

CITY OF BULLHEAD CITY, ARIZONA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

CITY OF BULLHEAD CITY, ARIZONA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024



**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

January 14, 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, 2024 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, 2024 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 the compliance section of this 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.

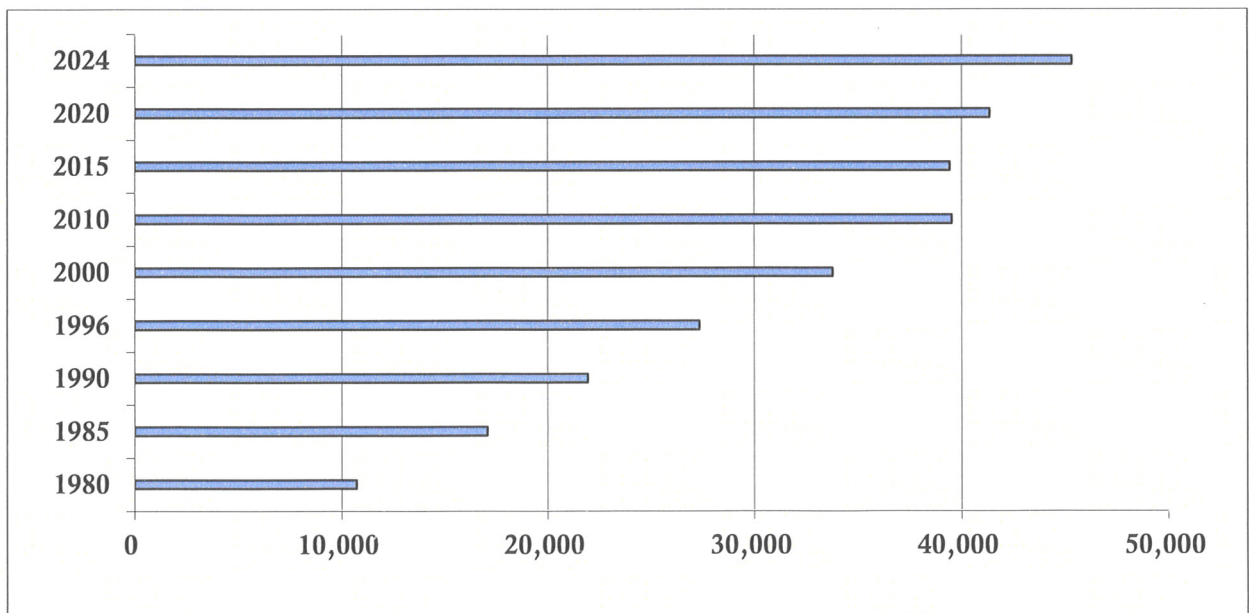
In 1945 Bullhead City was the headquarters for the construction of Davis Dam. The city name was derived from its proximity to Bullhead Rock, now largely concealed by Lake Mohave.

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.

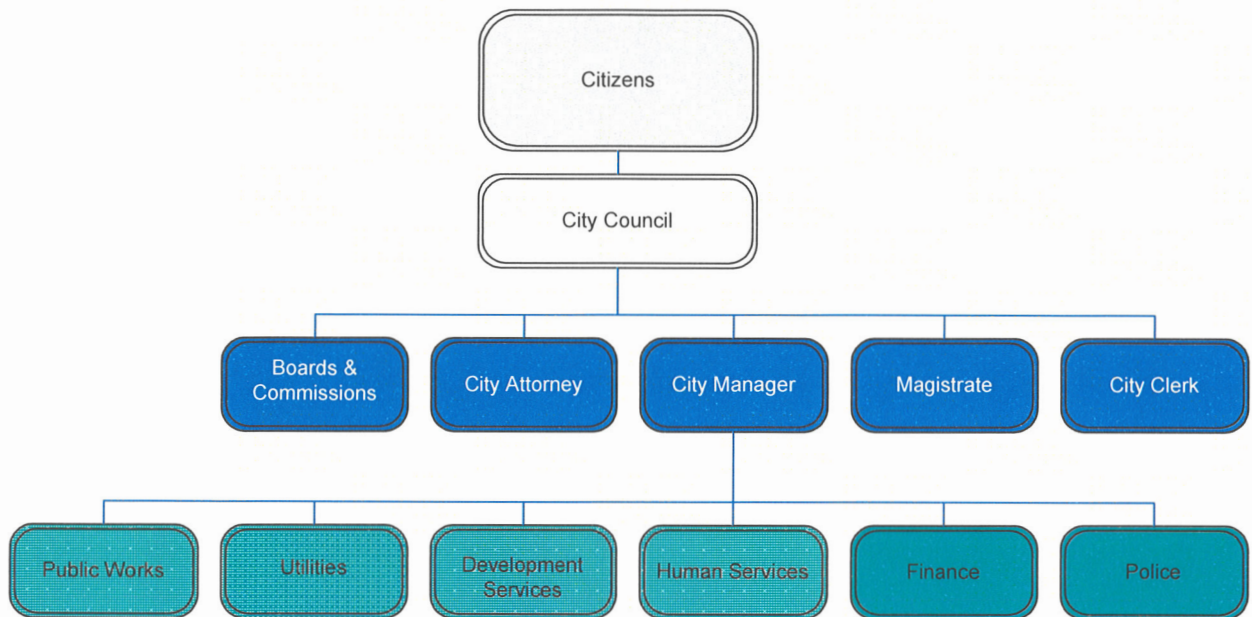
The following graph illustrates the population growth from 1980 and projected until 2024.

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
2024 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 annual senior softball tournament that attracts 50 teams from throughout the United States. 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 800 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, and hundreds of homes are also available for daily rental in the community.

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 these events and more. 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 and Church's Chicken.

The City's sales tax revenues increased 5.7% over last year collections. Revenue from the contracting tax classification increased by almost 13%, and the hotel and motel tax classification increased by 62% 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, we continue 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 \$38,885,902 invested at June 30, 2024. The average yield for fiscal year 2024 was 5.36%. 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.

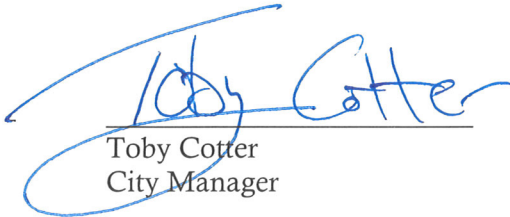
ACKNOWLEDGMENTS

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, 2022

Christopher P. Morill

Executive Director/CEO

*2023 certificate currently not available

**City of Bullhead City, Arizona
List of Principal Officials
Fiscal Year Ended June 30, 2024**

City Council

Steve D'Amico, Mayor
Dan Alfonzo, Vice Mayor
Karen Dallman, Council Member
Rodney Head, Council Member
Jason Newlin, Council Member
Eugene O'Neill, Council Member
Tami Ring, Council Member

City Manager

Toby Cotter

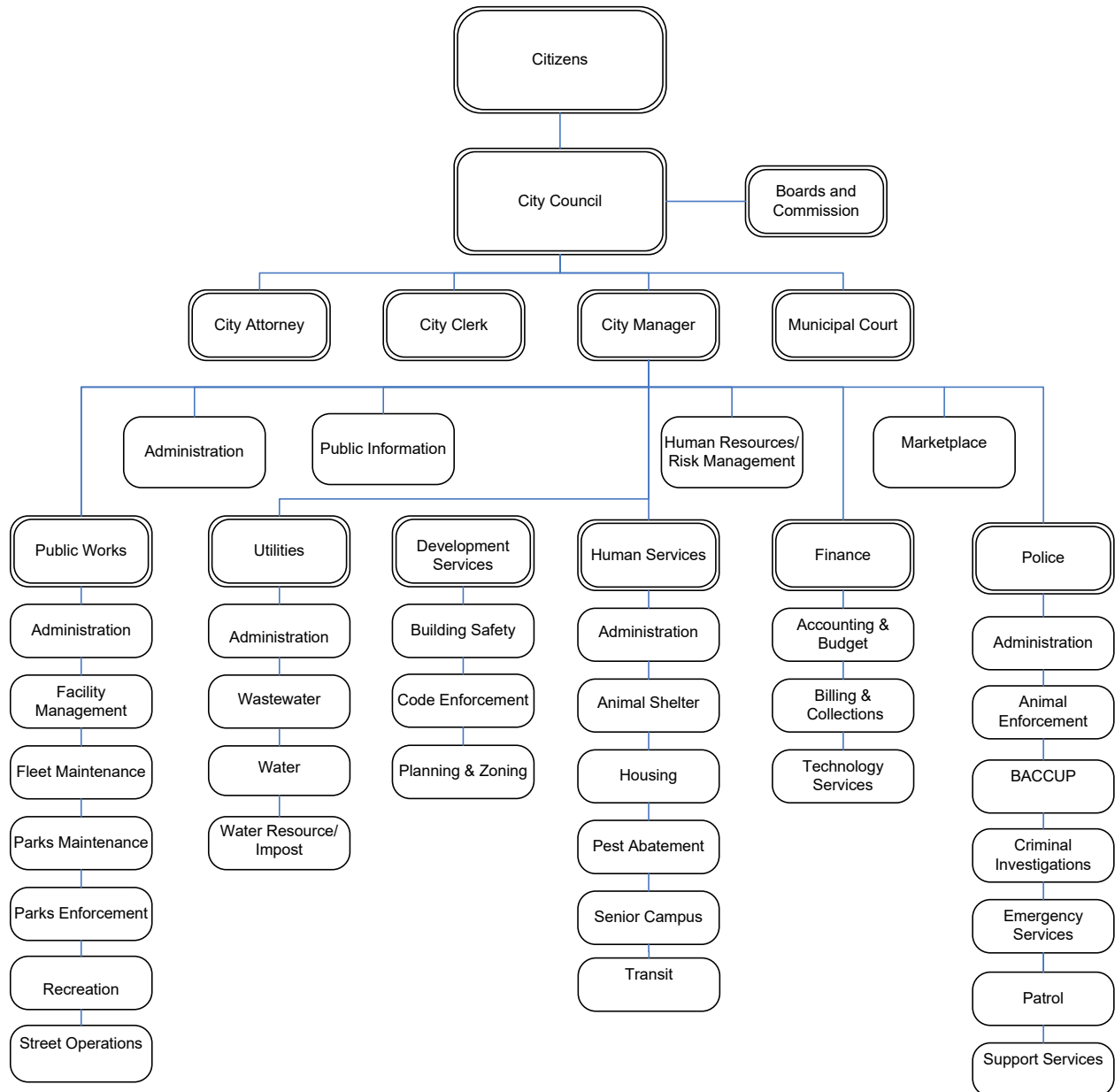
Finance Director

Robert Drexler



INTRODUCTION

ORGANIZATIONAL CHART





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, 2024, 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, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature (the Arizona Auditor General), the City of Bullhead City's Council Members and management, and other responsible parties within the City of Bullhead 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 supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information are 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 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bullhead City, Arizona's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

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 January 14, 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.

Baker Tilly US, LLP

Tempe, Arizona
January 14, 2025

Financial Section
Management's Discussion and Analysis



City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2024

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, 2024. 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 total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2024 by \$164,424,760 (net position). Of this amount, net investment of capital assets was \$139,998,424; restricted net position was \$14,327,283 and \$10,099,053 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 increased in fiscal year 2024 by \$17,586,648 or 11.98% primarily because of capital improvements expenses incurred during the current year.
- At the end of fiscal year 2024, Bullhead City's governmental funds reported combined fund balances of \$51,821,617, an increase of \$18,688,061 in comparison to the prior fiscal year. Approximately 62% of this amount \$31,734,421 is available for spending at the City's discretion (unassigned fund balance).
- At the end of fiscal year 2024, unassigned fund balance for the General Fund is \$33,657,577 or 80% of total general fund expenditures.
- Bullhead City's total outstanding long-term liabilities increased by \$8,139,497 or 4.8% during fiscal year 2024. The increase in long-term liabilities is due to new capital bond for the new senior center building, new animal shelter building and renovation of the community center.

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, 2024

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 assets and deferred outflows exceeded liabilities by \$164,424,760 at the close of fiscal year 2024.

Net position of the city represents the difference between the City's resources and its obligations. As of June 30, 2024, the largest portion of the City's total net position approximately 85% 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, 2024

City of Bullhead City, Arizona's restricted net position \$14,327,283 represents amounts that are to be used in accordance with external restrictions. The remaining balance of \$10,099,053 is unrestricted.

City of Bullhead City, Arizona Condensed Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	\$ 72,117,036	\$ 51,311,740	\$ 12,671,750	\$ 12,996,010	\$ 84,788,786	\$ 64,307,750
Capital assets	68,085,320	59,385,879	194,633,650	201,133,109	262,718,970	260,518,988
Total assets	140,202,356	110,697,619	207,305,400	214,129,119	347,507,756	324,826,738
Total deferred outflows of resources	6,877,381	6,187,372	118,705	178,057	6,996,086	6,365,429
Liabilities:						
Other liabilities	9,591,190	11,676,863	4,201,693	4,407,268	13,792,883	16,084,131
Long-term liabilities	60,430,734	47,080,949	115,722,876	120,933,164	176,153,610	168,014,113
Total liabilities	70,021,924	58,757,812	119,924,569	125,340,432	189,946,493	184,098,244
Total deferred inflows of resources	132,589	255,811	-	-	132,589	255,811
Net position:						
Net investment in capital assets	57,841,217	46,633,113	82,157,207	86,437,859	139,998,424	133,070,972
Restricted	7,825,769	5,480,582	6,501,514	8,959,849	14,327,283	14,440,431
Unrestricted	11,258,238	5,757,673	(1,159,185)	(6,430,964)	10,099,053	(673,291)
Total net position	\$ 76,925,224	\$ 57,871,368	\$ 87,499,536	\$ 88,966,744	\$ 164,424,760	\$ 146,838,112

Current and other assets increased in governmental activities by \$20,805,296 million from the prior year. Bond proceeds that remained unspent at fiscal year-end along with state imposed expenditure limitation caused the increase in current and other assets.

Other liabilities in governmental activities decreased from the prior year \$2.1 million due to the decrease of capital projects accounts payable of \$0.78 million and \$3.2 million of decreased deferred revenue. Reduction of ARPA funds deferred revenue of \$4.6 million is the biggest reduction.

Long-term liabilities, which consists of bonds, notes, leases, compensated absences, and net pension liability, increased \$13.3 million in governmental activities, and decreased \$5.2 million for business-type activities. Notes payable debt of \$0.9 million for water infrastructure financing authority decreased \$1.5 million and an increase of net pension liability of \$1.3 million to the Arizona Public Safety Retirement System. Compensated Absences totaled \$2.5 million an increase of \$253,377 from 2023. There was a net investment income of \$2.4 million reported by the Retirement System for the Plan Fiduciary Net Position.

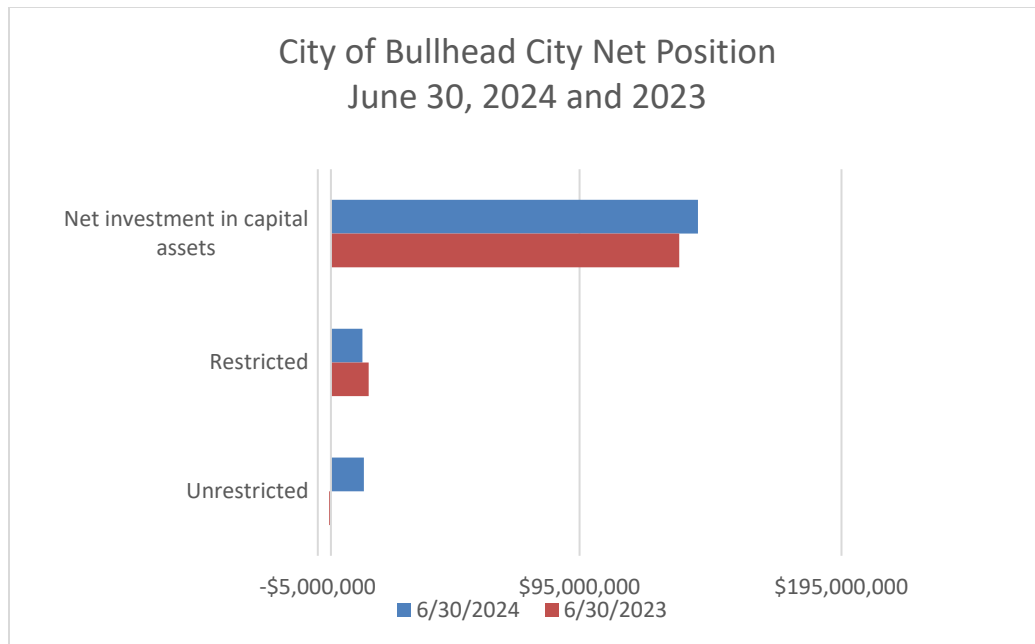
Business-type activities includes \$100 million for the acquisition of the local water system, \$5 million for water system capital acquisitions and \$3 million for reimbursement for legal expenses related to the acquisition from the prior fiscal year. Total business-type activity liabilities decreased as debt payments were made during the fiscal year.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2024

The largest portion of the City's net position, \$139,998,424, 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 of Bullhead 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 of Bullhead 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, \$14,327,283 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 \$10,099,053.



The City's overall net position increased \$17,586,648 from the prior fiscal year. The following sections will discuss the reasons for the increase.

City of Bullhead City, Arizona

Management's Discussion and Analysis June 30, 2024

City of Bullhead City, Arizona Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 7,711,569	\$ 5,706,211	\$ 23,140,058	\$ 20,689,366	\$ 30,851,627	\$ 26,395,577
Operating grants and contributions	12,547,999	13,107,661	-	-	12,547,999	13,107,661
Capital grants and contributions	11,254,533	2,400,626	-	-	11,254,533	2,400,626
General revenues:						
City sales tax	21,901,767	20,882,207	-	-	21,901,767	20,882,207
State shared sales tax	6,489,323	6,242,773	-	-	6,489,323	6,242,773
Urban revenue sharing	11,373,437	8,011,476	-	-	11,373,437	8,011,476
Franchise tax	519,192	420,064	-	-	519,192	420,064
State shared vehicle license tax	3,607,002	3,541,616	-	-	3,607,002	3,541,616
Investment earnings	2,224,830	1,482,418	293,991	321,624	2,518,821	1,804,042
Gain (loss) on disposition of capital assets	249,943	83,454	(4,348,427)	3,350	(4,098,484)	86,804
Total revenues	77,879,595	61,878,506	19,085,622	21,014,340	96,965,217	82,892,846
Expenses:						
Governmental activities:						
General government	17,457,647	8,351,147	-	-	17,457,647	8,351,147
Public safety	19,411,713	16,991,694	-	-	19,411,713	16,991,694
Culture and recreation	5,708,856	11,221,150	-	-	5,708,856	11,221,150
Economic development	208,404	130,915	-	-	208,404	130,915
Redevelopment and housing	389,630	761,960	-	-	389,630	761,960
Highways and streets	8,580,114	11,324,022	-	-	8,580,114	11,324,022
Health and welfare	1,023,461	760,637	-	-	1,023,461	760,637
Interest on long-term debt	747,805	376,928	-	-	747,805	376,928
Business-type activities:						
Water	-	-	12,562,490	11,383,051	12,562,490	11,383,051
Wastewater	-	-	13,288,448	14,026,459	13,288,448	14,026,459
Total expenses	53,527,630	49,918,453	25,850,938	25,409,510	79,378,568	75,327,963
Change in net position before transfers	24,351,965	11,960,053	(6,765,316)	(4,395,170)	17,586,649	7,564,883
Transfers in (out)	(5,298,108)	(1,013,686)	5,298,108	1,013,686	-	-
Change in net position	19,053,857	10,946,367	(1,467,208)	(3,381,484)	17,586,649	7,564,883
Net position, beginning	57,871,367	46,925,001	88,966,744	92,348,228	146,838,111	139,273,229
Net position, ending	\$ 76,925,224	\$ 57,871,368	\$ 87,499,536	\$ 88,966,744	\$ 164,424,760	\$ 146,838,112

Bullhead City's net position for governmental activities increased \$ 19,053,856 from the prior fiscal year to an ending balance of \$76,925,224.

City of Bullhead City, Arizona

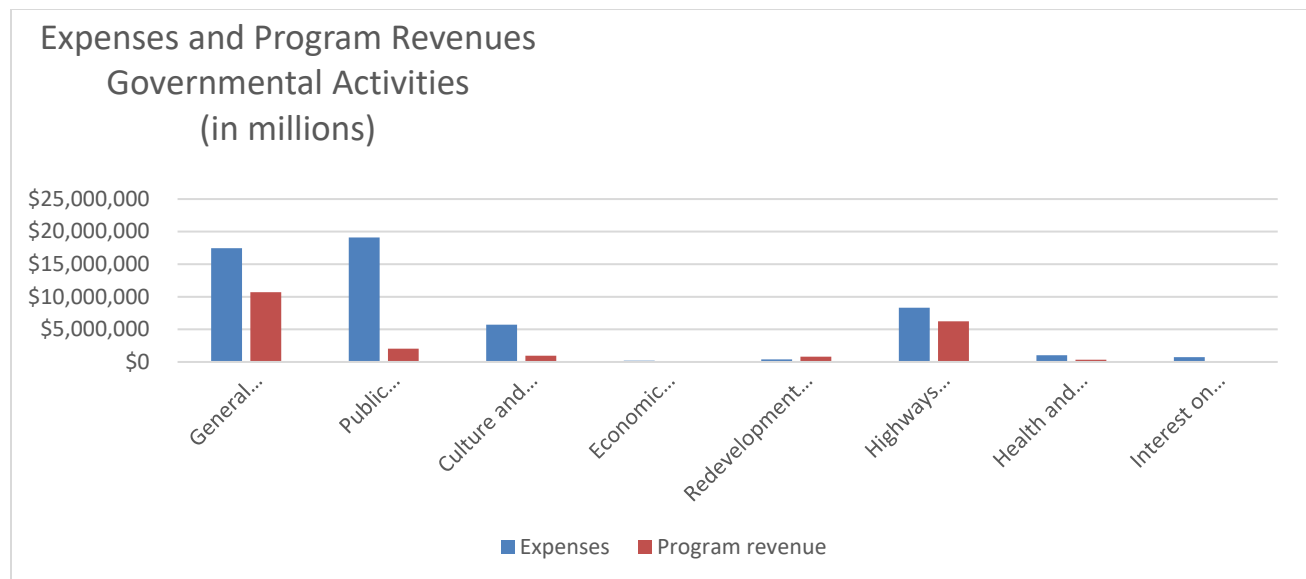
Management's Discussion and Analysis
June 30, 2024

Governmental Activities

Revenues increased \$16 million from the prior year. Capital grants revenue increased \$8.8 million included \$8 million for right turn lanes from the State. Local sales tax and state shared tax increased \$1.2 million and urban revenue sharing increased \$3.3 million from the prior year. Governmental activities revenue increased 26% from the prior year.

Expenditures grew from the prior year, increasing from \$49.9 million in the prior year to \$53.3 million in the current year. The significant increases were \$9.1 million in the General government Function and \$2.4 million increases for Public Safety. The increases were primarily investments in capital assets such as municipal facilities for the new senior center building, community center renovation, design of new animal shelter and court remodel. Expenses for the Culture and Recreation function decreased by \$5.5 million. Governmental activities expenses increased 7% from the prior year.

The chart below shows revenues generated by the City of Bullhead City, Arizona'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 2024 show that the overall net position decreased to an ending balance of \$87,499,536. The total decrease in net position for business-type activities was \$1.5 from the prior fiscal year. Fiscal year 2024 was the second 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 \$19,085,622 compared to \$21,014,340 from the prior year. This is a decrease of \$1,928,718 from the prior year due to loss on disposition of capital assets. Expenses increased \$444,428 from the prior year with the sewer system expenses decreasing \$0.7 million and the water system expenses increasing \$1.2 million.

The city conducted a 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 2003. After multiple work sessions, the City Council approved on June 5, 2018, a small user charge increases to be phased in over five years. Fiscal year 2023 was the final year of the scheduled rate increase for users.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2024

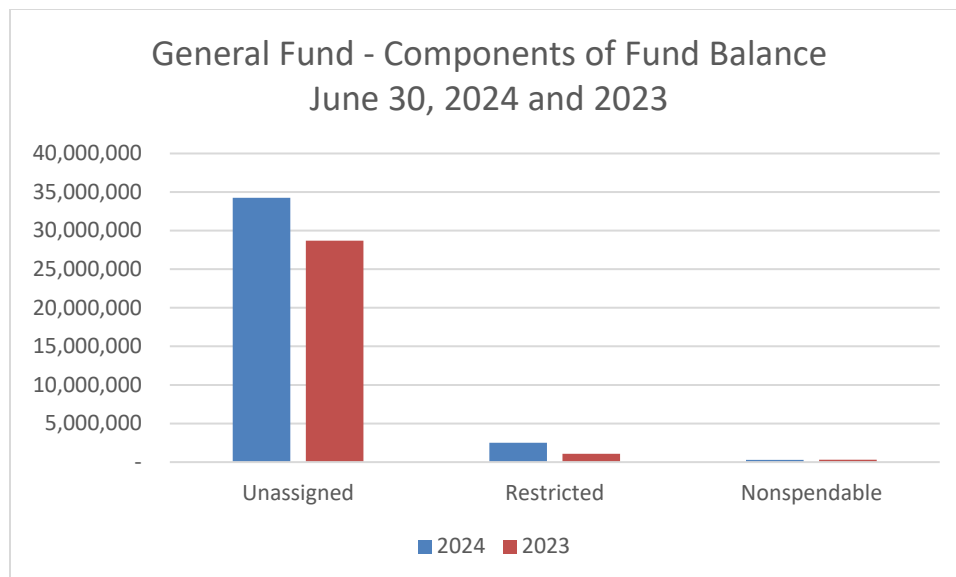
Financial Analysis of Governmental Funds

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 of Bullhead City, Arizona'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 of Bullhead City, Arizona. At the end of the fiscal year unassigned fund balance of the general fund was \$33,657,577. 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 80% of the total general fund expenditures, while total fund balance represents approximately 88% of the same amount.

The fund balance of Bullhead City's general fund grew by \$6,784,512 during the 2024 fiscal year.



The HURF fund, a major fund, had a decrease of \$134,951 in fund balance during the current fiscal year which put the ending fund balance in a positive position of \$1,130,033. The fund balance is spent down as the street preservation program progresses.

The Capital Projects Funds, a major fund, had an increase in fund balance of \$12,346,053 during the current fiscal year to an ending balance of \$12,422,595. There were \$9.7 million of capital expenditures which consisted of \$2.1 million of park improvements, \$2.0 million of street improvements and \$5.6 million in municipal facility improvements during the current year. The sources of capital projects funding ranges from grants, financing and other city funds.

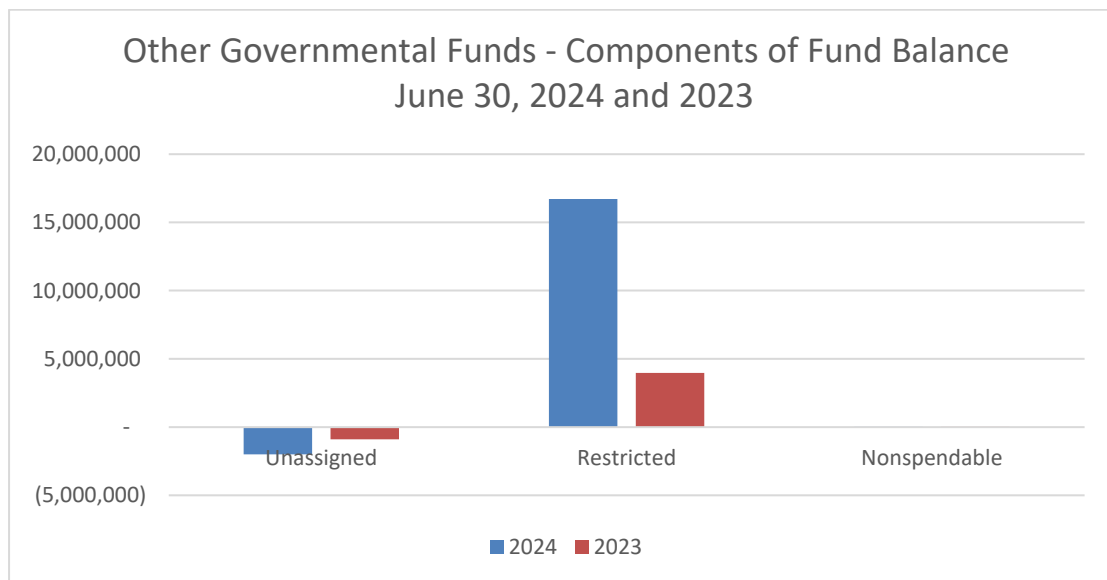
SID Debt Service Funds, a major fund, had a decrease in fund balance of \$733,701 during the current fiscal year to an ending balance of \$(515,572). Special assessments from property owners collected semi-annually are used to pay debt payments. Special assessment district #2 had the final billing recorded during the fiscal year 2024 resulting in the decrease of fund balance as the district comes to a close. The customers of special assessment district #2 still have one more year of payments.

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2024

Excise Revenue Bond Refunding Funds, a major fund, had an increase of \$5,463 in fund balance during the current fiscal year to an ending balance of \$59,939. 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 increased by \$420,685 during the 2024 fiscal year.



The City's governmental funds reported combined fund balances on June 30, 2024, of \$51,821,617, which is an increase of \$18,688,061 compared to the previous fiscal year. Approximately 62% 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 of Bullhead 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 \$5,889,843. 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, 2024

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	\$ 21,962,573	\$ 22,420,959	\$ 458,386
Intergovernmental revenue	21,736,850	22,077,524	340,674
Charges for services	3,967,550	2,871,414	(1,096,136)
Licenses and permits	1,192,970	1,453,973	261,003
Other	1,706,621	2,758,977	1,052,356
Total	<u>\$ 50,566,564</u>	<u>\$ 51,582,847</u>	<u>\$ 1,016,283</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 increased 5% from the prior year. 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 \$776,000 in the current year.

The shortfall in the charges for services revenue were due to a decrease in revenues for watercraft fees and facility rentals.

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	\$ 28,001,618	\$ 26,760,515	\$ (1,241,103)
Maintenance and operations	11,186,238	9,426,100	(1,760,138)
Property	4,236,804	3,629,515	(607,289)
Debt service	1,709,963	128,814	(1,581,149)
Other financing sources (uses)	4,833,817	1,070,132	(3,763,685)
Total	<u>\$ 49,968,440</u>	<u>\$ 41,015,0176</u>	<u>\$ (8,953,364)</u>

City of Bullhead City, Arizona

Management's Discussion and Analysis

June 30, 2024

Budgetary savings were present in all but property 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 programmed to be financed were not done.

Overall expenditure budget savings were \$4,751,819 for the General Fund.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2024, the City invested \$262,718,970 (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 decrease in capital assets for the current fiscal year was 0.2%.

City of Bullhead City, Arizona Capital Assets						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Capital assets not being depreciated:						
Land and improvements	\$ 3,273,105	\$ 3,274,105	\$ 3,213,803	\$ 3,779,625	\$ 6,486,908	\$ 7,053,730
Water rights	-	-	6,716,785	6,716,785	6,716,785	6,716,785
Construction in progress	13,944,274	8,535,823	7,535,449	5,387,844	21,479,723	13,923,667
Depreciable capital assets:						
Buildings	5,163,838	5,590,944	71,402	89,788	5,235,240	5,680,732
Improvements, other than buildings	6,581,918	7,079,396	-	10,714	6,581,918	7,090,110
Furniture, vehicles and equipment	7,741,249	6,075,857	2,074,790	2,709,865	9,816,039	8,785,722
Infrastructure	30,707,067	30,882,526	172,545,689	179,658,042	203,252,756	210,540,568
Right-to-use subscription assets	673,869	673,797	2,475,732	2,780,446	3,149,601	3,454,243
Total	<u>\$ 68,085,320</u>	<u>\$ 62,112,448</u>	<u>\$ 194,633,650</u>	<u>\$ 201,133,109</u>	<u>\$ 262,718,970</u>	<u>\$ 263,245,557</u>

Major capital asset events during the year include the following:

- Started construction and near completion of new Senior Center Building \$2,389,694.
- Started renovation of community center \$1,498,732.
- Various Rotary Park improvements for \$898,688.
- Wastewater lift station wet well rehabilitation \$3,572,060.
- The City had commitments of approximately \$3,895,064 for capital expenditures commitments as of June 30, 2024.

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, 2024

Long-Term Debt

As of June 30, 2024, the City had \$136,753,481 in bonded, and note debt. Of this amount, \$133,700,481 is debt backed the full faith and credit of the City and \$3,053,000 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	
	2024	2023	2024	2023	2024	2023
Revenue bonds, net of premiums and discounts	\$ 22,915,000	\$ 9,612,000	\$ 112,904,671	\$ 117,820,924	\$ 135,819,671	\$ 127,432,924
Notes payable	933,810	2,466,969	-	-	933,810	2,466,969
Subscriptions liability	673,869	673,797	2,475,732	2,780,446	3,149,601	3,454,243
Net pension liabilities	33,741,419	32,404,245	-	-	33,741,419	32,404,245
Compensated absences	2,166,636	1,923,938	342,473	331,794	2,509,109	2,255,732
Total	<u>\$ 60,430,734</u>	<u>\$ 47,080,949</u>	<u>\$ 115,722,876</u>	<u>\$ 120,933,164</u>	<u>\$ 176,153,610</u>	<u>\$ 168,014,113</u>

The City of Bullhead City's total long-term liabilities increased by \$8,139,497 or 5%. The following are the reasons for the overall increase.

During the current year the City of Bullhead City issued Series 2023 Excise Tax Revenue bonds in the amount of \$14,150,000 for capital projects including new Senior Center, new Animal Shelter and renovation of the community center.

The City of Bullhead City made principal payments during the year totaling \$7,229,264

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

City of Bullhead City, Arizona

Management's Discussion and Analysis
June 30, 2024

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 7% compared to 2024 budget.
- State shared revenue distributions were estimated to decrease 7% per the State of Arizona projections.
- Cost of living adjustment of 4% for employees.
- Employer public safety retirement costs for a total of 67.82 for Tier 1 employees; 69.82% or 70.82% for Tier 2 employees (depending on hire date); and 70.73% for Tier 3 employees
- The unemployment rate for the City in April 2024 was 4.6%.

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

The General Fund operating budget for fiscal year 2024-2025 appropriation is \$53,940,489, an increase of 3.6%, or \$1,889,949 over the prior year.

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, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 36,003,126	\$ 5,970,609	\$ 41,973,735
Receivables, net:			
Accounts	2,269,952	2,603,275	4,873,227
Taxes	3,149	-	3,149
Intergovernmental	4,773,548	-	4,773,548
Special assessment receivable	788,096	-	788,096
Prepays and inventory	3,326,707	689,791	4,016,498
Restricted cash	21,416,616	6,501,514	27,918,130
Internal balances	3,093,439	(3,093,439)	-
Net OPEB asset	442,403	-	442,403
Capital assets:			
Nondepreciable/amortized	17,217,379	17,466,037	34,683,416
Depreciable/amortized (net)	50,867,941	177,167,613	228,035,554
Total assets	140,202,356	207,305,400	347,507,756
Deferred Outflows of Resources			
Deferred outflows related to pensions and OPEB	6,877,381	-	6,877,381
Deferred charge on debt refunding	-	118,705	118,705
Total deferred outflows of resources	6,877,381	118,705	6,996,086
Liabilities			
Accounts payable	4,826,311	2,219,990	7,046,301
Accrued payroll and related liabilities	775,603	159,263	934,866
Other liabilities	1,382,515	234,158	1,616,673
Deposits held for others	921,910	158,806	1,080,716
Interest payable	498,183	1,429,476	1,927,659
Unearned revenue	1,186,668	-	1,186,668
Long-term liabilities:			
Due within one year:			
Compensated absences	420,310	85,618	505,928
Subscriptions liability	268,637	316,956	585,593
Notes payable	644,813	-	644,813
Bonds payable	4,124,000	5,050,000	9,174,000
Due in more than one year:			
Compensated absences	1,746,326	256,855	2,003,181
Subscriptions liability	405,232	2,158,776	2,564,008
Notes payable	288,997	-	288,997
Bonds payable	18,791,000	107,854,671	126,645,671
Net pension liabilities	33,741,419	-	33,741,419
Total liabilities	70,021,924	119,924,569	189,946,493
Deferred Inflows of Resources			
Deferred inflows related to pensions and OPEB	132,589	-	132,589
Net Position			
Net investment in capital assets	57,841,217	82,157,207	139,998,424
Restricted for:			
Post-employment benefits	442,403	-	442,403
Highways and streets	1,130,033	-	1,130,033
Community development	1,325,739	-	1,325,739
Public safety	2,988,335	-	2,988,335
Grants	296,998	-	296,998
Other purposes	67,379	-	67,379
Debt service	1,574,882	6,501,514	8,076,396
Unrestricted (deficit)	11,258,238	(1,159,185)	10,099,053
Total net position	\$ 76,925,224	\$ 87,499,536	\$ 164,424,760

See notes to financial statements

City of Bullhead City, Arizona

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue 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	\$ 17,457,648	\$ 5,431,466	\$ 6,422,769	\$ 200,350	\$ (5,403,063)	\$ -	\$ (5,403,063)
Public safety	19,411,713	1,746,955	582,918	-	(17,081,840)	-	(17,081,840)
Culture and recreation	5,708,856	391,785	147,687	1,398,923	(3,770,461)	-	(3,770,461)
Economic development	208,404	-	-	-	(208,404)	-	(208,404)
Redevelopment and housing	389,630	24,600	314,084	-	(50,946)	-	(50,946)
Highways and streets	8,580,114	106,808	4,711,047	9,655,260	5,893,001	-	5,893,001
Health and welfare	1,023,461	9,955	369,494	-	(644,012)	-	(644,012)
Interest on long-term debt	747,805	-	-	-	(747,805)	-	(747,805)
Total governmental activities	53,527,631	7,711,569	12,547,999	11,254,533	(22,013,530)	-	(22,013,530)
Business-Type Activities							
Wastewater	13,288,448	11,075,938	-	-	-	(2,212,510)	(2,212,510)
Water utility	12,562,490	12,064,120	-	-	-	(498,370)	(498,370)
Total business-type activities	25,850,938	23,140,058	-	-	-	(2,710,880)	(2,710,880)
Total government	\$ 79,378,569	\$ 30,851,627	\$ 12,547,999	\$ 11,254,533	(22,013,530)	(2,710,880)	(24,724,410)
General Revenues							
Taxes:							
City sales tax					21,901,767	-	21,901,767
Franchise tax					519,192	-	519,192
Intergovernmental:							
State shared sales taxes (unrestricted)					6,489,323	-	6,489,323
Urban revenue sharing (unrestricted)					11,373,437	-	11,373,437
Stated shared vehicle license tax					3,607,002	-	3,607,002
Unrestricted investment earnings					2,224,830	293,991	2,518,821
Gain (loss) on sale of fixed assets					249,943	(4,348,427)	(4,098,484)
Transfers in (out)					(5,298,108)	5,298,108	-
Total general revenues and transfers					41,067,386	1,243,672	42,311,058
Change in net position					19,053,856	(1,467,208)	17,586,648
Net Position, Beginning					57,871,368	88,966,744	146,838,112
Net Position, Ending					\$ 76,925,224	\$ 87,499,536	\$ 164,424,760

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, 2024

	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	\$ 29,247,144	\$ 999,805	\$ -	\$ -	\$ 59,939	\$ 3,761,158	\$ 34,068,046
Restricted cash	2,312,966	-	14,278,576	-	168,297	4,656,777	21,416,616
Receivables, net:							
Accounts	1,319,097	1,216	-	-	-	454,033	1,774,346
Taxes	-	-	-	-	-	3,149	3,149
Intergovernmental	3,296,851	489,561	294,312	-	-	692,824	4,773,548
Special assessments receivable	-	-	-	787,559	-	537	788,096
Due from other funds	5,727,039	-	-	-	-	-	5,727,039
Inventory and prepaids	279,110	-	-	-	-	2,125	281,235
Total assets	<u>\$ 42,182,207</u>	<u>\$ 1,490,582</u>	<u>\$ 14,572,888</u>	<u>\$ 787,559</u>	<u>\$ 228,236</u>	<u>\$ 9,570,603</u>	<u>\$ 68,832,075</u>
Liabilities							
Accounts payable	\$ 2,112,576	\$ 295,603	\$ 1,713,139	\$ -	\$ -	\$ 260,288	\$ 4,381,606
Accrued payroll and related liabilities	667,575	44,254	42	-	-	47,925	759,796
Due to other funds	-	-	106,453	215,094	-	1,240,576	1,562,123
Other liabilities	927,268	1,001	330,659	1,350	-	117,728	1,378,006
Deposits held for others	759,954	-	-	161,956	-	-	921,910
Unearned revenue	-	-	-	-	-	1,186,668	1,186,668
Interest payable	-	-	-	-	3,297	469,138	472,435
Matured bonds payable	-	-	-	-	165,000	3,849,000	4,014,000
Total liabilities	<u>4,467,373</u>	<u>340,858</u>	<u>2,150,293</u>	<u>378,400</u>	<u>168,297</u>	<u>7,171,323</u>	<u>14,676,544</u>
Deferred Inflows of Resources							
Unavailable revenue, other	363,452	19,691	-	-	-	418,642	801,785
Unavailable revenue, nuisance and building abatement fees	502,690	-	-	-	-	-	502,690
Unavailable revenue, special assessments	-	-	-	924,731	-	104,708	1,029,439
Total deferred inflows of resources	<u>866,142</u>	<u>19,691</u>	<u>-</u>	<u>924,731</u>	<u>-</u>	<u>523,350</u>	<u>2,333,914</u>
Fund Balances							
Nonspendable:							
Inventory and prepaids	279,110	-	-	-	-	2,125	281,235
Restricted:							
Highways and streets	-	1,130,033	-	-	-	-	1,130,033
Community development	-	-	-	-	-	1,325,739	1,325,739
Public safety	2,872,291	-	-	-	-	116,044	2,988,335
Capital projects	-	-	12,422,595	-	-	-	12,422,595
Debt service	-	-	-	-	59,939	1,514,943	1,574,882
Grants	-	-	-	-	-	296,998	296,998
Other purposes	39,714	-	-	-	-	27,665	67,379
Unassigned	33,657,577	-	-	(515,572)	-	(1,407,584)	31,734,421
Total fund balances	<u>36,848,692</u>	<u>1,130,033</u>	<u>12,422,595</u>	<u>(515,572)</u>	<u>59,939</u>	<u>1,875,930</u>	<u>51,821,617</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 42,182,207</u>	<u>\$ 1,490,582</u>	<u>\$ 14,572,888</u>	<u>\$ 787,559</u>	<u>\$ 228,236</u>	<u>\$ 9,570,603</u>	<u>\$ 68,832,075</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, 2024

Fund Balances - Total Governmental Funds \$ 51,821,617

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 68,085,320

Some receivables are not available to pay for current-period expenditures

and, therefore, are reported as unavailable revenue in the funds 2,333,914

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	\$ (16,181,000)	
Improvement bonds	(2,720,000)	
Notes payable	(598,460)	
Finance purchase arrangement	(335,350)	
Subscription-based information technology arrangements	(673,869)	
Accrued interest payable	(25,748)	
Net pension liability	(33,741,419)	
Net OPEB asset	442,403	
Compensated absences	<u>(2,166,636)</u>	(56,000,079)

Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods and, therefore, are not reported in the funds. 6,744,792

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: 3,939,660

Total Net Position of Governmental Activities \$ 76,925,224

City of Bullhead City, Arizona

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2024

	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	\$ 22,420,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,420,959
Intergovernmental	22,077,524	4,711,047	9,418,395	-	-	7,941,681	44,148,647
Charges for services	2,871,414	-	-	-	-	621,298	3,492,712
Special assessments	-	-	-	881,864	-	1,849,785	2,731,649
Licenses and permits	1,453,973	-	-	-	-	170	1,454,143
Fines and forfeitures	683,426	-	-	-	-	53,026	736,452
Rents	61,949	-	-	-	-	-	61,949
Investment earnings	1,434,745	243,021	138,855	19,051	5,463	383,695	2,224,830
Other revenues	264,855	33,680	33,683	-	-	183,559	515,777
Total revenues	51,268,845	4,987,748	9,590,933	900,915	5,463	11,033,214	77,787,118
Expenditures							
Current:							
General government	11,666,410	-	5,546	6,604	-	2,317,516	13,996,076
Public safety	19,151,368	-	-	-	-	211,336	19,362,704
Culture and recreation	6,780,607	-	12,704	-	-	277,807	7,071,118
Economic development	190,305	-	-	-	-	-	190,305
Redevelopment and housing	-	-	-	-	-	389,630	389,630
Highways and streets	-	4,880,549	-	-	-	353,330	5,233,879
Health and welfare	435,710	1,650	-	-	-	464,013	901,373
Capital outlay	3,383,019	309,465	9,662,805	-	-	1,295,626	14,650,915
Debt service:							
Principal	264,818	54,110	-	1,602,264	165,000	3,954,000	6,040,192
Interest and fiscal charges	47,684	17,271	-	25,748	6,594	650,508	747,805
Total expenditures	41,919,921	5,263,045	9,681,055	1,634,616	171,594	9,913,766	68,583,997
Excess (deficiency) of revenues over (under) expenditures	9,348,924	(275,297)	(90,122)	(733,701)	(166,131)	1,119,448	9,203,121
Other Financing Sources (Uses)							
Subscription-based information technology arrangements	264,890	-	-	-	-	-	264,890
Sale of capital assets	49,112	17,131	-	-	-	183,700	249,943
Finance purchase arrangements	-	123,215	-	-	-	-	123,215
Issuance of debt	-	-	14,145,000	-	-	-	14,145,000
Transfers in	1,803,220	-	2,789,254	-	171,594	4,510,040	9,274,108
Transfers out	(4,681,634)	-	(4,498,079)	-	-	(5,392,503)	(14,572,216)
Total other financing (uses) sources	(2,564,412)	140,346	12,436,175	-	171,594	(698,763)	9,484,940
Net change in fund balances	6,784,512	(134,951)	12,346,053	(733,701)	5,463	420,685	18,688,061
Fund Balances, Beginning	30,064,180	1,264,984	76,542	218,129	54,476	1,455,245	33,133,556
Fund Balances, Ending	\$ 36,848,692	\$ 1,130,033	\$ 12,422,595	\$ (515,572)	\$ 59,939	\$ 1,875,930	\$ 51,821,617

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, 2024

Net Change in Fund Balances - Total Governmental Funds **\$ 18,688,061**

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	\$ 13,897,983	
Contributed capital	515,310	
Loss of disposal capital assets	(3,055)	
Depreciation/amortization expense	(5,710,797)	8,699,441

Pension and OPEB contributions are reported as expenditures in the governmental
funds when made. However, they are reported as deferred outflows of
resources in the Statement of Net Position because the 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.

(525,001)

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

(668,976)

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.

Subscription-based information technology arrangement incurred	(264,890)	
Bond proceeds	(14,145,000)	
Finance purchase arrangement incurred	(123,215)	
Principal repaid	5,775,374	
Subscription-based information technology arrangement payments	264,818	(8,492,913)

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	(242,698)
------------------------------	-----------

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.

1,595,942

Change in Net Position of Governmental Activities **\$ 19,053,856**

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.



City of Bullhead City, Arizona

Statement of Net Position - Proprietary Funds

June 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Services Funds
	Wastewater Fund	Water Fund	Total	
Assets				
Current assets:				
Cash and cash equivalents	\$ 5,576,840	\$ 393,769	\$ 5,970,609	\$ 1,935,080
Accounts receivable, net	1,294,020	1,309,255	2,603,275	495,606
Inventory	-	564,493	564,493	33,169
Prepaid expenses	1,191	124,107	125,298	3,012,303
Total current assets	6,872,051	2,391,624	9,263,675	5,476,158
Noncurrent Assets				
Restricted cash	2,323,743	4,177,771	6,501,514	-
Capital assets:				
Capital assets, not being depreciated/amortized	4,480,575	12,985,462	17,466,037	-
Capital assets, being depreciated/amortized, net	84,483,293	92,684,320	177,167,613	-
Total noncurrent assets	91,287,611	109,847,553	201,135,164	-
Total assets	98,159,662	112,239,177	210,398,839	5,476,158
Deferred Outflows of Resources				
Deferred charge on debt refunding	118,705	-	118,705	-
Liabilities				
Current liabilities:				
Accounts payable	1,512,309	707,681	2,219,990	444,705
Accrued payroll and related liabilities	86,789	72,474	159,263	15,807
Due to other funds	-	3,093,439	3,093,439	1,071,477
Other liabilities	234,044	114	234,158	4,509
Deposits held for others	6,625	152,181	158,806	-
Interest payable	84,410	1,345,066	1,429,476	-
Current portion of:				
Compensated absences	54,304	31,314	85,618	-
SBITA payable	158,478	158,478	316,956	-
Bonds payable	2,260,000	2,790,000	5,050,000	-
Total current liabilities	4,396,959	8,350,747	12,747,706	1,536,498
Noncurrent liabilities:				
Compensated absences	162,912	93,943	256,855	-
SBITA payable	1,079,388	1,079,388	2,158,776	-
Bonds payable, net	3,445,562	104,409,109	107,854,671	-
Total noncurrent liabilities	4,687,862	105,582,440	110,270,302	-
Total liabilities	9,084,821	113,933,187	123,018,008	1,536,498
Net Position				
Net investment in capital assets	82,139,145	18,062	82,157,207	-
Restricted for debt service	2,323,743	4,177,771	6,501,514	-
Unrestricted (deficit)	4,730,658	(5,889,843)	(1,159,185)	3,939,660
Total net position	\$ 89,193,546	\$ (1,694,010)	\$ 87,499,536	\$ 3,939,660

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, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Wastewater Fund	Water Fund	Total	Internal Services Funds
Operating Revenues				
Charges for services	\$ 10,748,819	\$ 11,569,684	\$ 22,318,503	\$ 8,439,807
Application fees, tap fees and other	-	262,953	262,953	-
Other revenues	327,119	231,483	558,602	915,459
Total operating revenues	11,075,938	12,064,120	23,140,058	9,355,266
Operating Expenses				
Salaries and related expenses	2,771,812	2,601,771	5,373,583	596,320
Medical claims and self-insurance	156,011	179,863	335,874	5,201,908
Administration	1,009,711	1,122,714	2,132,425	1,909,026
Utilities	1,164,236	997,794	2,162,030	65,988
Maintenance, supplies and equipment	815,768	1,053,327	1,869,095	49,808
Depreciation/amortization	4,408,483	3,672,759	8,081,242	-
Other	2,635,710	193,567	2,829,277	610
Total operating expenses	12,961,731	9,821,795	22,783,526	7,823,660
Operating income (loss)	(1,885,793)	2,242,325	356,532	1,531,606
Nonoperating Revenues (Expenses)				
Investment income	121,678	172,313	293,991	64,336
Gain (loss) on disposal of capital assets	(4,350,210)	1,783	(4,348,427)	-
Interest expense and fiscal charges	(326,717)	(2,740,695)	(3,067,412)	-
Total nonoperating revenues (expense)	(4,555,249)	(2,566,599)	(7,121,848)	64,336
Income (loss) before transfers and contributions	(6,441,042)	(324,274)	(6,765,316)	1,595,942
Transfers In	3,051,895	2,246,213	5,298,108	-
Change in net position	(3,389,147)	1,921,939	(1,467,208)	1,595,942
Net Position, Beginning	92,582,693	(3,615,949)	88,966,744	2,343,718
Net Position, Ending	\$ 89,193,546	\$ (1,694,010)	\$ 87,499,536	\$ 3,939,660

See notes to financial statements

City of Bullhead City, Arizona

Statement of Cash Flows - Proprietary Funds

Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Wastewater Fund	Water Fund	Total	Internal Services Funds
Cash Flows From Operating Activities				
Receipts from customers	\$ 11,914,388	\$ 10,655,712	\$ 22,570,100	\$ -
Receipts from interfund services	-	-	-	7,946,872
Other operating receipts	327,119	231,483	558,602	915,459
Payments to suppliers	(5,938,144)	(4,008,403)	(9,946,547)	(7,718,753)
Payments to employees	(2,870,766)	(2,735,683)	(5,606,449)	(588,334)
Cash flows provided by (used in) operating activities	3,432,597	4,143,109	7,575,706	555,244
Cash Flows From Noncapital Financing Activities				
Interfund borrowings from	-	-	-	(186,746)
Interfund borrowings to	-	(503,933)	(503,933)	(3,664)
Interfund transfers in	3,051,895	2,246,213	5,298,108	-
Cash flows provided by (used in) noncapital and related financing activities	3,051,895	1,742,280	4,794,175	(190,410)
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(3,370,451)	(2,561,542)	(5,931,993)	-
Principal paid on long-term debt	(2,347,357)	(2,732,357)	(5,079,714)	-
Interest paid on long-term debt	(361,677)	(2,829,578)	(3,191,255)	-
Cash flows provided by (used in) capital and related financing activities	(6,079,485)	(8,123,477)	(14,202,962)	-
Cash Flows From Investing Activities				
Interest received	121,678	172,313	293,991	64,336
Cash flows provided by (used in) investing activities	121,678	172,313	293,991	64,336
Net change in cash and cash equivalents	526,685	(2,065,775)	(1,539,090)	429,170
Cash and Cash Equivalents, Beginning	7,373,898	6,637,315	14,011,213	1,505,910
Cash and Cash Equivalents, Ending	\$ 7,900,583	\$ 4,571,540	\$ 12,472,123	\$ 1,935,080

See notes to financial statements

City of Bullhead City, Arizona
Statement of Cash Flows - Proprietary Funds

Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Services Funds
	Wastewater Fund	Water Fund	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Net operating income (loss)	\$ (1,885,793)	\$ 2,242,325	\$ 356,532	\$ 1,531,606
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation/amortization expense	4,408,483	3,672,759	8,081,242	-
Provisions for bad debt	160,046	-	160,046	-
(Increase) decrease in:				
Accounts receivable	999,862	(1,234,776)	(234,914)	(492,935)
Inventory and prepaid items	(1,191)	(634,838)	(636,029)	(758,578)
Increase (decrease) in:				
Accounts payable	(276,495)	(6,277)	(282,772)	267,165
Accrued payroll and related liabilities	51,377	40,952	92,329	7,986
Other liabilities	(35,033)	114	(34,919)	-
Customer deposits	5,661	57,851	63,512	-
Compensated absences	5,680	4,999	10,679	-
Net cash provided by (used in) operating activities	<u>\$ 3,432,597</u>	<u>\$ 4,143,109</u>	<u>\$ 7,575,706</u>	<u>\$ 555,244</u>
Noncash Investing, Capital and Financing Activities				
Loss on disposal of capital	\$ 4,350,210	\$ -	\$ -	\$ -
Amortization of bond premium	60,562	80,691	141,253	-
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	\$ 5,576,840	\$ 393,769	\$ 5,970,609	\$ 1,935,080
Restricted cash	2,323,743	4,177,771	6,501,514	-
Total cash and cash equivalents	<u>\$ 7,900,583</u>	<u>\$ 4,571,540</u>	<u>\$ 12,472,123</u>	<u>\$ 1,935,080</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.

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, 2024 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.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2024

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 in the government-wide and proprietary fund financial statements. Governmental funds report only the current portion of compensated absences payable as a result of employee termination, resignation or retirement.

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, 2024, if any.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2024

Deficit Net Position/Fund Balance

At June 30, 2024, the following funds reported deficits in net position or fund balances:

Fund:

Transit	\$	617,773
CDBG/HTF		156,683
Excise Tax Bond		66,211
Court improvement		942
Police Grants		69,020
Street lighting improvement districts		35,652
Flood control		540,923
SID Debt service		515,572
Water Fund		1,694,010

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, 2024, the City's carrying amount of deposits was \$5,610,303 and the bank balance was \$6,321,087. As of June 30, 2024, 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 \$8,901.

Restricted cash consists of \$25,386,759 held by a trustee, \$2,447,113 restricted for courts, and \$84,258 restricted for public safety. 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, 2024

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, 2024, the City's deposit with the State Treasurer's Local Government Investment Pool 5 was \$38,885,902.

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, 2024, credit risk for the City's investments was as follows:

	Ratings			
	Total	AAAs/S1+	AAA	Unrated
Investment type:				
Primary government:				
LGIP	\$ 38,885,902	\$ 38,885,902	\$ -	\$ -
Total	\$ 38,885,902	\$ 38,885,902	\$ -	\$ -

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, 2024

At June 30, 2024, the City had the following investments:

	Remaining Maturity 12 Months or Less
Investment type:	
Primary government	
LGIP	\$ 38,885,902
Total	<u>\$ 38,885,902</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, 2024, 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, 2024 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 Funds	Capital Projects Fund	SID Debt Service Funds	Nonmajor Governmental Funds	Wastewater Fund	Water Fund	Internal Service Funds	Total
Receivables:									
Accounts	\$ 1,319,097	\$ 1,216	\$ -	\$ -	\$ 454,033	\$ 1,783,600	\$ 1,689,956	\$ 495,606	\$ 5,743,508
Taxes	-	-	-	-	3,149	-	-	-	3,149
Intergovernmental	3,296,851	489,561	294,312	-	692,824	-	-	-	4,773,548
Special assessments	-	-	-	787,559	537	-	-	-	788,096
Gross receivables	4,615,948	490,777	294,312	787,559	1,150,543	1,783,600	1,689,956	495,606	11,308,301
Less allowance for uncollectibles	-	-	-	-	-	(489,580)	(380,701)	-	(870,281)
Net total receivables	<u>\$ 4,615,948</u>	<u>\$ 490,777</u>	<u>\$ 294,312</u>	<u>\$ 787,559</u>	<u>\$ 1,150,543</u>	<u>\$ 1,294,020</u>	<u>\$ 1,309,255</u>	<u>\$ 495,606</u>	<u>\$ 10,438,020</u>

Revenues of the enterprise funds are reported net of uncollectible amounts. The Wastewater fund had recorded \$160,046 in bad debt expense for the current fiscal year and the Water fund had recorded no bad debt expense for the current fiscal year.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

4. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2024 is as follows (due to/from other funds):

	<u>Receivable Amount</u>	<u>Payable Amount</u>
Fund:		
General Fund	\$ 5,727,039	\$ -
Capital Projects Fund	-	106,453
SID Debt Service Funds	-	215,094
Nonmajor Governmental Funds	-	1,240,576
Water Fund	-	3,093,439
Internal Service Funds	-	1,071,477
Total	<u>\$ 5,727,039</u>	<u>\$ 5,727,039</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, 2024 is as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
Fund:		
General Fund	\$ 4,681,634	\$ 1,803,220
Capital Projects Fund	4,498,079	2,789,254
Excise Revenue Bond Refunding Funds	-	171,594
Nonmajor Governmental Funds	5,392,503	4,510,040
Wastewater Fund	-	3,051,895
Water Fund	-	2,246,213
Total	<u>\$ 14,572,216</u>	<u>\$ 14,572,216</u>

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2024

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.

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

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

6. Capital Assets

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

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated or amortized:				
Land	\$ 3,274,105	\$ -	\$ (1,000)	\$ 3,273,105
Construction in progress	8,535,823	9,789,316	(4,380,865)	13,944,274
Total capital assets not being depreciated or amortized	11,809,928	9,789,316	(4,381,865)	17,217,379
Capital assets being depreciated or amortized:				
Buildings	21,631,115	-	-	21,631,115
Improvements, other than buildings	12,171,567	-	-	12,171,567
Furniture, vehicles and equipment	28,386,919	3,843,777	(955,586)	31,275,110
Infrastructure	163,887,304	2,169,606	-	166,056,910
Right-to-use subscription assets	851,048	264,890	-	1,115,938
Total capital assets being depreciated or amortized	226,927,953	6,278,273	(955,586)	232,250,640
Less accumulated depreciation or amortization:				
Buildings	(16,040,171)	(427,106)	-	(16,467,277)
Improvements, other than buildings	(5,092,171)	(497,478)	-	(5,589,649)
Furniture, vehicles and equipment	(22,311,062)	(2,176,330)	953,531	(23,533,861)
Infrastructure	(133,004,778)	(2,345,065)	-	(135,349,843)
Right-to-use subscription assets	(177,251)	(264,818)	-	(442,069)
Total accumulated depreciation or amortization	(176,625,433)	(5,710,797)	953,531	(181,382,699)
Total capital assets being depreciated or amortized, net	50,302,520	567,476	(2,055)	50,867,941
Governmental activities capital assets, net	\$ 62,112,448	\$ 10,356,792	\$ (4,383,920)	\$ 68,085,320

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated or amortized:				
Land	\$ 3,779,625	\$ -	\$ (565,822)	\$ 3,213,803
Water rights	6,716,785	-	-	6,716,785
Construction in progress	5,387,844	5,931,993	(3,784,388)	7,535,449
Total capital assets not being depreciated or amortized	15,884,254	5,931,993	(4,350,210)	17,466,037
Capital assets being depreciated or amortized:				
Buildings	149,647	-	-	149,647
Improvements, other than buildings	250,665	-	-	250,665
Equipment and vehicles	7,545,303	-	-	7,545,303
Right-of-use subscription asset	3,072,920	-	-	3,072,920
Wastewater facilities, equipment and collection lines	250,484,605	-	-	250,484,605
Total capital assets being depreciated or amortized	261,503,140	-	-	261,503,140
Less accumulated depreciation or amortization:				
Buildings	(59,859)	(3,741)	-	(63,600)
Improvements, other than buildings	(239,951)	(25,359)	-	(265,310)
Equipment and vehicles	(4,835,438)	(635,075)	-	(5,470,513)
Right-of-use subscription asset	(292,474)	(304,714)	-	(597,188)
Wastewater facilities, equipment and collection lines	(70,826,563)	(7,112,353)	-	(77,938,916)
Total accumulated depreciation or amortization	(76,254,285)	(8,081,242)	-	(84,335,527)
Total capital assets being depreciated or amortized, net	185,248,855	(8,081,242)	-	177,167,613
Business-type capital assets, net	\$ 201,133,109	\$ (2,149,249)	\$ (4,350,210)	\$ 194,633,650

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

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

Governmental activities:	
General government	\$ 1,552,982
Highways and streets	2,347,492
Culture and recreation	827,299
Public safety	<u>983,024</u>
Total depreciation/amortization expense, governmental activities	<u>\$ 5,710,797</u>
Business-type activities:	
Wastewater Fund	\$ 4,408,483
Water Fund	<u>3,672,759</u>
Total depreciation/amortization expense, business- type activities	<u>\$ 8,081,242</u>

7. Long-Term Liabilities

Long-term liabilities activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance (Restated)</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within 1 Year</u>
Governmental activities:					
Bonds payable:					
Revenue bonds	\$ 6,787,000	\$ 14,145,000	\$ (737,000)	\$ 20,195,000	\$ 4,014,000
Improvement bond	<u>2,825,000</u>	<u>-</u>	<u>(105,000)</u>	<u>2,720,000</u>	<u>110,000</u>
Total bonds payable	9,612,000	14,145,000	(842,000)	22,915,000	4,124,000
Notes payable, Water Infrastructure Financing Authority	2,200,724	-	(1,602,264)	598,460	598,460
Subscription liabilities	673,797	264,890	(264,818)	673,869	268,637
Finance purchase agreement	266,245	123,215	(54,110)	335,350	46,353
Net pension liabilities	32,404,245	1,337,174	-	33,741,419	-
Compensated absences	<u>1,923,938</u>	<u>2,413,164</u>	<u>(2,170,466)</u>	<u>2,166,636</u>	<u>420,310</u>
Governmental activities long-term liabilities	<u>\$ 47,080,949</u>	<u>\$ 18,283,443</u>	<u>\$ (4,933,658)</u>	<u>\$ 60,430,734</u>	<u>\$ 5,457,760</u>
Business-type activities:					
Revenue bonds	\$ 115,560,000	\$ -	\$ (4,775,000)	\$ 110,785,000	\$ 5,050,000
Plus deferred amounts: Issuance discounts and premiums	<u>2,260,924</u>	<u>-</u>	<u>(141,253)</u>	<u>2,119,671</u>	<u>-</u>
Total bonds payable	117,820,924	-	(4,916,253)	112,904,671	5,050,000
Subscription liabilities	2,780,446	-	(304,714)	2,475,732	316,956
Compensated absences	<u>331,794</u>	<u>372,978</u>	<u>(362,299)</u>	<u>342,473</u>	<u>85,618</u>
Business-type activities long-term liabilities	<u>\$ 120,933,164</u>	<u>\$ 372,978</u>	<u>\$ (5,583,266)</u>	<u>\$ 115,722,876</u>	<u>\$ 5,452,574</u>

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

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. Generally, for governmental activities, compensated absences and net pension liabilities are liquidated by the General Fund.

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:

	Original Amount	Interest Rate	Outstanding Principal	Maturity Date
Governmental activities:				
MPC Excise Tax Revenue				
Bonds, Series 2015B	\$ 1,554,000	1.98 %	\$ 333,000	2026
Laughlin Ranch Improvement				
Bonds Series 2017	3,230,000	2.30-4.00	2,720,000	2042
Excise Tax Revenue Bonds:				
Series 2018	3,100,000	3.01	1,642,000	2028
Series 2021	4,600,000	1.97	4,075,000	2028
Series 2023	14,145,000	4.97	14,145,000	2028
Total governmental activities	<u>\$ 26,629,000</u>		<u>\$ 22,915,000</u>	
Business-type activities:				
Wastewater Revenue Bonds,				
Series 2013	\$ 15,845,000	3.25-5.00 %	\$ 4,070,000	2025
Excise Tax Revenue and				
Refunding Bonds:	6,945,000	3.00-4.00	3,735,000	2039
Series 2019				
Series 2021	89,255,000	0.40-2.70	84,365,000	2051
Series 2022	18,750,000	4.00-5.00	18,615,000	2052
Total business-type activities	<u>\$ 130,795,000</u>		<u>\$ 110,785,000</u>	

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

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Years ending June 30:				
2025	\$ 4,124,000	\$ 707,704	\$ 5,050,000	\$ 2,798,088
2026	3,782,000	756,541	5,175,000	2,688,830
2027	3,263,000	592,189	3,940,000	2,594,770
2028	3,423,000	446,983	2,930,000	2,530,783
2029	3,568,000	294,297	2,995,000	2,475,063
2030-2034	2,780,000	640,964	19,495,000	13,343,263
2035-2039	1,575,000	208,382	18,655,000	8,706,840
2040-2044	400,000	24,200	20,305,000	6,134,802
2045-2049	-	-	23,365,000	3,074,823
2050-2052	-	-	8,875,000	236,490
Total	<u>\$ 22,915,000</u>	<u>\$ 3,671,260</u>	<u>\$ 110,785,000</u>	<u>\$ 44,583,752</u>

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

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.

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

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:				
Water Infrastructure Finance Authority, 2006	\$ 28,422,230	2.34 %	\$ 598,460	2025
Finance Purchase, Empire Southwest, 2023	288,677	6.38 %	224,135	2028
Finance Purchase, Empire Southwest, 2024	<u>123,215</u>	5.99 %	<u>111,215</u>	2028
Total	<u>\$ 28,834,122</u>		<u>\$ 933,810</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:		
2024	\$ 644,813	\$ 70,550
2025	60,484	16,558
2026	62,898	14,143
2027	<u>165,615</u>	<u>7,927</u>
Total	<u>\$ 933,810</u>	<u>\$ 109,178</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, 2024

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	\$ 3,072,920
Less accumulated amortization	(442,069)	(597,188)
Total	<u>\$ 673,869</u>	<u>\$ 2,475,732</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:				
2025	\$ 268,637	\$ 14,619	\$ 316,956	\$ 85,680
2026	220,356	8,863	329,196	73,440
2027	134,620	4,177	341,436	61,200
2028	50,256	-	353,676	48,960
2029	-	-	365,916	36,720
2030-2031	-	-	768,552	36,720
Total	<u>\$ 673,869</u>	<u>\$ 27,659</u>	<u>\$ 2,475,732</u>	<u>\$ 342,720</u>

Compensated Absences and Claims and Judgments

Vacation and personal time accrue during each pay period at a rate determined by years of service. Both vacation and personal time can be taken as time off from work, within certain limitations, or may be payable to employees upon termination or retirement. Claims and judgments are generally paid from the fund that accounts for the activity that gave rise to the claim.

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.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2024

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 \$6,596,554 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, 2024, 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	\$ 442,403
Net pension liabilities	33,741,419
Deferred outflows of resources related to pensions and OPEB	6,877,381
Deferred inflows of resources related to pensions and OPEB	132,589
Pension and OPEB expense	4,128,859

The City reported \$3,987,867 of pension/OPEB contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

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.

City of Bullhead City, Arizona

Notes to Financial Statements
June 30, 2024

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, 2024.

	Total Payroll	Covered Payroll	Percent of Covered Payroll		Required Contributions	Actual Contributions
Employer	\$ 25,528,824	\$ 18,162,884	9.05	%	\$ 1,643,742	\$ 1,643,742
Employee	-	18,161,481	6.25		1,135,036	1,135,036

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, 2024, 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.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

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, 2024.

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:

PSPRS	Initial Membership Date	
	Before January 1, 2012	On or After January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 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	

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.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police
Inactive employees or beneficiaries currently receiving benefits	56
Inactive employees entitled to but not yet receiving benefits	20
Active employees	38
Total	114

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, 2024, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police
Active members, pension	7.65-11.65 %
City:	
Pension	67.82
Health insurance premium benefit	-

In addition, the City was required by statute to contribute at the actuarially determined rate of 67.82% 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.

For the agent plans, the City's contributions to the pension plan for the year ended June 30, 2024, were:

	PSPRS Police
Pension:	
Contributions made	\$ 3,867,301

During fiscal year 2024, the City paid 100% of the PSPRS pension contributions from the General Fund.

Pension Liability

At June 30, 2024, the City reported a PSPRS net pension liability of \$33,741,419.

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

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

Actuarial Assumptions

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

PSPRS:

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

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

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 %	3.98 %
International public entity	16	4.49
Global private equity	20	7.28
Other assets (capital appreciation)	7	4.49
Core bonds	6	1.90
Private credit	20	6.19
Diversifying strategies	5	3.68
Cash, Mellon	2	0.69
Total	100 %	

Discount Rates

At June 30, 2024, the discount rate used to measure the PSPRS total pension 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.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

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, 2023	\$ 63,354,338	\$ 30,950,093	\$ 32,404,245
Changes for the year:			
Service cost	744,034	-	744,034
Interest on the total pension liability	4,497,589	-	4,497,589
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	2,409,143	-	2,409,143
Changes of assumptions or other inputs	(3,263,725)	-	(3,263,725)
Contributions, employer	-	3,313,732	(3,313,732)
Contributions, employee	-	614,175	(614,175)
Net investment income	-	2,407,286	(2,407,286)
Benefit payments, including refunds of employee contributions	-	(3,263,725)	3,263,725
Administrative expense	-	(21,601)	21,601
Other changes	-	-	-
Net changes	4,387,041	3,049,867	1,337,174
Balances at June 30, 2024	\$ 67,741,379	\$ 33,999,960	\$ 33,741,419

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	\$ 42,689,173	\$ 33,741,419	\$ 26,426,320

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, 2024, the City recognized \$4,184,099 of PSPRS pension expense.

City of Bullhead City, Arizona

Notes to Financial Statements

June 30, 2024

Pension Deferred Outflows/Inflows of Resources

At June 30, 2024, 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	\$ 2,301,066	\$ 69,008
Changes of assumptions or other inputs	390,900	-
Net difference between projected and actual earnings on pension plan investments	272,252	-
City contributions subsequent to the measurement date	3,867,301	-
Total	\$ 6,831,519	\$ 69,008

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, 2025. 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:	
2025	\$ 1,227,951
2026	996,056
2027	702,352
2028	(31,149)
2029	-
Thereafter	-

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	\$ 17,217,379	\$ 17,466,037
Other capital and right-of-use, net of accumulated depreciation/amortization	50,867,941	177,167,613
Plus deferred amounts on refunding	-	118,705
Plus Capital borrowings related to unspent bond proceeds	14,278,576	-
Plus amortization of amounts spend from proceeds not related to capital	-	2,785,255
Less loans-payable outstanding	933,810	-
Less long-term debt outstanding	22,915,000	110,785,000
Less premiums on long-term debt	-	2,119,671
Less subscription liability outstanding	673,869	2,475,732
Total	\$ 57,841,217	\$ 82,157,207



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, 2024

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(Budgetary Basis)	Final Budget - Positive (Negative)
Budgetary Fund Balance, July 1, 2023	\$ 1,000,000	\$ 1,000,000	\$ 30,064,180	\$ 29,064,180
Resources (Inflows)				
City tax revenue	21,962,573	21,962,573	22,420,959	458,386
Intergovernmental revenue	21,736,850	21,736,850	22,077,524	340,674
Charges for services	1,917,550	3,967,550	2,871,414	(1,096,136)
Licenses and permits	1,192,970	1,192,970	1,453,973	261,003
Fines and forfeitures	631,700	631,700	683,426	51,726
Rents	90,850	90,850	61,949	(28,901)
Investment income	455,334	455,334	1,434,745	979,411
Other revenue	451,737	451,737	264,855	(186,882)
Total revenues	48,439,564	50,489,564	51,268,845	779,281
Other financing sources (uses):				
Subscription-based information technology arrangements	-	-	264,890	264,890
Finance purchase arrangements	(3,281,627)	(3,281,627)	-	(3,281,627)
Proceeds from sale of fixed assets	77,000	77,000	49,112	(27,888)
Transfers in	-	-	1,803,220	1,803,220
Transfers out	(4,833,817)	(4,833,817)	(4,681,634)	152,183
Total other financing sources (uses)	(1,475,190)	(1,475,190)	(2,564,412)	(1,089,222)
Amounts available for appropriations	47,964,374	50,014,374	78,768,613	28,754,239
Charges to Appropriations (Outflows)				
General government:				
Mayor and council	258,920	266,920	180,263	86,657
City manager	583,133	583,133	614,490	(31,357)
Information technology	2,390,758	2,390,758	2,032,442	358,316
Human resources	330,619	330,619	307,051	23,568
Public information	454,185	454,185	379,767	74,418
Municipal court	1,566,299	1,566,299	1,305,282	261,017
Finance	960,388	960,388	890,802	69,586
City clerk	287,355	279,355	300,589	(21,234)
City attorney	1,413,103	1,387,593	1,303,740	83,853
Planning	373,603	373,603	350,638	22,965
Building inspections	747,118	747,118	710,537	36,581
Code enforcement	592,606	632,606	579,484	53,122
Facilities management	1,147,859	1,277,859	1,161,858	116,001
Public works administration	685,129	774,204	711,140	63,064
Nondepartmental	1,088,490	1,123,490	838,327	285,163
Total general government	12,879,565	13,148,130	11,666,410	1,481,720

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, 2024

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(Budgetary Basis)	Final Budget - Positive (Negative)
Public safety:				
Police administration	\$ 2,531,168	\$ 2,531,168	\$ 2,404,556	\$ 126,612
Patrol	11,356,939	11,356,939	11,193,911	163,028
Criminal investigations	3,115,150	3,115,150	2,415,167	699,983
Support services	803,599	803,599	729,811	73,788
Emergency services	2,576,138	2,576,138	2,407,923	168,215
Total public safety	20,382,994	20,382,994	19,151,368	1,231,626
Culture and recreation:				
Recreation	1,014,490	1,012,969	1,112,409	(99,440)
Water activities	17,587	1,506,306	1,478,239	28,067
Suddenlink Community Center	171,563	171,563	141,758	29,805
Parks rangers	-	-	845	(845)
Parks maintenance	3,826,392	4,296,363	4,047,356	249,007
Total culture and recreation	5,030,032	6,987,201	6,780,607	206,594
Economic development:				
Economic development	272,983	272,983	190,305	82,678
Total economic development	272,983	272,983	190,305	82,678
Health and welfare:				
Animal control	573,844	573,844	435,710	138,134
Total health and welfare	573,844	573,844	435,710	138,134
Capital outlay	3,389,278	3,600,975	3,383,019	217,956
Debt service:				
Principal retirement	994,679	994,679	264,818	729,861
Interest and fiscal charges	710,934	710,934	47,684	663,250
Total debt service	1,705,613	1,705,613	312,502	1,393,111
Total expenditures	44,234,309	46,671,740	41,919,921	4,751,819
Budgetary Fund Balance, June 30, 2024	\$ 3,730,065	\$ 3,342,634	\$ 36,848,692	\$ 33,506,058

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, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 4,903,688	\$ 4,903,688	\$ 4,711,047	\$ (192,641)
Investment earnings	48,599	48,599	243,021	194,422
Other revenues	2,500	2,500	33,680	31,180
Total revenues	4,954,787	4,954,787	4,987,748	32,961
Expenditures				
Current:				
Health and welfare	1,800	1,800	1,650	150
Highways and streets	5,353,916	5,335,216	4,880,549	454,667
Debt service:				
Principal	297,227	297,227	54,110	243,117
Interest and fiscal charges	99,197	99,197	17,271	81,926
Capital outlay	548,057	566,757	309,465	257,292
Total expenditures	6,300,197	6,300,197	5,263,045	1,037,152
Excess (deficiency) of revenues over (under) expenditures	(1,345,410)	(1,345,410)	(275,297)	1,070,113
Other Financing Sources (Uses)				
Finance purchase agreement	491,812	491,812	123,215	(368,597)
Sale of capital assets	-	-	17,131	17,131
Transfers out	(70,000)	(70,000)	-	70,000
Total other financing sources (uses)	421,812	421,812	140,346	(281,466)
Net change in fund balances	(923,598)	(923,598)	(134,951)	788,647
Fund Balances, Beginning	992,124	992,124	1,264,984	272,860
Fund Balances, Ending	\$ 68,526	\$ 68,526	\$ 1,130,033	\$ 1,061,507

See notes to budgetary comparison schedule

City of Bullhead City, Arizona

Required Supplementary Information
Notes to Budgetary Schedules
Year Ended June 30, 2024

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, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total Pension Liability										
Service cost	\$ 744,034	\$ 757,132	\$ 805,309	\$ 782,838	\$ 939,357	\$ 851,358	\$ 1,075,681	\$ 894,106	\$ 879,004	\$ 890,055
Interest on the total pension liability	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	2,556,293
Changes on benefit terms	-	-	-	-	-	-	534,607	2,485,509	-	608,014
Differences between expected and actual experience in the measurement of the pension liability	2,409,143	1,389,941	(276,033)	1,849,684	(208,824)	569,370	(19,158)	(323,350)	(654,635)	(554,914)
Changes of assumptions or other inputs	-	781,799	-	-	1,279,072	-	1,641,764	1,626,214	-	3,458,975
Benefit payments, including refunds of employee contributions	(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)	(2,510,581)
Net change in total pension liability	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	4,447,842
Total Pension Liability - Beginning	63,354,338	59,819,554	58,014,835	54,182,942	51,030,659	48,483,769	44,050,403	38,562,732	37,822,347	33,374,505
Total Pension Liability - Ending (a)	\$ 67,741,379	\$ 63,354,338	\$ 59,819,554	\$ 58,014,835	\$ 54,182,942	\$ 51,030,659	\$ 48,483,769	\$ 44,050,403	\$ 38,562,732	\$ 37,822,347
Plan Fiduciary Net Position										
Contributions, employer	\$ 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	\$ 1,103,933
Contributions, employee	614,175	373,071	412,284	434,462	419,847	432,249	537,250	550,490	527,323	474,532
Hall/Parker settlement	-	-	-	-	-	(660,764)	-	-	-	-
Net investment income	2,407,286	(1,294,356)	7,127,770	317,400	1,258,980	1,501,552	2,375,192	118,139	734,235	2,495,831
Benefit payments, including refunds of employee contributions	(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)	(2,510,581)
Administrative expense	(21,601)	(23,350)	(33,445)	(25,885)	(22,884)	(23,553)	(21,416)	(17,400)	(18,296)	(20,101)
Other changes	-	-	-	-	-	(3,990)	(95,324)	1,966	(16,165)	40,640
Net change in plan fiduciary net position	3,049,867	(1,823,254)	7,285,359	743,122	1,455,846	1,142,069	2,152,532	(127,079)	73,778	1,584,254
Plan Fiduciary Net Position, Beginning	30,950,093	32,773,347	25,487,988	24,867,539	23,416,180	22,274,111	20,121,579	20,248,658	20,174,880	18,590,626
Adjustments to beginning of year	-	-	-	(122,673)	(4,487)	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	\$ 33,999,960	\$ 30,950,093	\$ 32,773,347	\$ 25,487,988	\$ 24,867,539	\$ 23,416,180	\$ 22,274,111	\$ 20,121,579	\$ 20,248,658	\$ 20,174,880
City's Net Pension Liability, Ending (a) - (b)	\$ 33,741,419	\$ 32,404,245	\$ 27,046,207	\$ 32,526,847	\$ 29,315,403	\$ 27,614,479	\$ 26,209,658	\$ 23,928,824	\$ 18,314,074	\$ 17,647,467

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, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Plan fiduciary net position as a percentage of the total pension liability	50.19 %	48.85 %	54.79 %	43.93 %	45.90 %	45.89 %	45.94 %	45.68 %	52.51 %	53.34 %
Covered payroll	\$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	\$4,626,035
City's net pension liability as a percentage of covered payroll	882.99 %	805.21 %	662.15 %	727.06 %	711.22 %	641.58 %	549.69 %	517.59 %	384.87 %	381.48 %

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, 2024

	Reporting Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 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	\$ 1,240,272
City's contributions in relation to the actuarially determined contribution	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	1,240,272
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 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	\$ 4,758,468
City's contributions as a percentage of covered payroll	67.82 %	86.72 %	69.66 %	58.44 %	61.05 %	58.39 %	0.5 %	29.84 %	30.10 %	26.06 %

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, 2024

1. Actuarially Determined Contribution Rates

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

Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period as of the 2022 actuarial valuation	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, 2024

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,504,242	\$ 768,512	\$ 1,488,404	\$ 3,761,158
Restricted cash	258,119	-	4,398,658	4,656,777
Receivables, net:				
Accounts	325,460	22,960	105,613	454,033
Taxes	3,149	-	-	3,149
Intergovernmental	692,824	-	-	692,824
Special assessments receivable	-	-	537	537
Due from other funds	-	-	-	-
Inventory and prepaids	2,125	-	-	2,125
Total assets	\$ 2,785,919	\$ 791,472	\$ 5,993,212	\$ 9,570,603
Liabilities				
Accounts payable	\$ 131,295	\$ 128,993	\$ -	\$ 260,288
Accrued payroll and related liabilities	45,056	2,869	-	47,925
Due to other funds	1,149,045	24,961	66,570	1,240,576
Other liabilities	117,728	-	-	117,728
Unearned revenue	-	1,186,668	-	1,186,668
Interest payable	-	-	469,138	469,138
Matured bonds payable	-	-	3,849,000	3,849,000
Total liabilities	1,443,124	1,343,491	4,384,708	7,171,323
Deferred Inflows of Resources				
Unavailable revenue, other	418,642	-	-	418,642
Unavailable revenue, special assessments	-	24,556	80,152	104,708
Total deferred inflows of resources	418,642	24,556	80,152	523,350
Fund Balances				
Nonspendable:				
Inventory and prepaids	2,125	-	-	2,125
Restricted:				
Community development	1,325,739	-	-	1,325,739
Public safety	116,044	-	-	116,044
Debt service	-	-	1,514,943	1,514,943
Grants	296,998	-	-	296,998
Other purposes	27,665	-	-	27,665
Unassigned	(844,418)	(576,575)	13,409	(1,407,584)
Total fund balances	924,153	(576,575)	1,528,352	1,875,930
Total liabilities, deferred inflows of resources and fund balances	\$ 2,785,919	\$ 791,472	\$ 5,993,212	\$ 9,570,603

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, 2024

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental	\$ 6,821,203	\$ 1,120,478	\$ -	\$ 7,941,681
Charges for services	621,298	-	-	621,298
Special assessments	17,848	70,904	1,761,033	1,849,785
Licenses and permits	170	-	-	170
Fines and forfeitures	53,026	-	-	53,026
Investment earnings	259,824	4,952	118,919	383,695
Other revenues	183,559	-	-	183,559
Total revenues	7,956,928	1,196,334	1,879,952	11,033,214
Expenditures				
Current:				
General government	2,317,516	-	-	2,317,516
Public safety	211,336	-	-	211,336
Culture and recreation	277,807	-	-	277,807
Redevelopment and housing	389,630	-	-	389,630
Highways and streets	-	353,330	-	353,330
Health and welfare	464,013	-	-	464,013
Capital outlay	503,877	791,749	-	1,295,626
Debt service:				
Principal	-	-	3,954,000	3,954,000
Interest and fiscal charges	-	-	650,508	650,508
Total expenditures	4,164,179	1,145,079	4,604,508	9,913,766
Excess (deficiency) of revenues over (under) expenditures	3,792,749	51,255	(2,724,556)	1,119,448
Other Financing Sources (Uses)				
Sale of capital assets	183,700	-	-	183,700
Transfers in	179,835	-	4,330,205	4,510,040
Transfers out	(5,392,503)	-	-	(5,392,503)
Total other financing (uses) sources	(5,028,968)	-	4,330,205	(698,763)
Net change in fund balances	(1,236,219)	51,255	1,605,649	420,685
Fund Balances, Beginning	2,160,372	(627,830)	(77,297)	1,455,245
Fund Balances, Ending	\$ 924,153	\$ (576,575)	\$ 1,528,352	\$ 1,875,930

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.
- **Special Events** - This fund is used to account for the activities related to the City's special events.

Financial Section
Supplementary Information
Nonmajor Governmental Funds
Combining Financial Statements

- **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.
- **ARPA Fund** - This fund is used to account for the revenues and expenditures related to the funding received as part of the Coronavirus State and Local Fiscal Recovery Funds (ARPA).

City of Bullhead City, Arizona

 Combining Balance Sheet - Special Revenue Funds
 June 30, 2024

	RICO	Housing	Arts Commission	Special Assessments Administration	JCEF	Water Impost	Transit	REO	Court Enhancement	Fill the Gap	CDBG/HTF
Assets											
Cash and cash equivalents	\$ -	\$ 27	\$ 3,975	\$ 44,735	\$ -	\$ 1,068,702	\$ -	\$ 126,504	\$ -	\$ 25,067	\$ -
Restricted cash	84,258	-	-	-	40,947	-	-	-	109,122	17,995	-
Receivables, net:											
Accounts	-	-	-	-	-	163,437	5,688	-	-	1,382	-
Taxes	-	-	-	3,149	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	597,346	-	-	-	46,787
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 84,258</u>	<u>\$ 27</u>	<u>\$ 3,975</u>	<u>\$ 47,884</u>	<u>\$ 40,947</u>	<u>\$ 1,232,139</u>	<u>\$ 603,034</u>	<u>\$ 126,504</u>	<u>\$ 109,122</u>	<u>\$ 44,444</u>	<u>\$ 46,787</u>
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,895	\$ 13,651	\$ 39	\$ -	\$ -	\$ 42,277
Accrued payroll and related liabilities	-	-	-	-	-	6,428	26,236	-	-	-	258
Due to other funds	25,575	-	-	-	7,133	-	800,664	-	85,588	-	53,089
Other liabilities	-	-	288	9,269	-	-	5	40	-	-	107,846
Total liabilities	<u>25,575</u>	<u>-</u>	<u>288</u>	<u>9,269</u>	<u>7,133</u>	<u>52,323</u>	<u>840,556</u>	<u>79</u>	<u>85,588</u>	<u>-</u>	<u>203,470</u>
Deferred Inflows of Resources											
Unavailable revenue, other	-	-	-	-	-	22,831	380,251	-	-	-	-
Fund Balances											
Nonspendable:											
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-	-
Restricted:											
Community development	-	27	3,687	38,615	-	1,156,985	-	126,425	-	-	-
Public safety	58,683	-	-	-	33,814	-	-	-	23,534	-	-
Grants	-	-	-	-	-	-	-	-	-	44,444	-
Other purposes	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(617,773)	-	-	-	(156,683)
Total fund balances	<u>58,683</u>	<u>27</u>	<u>3,687</u>	<u>38,615</u>	<u>33,814</u>	<u>1,156,985</u>	<u>(617,773)</u>	<u>126,425</u>	<u>23,534</u>	<u>44,444</u>	<u>(156,683)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 84,258</u>	<u>\$ 27</u>	<u>\$ 3,975</u>	<u>\$ 47,884</u>	<u>\$ 40,947</u>	<u>\$ 1,232,139</u>	<u>\$ 603,034</u>	<u>\$ 126,504</u>	<u>\$ 109,122</u>	<u>\$ 44,444</u>	<u>\$ 46,787</u>

City of Bullhead City, Arizona

 Combining Balance Sheet - Special Revenue Funds
 June 30, 2024

	Special Events	Veterans Memorial Park	FARE	Pest Abatement	Court Security Improvement	Court Improvement	Victim Services Grants	Police Grants	General Grants	Senior Nutrition Center	ARPA	Total
Assets												
Cash and cash equivalents	\$ -	\$ 1,392	\$ 4,568	\$ 3,882	\$ 13	\$ -	\$ -	\$ -	\$ 28,281	\$ 197,096	\$ -	\$ 1,504,242
Restricted cash	-	-	5,797	-	-	-	-	-	-	-	-	258,119
Receivables, net												
Accounts	103,928	-	-	-	-	-	-	-	-	51,025	-	325,460
Taxes	-	-	-	-	-	-	-	-	-	-	-	3,149
Intergovernmental	-	-	-	-	-	-	23,183	25,508	-	-	-	692,824
Inventory and prepaids	-	-	-	-	-	-	-	-	-	2,125	-	2,125
Total assets	<u>\$ 103,928</u>	<u>\$ 1,392</u>	<u>\$ 10,365</u>	<u>\$ 3,882</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 23,183</u>	<u>\$ 25,508</u>	<u>\$ 28,281</u>	<u>\$ 250,246</u>	<u>\$ -</u>	<u>\$ 2,785,919</u>
Liabilities												
Accounts payable	\$ 10,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,700	\$ -	\$ 131,295
Accrued payroll and related liabilities	634	-	-	1,881	-	-	4,471	-	-	5,148	-	45,056
Due to other funds	62,814	-	-	-	-	942	18,712	94,528	-	-	-	1,149,045
Other liabilities	280	-	-	-	-	-	-	-	-	-	-	117,728
Total liabilities	<u>74,461</u>	<u>-</u>	<u>-</u>	<u>1,881</u>	<u>-</u>	<u>942</u>	<u>23,183</u>	<u>94,528</u>	<u>-</u>	<u>23,848</u>	<u>-</u>	<u>1,443,124</u>
Deferred Inflows of Resources												
Unavailable revenue, other	<u>15,560</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>418,642</u>
Fund Balances												
Nonspendable:												
Inventory and prepaids	-	-	-	-	-	-	-	-	-	2,125	-	2,125
Restricted:												
Community development	-	-	-	-	-	-	-	-	-	-	-	1,325,739
Public safety	-	-	-	-	13	-	-	-	-	-	-	116,044
Grants	-	-	-	-	-	-	-	-	28,281	224,273	-	296,998
Other purposes	13,907	1,392	10,365	2,001	-	-	-	-	-	-	-	27,665
Unassigned	-	-	-	-	-	(942)	-	(69,020)	-	-	-	(844,418)
Total fund balances	<u>13,907</u>	<u>1,392</u>	<u>10,365</u>	<u>2,001</u>	<u>13</u>	<u>(942)</u>	<u>-</u>	<u>(69,020)</u>	<u>28,281</u>	<u>226,398</u>	<u>-</u>	<u>924,153</u>
Total liabilities, deferred inflows of resources of resources and fund balances	<u>\$ 103,928</u>	<u>\$ 1,392</u>	<u>\$ 10,365</u>	<u>\$ 3,882</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 23,183</u>	<u>\$ 25,508</u>	<u>\$ 28,281</u>	<u>\$ 250,246</u>	<u>\$ -</u>	<u>\$ 2,785,919</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds
Year Ended June 30, 2024

	RICO	Housing	Arts Commission	Special Assessments Administration	JCEF	Water Impost	Transit	REO	Court Enhancement	Fill the Gap	CDBG/HTF
Revenues											
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 657,933	\$ -	\$ -	\$ -	\$ 314,084
Charges for services	-	-	-	-	-	426,787	135,538	-	-	-	-
Special assessments	-	-	-	17,848	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	15,188	-	-	-	9,274	-	-	-	24,764	3,800	-
Investment earnings	5,128	1	151	1,501	1,406	42,847	-	1,617	3,739	1,568	1,460
Other revenues	-	-	-	27	-	-	39,439	-	-	-	24,600
Total revenues	20,316	1	151	19,376	10,680	469,634	832,910	1,617	28,503	5,368	340,144
Expenditures											
Current:											
General government	-	-	-	7,684	970	498,292	1,535,286	56,341	32,251	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Redevelopment and housing	-	-	-	-	-	-	-	-	-	-	389,630
Health and welfare	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	88,230	-	-	-	-
Total expenditures	-	-	-	7,684	970	498,292	1,623,516	56,341	32,251	-	389,630
Excess (deficiency) of revenues over (under) expenditures	20,316	1	151	11,692	9,710	(28,658)	(790,606)	(54,724)	(3,748)	5,368	(49,486)
Other Financing Sources (Uses)											
Sale of capital assets	-	-	-	-	-	-	-	183,700	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing (uses) sources	-	-	-	-	-	-	-	183,700	-	-	-
Net change in fund balances	20,316	1	151	11,692	9,710	(28,658)	(790,606)	128,976	(3,748)	5,368	(49,486)
Fund Balances, Beginning	38,367	26	3,536	26,923	24,104	1,185,643	172,833	(2,551)	27,282	39,076	(107,197)
Fund Balances, Ending	\$ 58,683	\$ 27	\$ 3,687	\$ 38,615	\$ 33,814	\$ 1,156,985	\$ (617,773)	\$ 126,425	\$ 23,534	\$ 44,444	\$ (156,683)

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds
Year Ended June 30, 2024

	Special Events	Veterans Memorial Park	FARE	Pest Abatement	Court Security Improvement	Court Improvement	Victim Services Grants	Police Grants	General Grants	Senior Nutrition Center	ARPA	Total
Revenues												
Intergovernmental	\$ 147,687	\$ -	\$ -	\$ 160,000	\$ -	\$ -	\$ 157,437	\$ 425,481	\$ -	\$ 296,901	\$ 4,661,680	\$ 6,821,203
Charges for services	58,973	-	-	-	-	-	-	-	-	-	-	621,298
Special assessments	-	-	-	-	-	-	-	-	-	-	-	17,848
Licenses and permits	170	-	-	-	-	-	-	-	-	-	-	170
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	53,026
Investment earnings	-	53	394	1,137	-	-	-	-	1,077	6,834	190,911	259,824
Other revenues	36,925	-	-	-	-	-	-	-	-	82,568	-	183,559
Total revenues	243,755	53	394	161,137	-	-	157,437	425,481	1,077	386,303	4,852,591	7,956,928
Expenditures												
Current:												
General government	-	-	-	185,515	-	-	1,177	-	-	-	-	2,317,516
Public safety	-	-	-	-	-	-	156,260	55,076	-	-	-	211,336
Culture and recreation	277,807	-	-	-	-	-	-	-	-	-	-	277,807
Redevelopment and housing	-	-	-	-	-	-	-	-	-	-	-	389,630
Health and welfare	-	-	-	-	-	-	-	-	-	464,013	-	464,013
Capital outlay	-	-	-	-	-	-	-	382,815	-	32,832	-	503,877
Total expenditures	277,807	-	-	185,515	-	-	157,437	437,891	-	496,845	-	4,164,179
Excess (deficiency) of revenues over (under) expenditures	(34,052)	53	394	(24,378)	-	-	-	(12,410)	1,077	(110,542)	4,852,591	3,792,749
Other Financing Sources (Uses)												
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	183,700
Transfers in	74,299	-	-	25,536	-	-	-	-	-	80,000	-	179,835
Transfers out	-	-	-	-	-	-	-	-	-	-	(5,392,503)	(5,392,503)
Total other financing (uses) sources	74,299	-	-	25,536	-	-	-	-	-	80,000	(5,392,503)	(5,028,968)
Net change in fund balances	40,247	53	394	1,158	-	-	-	(12,410)	1,077	(30,542)	(539,912)	(1,236,219)
Fund Balances, Beginning	(26,340)	1,339	9,971	843	13	(942)	-	(56,610)	27,204	256,940	539,912	2,160,372
Fund Balances, Ending	\$ 13,907	\$ 1,392	\$ 10,365	\$ 2,001	\$ 13	\$ (942)	\$ -	\$ (69,020)	\$ 28,281	\$ 226,398	\$ -	\$ 924,153

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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, 2024

	Street Lighting Improvement Districts	Flood Control Fund	Total
Assets			
Cash and cash equivalents	\$ -	\$ 768,512	\$ 768,512
Accounts receivable	22,960	-	22,960
Total assets	<u>\$ 22,960</u>	<u>\$ 768,512</u>	<u>\$ 791,472</u>
Liabilities			
Accounts payable	\$ 9,095	\$ 119,898	\$ 128,993
Accrued payroll and related liabilities	-	2,869	2,869
Due to other funds	24,961	-	24,961
Unearned revenue	-	1,186,668	1,186,668
Total liabilities	<u>34,056</u>	<u>1,309,435</u>	<u>1,343,491</u>
Deferred Inflows of Resources			
Unavailable revenue, special assessments	<u>24,556</u>	<u>-</u>	<u>24,556</u>
Fund Balances			
Unassigned	<u>(35,652)</u>	<u>(540,923)</u>	<u>(576,575)</u>
Total fund balances	<u>(35,652)</u>	<u>(540,923)</u>	<u>(576,575)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 22,960</u>	<u>\$ 768,512</u>	<u>\$ 791,472</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Funds
Year Ended June 30, 2024

	Street Lighting Improvement Districts	Flood Control Fund	Total
Revenues			
Intergovernmental	\$ -	\$ 1,120,478	\$ 1,120,478
Special assessments	70,904	-	70,904
Investment earnings	384	4,568	4,952
Total revenues	71,288	1,125,046	1,196,334
Expenditures			
Current:			
Highways and streets	80,441	272,889	353,330
Capital outlay	-	791,749	791,749
Total expenditures	80,441	1,064,638	1,145,079
Net change in fund balances	(9,153)	60,408	51,255
Fund Balances, Beginning	(26,499)	(601,331)	(627,830)
Fund Balances, Ending	<u>\$ (35,652)</u>	<u>\$ (540,923)</u>	<u>\$ (576,575)</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, 2024

	Debt Service	East Branch Sewer Improvement District	Excise Tax Bond	Total
Assets				
Cash and cash equivalents	\$ 1,488,404	\$ -	\$ -	\$ 1,488,404
Restricted cash	707,535	-	3,691,123	4,398,658
Accounts receivable	105,613	-	-	105,613
Special assessments receivable	-	537	-	537
Total assets	<u>\$ 2,301,552</u>	<u>\$ 537</u>	<u>\$ 3,691,123</u>	<u>\$ 5,993,212</u>
Liabilities				
Due to other funds	\$ -	\$ 359	\$ 66,211	\$ 66,570
Interest payable	117,635	-	351,503	469,138
Matured bonds payable	589,000	-	3,260,000	3,849,000
Total liabilities	<u>706,635</u>	<u>359</u>	<u>3,677,714</u>	<u>4,384,708</u>
Deferred Inflows of Resources				
Unavailable revenue, special assessments	80,152	-	-	80,152
Fund Balances				
Restricted, debt service	1,514,765	178	-	1,514,943
Unassigned	-	-	13,409	13,409
Total fund balances	<u>1,514,765</u>	<u>178</u>	<u>13,409</u>	<u>1,528,352</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,301,552</u>	<u>\$ 537</u>	<u>\$ 3,691,123</u>	<u>\$ 5,993,212</u>

City of Bullhead City, Arizona

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Debt Service Funds
Year Ended June 30, 2024

	Debt Service	East Branch Sewer Improvement District	Excise Tax Bond	Total
Revenues				
Special assessments	\$ 1,761,033	\$ -	\$ -	\$ 1,761,033
Investment earnings	39,299	-	79,620	118,919
Total revenues	1,800,332	-	79,620	1,879,952
Expenditures				
Debt service:				
Principal	694,000	-	3,260,000	3,954,000
Interest and fiscal charges	232,795	-	417,713	650,508
Total expenditures	926,795	-	3,677,713	4,604,508
Excess (deficiency) of revenues over (under) expenditures	873,537	-	(3,598,093)	(2,724,556)
Other Financing Sources (Uses)				
Transfers in	718,703	-	3,611,502	4,330,205
Total other financing sources (uses)	718,703	-	3,611,502	4,330,205
Net change in fund balances	1,592,240	-	13,409	1,605,649
Fund Balances, Beginning	(77,475)	178	-	(77,297)
Fund Balances, Ending	<u>\$ 1,514,765</u>	<u>\$ 178</u>	<u>\$ 13,409</u>	<u>\$ 1,528,352</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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 34,438,688	\$ 34,438,688	\$ 9,418,395	\$ (25,020,293)
Investment earnings	1,432	1,432	138,855	137,423
Other revenues	13,203,333	13,203,333	33,683	(13,169,650)
Total revenues	47,643,453	47,643,453	9,590,933	(38,052,520)
Expenditures				
Current:				
General government	-	2,400	5,546	(3,146)
Culture and recreation	-	-	12,704	(12,704)
Capital outlay	53,655,054	54,138,839	9,662,805	44,476,034
Total expenditures	53,655,054	54,141,239	9,681,055	44,460,184
Excess (deficiency) of revenues over (under) expenditures	(6,011,601)	(6,497,786)	(90,122)	6,407,664
Other Financing Sources (Uses)				
Debt issuance	-	-	14,145,000	14,145,000
Transfers in	6,022,581	6,022,581	2,789,254	(3,233,327)
Transfers out	-	-	(4,498,079)	(4,498,079)
Total other financing sources (uses)	6,022,581	6,022,581	12,436,175	6,413,594
Net change in fund balances	10,980	(475,205)	12,346,053	12,821,258
Fund Balances, Beginning	-	-	76,542	76,542
Fund Balances, Ending	\$ 10,980	\$ (475,205)	\$ 12,422,595	\$ 12,897,800

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 1,666,966	\$ 1,666,966	\$ 881,864	\$ (785,102)
Investment earnings	14,177	14,177	19,051	4,874
Total revenues	1,681,143	1,681,143	900,915	(780,228)
Expenditures				
Current:				
General government	13,205	13,205	6,604	6,601
Debt service:				
Principal	1,602,264	1,602,264	1,602,264	-
Interest and fiscal charges	51,497	51,497	25,748	25,749
Total expenditures	1,666,966	1,666,966	1,634,616	32,350
Net change in fund balances	14,177	14,177	(733,701)	(747,878)
Fund Balances, Beginning	-	-	218,129	218,129
Fund Balances, Ending	\$ 14,177	\$ 14,177	\$ (515,572)	\$ (529,749)

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ 386	\$ 386	\$ 5,463	\$ 5,077
Total revenues	386	386	5,463	5,077
Expenditures				
Current:				
Debt service:				
Principal	165,000	165,000	165,000	-
Interest and fiscal charges	6,594	6,594	6,594	-
Total expenditures	171,594	171,594	171,594	-
Excess (deficiency) of revenues over (under) expenditures	(171,208)	(171,208)	(166,131)	5,077
Other Financing Sources (Uses)				
Transfers in	171,594	171,594	171,594	-
Total other financing sources (uses)	171,594	171,594	171,594	-
Net change in fund balances	386	386	5,463	5,077
Fund Balances, Beginning	-	-	54,476	54,476
Fund Balances, Ending	\$ 386	\$ 386	\$ 59,939	\$ 59,553



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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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 1,000	\$ 1,000	\$ 15,188	\$ 14,188
Investment earnings	100	100	5,128	5,028
Total revenues	1,100	1,100	20,316	19,216
Expenditures				
Current:				
General government	7,370	7,370	-	7,370
Public safety	22,500	22,500	-	22,500
Total expenditures	29,870	29,870	-	29,870
Net change in fund balances	(28,770)	(28,770)	20,316	49,086
Fund Balances, Beginning	29,770	29,770	38,367	8,597
Fund Balances, Ending	\$ 1,000	\$ 1,000	\$ 58,683	\$ 57,683

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

Housing Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 1	\$ 1
Other revenues	-	-	-	-
Total revenues	-	-	1	1
Expenditures				
Redevelopment and housing	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	1	1
Fund Balances, Beginning	-	-	26	26
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27</u>	<u>\$ 27</u>

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

Arts Commission Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 151	\$ 151
Total revenues	-	-	151	151
Expenditures				
Current:				
Culture and recreation	3,408	3,408	-	3,408
Net change in fund balances	(3,408)	(3,408)	151	3,559
Fund Balances, Beginning	3,408	3,408	3,536	128
Fund Balances, Ending	\$ -	\$ -	\$ 3,687	\$ 3,687

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 24,000	\$ 24,000	\$ 17,848	\$ (6,152)
Investment earnings	616	616	1,501	885
Other revenues	-	-	27	27
Total revenues	24,616	24,616	19,376	(5,240)
Expenditures				
Current:				
General government	20,775	20,775	7,684	13,091
Net change in fund balances	3,841	3,841	11,692	7,851
Fund Balances, Beginning	23,552	23,552	26,923	3,371
Fund Balances, Ending	\$ 27,393	\$ 27,393	\$ 38,615	\$ 11,222

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 8,000	\$ 8,000	\$ 9,274	\$ 1,274
Investment earnings	980	980	1,406	426
Total revenues	8,980	8,980	10,680	1,700
Expenditures				
Current:				
General government	63,265	63,265	970	62,295
Net change in fund balances	(54,285)	(54,285)	9,710	63,995
Fund Balances, Beginning	54,285	54,285	24,104	(30,181)
Fund Balances, Ending	\$ -	\$ -	\$ 33,814	\$ 33,814

City of Bullhead City, Arizona

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

Water Impost Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Charges for services	\$ 450,000	\$ 450,000	\$ 426,787	\$ (23,213)
Investment earnings	16,665	16,665	42,847	26,182
Total revenues	466,665	466,665	469,634	2,969
Expenditures				
Current:				
General government	1,026,328	1,026,328	498,292	528,036
Net change in fund balances	(559,663)	(559,663)	(28,658)	531,005
Fund Balances, Beginning	1,309,951	1,309,951	1,185,643	(124,308)
Fund Balances, Ending	<u>\$ 750,288</u>	<u>\$ 750,288</u>	<u>\$ 1,156,985</u>	<u>\$ 406,697</u>

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

Transit Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,357,064	\$ 1,357,064	\$ 657,933	\$ (699,131)
Charges for services	148,000	148,000	135,538	(12,462)
Investment earnings	500	500	-	(500)
Other revenues	4,200	4,200	39,439	35,239
Total revenues	1,509,764	1,509,764	832,910	(676,854)
Expenditures				
Current:				
General government	1,737,782	1,737,782	1,535,286	202,496
Capital outlay	339,800	339,800	88,230	251,570
Total expenditures	2,077,582	2,077,582	1,623,516	454,066
Excess (deficiency) of revenues over (under) expenditures	(567,818)	(567,818)	(790,606)	(222,788)
Other Financing Sources (Uses)				
Sale of capital assets	3,500	3,500	-	(3,500)
Transfers in	400,782	400,782	-	(400,782)
Total other financing sources (uses)	404,282	404,282	-	(404,282)
Net change in fund balances	(163,536)	(163,536)	(790,606)	(627,070)
Fund Balances, Beginning	557,832	557,832	172,833	(384,999)
Fund Balances, Ending	\$ 394,296	\$ 394,296	\$ (617,773)	\$ (1,012,069)

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 1,617	\$ 1,617
Total revenues	-	-	1,617	1,617
Expenditures				
Current:				
General government	15,720	65,497	56,340	9,157
Other Financing Sources (Uses)				
Sale of capital assets	15,720	15,720	183,700	167,980
Transfers in	-	-	-	-
Total other financing sources (uses)	15,720	15,720	183,700	167,980
Net change in fund balances	-	(49,777)	128,977	178,754
Fund Balances, Beginning	-	-	(2,551)	(2,551)
Fund Balances, Ending	\$ -	\$ (49,777)	\$ 126,426	\$ 176,203

City of Bullhead City, Arizona

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

Court Enhancement Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 24,500	\$ 24,500	\$ 24,764	\$ 264
Investment earnings	839	839	3,739	2,900
Total revenues	25,339	25,339	28,503	3,164
Expenditures				
Current:				
General government	45,066	45,066	32,251	12,815
Net change in fund balances	(19,727)	(19,727)	(3,748)	15,979
Fund Balances, Beginning	(24,536)	(24,536)	27,282	2,746
Fund Balances, Ending	<u>\$ 4,809</u>	<u>\$ 4,809</u>	<u>\$ 23,534</u>	<u>\$ 18,725</u>

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 4,500	\$ 4,500	\$ 3,800	\$ (700)
Investment earnings	452	452	1,568	1,116
Total revenues	4,952	4,952	5,368	416
Expenditures				
Current:				
General government	42,130	42,130	-	42,130
Net change in fund balances	(37,178)	(37,178)	5,368	42,546
Fund Balances, Beginning	37,630	37,630	39,076	1,446
Fund Balances, Ending	<u>\$ 452</u>	<u>\$ 452</u>	<u>\$ 44,444</u>	<u>\$ 43,992</u>

City of Bullhead City, Arizona

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

CBDG/HTF Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 877,100	\$ 877,100	\$ 314,084	\$ (563,016)
Investment earnings	-	-	1,460	1,460
Other revenues	-	-	24,600	24,600
Total revenues	877,100	877,100	340,144	(536,956)
Expenditures				
Current:				
Redevelopment and housing	877,100	877,100	389,630	487,470
Net change in fund balances	-	-	(49,486)	(49,486)
Fund Balances, Beginning	-	-	(107,197)	(107,197)
Fund Balances, Ending	\$ -	\$ -	\$ (156,683)	\$ (156,683)

City of Bullhead City, Arizona

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

Special Events Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 147,687	\$ 147,687
Charges for services	136,110	136,110	58,973	(77,137)
Licenses and permits	200	200	170	(30)
Investment earnings	250	250	-	(250)
Other revenues	83,750	83,750	36,925	(46,825)
Total revenues	220,310	220,310	243,755	23,445
Expenditures				
Current:				
Culture and recreation	468,183	468,183	277,807	190,376
Excess (deficiency) of revenues over (under) expenditures	(247,873)	(247,873)	(34,052)	213,821
Other Financing Sources (Uses)				
Transfers in	247,738	247,738	74,299	(173,439)
Net change in fund balances	(135)	(135)	40,247	40,382
Fund Balances, Beginning	135	135	(26,340)	(26,475)
Fund Balances, Ending	\$ -	\$ -	\$ 13,907	\$ 13,907

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 53	\$ 53
Other revenues	30,000	30,000	-	(30,000)
Total revenues	30,000	30,000	53	(29,947)
Expenditures				
Capital outlay	32,624	32,624	-	32,624
Net change in fund balances	(2,624)	(2,624)	53	2,677
Fund Balances, Beginning	1,312	1,312	1,339	27
Fund Balances, Ending	<u>\$ (1,312)</u>	<u>\$ (1,312)</u>	<u>\$ 1,392</u>	<u>\$ 2,704</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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ -	\$ (1,500)
Investment earnings	136	136	394	258
Total revenues	1,636	1,636	394	(1,242)
Expenditures				
Current:				
General government	11,146	11,146	-	11,146
Net change in fund balances	(9,510)	(9,510)	394	9,904
Fund Balances, Beginning	9,510	9,510	9,971	461
Fund Balances, Ending	\$ -	\$ -	\$ 10,365	\$ 10,365

City of Bullhead City, Arizona

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

Pest Abatement Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 204,751	\$ 204,751	\$ 160,000	\$ (44,751)
Investment earnings	575	575	1,137	562
Total revenues	205,326	205,326	161,137	(44,189)
Expenditures				
Current:				
General government	204,751	204,751	185,515	19,236
Total expenditures	204,751	204,751	185,515	19,236
Excess (deficiency) of revenues over (under) expenditures	575	575	(24,378)	(24,953)
Other Financing Sources (uses)				
Transfers in	-	-	25,536	25,536
Total other financing sources (uses)	-	-	25,536	25,536
Net change in fund balances	575	575	1,158	583
Fund Balances, Beginning	-	-	843	843
Fund Balances, Ending	<u>\$ 575</u>	<u>\$ 575</u>	<u>\$ 2,001</u>	<u>\$ 1,426</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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 141,452	\$ 141,452	\$ -	\$ (141,452)
Expenditures				
Current:				
General government	141,452	141,452	-	141,452
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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 148,978	\$ 148,978	\$ 157,437	\$ 8,459
Total revenues	148,978	148,978	157,437	8,459
Expenditures				
Current:				
General government	-	1,177	1,177	-
Public safety	148,978	173,311	156,260	17,051
Total expenditures	148,978	174,488	157,437	17,051
Excess (deficiency) of revenues over (under) expenditures	-	(25,510)	-	25,510
Net change in fund balances	-	(25,510)	-	25,510
Fund Balances, Beginning	-	-	-	-
Fund Balances, Ending	\$ -	\$ (25,510)	\$ -	\$ 25,510

City of Bullhead City, Arizona

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

Police Grant Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 123,006	\$ 123,006	\$ 425,481	\$ 302,475
Other revenues	50,000	50,000	-	(50,000)
Total revenues	173,006	173,006	425,481	252,475
Expenditures				
Current:				
Public safety	173,006	173,006	55,076	117,930
Capital outlay	-	362,085	382,815	(20,730)
Total expenditures	173,006	535,091	437,891	97,200
Net change in fund balances	-	(362,085)	(12,410)	349,675
Fund Balances, Beginning	-	-	(56,610)	(56,610)
Fund Balances, Ending	\$ -	\$ (362,085)	\$ (69,020)	\$ 293,065

City of Bullhead City, Arizona

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

General Grant Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 9,402,419	\$ 9,402,419	\$ -	\$ (9,402,419)
Investment earnings	-	-	1,077	1,077
Other revenues	5,000	5,000	-	(5,000)
Total revenues	9,407,419	9,407,419	1,077	(9,406,342)
Expenditures				
Current:				
General government	9,407,419	9,045,334	-	9,045,334
Net change in fund balances	-	362,085	1,077	(361,008)
Fund Balances, Beginning	-	-	27,204	27,204
Fund Balances, Ending	\$ -	\$ 362,085	\$ 28,281	\$ (333,804)

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 210,030	\$ 210,030	\$ 296,901	\$ 86,871
Investment earnings	-	-	6,834	6,834
Other revenues	50,000	50,000	82,568	32,568
Total revenues	260,030	260,030	386,303	126,273
Expenditures				
Health and welfare	493,019	493,019	464,013	-
Capital outlay	40,000	40,000	32,832	7,168
Total expenditures	533,019	533,019	496,845	7,168
Excess (deficiency) of revenues over (under) expenditures	(272,989)	(272,989)	(110,542)	162,447
Other Financing Sources (Uses)				
Transfers in	80,000	80,000	80,000	-
Net change in fund balances	(192,989)	(192,989)	(30,542)	162,447
Fund Balances, Beginning	205,027	205,027	256,940	51,913
Fund Balances, Ending	\$ 12,038	\$ 12,038	\$ 226,398	\$ 214,360

City of Bullhead City, Arizona

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

ARPA Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 5,765,319	\$ 5,765,319	\$ 4,661,680	\$ (1,103,639)
Investment earnings	-	-	190,911	190,911
Total revenues	5,765,319	5,765,319	4,852,591	(912,728)
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	5,765,319	5,765,319	4,852,591	912,728
Other Financing Sources (Uses)				
Transfers out	(5,765,319)	(5,765,319)	(5,392,503)	372,816
Total other financing sources (uses)	(5,765,319)	(5,765,319)	(5,392,503)	372,816
Net change in fund balances	-	-	(539,912)	(539,912)
Fund Balances, Beginning	-	-	539,912	539,912
Fund Balances, Ending	\$ -	\$ -	\$ -	\$ -

Financial Section
Supplementary Information
Budgetary Comparison Schedules
Nonmajor Capital Project Funds



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

Street Lighting Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 72,653	\$ 72,653	\$ 70,904	\$ (1,749)
Investment earnings	-	-	384	384
Total revenues	72,653	72,653	71,288	(1,365)
Expenditures				
Current:				
Highways and streets	70,369	70,369	80,441	(10,072)
Net change in fund balances	2,284	2,284	(9,153)	(11,437)
Fund Balances, Beginning	-	-	(26,499)	(26,499)
Fund Balances, Ending	<u>\$ 2,284</u>	<u>\$ 2,284</u>	<u>\$ (35,652)</u>	<u>\$ (37,936)</u>

City of Bullhead City, Arizona

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

Flood Control Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 1,120,478	\$ 1,120,478	\$ 1,120,478	\$ -
Investment earnings	13,291	13,291	4,568	(8,723)
Total revenues	1,133,769	1,133,769	1,125,046	(8,723)
Expenditures				
Current:				
General government	194,971	194,971	-	194,971
Highways and streets	476,971	426,971	272,889	154,082
Capital outlay	822,681	872,681	791,749	80,932
Total expenditures	1,494,623	1,494,623	1,064,638	429,985
Net change in fund balances	(360,854)	(360,854)	60,408	421,262
Fund Balances, Beginning	373,145	373,145	(601,331)	(974,476)
Fund Balances, Ending	\$ 12,291	\$ 12,291	\$ (540,923)	\$ (553,214)

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Budgetary Comparison Schedules
Nonmajor Debt Service Funds



City of Bullhead City, Arizona

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

Debt Service Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Special assessments	\$ 213,456	\$ 213,456	\$ 1,761,033	\$ 1,547,577
Investment earnings	974	974	39,299	38,325
Total revenues	214,430	214,430	1,800,332	1,585,902
Expenditures				
Current:				
Debt service:				
Principal	694,000	694,000	694,000	-
Interest and fiscal charges	233,697	233,697	232,795	902
Total expenditures	927,697	927,697	926,795	902
Excess (deficiency) of revenues over (under) expenditures	(713,267)	(713,267)	873,537	1,586,804
Other Financing Sources (Uses)				
Transfers in	718,703	718,703	718,703	-
Net change in fund balances	5,436	5,436	1,592,240	1,586,804
Fund Balances, Beginning	-	-	(77,475)	(77,475)
Fund Balances, Ending	\$ 5,436	\$ 5,436	\$ 1,514,765	\$ 1,509,329

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, 2024

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

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, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Investment earnings	\$ -	\$ -	\$ 79,620	\$ 79,620
Total revenues	-	-	79,620	79,620
Expenditures				
Principal	-	-	3,260,000	(3,260,000)
Interest and fiscal charges	-	-	417,713	(417,713)
Total expenditures	-	-	3,677,713	(3,677,713)
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,598,093)	(3,598,093)
Other Financing Sources (Uses)				
Transfers in	-	-	3,611,502	3,611,502
Total other financing sources (uses)	-	-	3,611,502	3,611,502
Net change in fund balances	-	-	13,409	13,409
Fund Balances, Beginning	-	-	-	-
Fund Balances, Ending	\$ -	\$ -	\$ 13,409	\$ 13,409



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, 2024

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 1,935,080	\$ -	\$ 1,935,080
Accounts receivable, net	1,075	308,761	185,770	495,606
Inventory	33,169	-	-	33,169
Prepaid expenses	-	-	3,012,303	3,012,303
Total current assets	34,244	2,243,841	3,198,073	5,476,158
Liabilities				
Current liabilities				
Accounts payable	26,844	16,778	401,083	444,705
Accrued payroll and related liabilities	11,446	4,361	-	15,807
Due to other funds	148,153	-	923,324	1,071,477
Other liabilities	2,689	1,820	-	4,509
Total current liabilities	189,132	22,959	1,324,407	1,536,498
Net Position				
Unrestricted (deficit)	(154,888)	2,220,882	1,873,666	3,939,660
Total net position	<u>\$ (154,888)</u>	<u>\$ 2,220,882</u>	<u>\$ 1,873,666</u>	<u>\$ 3,939,660</u>

City of Bullhead City, Arizona**Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds**

Year Ended June 30, 2024

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Operating Revenues				
Charges for services	\$ 1,810,361	\$ 2,065,494	\$ 4,563,952	\$ 8,439,807
Other revenues	3,680	358,711	553,068	915,459
Total operating revenues	1,814,041	2,424,205	5,117,020	9,355,266
Operating Expenses				
Salaries and related expenses	429,932	166,388	-	596,320
Medical claims and self-insurance	-	642,875	4,559,033	5,201,908
Administration	1,099,408	803,606	6,012	1,909,026
Utilities	65,988	-	-	65,988
Maintenance, supplies and equipment	49,808	-	-	49,808
Other	610	-	-	610
Total operating expenses	1,645,746	1,612,869	4,565,045	7,823,660
Operating income	168,295	811,336	551,975	1,531,606
Nonoperating Revenues				
Investment income	155	64,181	-	64,336
Total nonoperating revenue	155	64,181	-	64,336
Change in net position	168,450	875,517	551,975	1,595,942
Net Position, Beginning	(323,338)	1,345,365	1,321,691	2,343,718
Net Position, Ending	<u>\$ (154,888)</u>	<u>\$ 2,220,882</u>	<u>\$ 1,873,666</u>	<u>\$ 3,939,660</u>

City of Bullhead City, Arizona**Combining Statement of Cash Flows - Internal Service Funds**

Year Ended June 30, 2024

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Cash Flows From Operating Activities				
Receipts from interfund services	\$ 1,811,957	\$ 1,756,733	\$ 4,378,182	\$ 7,946,872
Other operating receipts	3,680	358,711	553,068	915,459
Payments to suppliers	(1,204,306)	(1,586,861)	(4,927,586)	(7,718,753)
Payments to employees	(424,740)	(163,594)	-	(588,334)
Cash flows provided by (used in) operating activities	186,591	364,989	3,664	555,244
Cash Flows From Noncapital Financing Activities				
Interfund borrowings from	(186,746)	-	-	(186,746)
Interfund borrowings to	-	-	(3,664)	(3,664)
Cash flows provided by (used in) noncapital financing activities	(186,746)	-	(3,664)	(190,410)
Cash Flows From Investing Activities				
Interest received	155	64,181	-	64,336
Cash flows provided by (used in) investing activities	155	64,181	-	64,336
Net change in cash and cash equivalents	-	429,170	-	429,170
Cash and Cash Equivalents, Beginning	-	1,505,910	-	1,505,910
Cash and Cash Equivalents, Ending	<u>\$ -</u>	<u>\$ 1,935,080</u>	<u>\$ -</u>	<u>\$ 1,935,080</u>

City of Bullhead City, Arizona

Combining Statement of Cash Flows - Internal Service Funds

Year Ended June 30, 2024

	Fleet Services	Risk Management	Employee Benefit Trust	Total
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities				
Operating income	\$ 168,295	\$ 811,336	\$ 551,975	\$ 1,531,606
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Accounts receivable	1,596	(308,761)	(185,770)	(492,935)
Inventory and prepaid items	4,949	-	(763,527)	(758,578)
Increase (decrease) in:				
Accounts payable	6,559	(140,380)	400,986	267,165
Accrued payroll and related liabilities	5,192	2,794	-	7,986
Net cash provided by (used in) operating activities	<u>\$ 186,591</u>	<u>\$ 364,989</u>	<u>\$ 3,664</u>	<u>\$ 555,244</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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 44,857	\$ 23,203	\$ 22,222	\$ 26,472	\$ 26,654	\$ 32,794	\$ 31,798	\$ 42,410	\$ 46,633	\$ 57,841
Restricted	5,347	5,045	5,893	6,995	10,064	6,262	4,993	5,757	5,481	7,826
Unrestricted	(9,567)	7,715	2,611	(471)	(3,631)	(1,190)	4,618	(1,242)	5,758	11,258
Total governmental activities net position	<u>\$ 40,637</u>	<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>
Business-Type Activities										
Net investment in capital assets	\$ 90,081	\$ 92,001	\$ 93,098	\$ 92,549	\$ 90,680	\$ 89,645	\$ 88,694	\$ 78,309	\$ 86,438	\$ 82,157
Restricted	-	3,110	3,004	2,210	2,250	2,386	2,406	11,223	8,960	6,502
Unrestricted	6,103	449	(219)	(258)	1,642	2,653	3,061	2,816	(6,431)	(1,159)
Total business-type activities net position	<u>\$ 96,184</u>	<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>
Primary Government										
Net investment in capital assets	\$ 134,938	\$ 115,203	\$ 115,319	\$ 119,022	\$ 117,334	\$ 122,439	\$ 120,492	\$ 120,719	\$ 133,071	\$ 139,998
Restricted	5,347	8,154	8,897	9,205	12,314	8,649	7,399	16,980	14,440	14,328
Unrestricted	(3,464)	8,165	2,392	(729)	(1,988)	1,463	7,679	1,574	(673)	10,099
Total primary government net position	<u>\$ 136,821</u>	<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>

City of Bullhead City, Arizona

Changes in Net Position

Table 2

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 10,198	\$ 10,196	\$ 10,585	\$ 12,894	\$ 12,391	\$ 9,018	\$ 10,552	\$ 12,042	\$ 8,351	\$ 17,458
Public safety	13,944	12,565	16,016	14,400	15,405	15,137	16,039	17,291	16,992	19,412
Culture and recreation	4,519	4,361	4,472	3,837	3,713	4,543	5,245	6,717	11,221	5,709
Economic development	124	79	339	104	85	80	76	110	131	208
Redevelopment and housing	417	421	662	171	418	290	539	361	762	390
Highways and streets	8,841	9,874	9,714	4,510	5,006	8,273	11,775	9,762	11,324	8,580
Health and welfare	-	919	869	869	884	918	775	778	761	1,023
Interest on long-term debt	946	782	735	742	739	530	530	412	377	748
Total governmental activities expenses	38,989	39,199	43,392	37,526	38,642	38,789	45,532	47,473	49,918	53,528
Business-type activities:										
Wastewater operations	9,799	10,127	9,583	10,792	9,915	9,601	9,778	9,678	11,383	13,289
Water operations	29	11	31	66	515	1,012	1,239	13,086	14,026	12,562
Total business-type activities expenses	9,827	10,138	9,613	10,857	10,430	10,613	11,017	22,765	25,410	25,851
Total primary government expenses	48,817	49,337	53,005	48,383	49,071	49,402	56,548	70,237	75,328	79,379
Program Revenue										
Governmental activities:										
Charges for services:										
General government	2,970	2,303	2,926	2,283	2,883	2,741	2,598	3,897	3,426	5,432
Public safety	955	1,738	1,767	1,915	1,853	2,113	1,853	1,737	1,730	1,747
Culture and recreation	169	1,563	1,467	397	412	845	1,104	1,101	405	392
Redevelopment and housing	-	-	-	-	45	-	67	72	77	24
Highways and streets	394	76	42	65	78	110	62	116	66	106
Health and welfare	-	-	-	-	2	-	-	1	2	10
Operating grants and contributions	5,791	5,790	7,320	5,934	6,639	9,391	9,414	10,229	13,108	12,548
Capital grants and contributions	1,086	524	425	3,438	190	348	382	1,534	2,401	11,255
Total governmental activities program revenues	11,366	11,994	13,946	14,032	12,101	15,549	15,480	18,687	21,214	31,514
Business-type activities:										
Charges for services:										
Wastewater operations	9,078	9,053	9,002	8,969	9,991	9,855	9,923	10,626	10,030	11,076
Water operations	55	70	59	112	114	404	457	9,299	10,659	12,064
Capital grants and contributions	172	140	654	244	-	-	-	-	-	-
Total business-type activities revenues	9,305	9,263	9,715	9,325	10,105	10,259	10,381	19,926	20,689	23,140
Total primary government revenues	20,671	21,258	23,662	23,357	22,206	25,808	25,861	38,613	41,904	54,654
Net (expense) revenue:										
Governmental activities	(27,624)	(27,205)	(29,446)	(23,494)	(26,541)	(23,240)	(30,051)	(28,786)	(28,704)	(22,014)
Business-type activities	(522)	(875)	102	(1,533)	(324)	(354)	(636)	(2,839)	(4,720)	(2,711)
Total primary government net expense	\$ (28,146)	\$ (28,079)	\$ (29,343)	\$ (25,026)	\$ (26,865)	\$ (23,594)	\$ (30,687)	\$ (31,624)	\$ (33,424)	\$ (24,725)

City of Bullhead City, Arizona

Changes in Net Position

Table 2

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes:										
City sales tax	\$ 11,284	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 20,074	\$ 20,882	\$ 21,902
State shared sales tax	3,629	3,728	3,615	3,842	4,050	4,179	4,850	5,837	6,243	6,489
Urban revenue sharing	4,787	4,761	4,826	4,951	4,875	5,227	5,843	5,433	8,011	11,373
Franchise tax	687	707	734	739	744	529	531	531	420	519
State shared vehicle license tax	2,019	2,157	2,295	2,530	2,672	2,670	3,409	3,368	3,542	3,607
Other taxes	34	75	75	74	121	174	326	-	-	-
Gain (loss) of sale of capital assets	3	-	-	-	-	-	-	-	83	250
Interest and investment income	11	13	49	152	281	266	18	53	1,482	2,225
Transfers	(217)	(211)	(177)	(133)	(323)	(412)	(109)	(995)	(1,014)	(5,298)
Total governmental activities	22,235	23,308	24,208	25,659	26,632	28,019	33,594	34,302	39,650	41,067
Business-type activities:										
Gain (loss) of sale of capital assets	(12)	-	-	-	-	-	-	-	3	(4,348)
Interest and investment income	43	40	44	18	71	54	4	31	322	294
Transfers	217	211	177	133	323	412	109	995	1,014	5,298
Total business-type activities	248	251	221	151	394	466	113	1,026	1,339	1,244
Total primary government	\$ 22,483	\$ 23,559	\$ 24,429	\$ 25,811	\$ 27,027	\$ 28,485	\$ 33,707	\$ 35,328	\$ 40,989	\$ 42,311
Change in net position:										
Governmental activities	\$ (5,389)	\$ (3,897)	\$ (5,237)	\$ 2,165	\$ 91	\$ 4,779	\$ 3,542	\$ 5,516	\$ 10,946	\$ 19,053
Business-type activities	(274)	(624)	323	(1,381)	70	112	(523)	(1,813)	(3,381)	(1,467)
Total primary government	\$ (5,663)	\$ (4,521)	\$ (4,914)	\$ 784	\$ 161	\$ 4,891	\$ 3,020	\$ 3,703	\$ 7,565	\$ 17,586

City of Bullhead City, Arizona

Fund Balances, Governmental Funds

Table 3

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 874	\$ 874	\$ 1,354	\$ 703	\$ 715	\$ 768	\$ 901	\$ 281	\$ 307	\$ 279
Restricted	31	31	53	77	45	269	241	1,547	1,069	2,912
Unassigned	8,526	9,568	10,048	10,731	11,647	15,423	24,170	25,406	28,687	33,658
Total general fund	<u>\$ 9,431</u>	<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>
All Other Governmental Funds										
Restricted	\$ 5,445	\$ 5,393	\$ 5,864	\$ 6,942	\$ 10,019	\$ 7,424	\$ 4,752	\$ 4,237	\$ 3,968	\$ 16,894
Nonspendable	20	-	-	13	1	1	2	33	1	2
Unassigned	(1,952)	(1,732)	(1,577)	(1,689)	(1,791)	(1,782)	(1,763)	(298)	(899)	(1,923)
Total all other governmental funds	<u>\$ 3,513</u>	<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>

City of Bullhead City, Arizona

Changes in Fund Balances, Governmental Funds

Table 4

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
City tax revenue	\$ 12,005	\$ 12,859	\$ 13,601	\$ 14,318	\$ 15,078	\$ 16,089	\$ 19,583	\$ 20,605	\$ 21,302	\$ 22,421
Intergovernmental	16,066	16,172	17,627	17,315	18,128	21,636	24,026	25,956	32,654	44,149
Charges for services	2,640	2,724	2,863	2,302	2,561	2,923	2,834	2,865	3,018	3,493
Special assessments	3,908	3,752	3,186	2,734	2,516	2,474	2,132	1,980	1,462	2,731
Licenses and permits	654	635	617	724	905	987	1,407	1,489	1,013	1,454
Fines and forfeitures	1,132	1,160	1,182	968	823	866	960	769	672	737
Rents	44	55	67	75	83	57	70	147	36	62
Interest income	11	13	49	152	281	260	18	53	1,482	2,224
Other revenue	484	1,085	1,060	358	840	346	619	1,291	375	516
Total revenues	36,944	38,455	40,251	38,945	41,215	45,638	51,649	55,154	62,013	77,787
Expenditures										
General government	8,327	9,319	9,683	10,440	10,041	11,610	10,571	12,051	12,300	13,996
Public safety	12,562	11,522	11,633	12,935	13,287	14,198	14,268	15,545	17,348	19,362
Culture and recreation	3,834	3,660	3,971	3,166	3,103	3,429	3,888	4,561	4,788	7,071
Economic development	124	77	342	101	97	96	78	119	298	190
Redevelopment and housing	410	420	676	172	368	249	496	361	762	390
Highways and streets	3,038	4,085	2,695	3,611	3,737	3,547	8,175	4,396	4,563	5,234
Health and welfare	-	919	869	870	885	918	775	778	725	901
Debt service:										
Principal	4,508	4,895	3,877	3,943	4,197	4,304	4,351	2,983	2,694	6,040
Interest and fiscal charges	946	741	620	610	618	538	482	444	408	748
Bond issuance costs	-	54	-	267	76	-	95	(2)	-	-
Capital outlay	2,978	2,320	4,113	4,324	3,488	4,447	4,517	10,094	16,282	14,651
Total expenditures	36,727	38,012	38,480	40,438	39,896	43,336	47,696	51,330	60,169	68,583
Other Financing Sources (Uses)										
Transfers in	1,714	4,359	4,974	4,996	5,036	6,961	8,459	11,639	12,791	9,274
Transfers out	(1,931)	(4,570)	(5,151)	(5,702)	(5,747)	(7,854)	(9,464)	(12,645)	(13,932)	(14,572)
Refunding bonds issued	-	2,712	-	-	-	-	-	-	-	-
Capital lease agreements	8	57	-	-	-	-	-	-	-	-
Proceeds from issuance of bonds	-	1,510	-	3,230	3,124	-	4,600	-	-	14,145
Payments to escrow agent	-	(2,623)	-	-	-	-	-	-	-	-
Subscription-based information technology arrangements	-	-	-	-	-	-	-	-	851	265
Finance purchase arrangements	-	-	-	-	-	-	-	-	289	123
Sale of capital assets	3	78	13	3	127	60	233	90	83	250
Total other financing sources (uses)	(206)	1,524	(164)	2,528	2,540	(834)	3,827	(916)	82	9,485
Net change in fund balances	\$ 11	\$ 1,967	\$ 1,607	\$ 1,035	\$ 3,859	\$ 1,468	\$ 7,781	\$ 2,909	\$ 1,927	\$ 18,689
Debt Service as a Percentage of Noncapital Expenditures										
	16.2%	15.9%	12.7%	13.6%	13.2%	12.5%	11.2%	8.3%	5.2%	9.9%

City of Bullhead City, Arizona

Governmental Activities Tax Revenues by Source

Table 5

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sales	\$ 11,284	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 19,670	\$ 20,436	\$ 21,609
Transient occupancy	34	75	75	74	121	174	326	676	744	776
Franchise	687	707	734	739	744	529	531	531	420	519
Motor fuel	3,416	3,553	3,673	3,788	4,014	4,144	4,381	4,559	4,633	4,711
Totals	<u>\$ 15,421</u>	<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>

City of Bullhead City, Arizona

General Governmental Activities Tax Revenues by Source

Table 6

Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sales	\$ 11,284	\$ 12,078	\$ 12,792	\$ 13,504	\$ 14,214	\$ 15,385	\$ 18,725	\$ 19,670	\$ 20,436	\$ 21,609
Franchise	687	707	734	739	744	529	531	531	420	519
Bed tax	<u>34</u>	<u>75</u>	<u>75</u>	<u>74</u>	<u>121</u>	<u>174</u>	<u>326</u>	<u>676</u>	<u>744</u>	<u>776</u>
Totals	<u>\$ 12,005</u>	<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>

Source: City of Bullhead City Finance Department

City of Bullhead City, Arizona

Taxable Sales by Category

Table 7

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Communications and utilities	\$ 67,424	\$ 67,264	\$ 64,964	\$ 66,684	\$ 65,490	\$ 59,151	\$ 69,833	\$ 59,151	\$ 64,500	\$ 77,770
Transportation and warehousing	-	108	20	-	-	-	-	-	4	5
Construction	34,039	31,327	28,444	48,575	54,585	-	64,210	75,318	84,182	96,282
Manufacturing	-	-	-	-	-	-	-	-	84,182	-
Wholesale trade	-	-	-	-	-	-	-	-	-	-
Retail trade	347,782	372,050	403,935	403,006	408,527	75,318	594,070	626,723	628,511	636,047
Finance and insurance	-	-	-	-	-	-	-	-	628,511	-
Real estate, rental and leasing	37,624	41,847	38,978	41,662	42,174	-	46,866	50,785	53,458	55,951
Restaurant and bar	49,146	58,130	61,907	68,460	74,074	-	94,145	96,279	100,805	114,323
Accommodation	-	-	-	-	-	-	-	-	100,805	-
Public administration	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	-	-	-	-	-	-
Arts and entertainment	-	1,765	1,782	2,430	2,141	-	-	-	-	-
Hotel/motel	2,185	2,537	3,247	4,011	4,690	626,723	10,999	13,607	14,589	38,820
Publication	-	648	1,167	1,108	1,563	-	963	1,561	1,754	1,355
Use tax	-	22,097	29,833	35,773	41,567	50,785	49,845	55,854	60,455	59,073
Other	25,817	5,973	5,303	3,507	15,922	96,279	5,333	4,214	4,367	12,812
Total	<u>\$ 564,017</u>	<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>
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
2015	2.00%	0.25%	5.60%	2015	2.00%	0.00%	5.60%
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%	0.00%

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
2015	3.00%	0.18%	5.60%	2015	0.03%	0.00152%	0.0305%
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%	0.0000%

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, 2024

	Fiscal Year 2024				Fiscal Year 2015			
	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	151	2.48%	\$ 1,555,392	7.12%	115	3.82%	\$ 1,348,486	11.95%
Transportation and warehousing	1	0.02%	104	0.00%	-	0.00%	-	0.00%
Construction	94	1.55%	1,925,634	8.81%	344	11.43%	680,773	6.04%
Retail trade	4,066	66.84%	12,720,942	58.22%	839	27.88%	6,955,649	61.66%
Real estate, rental and leasing	551	9.06%	1,119,022	5.12%	318	10.57%	752,478	6.67%
Restaurant and bar	140	2.30%	2,286,463	10.46%	77	2.56%	982,928	8.71%
Hotel/motel	76	1.25%	776,408	3.55%	17	0.56%	43,706	0.39%
Publication	11	0.18%	27,104	0.12%	-	0.00%	-	0.00%
Use tax	980	16.11%	1,181,459	5.41%	-	0.00%	-	0.00%
Other	13	0.21%	256,243	1.17%	1,299	43.17%	516,336	4.58%
Total	6,083	100%	\$ 21,848,771	100%	3,009	100.0%	\$ 11,280,356	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		
2015										
P	234,402,193	2,264,099,104	10,227,668	86,056,899	17,248,601	93,248,758	261,878,462	2,443,404,761	-	10.72%
S	260,855,953	2,519,579,044	10,278,526	86,587,129	17,248,602	93,248,758	288,383,081	2,699,414,931	-	
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	-	

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, 2024

Category	2024	Percent of Total
Retail trade	\$ 12,720,942	58%
Restaurant and bar	2,286,463	10%
Communication and utilities	1,555,392	7%
Construction	1,925,634	9%
Use tax	1,181,459	5%
Real estate, rental and leasing	1,119,022	5%
Accommodation	776,408	4%
Other	256,243	1%
Publication	27,104	0%
Total	<u>\$ 21,848,667</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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City sales tax	\$ 11,283,690	\$ 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
Franchise tax	686,850	706,887	733,892	739,185	743,605	529,113	531,200	531,294	555,255	519,192
License and permit fees	654,066	634,701	616,791	723,505	905,073	987,089	1,407,284	1,488,724	1,352,835	1,877,056
State sales tax	3,628,735	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
State income tax	4,786,562	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
Auto lieu tax	2,018,654	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
Grant	3,881	-	-	-	-	-	-	-	-	75,000
Charges for services	1,073,402	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
Fines and forfeitures	1,032,101	1,030,481	1,057,371	868,108	744,531	794,619	903,316	714,382	812,418	874,442
Total	<u>\$ 25,167,941</u>	<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>

City of Bullhead City, Arizona

Real and Secured Property Taxes Levied and Collected (a)
Mohave County, Arizona Continuing Disclosure Compliance
Table 13
June 30, 2024

Fiscal Year	Adopted County Tax Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
2023-2024	\$ 61,030,908	\$ 59,167,307	96.95%	\$ 59,967,503	98.26%
2022-2023	57,681,082	55,969,651	97.03%	57,493,961	99.68%
2021-2022	55,260,786	53,664,632	97.11%	55,179,736	99.85%
2020-2021	53,536,438	52,053,940	97.23%	53,479,326	99.89%
2019-2020	51,177,863	49,774,474	97.26%	51,132,536	99.91%
2018-2019	48,788,655	47,276,000	96.90%	48,744,460	99.91%
2017-2018	46,761,312	45,407,716	97.11%	46,719,909	99.91%
2016-2017	44,571,884	43,059,220	96.61%	44,531,740	99.91%
2015-2016	44,085,631	42,194,482	95.71%	44,045,592	99.91%
2014-2015	43,805,352	41,825,230	95.48%	43,764,595	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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Special assessment bonds	\$ -	\$ -	\$ -	\$ 3,230	\$ 3,230	\$ 3,130	\$ 3,030	\$ 2,930	\$ 2,720	\$ 2,505
Revenue bonds (1)	10,667	10,732	9,144	7,549	8,992	6,979	9,557	7,488	6,537	16,181
Notes payable	20,092	16,944	14,762	12,580	10,398	8,216	6,035	3,853	2,200	598
Leases	297	158	80	-	-	-	-	-	288	-
Total government activities	31,055	27,835	23,987	23,359	22,620	18,325	18,622	14,271	11,745	19,284
Business-Type Activities										
Revenue bonds (2)	26,850	23,512	20,771	18,104	16,200	17,190	15,004	120,330	115,560	110,775
Leases	365	247	125	243	211	179	144	109	-	-
Compensated absences	458	491	532	382	375	414	352	288	426	426
Total business-type activities	27,674	24,250	21,428	18,728	16,786	17,783	15,500	120,727	115,986	111,201
Total primary government	\$ 58,729	\$ 52,085	\$ 45,415	\$ 42,088	\$ 39,407	\$ 36,108	\$ 34,122	\$ 134,997	\$ 127,731	\$ 130,485
Percentage of Personal Income*	0.15%	0.13%	0.11%	0.10%	0.10%	0.09%	0.08%	0.01%	0.01%	0.00%
Per Capita*	\$ 29.13	\$ 25.82	\$ 22.50	\$ 20.66	\$ 19.51	\$ 17.87	\$ 16.88	\$ 3.24	\$ 2.87	\$ -

*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, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
State of Arizona	\$ -	0.47%	\$ -
Mohave County	-	16.20%	-
Mohave County Community College District	-	15.91%	-
Bullhead City Fire District	12,900,000	96.14%	12,401,844
Western AZ Vocation Ed District	-	16.83%	-
Colorado River Union High School District No. 2	26,370,000	54.54%	14,383,253
Bullhead City Elementary School District No. 15	-	93.22%	-
Subtotal, overlapping debt	39,270,000		26,785,097
City Direct Debt	-	100%	-
Total direct and overlapping debt	<u>\$ 39,270,000</u>	<u>100%</u>	<u>\$ 26,785,097</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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
20% Limitation (1)										
Debt limit equal to 20% of Secondary Assessed Valuation	\$ 57,676,616	\$ 63,893,441	\$ 66,461,726	\$ 69,796,818	\$ 69,796,818	\$ 78,048,273	\$ 87,151,846	\$ 92,378,128	\$ 109,490,752	\$ 40,356,765
Total net debt applicable to 20% limit	-	-	-	-	-	-	-	-	-	-
Legal 20% debt margin (available borrowing capacity)	<u>\$ 57,676,616</u>	<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>\$ 40,356,765</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	\$ 17,302,985	\$ 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
Total net debt applicable to 6% limit	-	-	-	-	-	-	-	-	-	-
Legal 6% debt margin (available borrowing capacity)	<u>\$ 17,302,985</u>	<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>
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%	2.0%	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 taxable property.

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	
2015	\$ 25,398,021	\$ 3,195,000	\$ 849,382	6.28
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

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)
2015	39,445	\$ 881,896	\$ 21,999	50.40	4,726	7.90
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

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

2024 and 2015

	2024			2015		
	Employees	Rank	Percentage of Employment	Employees	Rank	Percentage of Employment
Western Arizona Regional Medical	550	1	3.04%	650	1	3.94%
City of Bullhead City	450	2	2.49%	387	2	2.35%
Wal-Mart	387	3	2.14%	400	3	2.42%
Bullhead City Elementary School	334	4	1.85%	370	4	2.24%
DOT Foods	320	5	1.77%	-	5	0.00%
Colorado River Union High School	206	6	1.14%	265	6	1.61%
Sam's Club	150	7	0.83%	163	7	0.99%
Safeway	140	8	0.77%	135	8	0.82%
Lowe's	131	9	0.72%	120	9	0.73%
Home Depot	116	10	0.64%	105	10	0.64%
Kohl's	108	11	0.60%	112	11	0.68%
Arizona Pipeline	117	12	0.65%	-	12	0.00%
Silver Ridge Village	100	13	0.55%	118	13	0.72%
Smith's Food & Drug #191	90	14	0.50%	112	14	0.68%
Mohave Electric Cooperative	88	15	0.49%	78	15	0.47%
Target	80	16	0.44%	92	16	0.56%
News West Publishing	15	17	0.08%	65	17	0.39%
Kmart Discount Department Store	-	18	0.00%	60	18	0.36%
Total	3,382		18.69%	3,232		19.59%

Source: Employer

* June 2024 labor force 18,095

** 2015 labor force 16,499

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
General Government	101.5	100.9	106.5	109.5	105.5	106.5	106.5	129.0	121.5	127.5
Public Safety	124.5	124.5	118.0	114.0	114.0	115.0	116.0	118.0	118.5	122.5
Highways and Streets	19.0	19.0	19.0	19.0	21.0	21.0	21.0	21.0	22.0	22.0
Culture and Recreation	19.0	20.0	21.0	21.0	22.0	22.0	22.0	22.0	23.0	23.0
Redevelopment and Housing										
Utilities Operations	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	-
Wastewater Operations	20.0	20.0	20.0	20.0	19.0	19.0	50.0	54.0	51.0	47.0
Total	285.0	285.4	285.5	284.5	282.5	284.5	315.5	344.0	336.0	342.0

Source: City of Bullhead City Finance Department

City of Bullhead City, Arizona

Operating Indicators by Function

Table 21

Last Ten Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Number of sworn officers	82	82	76	71	71	71	73	75	75	78
Number of events responded to	39,247	36,271	45,312	48,407	44,805	22,204	39,187	36,591	40,627	40,598
Number of criminal arrests	2,652	2,513	1,988	2,408	2,154	682	1,192	1,190	1,413	1,385
Number of traffic citations	5,094	4,421	5,612	4,298	3,660	1,631	3,305	3,160	3,998	4,450
Financial Services										
Accounts payable checks issued	6,038	5,810	5,886	5,997	5,297	4,960	3,880	5,315	4,014	3,090
Accounts payable EFT's issued	3,291	3,534	3,100	2,221	2,480	2,603	2,729	2,870	3,141	2,936
Purchase orders issued	3,220	3,177	3,273	3,271	3,984	4,166	3,745	4,566	4,663	5,158
Payroll checks/direct deposits issued (1)	10,351	10,470	10,885	10,925	10,760	10,777	10,505	11,905	12,594	13,876
Customer contacts (utilities, assessments and licensing)	62,598	62,125	60,725	62,846	70,032	63,432	65,571	69,587	56,103	67,695
Number of utility bills mailed	223,572	223,704	224,376	229,224	226,110	228,996	230,320	414,205	487,853	271,376
Number of cashier transactions	174,041	168,386	157,440	159,056	160,657	160,412	157,944	168,518	165,412	115,710
Transit										
Total transit ridership	181,470	180,776	179,300	171,034	165,622	133,049	106,694	111,675	123,815	140,718
Miles driven	289,408	272,401	293,300	290,937	304,646	297,664	287,468	303,325	294,940	295,188
Wastewater Operations										
Number of service connections	18,779	18,642	18,687	19,102	18,843	19,083	19,299	21,695	21,863	20,947
Sewage treated (million gallons per day)	2.99	3.20	3.27	3.42	3.53	3.30	3.35	3.70	4	4
General										
Building permits issued	1,480	1,484	1,506	1,447	1,476	1,371	1,697	1,670	1,657	1,685
Building inspections conducted	8,669	9,704	10,850	9,254	10,303	10,001	11,446	14,034	12,472	12,689
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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police vehicles	71	72	67	74	76	72	75	72	75	111
Highways and Streets										
Equivalent 12' wide lane miles	321	321	700	706	710	710	710	710	710	710
Streetlights	2,984	2,984	2,984	3,105	3,105	3,130	3,130	3,130	3,130	3,130
Traffic signals	9	9	10	10	23	32	32	32	32	32
Culture and Recreation										
Parks*	7	7	7	8	8	8	8	8	8	8
Parks acreage*	793	793	710	1,008	1,008	1,008	1,008	1,008	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 Federal Awards



**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

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 (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 14, 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 opinions 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.

Baker Tilly US, LLP

Tempe, Arizona
January 14, 2025

**Report on Compliance
for Each Major Federal Program;
Report on Internal Control Over Compliance; and
Report on the Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance**

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Bullhead City's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Baker Tilly US, LLP

Tempe, Arizona
January 14, 2025

City of Bullhead City, Arizona

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/ Program Title	Assistance Listing Number	Cluster Title	Pass-Through Agency	Pass-Through Agency Grant Number	Payments Made to Subrecipients	Federal Expenditures
Federal Programs						
U.S. Department of Housing and Urban Development						
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228		State of Arizona Department of Commerce	136-22, 118-22	\$ -	\$ 1,163,964 *
Home Investment Partnerships Program	14.239		State of Arizona Department of Commerce	300-22, 304-23, 302-24	-	335,562
Total U.S. Department of Housing and Urban Development					-	1,499,526
U.S. Department of Justice						
Crime Victim Compensation	16.575		State of Arizona Public Safety	2018-255	-	147,574
Bulletproof Vest Program - 2019	16.607		Direct	N/A	-	4,756
Total U.S. Department of Justice					-	152,330
U.S. Department of Transportation						
State and Community Highway Safety	20.6	Highway Safety Cluster	State of Arizona Governor's Office of Highway Safety	2022-PTS-010, 2021-AL-002	-	412,405
National Priority Safety Programs	20.616	Highway Safety Cluster	State of Arizona Governor's Office of Highway Safety	2020-405c-002	-	20,732
Total Highway Safety Cluster					-	433,137
Highway Planning and Construction Formula Grants for Rural Areas and	20.205		State of Arizona Department of Transportation	GRT22-0008836T	-	132,523
Tribal Transit Program	20.509		State of Arizona Department of Transportation	GRT22-0008836T	-	905,512 *
Total U.S. Department of Transportation					-	1,471,172
U.S. Department of Treasury						
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		Direct	N/A	347,581	5,049,462 *
Total U.S. Department of Treasury					347,581	5,049,462
U.S. Department of Treasury						
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Aging Cluster	Western Arizona Council of Governments (WACOG)	E860494205-401-01-17	-	283,873
Total Aging Cluster					-	283,873
Social Services Block Grant	93.667		Western Arizona Council of Governments (WACOG)	E860494205-401-01-17	-	40,172
Total U.S. Department of Treasury					-	324,045
Total federal programs					\$ 347,581	\$ 8,496,535

* Denotes major program

See notes to schedule of expenditures of federal awards

City of Bullhead City, Arizona

Notes to the Schedule of Expenditures of Federal Awards
June 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Bullhead City under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City of Bullhead City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Bullhead City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

3. Indirect Cost Rate

The City of Bullhead City has not elected to use the 10% de minimis indirect cost rate.

City of Bullhead City, Arizona

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? yes X no

Auditee qualified as low-risk auditee? X yes no

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
14.228	Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii
20.509	Formula Grants for Rural Areas and Tribal Transit Program
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Section II - Financial Statement Findings

None.

Section III - Federal Awards Findings and Questioned Costs

None.