	47,473	49,918	53,528	60,873
Business-type activities:										
Wastewater operations	10,127	9,583	10,792	9,915	9,601	9,778	9,678	11,383	13,289	12,372
Water operations	11	31	66	515	1,012	1,239	13,086	14,026	12,562	14,916
Marketplace	-	-	-	-	-	-	-	-	-	1,240
Total business-type activities expenses	10,138	9,613	10,857	10,430	10,613	11,017	22,765	25,410	25,851	28,528
Total primary government expenses	49,337	53,005	48,383	49,071	49,402	56,548	70,237	75,328	79,379	89,401
Program Revenue										
Governmental activities:										
Charges for services:										
General government	2,303	2,926	2,283	2,883	2,741	2,598	3,897	3,426	5,432	2,943
Public safety	1,738	1,767	1,915	1,853	2,113	1,853	1,737	1,730	1,747	1,844
Culture and recreation	1,563	1,467	397	412	845	1,104	1,101	405	392	370
Redevelopment and housing	-	-	-	45	-	67	72	77	24	45
Highways and streets	76	42	65	78	110	62	116	66	106	113
Health and welfare	-	-	-	2	-	-	1	2	10	1
Operating grants and contributions	5,790	7,320	5,934	6,639	9,391	9,414	10,229	13,108	12,548	7,756
Capital grants and contributions	524	425	3,438	190	348	382	1,534	2,401	11,255	5,058
Total governmental activities program revenues	11,994	13,946	14,032	12,101	15,549	15,480	18,687	21,214	31,514	18,130
Business-type activities:										
Charges for services:										
Wastewater operations	9,053	9,002	8,969	9,991	9,855	9,923	10,626	10,030	11,076	10,902
Water operations	70	59	112	114	404	457	9,299	10,659	12,064	12,443
Capital grants and contributions	140	654	244	-	-	-	-	-	-	1,199
Total business-type activities revenues	9,263	9,715	9,325	10,105	10,259	10,381	19,926	20,689	23,140	24,544
Total primary government revenues	21,258	23,662	23,357	22,206	25,808	25,861	38,613	41,904	54,654	42,674
Net (expense) revenue:										
Governmental activities	(27,205)	(29,446)	(23,494)	(26,541)	(23,240)	(30,051)	(28,786)	(28,704)	(22,014)	(42,743)
Business-type activities	(875)	102	(1,533)	(324)	(354)	(636)	(2,839)	(4,720)	(2,711)	(3,984)
Total primary government net expense	\$ (28,079)	\$ (29,343)	\$ (25,026)	\$ (26,865)	\$ (23,594)	\$ (30,687)	\$ (31,624)	\$ (33,424)	\$ (24,725)	\$ (46,727)

City of Bullhead City, Arizona

Changes in Net Position

Table 2

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
City sales tax	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 20,074	\$ 20,882	\$ 21,902	21,757
State shared sales tax	3,728	3,615	3,842	4,050	4,179	4,850	5,837	6,243	6,489	6,641
Urban revenue sharing	4,761	4,826	4,951	4,875	5,227	5,843	5,433	8,011	11,373	9,212
Franchise tax	707	734	739	744	529	531	531	420	519	484
State shared vehicle license tax	2,157	2,295	2,530	2,672	2,670	3,409	3,368	3,542	3,607	3,920
Other taxes	75	75	74	121	174	326	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	83	250	58
Interest and investment income	13	49	152	281	266	18	53	1,482	2,225	1,958
Transfers	(211)	(177)	(133)	(323)	(412)	(109)	(995)	(1,014)	(5,298)	(1,685)
Total governmental activities	23,308	24,208	25,659	26,632	28,019	33,594	34,302	39,650	41,067	42,345
Business-type activities:										
Gain (loss) of sale of capital assets	-	-	-	-	-	-	-	3	(4,348)	43
Interest and investment income	40	44	18	71	54	4	31	322	294	137
Transfers	211	177	133	323	412	109	995	1,014	5,298	1,685
Total business-type activities	251	221	151	394	466	113	1,026	1,339	1,244	1,865
Total primary government	\$ 23,559	\$ 24,429	\$ 25,811	\$ 27,027	\$ 28,485	\$ 33,707	\$ 35,328	\$ 40,989	\$ 42,311	\$ 44,210
Change in net position:										
Governmental activities	\$ (3,897)	\$ (5,237)	\$ 2,165	\$ 91	\$ 4,779	\$ 3,542	\$ 5,516	\$ 10,946	\$ 19,053	\$ (398)
Business-type activities	(624)	323	(1,381)	70	112	(523)	(1,813)	(3,381)	(1,467)	(2,119)
Total primary government	\$ (4,521)	\$ (4,914)	\$ 784	\$ 161	\$ 4,891	\$ 3,020	\$ 3,703	\$ 7,565	\$ 17,586	\$ (2,517)

City of Bullhead City, Arizona

Fund Balances, Governmental Funds

Table 3

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nondisposable	\$ 874	\$ 1,354	\$ 703	\$ 715	\$ 768	\$ 901	\$ 281	\$ 307	\$ 279	\$ 117
Restricted	31	53	77	45	269	241	1,547	1,069	2,912	688
Unassigned	9,568	10,048	10,731	11,647	15,423	24,170	25,406	28,687	33,658	42,842
Total general fund	<u>\$ 10,473</u>	<u>\$ 11,455</u>	<u>\$ 11,511</u>	<u>\$ 12,407</u>	<u>\$ 16,461</u>	<u>\$ 25,311</u>	<u>\$ 27,234</u>	<u>\$ 30,064</u>	<u>\$ 36,849</u>	<u>\$ 43,647</u>
All Other Governmental Funds										
Restricted	\$ 5,393	\$ 5,864	\$ 6,942	\$ 10,019	\$ 7,424	\$ 4,752	\$ 4,237	\$ 3,968	\$ 16,894	\$ 3,126
Nondisposable	-	-	13	1	1	2	33	1	2	464
Unassigned	(1,732)	(1,577)	(1,689)	(1,791)	(1,782)	(1,763)	(298)	(899)	(1,923)	(10,089)
Total all other governmental funds	<u>\$ 3,661</u>	<u>\$ 4,287</u>	<u>\$ 5,265</u>	<u>\$ 8,229</u>	<u>\$ 5,643</u>	<u>\$ 2,991</u>	<u>\$ 3,972</u>	<u>\$ 3,069</u>	<u>\$ 14,973</u>	<u>\$ (6,499)</u>

City of Bullhead City, Arizona

Changes in Fund Balances, Governmental Funds

Table 4

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
City tax revenue	\$ 12,859	\$ 13,601	\$ 14,318	\$ 15,078	\$ 16,089	\$ 19,583	\$ 20,605	\$ 21,302	\$ 22,421	\$ 22,241
Intergovernmental	16,172	17,627	17,315	18,128	21,636	24,026	25,956	32,654	44,149	29,744
Charges for services	2,724	2,863	2,302	2,561	2,923	2,834	2,865	3,018	3,493	2,522
Special assessments	3,752	3,186	2,734	2,516	2,474	2,132	1,980	1,462	2,731	804
Licenses and permits	635	617	724	905	987	1,407	1,489	1,013	1,454	1,542
Fines and forfeitures	1,160	1,182	968	823	866	960	769	672	737	797
Rents	55	67	75	83	57	70	147	36	62	41
Interest income	13	49	152	281	260	18	53	1,482	2,224	1,958
Other revenue	1,085	1,060	358	840	346	619	1,291	375	516	492
Total revenues	38,455	40,251	38,945	41,215	45,638	51,649	55,154	62,013	77,787	60,141
Expenditures										
General government	9,319	9,683	10,440	10,041	11,610	10,571	12,051	12,300	13,996	14,952
Public safety	11,522	11,633	12,935	13,287	14,198	14,268	15,545	17,348	19,362	20,607
Culture and recreation	3,660	3,971	3,166	3,103	3,429	3,888	4,561	4,788	7,071	6,248
Economic development	77	342	101	97	96	78	119	298	190	174
Redevelopment and housing	420	676	172	368	249	496	361	762	390	488
Highways and streets	4,085	2,695	3,611	3,737	3,547	8,175	4,396	4,563	5,234	5,260
Health and welfare	919	869	870	885	918	775	778	725	901	1,075
Debt service:										
Principal	4,895	3,877	3,943	4,197	4,304	4,351	2,983	2,694	6,040	6,114
Interest and fiscal charges	741	620	610	618	538	482	444	408	748	888
Bond issuance costs	54	-	267	76	-	95	(2)	-	-	-
Capital outlay	2,320	4,113	4,324	3,488	4,447	4,517	10,094	16,282	14,651	20,117
Total expenditures	38,012	38,480	40,438	39,896	43,336	47,696	51,330	60,169	68,583	75,923
Other Financing Sources (Uses)										
Transfers in	4,359	4,974	4,996	5,036	6,961	8,459	11,639	12,791	9,274	7,762
Transfers out	(4,570)	(5,151)	(5,702)	(5,747)	(7,854)	(9,464)	(12,645)	(13,932)	(14,572)	(9,165)
Refunding bonds issued	2,712	-	-	-	-	-	-	-	-	-
Capital lease agreements	57	-	-	-	-	-	-	-	-	-
Proceeds from issuance of bonds	1,510	-	3,230	3,124	-	4,600	-	-	14,145	2,441
Payments to escrow agent	(2,623)	-	-	-	-	-	-	-	-	-
Subscription-based information technology arrangements	-	-	-	-	-	-	-	851	265	-
Finance purchase arrangements	-	-	-	-	-	-	-	289	123	-
Sale of capital assets	78	13	3	127	60	233	90	83	250	71
Total other financing sources (uses)	1,524	(164)	2,528	2,540	(834)	3,827	(916)	82	9,485	1,109
Net change in fund balances	\$ 1,967	\$ 1,607	\$ 1,035	\$ 3,859	\$ 1,468	\$ 7,781	\$ 2,909	\$ 1,927	\$ 18,689	\$ (14,673)
Debt Service as a Percentage of Noncapital Expenditures	15.9%	12.7%	13.6%	13.2%	12.5%	11.2%	8.3%	5.2%	9.9%	9.2%

City of Bullhead City, Arizona

Governmental Activities Tax Revenues by Source

Table 5

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sales	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 19,670	\$ 20,436	\$ 21,609	\$ 21,322
Transient occupancy	75	75	74	121	174	326	676	744	776	730
Franchise	707	734	739	744	529	531	531	420	519	484
Motor fuel	3,553	3,673	3,788	4,014	4,144	4,381	4,559	4,633	4,711	4,813
Totals	<u>\$ 16,412</u>	<u>\$ 17,274</u>	<u>\$ 18,105</u>	<u>\$ 19,092</u>	<u>\$ 20,233</u>	<u>\$ 23,963</u>	<u>\$ 25,436</u>	<u>\$ 26,233</u>	<u>\$ 27,615</u>	<u>\$ 27,349</u>

City of Bullhead City, Arizona

General Governmental Activities Tax Revenues by Source

Table 6

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sales	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 19,670	\$ 20,436	\$ 21,609	\$ 21,322
Franchise	707	734	739	744	529	531	531	420	519	484
Bed tax	75	75	74	121	174	326	676	744	776	730
Totals	<u>\$ 12,859</u>	<u>\$ 13,601</u>	<u>\$ 14,318</u>	<u>\$ 15,078</u>	<u>\$ 16,089</u>	<u>\$ 19,583</u>	<u>\$ 20,877</u>	<u>\$ 21,600</u>	<u>\$ 22,904</u>	<u>\$ 22,536</u>

Source: City of Bullhead City Finance Department

City of Bullhead City, Arizona

Taxable Sales by Category

Table 7

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Communications and utilities	\$ 67,264	\$ 64,964	\$ 66,684	\$ 65,490	\$ 59,151	\$ 69,833	\$ 59,151	\$ 64,500	\$ 77,770	\$ 75,668
Transportation and warehousing	108	20	-	-	-	-	-	4	5	6
Construction	31,327	28,444	48,575	54,585	-	64,210	75,318	84,182	96,282	86,915
Manufacturing	-	-	-	-	-	-	-	84,182	-	-
Wholesale trade	-	-	-	-	-	-	-	-	-	-
Retail trade	372,050	403,935	403,006	408,527	75,318	594,070	626,723	628,511	636,047	645,008
Finance and insurance	-	-	-	-	-	-	-	628,511	-	-
Real estate, rental and leasing	41,847	38,978	41,662	42,174	-	46,866	50,785	53,458	55,951	56,995
Restaurant and bar	58,130	61,907	68,460	74,074	-	94,145	96,279	100,805	114,323	110,306
Accommodation	-	-	-	-	-	-	-	100,805	-	-
Public administration	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-	-	-
Arts and entertainment	1,765	1,782	2,430	2,141	-	-	-	-	-	-
Hotel/motel	2,537	3,247	4,011	4,690	626,723	10,999	13,607	14,589	38,820	36,536
Publication	648	1,167	1,108	1,563	-	963	1,561	1,754	1,355	2,043
Use tax	22,097	29,833	35,773	41,567	50,785	49,845	55,854	60,455	59,073	60,943
Other	5,973	5,303	3,507	15,922	96,279	5,333	4,214	4,367	12,812	34,397
Total	<u>\$ 603,746</u>	<u>\$ 639,580</u>	<u>\$ 675,215</u>	<u>\$ 710,733</u>	<u>\$ 908,256</u>	<u>\$ 936,264</u>	<u>\$ 983,492</u>	<u>\$ 1,826,123</u>	<u>\$ 1,092,438</u>	<u>\$ 1,108,817</u>
City Transaction Privilege Rate	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>

City of Bullhead City, Arizona

Direct and Overlapping Sales Tax Rates

Table 8

Last Ten Fiscal Years

Privilege (Sales) Tax Rates							
Fiscal Year	City Direct	County Rate	State Rate	Fiscal Year	City Direct	Use Tax Rates County Rate	State Rate
2016	2.00%	0.25%	5.60%	2016	2.00%	0.00%	5.60%
2017	2.00%	0.25%	5.60%	2017	2.00%	0.00%	5.60%
2018	2.00%	0.25%	5.60%	2018	2.00%	0.00%	5.60%
2019	2.00%	0.25%	5.60%	2019	2.00%	0.00%	5.60%
2020	2.00%	0.25%	5.60%	2020	2.00%	0.00%	5.60%
2021	2.00%	0.00%	5.60%	2021	2.00%	0.00%	5.60%
2022	2.00%	0.00%	5.60%	2022	2.00%	0.00%	5.60%
2023	2.00%	0.00%	5.60%	2023	2.00%	0.00%	5.60%
2024	2.00%	0.00%	5.60%	2024	2.00%	0.00%	5.60%
2025	2.00%	0.00%	5.60%	2025	2.00%	0.00%	5.60%

Transient Occupancy Tax Rates				Jet Fuel Tax Rates (Cents Per Gallon)			
Fiscal Year	City Direct	County Rate	State Rate	Fiscal Year	City Direct	County Rate	State Rate
2016	3.00%	0.18%	5.60%	2016	0.03%	0.00152%	0.0305%
2017	3.00%	0.18%	5.60%	2017	0.03%	0.00152%	0.0305%
2018	3.00%	0.18%	5.60%	2018	0.03%	0.00152%	0.0305%
2019	3.00%	0.18%	5.60%	2019	0.03%	0.00152%	0.0305%
2020	3.00%	0.18%	5.60%	2020	0.03%	0.00152%	0.0305%
2021	3.00%	0.18%	5.60%	2021	0.03%	0.00152%	0.0305%
2022	3.00%	0.18%	5.60%	2022	0.03%	0.00152%	0.0305%
2023	3.00%	0.18%	5.60%	2023	0.03%	0.00152%	0.0305%
2024	3.00%	0.18%	5.60%	2024	0.03%	0.00152%	0.0305%
2025	3.00%	0.18%	5.60%	2025	0.03%	0.00152%	0.0305%

Source: Arizona Department of Revenue

Note: Privilege (Sales) Tax applies to the sale, lease, license for use and/or rental transactions.

Use Tax applies to the storage or use of items within the city on which no privilege tax has been paid.

Transient Occupancy Tax applies to transactions involving transient lodging.

Jet Fuel Tax applies to transactions involving the sale of jet fuel.

City of Bullhead City, Arizona

Sales Tax Revenue Payers by Industry

Table 9

June 30, 2025

	Fiscal Year 2025				Fiscal Year 2016			
	Number of Filers	Percentage of Total	Tax Revenue	Percentage of Total	Number of Filers	Percentage of Total	Tax Revenue	Percentage of Total
Communication and utilities	184	2.97%	\$ 1,513,353	6.82%	112	3.45%	\$ 1,345,277	11.14%
Transportation and warehousing	1	0.02%	119	0.00%	-	0.00%	-	0.00%
Construction	80	1.29%	1,738,307	7.84%	284	8.74%	626,543	5.19%
Retail trade	4,275	68.93%	12,900,156	58.17%	930	28.61%	7,440,994	61.62%
Real estate, rental and leasing	445	7.18%	1,139,891	5.14%	335	10.30%	836,946	6.93%
Restaurant and bar	124	2.00%	2,206,115	9.95%	80	2.46%	1,162,609	9.63%
Hotel/motel	48	0.77%	730,731	3.30%	17	0.52%	50,733	0.42%
Publication	15	0.24%	40,854	0.18%	-	0.00%	-	0.00%
Use tax	855	13.79%	1,218,861	5.50%	-	0.00%	-	0.00%
Other	175	2.82%	687,934	3.10%	1,493	45.92%	611,810	5.07%
Total	6,202	100%	\$ 22,176,321	100%	3,251	100.0%	\$ 12,074,912	100.00%

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories are intended to provide alternative information regarding the sources of the City's revenue. The tax filers reported do not include those under \$30 in tax collections.

City of Bullhead City, Arizona

Assessed Value and Estimated Actual Value of Taxable Property

Table 10

Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Centrally Valued Property		Total		Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
	Net Assessed Value	Estimated Actual Value	Net Assessed Value	Estimated Actual Value	Net Assessed Value	Estimated Actual Value	Net Assessed Value	Estimated Actual Value		
2016										
P	239,916,276	2,305,962,550	9,579,097	85,784,908	18,125,351	100,703,769	267,620,724	2,492,451,227	-	10.74%
S	291,296,926	2,782,678,012	10,044,928	91,281,260	18,125,353	100,703,769	319,467,207	2,974,663,041	-	
2017										
P	251,349,015	2,410,929,628	9,270,331	84,363,679	16,152,343	89,751,715	276,771,689	2,585,045,022	-	10.71%
S	306,799,292	2,988,440,935	9,356,997	85,111,568	16,152,343	89,751,715	332,308,632	3,163,304,218	-	
2018										
P	261,692,884	2,518,065,471	9,580,104	85,794,980	18,205,270	101,146,597	289,478,258	2,705,007,048	-	10.70%
S	320,732,886	3,106,743,494	10,045,935	91,291,332	18,205,270	101,146,597	348,984,091	3,299,181,423	-	
2019										
P	274,492,458	2,622,851,566	11,476,090	106,534,602	18,798,291	104,439,190	304,776,839	2,833,825,358	-	10.75%
S	330,159,589	3,182,167,459	11,818,581	109,822,810	18,798,287	104,439,190	360,776,457	3,396,429,459	-	
2020										
P	274,492,458	2,622,851,566	11,476,090	106,534,602	19,948,642	104,439,190	305,917,190	2,833,825,358	-	10.80%
S	330,159,589	3,182,167,459	11,818,581	109,822,810	19,948,642	104,439,190	361,926,812	3,396,429,459	-	
2021										
P	295,179,056	2,810,397,340	9,836,454	91,459,766	19,948,825	110,828,275	324,964,335	3,012,685,381	-	10.79%
S	360,264,285	3,464,909,621	10,028,255	93,562,913	19,948,825	110,828,275	390,241,365	3,669,300,809	-	
2022										
P	299,768,107	2,868,335,409	43,677,721	424,474,661	22,231,695	127,040,438	365,677,523	3,419,850,508	-	10.69%
S	382,736,442	3,680,653,760	56,922,501	555,955,265	22,231,696	127,040,438	461,890,639	4,363,649,463	-	
2023										
P	320,604,484	3,087,385,525	46,188,548	450,453,106	18,947,494	111,457,806	385,740,526	3,649,296,437	-	10.57%
S	461,947,346	4,467,417,956	66,558,920	651,745,675	18,947,494	111,457,806	547,453,760	5,230,621,437	-	
2024										
P	339,177,321	3,285,826,044	49,845,462	490,670,055	19,233,094	116,566,131	408,255,877	3,893,062,230	-	10.49%
S	567,188,993	5,511,542,804	86,190,662	853,475,635	19,233,094	116,566,131	672,612,749	6,481,584,570	-	
2025										
P	361,333,844	3,519,488,611	49,824,436	496,638,179	18,022,733	112,642,831	429,181,013	4,128,769,621	-	10.39%
S	585,313,945	5,720,140,166	85,990,423	860,839,741	18,022,732	112,642,831	689,327,100	6,693,622,738	-	

Source: Mohave County Assessor's Office

Source: Arizona Department of Revenue

Note: Privilege (Sales) Tax applies to the sale, lease, license for use and/or rental transactions.

Use Tax applies to the storage or use of items within the city on which no privilege tax has been paid.

Transient Occupancy Tax applies to transactions involving transient lodging.

Jet Fuel Tax applies to transactions involving the sale of jet fuel.

a - The State of Arizona tax rate went from 5.6% to 6.6% on June 1, 2010

b - The State of Arizona tax rate went from 6.6% to 5.6% on June 1, 2013

City of Bullhead City, Arizona

City Transaction Privilege (Sales) Tax Collections by Industry Classification

Table 11

June 30, 2025

Category	2025	Percent of Total
Retail trade	\$ 12,900,156	58%
Restaurant and bar	2,206,115	10%
Communication and utilities	1,513,353	7%
Construction	1,738,307	8%
Use tax	1,218,861	5%
Real estate, rental and leasing	1,139,891	5%
Accommodation	730,731	3%
Other	688,052	3%
Publication	40,854	0%
Total	<u>\$ 22,176,320</u>	<u>100%</u>

City of Bullhead City, Arizona

Excise Tax Collections Continuing Disclosure Compliance SEC Rule 15c2-12

Table 12

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City sales tax	\$ 12,077,531	\$ 12,791,595	\$ 13,504,303	\$ 14,213,668	\$ 15,385,499	\$ 18,725,290	\$ 20,605,445	\$ 20,882,208	\$ 21,914,596	\$ 21,322,454
Franchise tax	706,887	733,892	739,185	743,605	529,113	531,200	531,294	555,255	519,192	483,974
License and permit fees	634,701	616,791	723,505	905,073	987,089	1,407,284	1,488,724	1,352,835	1,877,056	1,542,058
State sales tax	3,728,320	3,614,505	3,841,727	4,050,177	4,179,103	4,890,827	5,837,223	6,242,773	6,943,958	6,641,423
State income tax	4,760,611	4,825,811	4,950,665	4,874,512	5,227,021	5,842,895	5,433,327	8,011,476	11,373,437	9,211,545
Auto lieu tax	2,157,406	2,295,131	2,530,005	2,672,200	2,670,036	3,409,076	3,368,039	3,541,616	3,152,366	3,919,644
Grant	-	-	-	-	-	-	-	-	75,000	61,462
Charges for services	1,089,669	1,122,815	1,514,739	1,826,370	2,166,191	2,133,535	2,220,548	1,716,255	1,567,227	2,522,126
Fines and forfeitures	1,030,481	1,057,371	868,108	744,531	794,619	903,316	714,382	812,418	874,442	796,958
Total	<u>\$ 26,185,606</u>	<u>\$ 27,057,911</u>	<u>\$ 28,672,237</u>	<u>\$ 30,030,136</u>	<u>\$ 31,938,671</u>	<u>\$ 37,843,423</u>	<u>\$ 40,198,982</u>	<u>\$ 43,114,836</u>	<u>\$ 48,297,274</u>	<u>\$ 46,501,644</u>

City of Bullhead City, Arizona

Real and Secured Property Taxes Levied and Collected (1)
Mohave County, Arizona Continuing Disclosure Compliance
Table 13
June 30, 2025

Fiscal Year	Adopted County Tax Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2024-2025	\$ 64,562,781	\$ 62,472,219	96.76%	\$ 63,420,021	98.23%
2023-2024	60,981,219	59,167,307	97.03%	60,898,479	99.86%
2022-2023	57,641,733	55,969,651	97.03%	57,501,824	99.68%
2021-2022	55,253,745	53,664,632	97.11%	55,200,939	99.85%
2020-2021	53,531,233	52,053,940	97.23%	53,493,369	99.89%
2019-2020	51,173,648	49,774,474	97.26%	51,146,206	99.91%
2018-2019	48,784,606	47,276,000	96.90%	48,757,996	99.91%
2017-2018	46,756,885	45,407,716	97.11%	46,731,001	99.91%
2016-2017	44,567,374	43,059,220	96.61%	44,542,056	99.91%
2015-2016	44,080,761	42,194,482	95.71%	44,056,185	99.91%

(1) Mohave County is responsible for assessing and collecting Property taxes

City of Bullhead City, Arizona
Ratios of Outstanding Debt by Type
Table 14

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Special assessment bonds	\$ -	\$ -	\$ 3,230	\$ 3,230	\$ 3,130	\$ 3,030	\$ 2,930	\$ 2,720	\$ 2,505	\$ 2,610
Revenue bonds (1)	10,732	9,144	7,549	8,992	6,979	9,557	7,488	6,537	16,181	16,181
Notes payable	16,944	14,762	12,580	10,398	8,216	6,035	3,853	2,200	598	2,379
Subscription liabilities	-	-	-	-	-	-	851	674	674	405
Finance purchase arrangements	158	80	-	-	-	-	-	288	335	277
Total government activities	27,835	23,987	23,359	22,620	18,325	18,622	15,122	12,419	20,293	21,852
Business-Type Activities										
Revenue bonds (2)	23,512	20,771	18,104	16,200	17,190	15,004	120,330	115,560	110,775	114,680
Leases	247	125	243	211	179	144	109	-	-	-
Subscription liabilities	-	-	-	-	-	-	3,073	2,781	2,476	2,315
Total business-type activities	23,759	20,896	18,347	16,411	17,368	15,148	123,512	118,341	113,251	116,995
Total primary government	\$ 51,594	\$ 44,883	\$ 41,706	\$ 39,032	\$ 35,694	\$ 33,770	\$ 138,633	\$ 130,760	\$ 133,544	\$ 138,847
Percentage of Personal Income*	0.13%	0.11%	0.10%	0.10%	0.09%	0.08%	0.01%	0.01%	0.00%	0.00%
Per Capita*	\$ 25.82	\$ 22.50	\$ 20.66	\$ 19.51	\$ 17.87	\$ 16.88	\$ 3.24	\$ 2.87	\$ 2.95	\$ 3.18

*See the schedule of Demographic & Economic Statistics for personal income and population data.

(1) Net of related premium

(2) Net of deferred amounts

City of Bullhead City, Arizona

Direct and Overlapping Governmental Activities Debt

Table 15

June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
State of Arizona	\$ -	47.00%	\$ -
Mohave County	-	16.20%	-
Mohave County Community College District	-	15.91%	-
Bullhead City Fire District	12,900,000	96.14%	12,402,060
Western AZ Vocation Ed District	-	16.83%	-
Colorado River Union High School District No. 2	26,370,000	54.54%	14,382,198
Bullhead City Elementary School District No. 15	-	93.22%	-
Subtotal, overlapping debt	39,270,000		26,784,258
City Direct Debt	-	100%	-
Total direct and overlapping debt	<u>\$ 39,270,000</u>	<u>100%</u>	<u>\$ 26,784,258</u>

Source: The various entities, Property Tax Rates and Assessed Values, Arizona Tax Research Association, State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the Assessor of the County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bullhead City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

City of Bullhead City, Arizona

Legal Debt Margin Information

Table 16

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
20% Limitation (1)										
Debt limit equal to 20% of										
Secondary Assessed Valuation	\$ 63,893,441	\$ 66,461,726	\$ 69,796,818	\$ 69,796,818	\$ 78,048,273	\$ 87,151,846	\$ 92,378,128	\$ 109,490,752	\$ 134,522,550	\$ 137,865,420
Total net debt applicable to 20% limit	-	-	-	-	-	-	-	-	-	-
Legal 20% debt margin (available borrowing capacity)	<u>\$ 63,893,441</u>	<u>\$ 66,461,726</u>	<u>\$ 69,796,818</u>	<u>\$ 69,796,818</u>	<u>\$ 78,048,273</u>	<u>\$ 87,151,846</u>	<u>\$ 92,378,128</u>	<u>\$ 109,490,752</u>	<u>\$ 134,522,550</u>	<u>\$ 137,865,420</u>
Total Net Debt Applicable to 20% Limit as a Percentage of 20% Debt Limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6% Limitation (2)										
Debt limit equal to 6% of										
Secondary Assessed Valuation	\$ 19,168,032	\$ 19,938,518	\$ 20,939,045	\$ 20,939,045	\$ 23,414,482	\$ 26,145,554	\$ 27,713,438	\$ 32,847,226	\$ 40,356,765	\$ 41,359,626
Total net debt applicable to 6% limit	-	-	-	-	-	-	-	-	-	-
Legal 6% debt margin (available borrowing capacity)	<u>\$ 19,168,032</u>	<u>\$ 19,938,518</u>	<u>\$ 20,939,045</u>	<u>\$ 20,939,045</u>	<u>\$ 23,414,482</u>	<u>\$ 26,145,554</u>	<u>\$ 27,713,438</u>	<u>\$ 32,847,226</u>	<u>\$ 40,356,765</u>	<u>\$ 41,359,626</u>
Total Net Debt Applicable to 6% Limit as a Percentage of 6% Debt Limit	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%

(1) Additional bonds amounting to 20% of the assessed valuation of taxable property can be issued for supplying such services as water, artificial light, sewers and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

(2) The Arizona Constitution states that for general municipal purposes a municipality cannot incur a debt exceeding 6% of the assessed valuation of

City of Bullhead City, Arizona

Pledged Revenue Coverage

Table 17

Last Ten Fiscal Years

Fiscal Year	Municipal Property Corporation Bonds	Debt Service		Coverage
	Excise Tax	Principal	Interest	
2016	\$ 26,534,754	\$ 3,670,000	\$ 563,788	6.27
2017	27,519,938	3,719,000	512,798	6.50
2018	29,104,729	2,287,000	443,248	10.66
2019	30,759,523	2,365,000	376,114	11.22
2020	32,537,167	1,747,000	98,531	17.63
2021	37,843,423	1,786,000	56,462	20.54
2022	40,198,982	159,000	12,942	233.79
2023	43,114,836	159,000	11,375	253.06
2024	48,297,274	165,000	6,593	281.46
2025	46,501,644	168,000	3,327	271.42

Includes debt service payments paid out of revenue from the Wastewater Fund.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Bullhead City, Arizona

Population Statistics

Table 18

Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (in Thousands)	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2016	39,970	\$ 867,241	\$ 20,462	50.00	4,591	7.60
2017	40,495	901,540	22,263	50.50	4,933	6.00
2018	40,551	932,592	22,998	50.50	5,079	5.40
2019	40,804	950,529	23,295	51.00	5,142	6.30
2020	41,193	983,854	23,884	52.00	5,549	8.96
2021	41,573	1,009,143	24,274	51.90	5,549	7.80
2022	41,604	1,139,617	27,392	51.50	4,611	4.70
2023	44,432	1,217,081	27,392	51.60	5,244	4.80
2024	45,337	1,435,097	31,654	52.30	5,046	4.60
2025	43,709	1,417,701	32,435	53.70	5,064	5.40

Data Sources:

1 population.az.gov website (2008-2016); Arizona Office of Employment & Population Statistics (2017)

2 Bullhead City Economic Development Authority & Department Estimates (2008-2011); U.S. Census Bureau (2012-present)

3 Bullhead City Economic Development Authority & Department Estimates

4 Arizona Department of Education

5 Arizona Department of Economic Security; Arizona Workforce; Bureau of Labor Statistics

City of Bullhead City, Arizona

Principal Employers

Table 19

2025 and 2016

	2025			2016		
	Employees	Rank	Percentage of Employment	Employees	Rank	Percentage of Employment
Western Arizona Regional Medical	525	1	3.11%	682	1	4.64%
City of Bullhead City	450	2	2.66%	405	2	2.76%
Wal-Mart	394	3	2.33%	405	3	2.76%
Bullhead City Elementary School	334	4	1.98%	370	4	2.52%
DOT Foods	320	5	1.89%	-		0.00%
Colorado River Union High School	206	6	1.22%	265	5	1.80%
Sam's Club	153	7	0.91%	165	6	1.12%
Safeway	143	8	0.85%	138	7	0.94%
Lowe's	134	9	0.79%	121	8	0.82%
Home Depot	118	10	0.70%	106	12	0.72%
Kohl's	110	11	0.65%	114	10	0.78%
Arizona Pipeline	105	12	0.62%	-		0.00%
Silver Ridge Village	95	13	0.56%	118	9	0.80%
Smith's Food & Drug #191	91	14	0.54%	113	11	0.77%
Mohave Electric Cooperative	88	15	0.52%	78	14	0.53%
Target	83	16	0.49%	96	13	0.65%
News West Publishing	12	17	0.07%	65	15	0.44%
Kmart Discount Department Store	-	18	0.00%	58	16	0.39%
Total	3,361		19.89%	3,299		22.45%

Source: Employer

* June 2025 labor force 16,901

** 2016 labor force 14,692

Source: Mohave County Economic Development Website

City of Bullhead City, Arizona

Full-Time Equivalent City Government Employees by Function

Table 20

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
General Government	100.9	106.5	109.5	105.5	106.5	106.5	129.0	121.5	127.5	131.5
Public Safety	124.5	118.0	114.0	114.0	115.0	116.0	118.0	118.5	122.5	124.5
Highways and Streets	19.0	19.0	19.0	21.0	21.0	21.0	21.0	22.0	22.0	22.0
Culture and Recreation	20.0	21.0	21.0	22.0	22.0	22.0	22.0	23.0	23.0	23.0
Redevelopment and Housing										
Utilities Operations	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Wastewater Operations	20.0	20.0	20.0	19.0	19.0	50.0	54.0	51.0	47.0	50.0
Total	285.4	285.5	284.5	282.5	284.5	315.5	344.0	336.0	342.0	351.0

Source: City of Bullhead City Finance Department

City of Bullhead City, Arizona

Operating Indicators by Function

Table 21

Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Number of sworn officers	82	76	71	71	71	73	75	75	78	82
Number of events responded to	36,271	45,312	48,407	44,805	22,204	39,187	36,591	40,627	40,598	38,878
Number of criminal arrests	2,513	1,988	2,408	2,154	682	1,192	1,190	1,413	1,385	1,275
Number of traffic citations	4,421	5,612	4,298	3,660	1,631	3,305	3,160	3,998	4,450	3,537
Financial Services										
Accounts payable checks issued	5,810	5,886	5,997	5,297	4,960	3,880	5,315	4,014	3,090	2,887
Accounts payable EFT's issued	3,534	3,100	2,221	2,480	2,603	2,729	2,870	3,141	2,936	3,522
Purchase orders issued	3,177	3,273	3,271	3,984	4,166	3,745	4,566	4,663	5,158	5,238
Payroll checks/direct deposits issued (1)	10,470	10,885	10,925	10,760	10,777	10,505	11,905	12,594	13,876	14,303
Customer contacts (utilities, assessments and licensing)	62,125	60,725	62,846	70,032	63,432	65,571	69,587	56,103	67,695	65,703
Number of utility bills mailed	223,704	224,376	229,224	226,110	228,996	230,320	414,205	487,853	271,376	274,739
Number of cashier transactions	168,386	157,440	159,056	160,657	160,412	157,944	168,518	165,412	115,710	119,709
Transit										
Total transit ridership	180,776	179,300	171,034	165,622	133,049	106,694	111,675	123,815	140,718	150,568
Miles driven	272,401	293,300	290,937	304,646	297,664	287,468	303,325	294,940	295,188	278,695
Wastewater Operations										
Number of service connections	18,642	18,687	19,102	18,843	19,083	19,299	21,695	21,863	20,947	21,067
Sewage treated (million gallons per day)	3.20	3.27	3.42	3.53	3.30	3.35	3.70	4	4	4
General										
Building permits issued	1,484	1,506	1,447	1,476	1,371	1,697	1,670	1,657	1,685	1,541
Building inspections conducted	9,704	10,850	9,254	10,303	10,001	11,446	14,034	12,472	12,689	13,026
Plan reviews (hours) (2)	**	**	**	**	**	**				

Source: City of Bullhead City departments

(1) Payroll checks were created and issued by ADP between May 2009 and December 2010.

(2) Plan review hours are no longer tracked by the Public Works Department.

City of Bullhead City, Arizona

Capital Asset Statistics
Table 22
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	72	67	74	76	72	75	72	75	111	111
Highways and Streets										
Equivalent 12' wide lane miles	321	700	706	710	710	710	710	710	710	780
Streetlights	2,984	2,984	3,105	3,105	3,130	3,130	3,130	3,130	3,130	3,170
Traffic signals	9	10	10	23	32	32	32	32	32	33
Culture and Recreation										
Parks*	7	7	8	8	8	8	8	8	8	8
Parks acreage*	793	710	1,008	1,008	1,008	1,008	1,008	1,091	1,091	1,091
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1

Source: City of Bullhead City departments

*Includes undeveloped parks/acreage



Compliance Section



**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***

Independent Auditors' Report

To the Honorable Mayor and City Council of
City of Bullhead City, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bullhead City, Arizona (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Tempe, Arizona
December 19, 2025