



Town of Wickenburg, Az

Annual Comprehensive Financial Report

Fiscal Year Ending

June 30, 2023



**TOWN OF WICKENBURG, ARIZONA
WICKENBURG, ARIZONA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED JUNE 30, 2023

Issued by:
Finance Department

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INTRODUCTORY SECTION



TOWN OF WICKENBURG

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(928) 684-5451 FAX (602) 506-1580

January 19, 2024

Honorable Mayor, Members of the Town Council, and Citizens of the Town of Wickenburg:

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Town of Wickenburg (Town) for fiscal year ended June 30, 2023. State law requires that every local government publish within six months of the close of each fiscal year all audited financial statements. Financial statements are to be presented in conformity with the United States Generally Accepted Accounting Principles (GAAP), audited in accordance with *Generally Accepted Auditing Standards* (GAAS), by a licensed certified public accountant(s). Pursuant to that requirement, we believe to the best of our knowledge that the data presented herein is accurate in all material respects and is designed to enable the reader to gain the maximum understanding of the Town's financial affairs.

Responsibility for the accuracy and completeness of the presented data, including all disclosures, rests with management. To the best of our knowledge and belief, this report is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included. To provide a reasonable basis for making these representations, management has established a comprehensive framework of internal controls intended to protect the Town's assets from loss, theft, or misuse. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive internal control framework has been designed to provide a reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

CWDL, Certified Public Accountants, an independent certified public accounting firm, performed the Town's annual financial statement audit and has issued an unqualified opinion on the Town of Wickenburg's financial statements for the year ended June 30, 2023. Their independent auditor's report is located at the front of the financial section of this report. GAAP requires 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). The MD&A, which immediately follows the Independent Auditors Report, is intended to complement this transmittal letter and should be read in conjunction with it.

Profile of the Government

Henry Wickenburg along with other settlers founded Wickenburg in 1863. The infant town went through many trials and tribulations during its first few decades surviving Indian wars, mine closures, desperadoes, drought, and a disastrous flood in 1890 when the Walnut Creek Dam (1) burst, but through it all the town continued to grow. On June 19, 1909, the Town of Wickenburg was incorporated.

Located in the Southwest section of the State, in Northwest Maricopa County, the town sits at an elevation of 2,049 feet. With approximately 26.5 square miles of land today compared to only 13 square miles back in 2003, the Town continues to expand as annexation plans continue. The Town is empowered to levy a property tax on real property located within its boundaries and continues to keep that levy substantially below the maximum allowed. The 2019 census population estimate is 8,092 which is almost a 24% increase from the 2010 estimate 6,529.

The Town of Wickenburg operates under the Council-Manager form of government, with policymaking and legislative authority vested in the Town Council. The elected officers of the Town consist of a Mayor and six (6) Councilmembers. The qualified electors of the Town commencing in 1996 have directly elected the Mayor. The term of office of the Mayor and Councilmembers is four (4) years, with Councilmembers serving overlapping terms in the manner provided by State law. Within twenty (20) days after an election where one or more Councilmembers is elected, the Vice Mayor shall be selected by a majority of the Council, from among its own members, for a term to run concurrent with that of the Mayor's term. If the Vice Mayor's term expires sooner, he/she shall serve until his/her successor is appointed and qualified. In the absence or disability of both the Mayor and Vice Mayor, the Council may designate another of its members to serve as acting Mayor who shall have all the powers, duties and responsibilities of the Mayor during such absence or disability.

The Town Council is responsible for the hiring of the Town Manager, who is responsible for overseeing all local government-related activities and implementation of the policies of the Town Council. With the exception of the Town Attorney and Magistrate, the Town Manager appoints all Department Heads subject to ratification by the Town Council. Together the Council, Management and Staff provide a full range of services including water, electric, sanitation and wastewater; police and fire protection; a public library, community center, pool, and several parks; inspections, licenses and permits; construction and maintenance of streets and related infrastructure; programming of various recreational activities; and enforcement of both the Town and Local Tax Code.

Local Economy

The last sales tax change was on April 1, 2016, at which time the construction tax rate increased from 2.2% to 3.5%. The "General" Sales Tax rate remains at 2.2% since June 1, 2009, with Rental and Leasing of Real Property dropping from 2.2% to 1.7% on October 1, 2009. The Town increased the Transient Lodging "Bed Tax" rate from 2% to 3% on August 1, 2015. The tiered rate for single item purchases of \$5,000 or more remains at 1.69% since September 1, 2012.

The economy in Wickenburg continues to do very well with an overall increase of about 17.5% in local sales tax over the prior year. Compared to the prior fiscal year though Transient Lodging has decreased slightly by about 4% all other major categories including construction, retail trade, restaurants & bars have increased. The category which accounts for approximately 41% of our local tax and increased 13.5% over the prior year is the Retail category. In addition to growth in the community (more roof tops), this is primarily attributed to the changes made by the Arizona Department of Revenue to online shopping.

Though we saw an up-kick in building permits during the prior year with 847 issued in that prior year, construction was still going strong with 538 permits issued in fiscal year ending June 30, 2023.

Long-Term Financial Planning & Major Initiatives

Wickenburg, like other governmental jurisdictions in Arizona, is subject to an annual expenditure limit, which is adjusted each year by population and inflationary growth factors from the base year of 1979-80. That expenditure base can be adjusted by voters to enable the Town to spend increased revenues received by various sources during the year. In March 2006, voters approved a \$4,794,034 permanent increase to the base, which became effective in fiscal year 2006-07. The increase in the base is expected to continue accommodating the Town's budgeted expenditures for at least another five years, but most likely longer. Permanent adjustments to expenditure limits do not increase taxes.

To maintain strong long-term financial plans, annually the Town Council has a Retreat with the Town Manager to create a Strategic Plan for the future of the Town. For the upcoming year the Council's Strategic Plan continues to focus on five areas: Economic Development, the Downtown Area, Public Safety, Youth & Families, and Natural Resources & Recreation. Together it is our hope that these initiatives will encourage forward thinking in how the Town plans and funds the upkeep and growth of the community.

Next Department Heads are required to submit their budgets for the following fiscal year through "zero-based" budgeting for the majority of their line items, which requires them to extensively analyze and plan projected expenditures for the year in more depth. To tie the Council's Strategic Plan with the budget, staff also must submit a Five-Year Capital Improvement Plan.

While an economic downturn is inevitable at some point, we do not assume one in our latest forecast and project that our healthy fund balances will overcome moderate recessionary trends. Thanks to the Town's long-term financial planning, Capital Improvements were strong in the prior year with projects totaling \$14,500,124 and \$12,806,893 planned for the new fiscal year.

Relevant Financial Policies

The Town of Wickenburg takes pride in having a comprehensive set of financial policies to assure financial stability and transparency of the Town's finances, by setting guidelines for fund balance, which is an important measure of the economic stability of the Town. It is essential that the Town of Wickenburg maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for general operations. Additionally, the Town has a policy that nonrecurring (e.g., one-time) resources of inflows are not used for operating purposes.

The annual budget serves as the foundation for the Town of Wickenburg's financial planning and control. The Town of Wickenburg's financial planning and control begins with its annual budget, which serves three purposes: for the Town Council it serves as a policy tool and as an expression of goals and objectives; Management uses the budget as an operating guide and a control mechanism; and for the citizens of Wickenburg, it presents a picture of the local government operations and intentions of the year.

Annually each department director is required to submit requests for appropriation to the Finance Director. The Finance Director then compiles and presents the total budget request, which is prepared by fund and department to the Town Manager. The Town Manager then uses these requests as the starting point for developing a draft budget to be presented to the Council for review. Once the Council has reviewed and adjusted the draft budget, it becomes the tentative budget. The Council is then required to hold public IV hearings on the tentative budget and to adopt the budget no later than the third Monday in July of each year.

To ensure compliance with legal provisions applicable to the annual appropriated budget the Town of Wickenburg maintains several budgetary controls. Department Directors are responsible for ensuring expenditures do not exceed their approved budget and mid-year budget adjustments are kept to a minimum. Additionally, all transfers from capital line items or between Funds must be approved by Council. The Council may appropriate contingency funds to cover emergencies or other unexpected necessary expenditures.

Awards & Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Wickenburg for its ACFR for fiscal year ended June 30, 2022, making this the 12th consecutive year the Town has achieved this prestigious award. Because of budget cuts, the Town discontinued participating in this program effective fiscal year ending June 30, 2006, at which time 11 consecutive awards had been achieved, this latest award brings the total awards to date to 22. To be awarded this certificate of achievement, the Town must publish an easily readable and efficiently organized ACFR that satisfies both GAAP and applicable program requirements. This Certificate of Achievement is valid for a period of one year only. Achieving this certificate shows our commitment to encouraging transparency in government for the Town. We believe our current ACFR continues to conform to the programs requirements, and we are therefore submitting it to the GFOA to determine its eligibility for another certificate.

The Town has also resumed submitting its annual budget for the GFOA's Distinguished Budget Presentation Award and is happy to report the award was received for fiscal year beginning July 1, 2023. To qualify for the Distinguished Budget Presentation Award the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communication device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department; and I wish to thank each member for their assistance in providing the data necessary to prepare this report. Credit is also given to the Mayor, Town Council, and Town Manager for their continued support in maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully submitted,

Stephanie Wojcik

Stephanie Wojcik, CPM
Finance Director

TOWN OF WICKENBURG, ARIZONA

ORGANIZATIONAL CHART

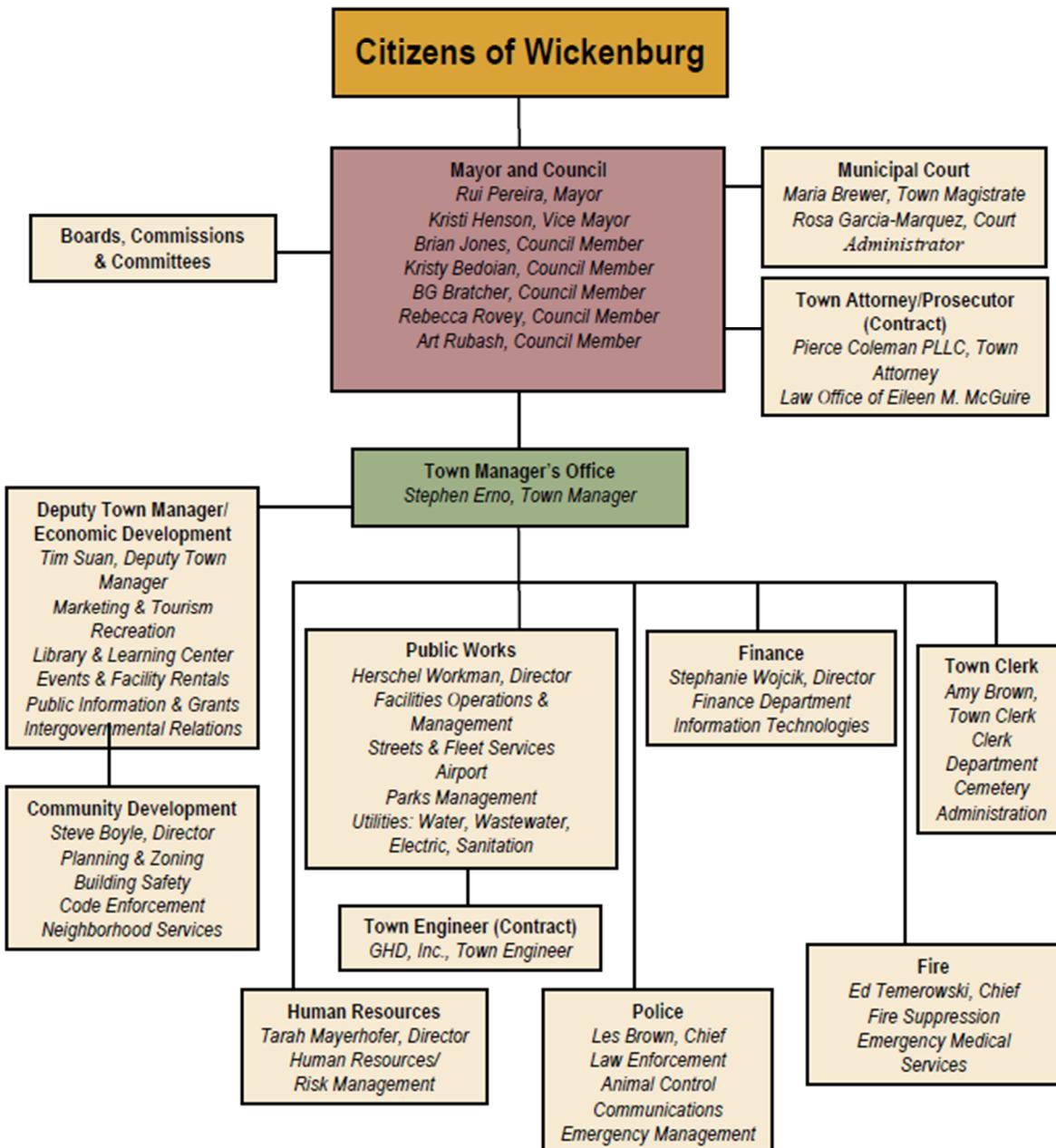
YEAR ENDED JUNE 30, 2023



Town of Wickenburg

Organizational Chart

Updated November 2023



TOWN OF WICKENBURG, ARIZONA
LIST OF PRINCIPAL AND ELECTED OFFICIALS
YEAR ENDED JUNE 30, 2023

ELECTED OFFICIALS

Councilmember	Brian Jones
Councilmember	Art Rubash
Councilmember	BG Bratcher
Councilmember	Kristy Bedoian
Vice-Mayor	Kristi Henson
Mayor	Rui Pereira
Councilmember	Rebecca Rovey

DEPARTMENT DIRECTORS

Town Manager	Stephen Erno
Finance & Technology Director	Stephanie Wojcik
Town Clerk	Amy Brown
Public Services Director	Herschel Workman
Community Development Director	Steve Boyle
Economic Dev & Deputy Town Manager	Timothy Suan
Chief of Police	Les Brown
Fire Chief	Ed Temerowski



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Wickenburg
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Honorable Mayor and the Town Council
Town of Wickenburg, Arizona
Wickenburg, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Wickenburg, Arizona (the "Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 Town of Wickenburg, Arizona, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension schedules, and budgetary comparison information, as listed within 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 Town's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules 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 financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 19, 2024, on our consideration of the Town'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Mesa, Arizona
January 19, 2024

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

As management of the Town of Wickenburg, Arizona (Town), we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$133.7 million (net position). The Town's total net position increased by \$7.1 million.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$27.9 million, an increase of \$1.5 million in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$23.5 million, or 146% of total General Fund expenditures.
- The Town's net capital assets increased \$3.7 million in the current year.
- The Town's long-term liabilities decreased \$1.2 million or 8% during the current year. The decrease was the result of routinely scheduled principal payments on notes and loans payable as well as a payment made on the commitments payable. These payments were offset by an increase in the net pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner like private-sector business. The statement of net position presents information on all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, highways and streets, and parks, recreation, and facilities. The business-type activities include water, electric, sanitation, wastewater, and airport. The government-wide financial statements can be found directly following the management's discussion and analysis.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Since the governmental fund financial statements focus on near-term spendable resources, while the governmental activities on the government-wide financial statements have a longer-term focus, a reconciliation of the differences between the two is provided with the fund financial statements.

The Town maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Grants Fund which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregate presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 14 – 17 of this report.

Proprietary Funds – The Town maintains two different types of proprietary funds known as Enterprise and Internal Service Funds.

Enterprise Funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements only in more detail. The Town uses Enterprise Funds to account for its water, electric, sanitation, wastewater, and airport operations, all of which are major funds.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses Internal Service Funds to account for its maintenance shop and fuel facility funds. Though combined into a single aggregate presentation in the financial statements, individual fund data can be found elsewhere in this report. The Internal Service Funds have been included within *governmental activities* and *business-type activities* in the government-wide financial statements based on the operations they benefit.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, electric, sanitation, wastewater, and airport funds. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic Proprietary Fund financial statements can be found on pages 18 – 20 of this report.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

Fiduciary Fund – Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

The basic Fiduciary Fund financial statements can be found on pages 21 – 22 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 23 – 48 of this report.

Required Supplementary Information Other than MD&A

Governments are required to disclose certain information about employee pension and other postemployment benefit plans. The Town has disclosed this information on pages 49 – 53. Additionally, governments have an option of including the budgetary comparison statements for the General Fund and major Special Revenue Funds as either part of the fund financial statements within the basic financial statements or as required supplementary information after the footnotes. The Town has chosen to present these budgetary statements as required supplementary information on pages 54 – 55.

Other information

The combining statements in connection with nonmajor governmental funds are presented immediately following the required supplementary information other than the MD&A. Combining and individual fund statements and schedules can be found on pages 57 – 63 of this report.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The statistical section can be found on pages 64 – 87 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as useful indicators of a government's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$133.6 million at the close of the most recent fiscal year.

A summary of the Town's statement of net position is presented on the following page.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

	Governmental Activities			Business-type Activities		
	(Restated)		Net Change	(Restated)		Net Change
	2023	2022		2023	2022	
ASSETS						
Current and other assets	\$ 32,589,228	\$ 30,894,186	\$ 1,695,042	\$ 14,612,952	\$ 15,977,615	\$ (1,364,663)
Capital assets	39,383,213	35,362,261	4,020,952	63,387,731	63,664,422	(276,691)
Total Assets	71,972,441	66,256,447	5,715,994	78,000,683	79,642,037	(1,641,354)
DEFERRED OUTFLOWS OF RESOURCES						
Total Assets and Deferred Outflows	2,849,260	2,069,916	779,344	192,037	282,992	(90,955)
Total Assets and Deferred Outflows	74,821,701	68,326,363	6,495,338	78,192,720	79,925,029	(1,732,309)
LIABILITIES						
Current liabilities	4,278,793	2,907,108	1,371,685	546,606	1,044,346	(497,740)
Long-term liabilities	6,248,463	5,427,449	821,014	6,549,545	8,389,417	(1,839,872)
Total Liabilities	10,527,256	8,334,557	2,192,699	7,096,151	9,433,763	(2,337,612)
DEFERRED INFLOWS OF RESOURCES						
Total Liabilities and Deferred Inflows	562,690	2,349,493	(1,786,803)	1,173,393	1,535,883	(362,490)
Total Liabilities and Deferred Inflows	11,089,946	10,684,050	405,896	8,269,544	10,969,646	(2,700,102)
NET POSITION						
Net investment in capital assets	36,913,489	34,297,722	2,615,767	58,082,210	55,866,107	2,216,103
Restricted	2,866,904	3,756,773	(889,869)	-	-	-
Unrestricted	23,951,362	19,587,818	4,363,544	11,840,966	13,089,276	(1,248,310)
Total Net Position	\$ 63,731,755	\$ 57,642,313	\$ 6,089,442	\$ 69,923,176	\$ 68,955,383	\$ 967,793

Net position consists of three components. The largest portion of the Town of Wickenburg, Arizona's net position (71%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, furniture, equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The Town of Wickenburg, Arizona uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Town's net investment in capital assets increased \$4.8 million. The increase was largely due to the reduction of long-term debt (\$2.5 million), the purchase of new capital assets, offset by current year depreciation expense (\$4.2 million).

An additional portion of the Town's net position (2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$35.8 million) or (27%) may be used to meet the government's ongoing obligations to citizens and creditors. Restricted net position decreased in the current year due to the use of restricted fund balances set aside for capital projects. The increase in unrestricted net position is largely due to normal Town operations and is discussed on the following pages in the discussion on changes in net position. At the end of the current fiscal year, the Town reported positive balances in all three categories of net position for the government as a whole.

The Town's net position increased by \$7.1 million during the current fiscal year. Key elements of this increase are presented in the following condensed statement of changes in net position on the following page.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

	Governmental Activities			Business-type Activities		
	2023	2022	Net Change	2023	2022	Net Change
REVENUES						
Program revenues						
Fees, fines, and charges for services	\$ 3,249,095	\$ 3,790,732	\$ (541,637)	\$ 10,613,729	\$ 11,118,252	\$ (504,523)
Operating grants and contributions	1,629,575	852,904	776,671	-	-	-
Capital grants and contributions	-	2,693,362	(2,693,362)	640,019	190,568	449,451
General revenues						
Local taxes	11,577,332	9,564,653	2,012,679	-	-	-
State shared revenues	3,009,418	2,472,185	537,233	-	-	-
Investment earnings (loss)	972,078	53,188	918,890	508,211	50,210	458,001
Other and transfers	411,951	1,115,015	(703,064)	65,185	(190,606)	255,791
Total Revenues	20,849,449	20,542,039	307,410	11,827,144	11,168,424	658,720
EXPENSES						
General government	4,910,943	3,606,476	1,304,467	-	-	-
Public safety	6,189,223	4,920,571	1,268,652	-	-	-
Highways and streets	1,445,172	1,224,032	221,140	-	-	-
Parks, recreation, and facilities	2,165,428	1,932,108	233,320	-	-	-
Water system-1	-	-	-	1,270,403	1,208,695	61,708
Water system-2	-	-	-	963,537	1,007,842	(44,305)
Electric	-	-	-	3,555,335	2,895,607	659,728
Sanitation	-	-	-	1,121,652	1,014,603	107,049
Wastewater system-1	-	-	-	1,164,357	953,715	210,642
Wastewater system-2	-	-	-	1,676,047	1,455,397	220,650
Airport	-	-	-	1,108,020	1,151,993	(43,973)
Total Expenses	14,710,766	11,683,187	3,027,579	10,859,351	9,687,852	1,171,499
Change in net position	6,089,442	8,858,852	(2,769,410)	967,793	1,480,572	(512,779)
Net Position - Beginning, As Restated	57,642,313	48,783,461	8,858,852	68,955,383	67,474,811	1,480,572
Net Position - Ending	\$ 63,731,755	\$ 57,642,313	\$ 6,089,442	\$ 69,923,176	\$ 68,955,383	\$ 967,793

Governmental Activities

The governmental activities' net position increased \$6.1 million in the current year. Key elements of that increase are noted below.

Program Revenues

The Town's program revenues consist of fees, fines, and charges for services, as well as operating and capital contributions. Fees, fines, and charges for services decreased \$0.5 million in the current year due to a decline in building permit activity. Additionally, the Town saw a decrease in operating and capital grants and contributions of \$1.9 million due to a decrease in state and federal funding from COVID-19 related grant activity.

General Revenues

The Town reports general revenues from local taxes, state shared revenues, investment earnings, and other income and transfers. Local taxes increased \$2.0 million or (21%) due to increases in economic activity at the Town resulting in larger sales tax collections. State shared revenues increased \$0.5 million due to increased distributions from the state as economic activity had also increased at the state level. Additionally, investment earnings increased by \$0.9 million as there has been an increase in cash balances held within the Local Government Investment Pool that had increased earnings with the increase in interest rates. The decrease in other income and transfers was due to the decrease in Town surplus sales that had occurred in the prior year.

Overall, expenses increased 25% \$3.0 million, mainly due to increases in salaries and related benefits. The Town also incurred an increase in operating expenditures related to inflation that caused costs to increase throughout Town operations.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

Business-Type Activities

The Water System-1 Fund reported an operating income of \$0.2 million, which was comparable to the prior year. The Water System-2 Fund reported an operating loss of \$0.4 million. The net operating loss is largely due to depreciation expenses.

The Electric Fund reported an operating income of \$0.4 million. The net operating income is the result of electricity charges exceeding the costs to operate the utilities. The excess operating revenues have been dedicated to subsidizing capital projects of the Town. The Sanitation Fund had an operating income of \$8,574, which was comparable to the prior year.

The Wastewater System-1 Fund reported operating income of \$0.3 million in the current year, which was comparable to prior year's net income. The Wastewater System-2 Fund reported an operating loss of \$0.3 million.

The Airport Fund realized an operating loss of \$0.5 million, largely attributed to depreciation expenses.

The total non-operating revenues of the business-type activities offset the net operating loss of \$0.2 million which generated a positive change in net position of \$0.9 million. The non-operating revenues were primarily from investment earnings and grant funding with the Water System-1.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the Town include the General Fund, Special Revenue Fund, Debt Service and Capital Projects Funds.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$27.9 million, an increase of \$1.5 million. Approximately 84% of this total amount (\$23.5 million) constitutes General Fund unassigned fund balance, which is available for new spending. The table below presents fund balances at June 30, 2023.

	Balance	Increase (Decrease)	From 2021-22
GOVERNMENTAL FUND			
General Fund	\$ 25,556,862	\$ 1,912,586	
Grants Fund	24,592	(41,578)	
Nonmajor Governmental Funds	2,325,702	(396,314)	
Total Governmental Funds	\$ 27,907,156	\$ 1,474,694	

The General Fund is the chief operating fund of the Town of Wickenburg, Arizona. At the end of the current fiscal year, the fund balance of the General Fund was \$25.6 million, while total fund balance of the Town reached \$27.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both General Fund balance and total fund balance to total fund expenditures. General fund balance represents 146% of total General Fund expenditures.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

The fund balance of the Town's General Fund increased by \$1.9 million because of continued conservative spending practices. Revenues remained consistent at \$18.6 million and expenditures increased \$5.0 million as the Town was able to pay for expenditures from COVID-19 funding in the prior year from the Coronavirus Aid, Relief, and Economic Security Act.

The Grants Fund was reported as a major fund in the current year. The fund reported a decrease in fund balance of \$41,578. This decrease was mainly due to spending down federal and state revenues that were carried forward from prior years. The Town has carried forward unearned revenues of \$2.7 million in COVID-19 funding that will be spent in future years.

The enterprise funds are reported on the same basis as the business-type activities and the significant changes from the prior year are discussed in the business-type activities on the previous page.

BUDGETARY HIGHLIGHTS

Budgeted General Fund revenues of \$14.2 million were less than actual revenues of \$18.6 million, while budgeted expenditures of \$22.8 million exceeded the budgetary basis (actual) expenditures by \$16.1 million. Actual expenditures were less than budget, largely due to the budgeted contingencies/reserves reported in the general services department.

The most significant variance from budget was sales tax revenues exceeding the budget due to increased activity as a result of Wickenburg Ranch and an improving economy. The General Services expenditures fell below budget due to an unspent contingency.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's capital assets for its governmental activities and business-type activities as of June 30, 2023, amounted to \$39.4 million and \$63.4 million, respectively (net of accumulated depreciation), a total net increase of \$3.7 million. Additions to capital assets during the fiscal year totaled \$5.4 million for governmental activities assets and \$2.5 million for business-type activities assets. Depreciation expense for governmental assets and business-type activities were \$1.4 million and \$2.8 million, respectively.

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

Major capital asset events during the current fiscal year included the following projects:

- Park improvements.
- Police communication equipment.
- Fire equipment.
- Town and utility vehicles.
- Utility upgrades and improvements.

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

Capital asset activity as of June 30, 2023, is summarized on the following page.

TOWN OF WICKENBURG, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023

	Governmental Activities			Business-type Activities		
	(Restated)		Net Change	(Restated)		Net Change
	2023	2022		2023	2022	
CAPITAL ASSETS						
Land	\$ 15,091,705	\$ 15,091,705	\$ -	\$ 8,550,435	\$ 8,550,435	\$ -
Construction in progress	24,637	2,509,026	(2,484,389)	652,980	340,284	312,696
Land improvements	2,898,525	3,200,791	(302,266)	203,532	219,394	(15,862)
Buildings and improvements	10,631,881	5,494,797	5,137,084	-	-	-
Infrastructure (utilities)	6,304,251	6,603,835	(299,584)	41,841,409	41,875,973	(34,564)
Airport runways and hangars	-	-	-	7,226,745	7,788,448	(561,703)
Furniture, equipment and vehicles	4,398,369	2,426,961	1,971,408	4,912,630	4,889,887	22,743
Intangible property	33,845	35,147	(1,302)	-	-	-
Total Capital Assets	\$ 39,383,213	\$ 35,362,262	\$ 4,020,951	\$ 63,387,731	\$ 63,664,421	\$ (276,690)

Long-Term Debt

The State imposes certain debt limitations on the Town of six percent (6%) and twenty percent (20%) of the outstanding assessed valuation of the Town. The Town's available debt margin at June 30, 2023 is \$6.7 million in the 6% capacity and \$22.3 million in the 20% capacity. Additional information on the debt limitations and capacities may be found in the statistical section of this report. The Town had no debt applicable to the debt limits as noted above. The change in the long-term liabilities are as follows:

	Governmental Activities			Business-type Activities		
	(Restated)		Net Change	(Restated)		Net Change
	2023	2022		2023	2022	
LONG-TERM LIABILITIES						
Financed purchase	\$ 1,900,339	\$ 2,350,000	\$ (449,661)	\$ -	\$ 205,861	\$ (205,861)
Commitments	-	-	-	5,303,101	7,177,705	(1,874,604)
Compensated absences	48,737	312,642	(263,905)	55,650	49,535	6,115
Net pension liability	4,145,052	2,764,807	1,380,245	1,190,794	956,316	234,478
Total Long-Term Liabilities	\$ 6,094,128	\$ 5,427,449	\$ 666,679	\$ 6,549,545	\$ 8,389,417	\$ (1,839,872)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Nearly \$13 million in capital improvements to improve and expand services while also focusing on community objectives.
- An increase in salary and benefits to retain staff.
- A continued effort to improve public safety.
- Continued growth in the Wickenburg Ranch development and other smaller new developments and several new businesses.

The above factors were considered in preparing the Town's budget for the 2023-2024 fiscal year.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all of those with an interest and to demonstrate accountability for the use of public funds. Further information can be found on the Town's website at www.wickenburgaz.gov. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to:

Town of Wickenburg
 Finance Director
 155 North Tegner St., Suite A
 Wickenburg, Arizona 85390
 928-684-5451

BASIC FINANCIAL STATEMENTS

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 29,962,782	12,467,602	\$ 42,430,384
Restricted assets	55,826	268,834	324,660
Receivables, Net:			
Taxes receivable	19,453	-	19,453
Due from other governments	2,306,389	-	2,306,389
Accounts receivable	96,686	585,022	681,708
Lease receivable	100,566	1,183,056	1,283,622
Internal balances	(64,202)	64,202	-
Inventory	41,627	44,236	85,863
Net pension asset	70,101	-	70,101
Capital assets:			
Non-depreciable assets	15,116,342	9,203,415	24,319,757
Depreciable assets, net of accumulated depreciation	24,266,871	54,184,316	78,451,187
Total Assets	71,972,441	78,000,683	149,973,124
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	2,849,260	192,037	3,041,297
LIABILITIES			
Accounts payable	1,001,356	183,642	1,184,998
Accrued wages and benefits	296,312	91,710	388,022
Retainage payable	246,933	2,420	249,353
Customer deposits payable	55,826	268,834	324,660
Unearned revenue	2,678,366	-	2,678,366
Long-term liabilities:			
Due within one year	508,345	13,913	522,258
Due in more than one year	5,740,118	6,535,632	12,275,750
Total Liabilities	10,527,256	7,096,151	17,623,407
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	463,409	32,262	495,671
Deferred inflows related to leases	99,281	1,141,131	1,240,412
Total Deferred Inflows of Resources	562,690	1,173,393	1,736,083
NET POSITION			
Net investment in capital assets	36,913,489	58,082,210	94,995,699
Restricted:			
Net pension asset	70,101	-	70,101
Highways and streets	1,172,123	-	1,172,123
Public safety	202,907	-	202,907
Library	116,157	-	116,157
Economic development	294,486	-	294,486
Contributions	868,248	-	868,248
Judicial court enhancement	142,882	-	142,882
Unrestricted	23,951,362	11,840,966	35,792,328
Total Net Position	\$ 63,731,755	\$ 69,923,176	\$ 133,654,931

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines, and Charge for services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General government	\$ 4,910,943	\$ 814,904	\$ 393,966	\$ -	\$ (3,702,073)	\$ -	\$ (3,702,073)
Public safety	6,189,223	2,051,138	962,848	-	(3,175,237)	-	(3,175,237)
Highways and streets	1,445,172	-	93,806	-	(1,351,366)	-	(1,351,366)
Parks, recreation, and zoning	2,165,428	383,053	178,955	-	(1,603,420)	-	(1,603,420)
Interest on long-term debt	49,241	-	-	-	(49,241)	-	(49,241)
Total governmental activities	14,760,007	3,249,095	1,629,575	-	(9,881,337)	-	(9,881,337)
Business-type Activities:						-	
Water System-1	1,270,403	1,503,224	-	594,135	-	826,956	826,956
Water System-2	963,537	545,930	-	-	-	(417,607)	(417,607)
Electric	3,555,335	3,999,313	-	-	-	443,978	443,978
Sanitation	1,121,652	1,130,226	-	-	-	8,574	8,574
Wastewater System-1	1,164,357	1,441,228	-	-	-	276,871	276,871
Wastewater System-2	1,676,047	1,424,877	-	-	-	(251,170)	(251,170)
Airport	1,108,020	568,931	-	45,884	-	(493,205)	(493,205)
Total Primary Government	\$ 25,619,358	\$ 13,862,824	\$ 1,629,575	\$ 640,019	(9,881,337)	394,397	(9,486,940)

General revenues:

Taxes:			
Sales taxes	10,765,895	-	10,765,895
Property taxes	582,867	-	582,867
Franchise taxes	228,570	-	228,570
State revenue sharing	1,459,753	-	1,459,753
State sales tax revenue sharing	1,137,482	-	1,137,482
Auto lieu tax revenue sharing	412,183	-	412,183
Investment earnings (loss)	972,078	508,211	1,480,289
Other	361,951	115,185	477,136
Transfers	50,000	(50,000)	-
Total general revenues	15,970,779	573,396	16,544,175
Change in net position	6,089,442	967,793	7,057,235
Net position - beginning, as restated	57,642,313	68,955,383	126,597,696
Net position - ending	\$ 63,731,755	\$ 69,923,176	\$ 133,654,931

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Grants Fund	Non-Major	Total
			Governmental	Governmental
ASSETS				
Cash and investments	\$ 24,391,315	\$ 2,696,811	\$ 2,639,039	\$ 29,727,165
Restricted cash	55,826	-	-	55,826
Receivables (net):				
Taxes	19,453	-	-	19,453
Intergovernmental	2,240,826	6,147	59,416	2,306,389
Lease	100,566	-	-	100,566
Accounts	71,620	-	-	71,620
Total Assets	\$ 26,879,606	\$ 2,702,958	\$ 2,698,455	\$ 32,281,019
LIABILITIES				
Accounts payable	\$ 628,603	\$ -	\$ 372,753	\$ 1,001,356
Retainage payable	246,933	-	-	246,933
Accrued wages and benefits	292,101	-	-	292,101
Customer deposits payable	55,826	-	-	55,826
Unearned revenue	-	2,678,366	-	2,678,366
Total Liabilities	1,223,463	2,678,366	372,753	4,274,582
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leases	99,281	-	-	99,281
FUND BALANCES				
Restricted	1,457,206	24,592	2,010,005	3,491,803
Assigned	613,236	-	315,697	928,933
Unassigned	23,486,420	-	-	23,486,420
Total Fund Balances	25,556,862	24,592	2,325,702	27,907,156
Total Liabilities and Fund Balances	\$ 26,879,606	\$ 2,702,958	\$ 2,698,455	\$ 32,281,019

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balance - Governmental Funds \$ 27,907,156

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation. Excluding the internal service funds.

Capital assets	\$ 64,138,853
Accumulated depreciation	<u>(24,827,249)</u> 39,311,604

Net OPEB asset:

In governmental funds, postretirement benefits costs are recognized as expenditures in the period they are paid. In the government-wide statements, they are recognized in the period they are incurred. The net OPEB asset at the end of the period was:

70,101

Long-term liabilities:

In governmental funds, excluding the internal service funds, only current liabilities are reported in the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Net pension liability	(4,044,570)
Financed purchase payable	(1,900,339)
Compensated absences	<u>(203,072)</u> (6,147,981)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, excluding the internal service funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported:

Deferred outflows of resources relating to pensions:	2,833,088
Deferred inflows of resources relating to pensions:	<u>(460,687)</u> 2,372,401

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Internal service fund net position	282,676
Less: amount attributed to the business-type activities	<u>(64,202)</u>
Total Net Position - Governmental Activities	\$ 63,731,755

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Grants Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Sales tax	\$ 13,231,416	\$ -	\$ 772,467	\$ 14,003,883
Property tax	582,867	-	-	582,867
Intergovernmental	777,701	-	-	777,701
Charges for services	1,752,265	-	597,810	2,350,075
Licenses and permits	782,166	144,734	-	926,900
Fines and forfeitures	148,918	-	12,336	161,254
Contributions and donations	109,332	-	-	109,332
Interest earnings (loss)	895,128	17	69,764	964,909
Other revenues	361,140	-	-	361,140
Total Revenues	18,640,933	144,751	1,452,377	20,238,061
EXPENDITURES				
Current:				
General government	4,032,879	113,433	29,247	4,175,559
Public safety	10,150,878	48,694	-	10,199,572
Parks, recreation, and facilities	1,895,688	-	-	1,895,688
Highways and streets	-	-	993,701	993,701
Debt service:				
Principal	-	-	449,661	449,661
Interest and fiscal charges	-	-	49,241	49,241
Capital outlay	-	24,202	1,025,743	1,049,945
Total Expenditures	16,079,445	186,329	2,547,593	18,813,367
Excess (Deficiency) of Revenues				
Over Expenditures	2,561,488	(41,578)	(1,095,216)	1,424,694
Other Financing Sources (Uses)				
Transfers in	-	-	698,902	698,902
Transfers out	(648,902)	-	-	(648,902)
Net Financing Sources (Uses)	(648,902)	-	698,902	50,000
NET CHANGE IN FUND BALANCE	1,912,586	(41,578)	(396,314)	1,474,694
Fund Balance - Beginning	23,644,276	66,170	2,722,016	26,432,462
Fund Balance - Ending	\$ 25,556,862	\$ 24,592	\$ 2,325,702	\$ 27,907,156

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Net Change in Fund Balances - Governmental Funds \$ 1,474,694

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

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. (excluding internal service funds)

Expenditures for capital outlay:	\$ 5,386,039
Depreciation expense:	<u>(1,374,236)</u> 4,011,803

Governmental funds report pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions. (excluding internal service funds)

Pension contributions	1,052,008
Pension expense	(1,010,819)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position.

Principal payment on loans payable	449,661
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (excluding internal service funds)

Decrease in compensated absences	108,126
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenues of the internal service funds are reported with governmental activities and business-type activities.

Net Revenues (Losses) of the Internal Service Fund	3,969
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Change in Net Position of Governmental Activities \$ 6,089,442

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-type Activities								Internal Service Funds (Nonmajor)									
	Water System-1		Water System-2		Electric		Sanitation		Wastewater System-1		Wastewater System-2		Airport		Totals	Maintenance Shop	Fuel Facility	Internal Service Funds
	Water	System-1	Water	System-2	Electric	Sanitation	Wastewater	System-1	Wastewater	System-2	Airport					Nonmajor		
ASSETS																		
Current assets																		
Cash and cash equivalents	\$ 3,636,697	\$ 873,863	\$ 2,975,568	\$ 576,350	\$ 2,308,085	\$ 1,802,964	\$ 294,075	\$ 12,467,602	\$ 76,748	\$ 158,869	\$ 235,617							
Accounts receivable, net	103,022	45,509	199,916	41,515	100,062	57,652	37,346	585,022	-	25,066	25,066							
Lease receivable	744,217	-	-	-	-	-	438,839	1,183,056	-	-	-							
Inventory	-	-	-	-	-	-	44,236	44,236	-	41,627	41,627							
Restricted cash and investments	-	-	268,744	-	-	-	90	268,834	-	-	-							
Total current assets	4,483,936	919,372	3,444,228	617,865	2,408,147	1,860,616	814,586	14,548,750	76,748	225,562	302,310							
Noncurrent assets																		
Nondepreciable capital assets	537,537	-	300,000	-	415,462	-	7,950,416	9,203,415	-	-	-							
Depreciation capital assets, net	8,847,004	13,265,695	2,732,910	592,267	7,465,084	13,356,197	7,925,159	54,184,316	39,632	31,977	71,609							
Total non-current assets	9,384,541	13,265,695	3,032,910	592,267	7,880,546	13,356,197	15,875,575	63,387,731	39,632	31,977	71,609							
Total Assets	\$ 13,868,477	\$ 14,185,067	\$ 6,477,138	\$ 1,210,132	\$ 10,288,693	\$ 15,216,813	\$ 16,690,161	\$ 77,936,481	\$ 116,380	\$ 257,539	\$ 373,919							
DEFERRED OUTFLOWS OF RESOURCES																		
Deferred outflows of resources related to pensions	30,520	23,161	9,751	39,798	30,102	48,894	9,811	192,037	16,172	-	16,172							
LIABILITIES																		
Current liabilities																		
Accounts payable	\$ 31,704	\$ 6,238	\$ 75,330	\$ 10,100	\$ 14,312	\$ 43,074	\$ 2,884	\$ 183,642	-	\$ -	\$ -							
Retainage payable	-	-	-	-	2,420	-	-	2,420	-	-	-							
Accrued wages and benefits	9,514	7,650	3,415	9,728	7,115	10,910	3,329	51,661	4,211	-	4,211							
Intergovernmental payable	236	3,622	36,114	-	-	-	77	40,049	-	-	-							
Customer deposits payable	-	-	268,744	-	-	-	90	268,834	-	-	-							
Compensated absences payable	2,028	705	-	3,833	3,529	2,492	1,326	13,913	-	-	-							
Total current liabilities	43,482	18,215	383,603	23,661	27,376	56,476	7,706	560,519	4,211	-	4,211							
Non-current liabilities																		
Net pension liability	194,481	159,111	59,673	260,343	169,613	286,165	61,408	1,190,794	100,482	-	100,482							
Compensated absences	6,083	2,115	-	11,499	10,586	7,476	3,978	41,737	-	-	-							
Commitments payable	-	-	-	-	-	5,303,101	-	5,303,101	-	-	-							
Total non-current liabilities	200,564	161,226	59,673	271,842	180,199	5,596,742	65,386	6,535,632	100,482	-	100,482							
Total Liabilities	244,046	179,441	443,276	295,503	207,575	5,653,218	73,092	7,096,151	104,693	-	104,693							
DEFERRED INFLOWS OF RESOURCES																		
Deferred inflows of resources related to pensions	5,269	4,311	1,617	7,053	(55,100)	67,448	1,664	32,262	2,722	-	2,722							
Deferred inflows of resources related to leases	708,698	-	-	-	-	-	432,433	1,141,131	-	-	-							
Total deferred inflows of resources	713,967	4,311	1,617	7,053	(55,100)	67,448	434,097	1,173,393	2,722	-	2,722							
NET POSITION																		
Net investment in capital assets	9,384,541	13,265,695	3,032,910	592,267	7,880,546	13,356,197	15,875,575	63,387,731	39,632	31,977	71,609							
Unrestricted	3,556,443	758,781	3,009,086	355,107	2,285,774	(3,811,156)	317,208	6,471,243	(14,495)	225,562	211,067							
Total Net Position	\$ 12,940,984	\$ 14,024,476	\$ 6,041,996	\$ 947,374	\$ 10,166,320	\$ 9,545,041	\$ 16,192,783	\$ 69,858,974	\$ 25,137	\$ 257,539	\$ 282,676							
Adjustments to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds												64,202						
Net Position of Business-Type Activities												\$ 69,923,176						

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Business-Type Activities								Internal Service Funds (Nonmajor)				
	Water System-1		Water System-2		Electric	Sanitation	Wastewater System-1	Wastewater System-2	Airport	Totals	Maintenance Shop	Fuel Facility	Nonmajor Internal Service Funds
	Charges for services	\$ 1,503,224	\$ 545,930	\$ 3,999,313	\$ 1,130,226	\$ 1,441,228	\$ 1,424,877	\$ 568,931	\$ 10,613,729	\$ 226,243	\$ 327,165	\$ 553,408	
OPERATING REVENUE													
Charges for services	\$ 1,503,224	\$ 545,930	\$ 3,999,313	\$ 1,130,226	\$ 1,441,228	\$ 1,424,877	\$ 568,931	\$ 10,613,729	\$ 226,243	\$ 327,165	\$ 553,408		
OPERATING EXPENSE													
Cost of sales and service	886,834	499,960	3,437,898	1,033,321	747,308	929,202	480,459	8,014,982	218,474	325,367	543,841		
Depreciation	383,569	463,577	117,437	88,331	353,502	746,845	627,561	2,780,822	8,767	4,811	13,578		
Total operating expenses	1,270,403	963,537	3,555,335	1,121,652	1,100,810	1,676,047	1,108,020	10,795,804	227,241	330,178	557,419		
OPERATING INCOME (LOSS)	232,821	(417,607)	443,978	8,574	340,418	(251,170)	(539,089)	(182,075)	(998)	(3,013)	(4,011)		
NON-OPERATING REVENUES (EXPENSES)													
Intergovernmental revenue	594,135	-	-	-	-	-	45,884	640,019	-	-	-		
Investment earnings	88,323	25,539	148,158	83,912	72,823	79,254	10,202	508,211	1,957	5,212	7,169		
Miscellaneous revenues	8,873	65,183	14,532	5,000	5,123	-	16,474	115,185	42	769	811		
Miscellaneous expenses	-	-	-	-	(63,547)	-	-	(63,547)	-	-	-		
Total non-operating revenues (expenses)	691,331	90,722	162,690	88,912	14,399	79,254	72,560	1,199,868	1,999	5,981	7,980		
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	924,152	(326,885)	606,668	97,486	354,817	(171,916)	(466,529)	1,017,793	1,001	2,968	3,969		
Transfers in	-	-	-	-	-	-	150,000	150,000	-	-	-		
Transfers out	-	-	(200,000)	-	-	-	-	(200,000)	-	-	-		
Total contributions and transfers	-	-	(200,000)	-	-	-	150,000	(50,000)	-	-	-		
CHANGE IN NET POSITION	924,152	(326,885)	406,668	97,486	354,817	(171,916)	(316,529)	967,793	1,001	2,968	3,969		
NET POSITION													
Net Position - Beginning	12,016,832	14,351,361	5,635,328	849,888	9,811,503	9,716,957	16,509,312	68,891,181	24,136	254,571	278,707		
Net Position - Ending	\$ 12,940,984	\$ 14,024,476	\$ 6,041,996	\$ 947,374	\$ 10,166,320	\$ 9,545,041	\$ 16,192,783	\$ 69,858,974	\$ 25,137	\$ 257,539	\$ 282,676		

Adjustments to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds

Change in Net Position of Business-Type Activities

\$ 69,858,974

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2023

	Business-Type Activities								Internal Service Funds (Nonmajor)		
	Water System-1	Water System-2	Electric	Sanitation	Wastewater System-1	Wastewater System-2	Airport	Total	Maintenance Shop	Fuel Facility	Nonmajor Internal Service Funds
Cash flows from operating activities											
Receipts from customers	\$ 1,396,614	\$ 556,455	\$ 4,002,690	\$ 1,128,839	\$ 1,400,349	\$ 1,430,997	\$ 577,292	\$ 10,493,236	\$ 226,243	\$ 310,138	\$ 536,381
Payments to suppliers	(639,130)	(354,315)	(3,389,691)	(751,995)	(835,991)	(528,642)	(488,544)	(6,988,308)	(81,676)	(294,994)	(376,670)
Payments to employees	(208,326)	(146,582)	(68,861)	(266,664)	(301,495)	(282,326)	(70,532)	(1,344,786)	(117,504)	-	(117,504)
Other receipts (payments)	8,873	65,183	14,532	5,000	(58,424)	-	16,474	51,638	42	769	811
Customer deposits	-	-	(1,646)	-	-	-	-	(1,646)	-	-	-
Net cash provided/(used) by operating activities	558,031	120,741	557,024	115,180	204,439	620,029	34,690	2,210,134	27,105	15,913	43,018
Cash flows from non-capital financing activities											
Interfund borrowing	-	-	(200,000)	-	-	-	150,000	(50,000)	-	-	-
Amount paid on commitments	-	-	-	-	-	(1,874,604)	-	(1,874,604)	-	-	-
Net cash provided/(used) by non-capital financing activities	-	-	(200,000)	-	-	(1,874,604)	150,000	(1,924,604)	-	-	-
Cash flows from capital and related financing											
Acquisition of capital assets	(1,384,960)	(25,254)	(441,648)	(352,621)	(156,006)	(62,680)	(80,962)	(2,504,131)	-	(22,727)	(22,727)
Principal paid on capital purchases	-	-	-	-	(3,251)	-	-	(3,251)	-	-	-
Interest paid on capital purchases	-	-	-	-	(205,861)	-	-	(205,861)	-	-	-
Capital contributions	594,135	-	-	-	-	-	45,884	640,019	-	-	-
Net cash provided/(used) in operating activities	(790,825)	(25,254)	(441,648)	(352,621)	(365,118)	(62,680)	(35,078)	(2,073,224)	-	(22,727)	(22,727)
Cash flows from investing activities											
Interest received	88,323	25,539	148,158	83,912	72,823	79,254	10,202	508,211	1,957	5,212	7,169
Net increase in cash	(144,471)	121,026	63,534	(153,529)	(87,856)	(1,238,001)	159,814	(1,279,483)	29,062	(1,602)	27,460
Cash											
Beginning of year	3,781,168	752,837	2,912,034	729,879	2,395,941	3,040,965	134,261	13,747,085	47,686	160,471	208,157
End of year	\$ 3,636,697	\$ 873,863	\$ 2,975,568	\$ 576,350	\$ 2,308,085	\$ 1,802,964	\$ 294,075	\$ 12,467,602	\$ 76,748	\$ 158,869	\$ 235,617
Reconciliation of operating loss to cash used in operating activities											
Operating income (loss)	\$ 232,821	\$ (417,607)	\$ 443,978	\$ 8,574	\$ 340,418	\$ (251,170)	\$ (539,089)	\$ (182,075)	\$ (998)	\$ (3,013)	\$ (4,011)
Depreciation	383,569	463,577	117,437	88,331	353,502	746,845	627,561	2,780,822	8,767	4,811	13,578
Nonoperating receipts (disbursements)	8,873	65,183	14,532	5,000	(58,424)	-	16,474	51,638	42	769	811
Change in assets/liabilities:											
Receivables, net	(62,090)	10,196	(6,356)	(1,387)	(40,879)	6,120	53,798	(40,598)	-	(17,027)	(17,027)
Lease receivable	27,492	-	-	-	-	-	41,703	69,195	-	-	-
Restricted assets	-	-	1,646	-	-	-	-	1,646	-	-	-
Inventory	-	-	-	-	-	-	54,937	54,937	-	32,004	32,004
Deferred outflows of resources related to pensions	17,942	16,044	4,487	20,012	12,153	15,699	4,618	90,955	4,350	-	4,350
Accounts payable	10,800	(5,118)	(16,297)	(12,459)	(327,064)	26,088	(181,306)	(505,356)	(4,091)	(1,631)	(5,722)
Accrued wages	4,220	3,630	1,555	1,648	489	(560)	1,531	12,513	-	-	-
Customer deposits payable	-	-	(1,646)	-	-	-	-	(1,646)	-	-	-
Compensated absences	884	(241)	-	(740)	3,112	2,390	710	6,115	(1,444)	-	(1,444)
Net pension liability	26,288	23,881	11,447	62,292	22,982	74,617	12,971	234,478	37,756	-	37,756
Deferred inflows related to leases	(44,412)	-	-	-	-	-	(45,439)	(89,851)	-	-	-
Deferred inflows of resources related to pensions	(48,356)	(38,804)	(13,759)	(56,091)	(101,850)	-	(13,779)	(272,639)	(17,277)	-	(17,277)
Net cash used by operating activities	\$ 558,031	\$ 120,741	\$ 557,024	\$ 115,180	\$ 204,439	\$ 620,029	\$ 34,690	\$ 2,210,134	\$ 27,105	\$ 15,913	\$ 43,018

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ 395,850
NET POSITION	
Restricted for:	
Capital projects	395,850
Total Net Position	\$ 395,850

See accompanying Notes to the Basic Financial Statements

TOWN OF WICKENBURG, ARIZONA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2023

	Custodial Fund
ADDITIONS	
Franchise fees collected	\$ 29,171
Fiduciary Net Position - Beginning	366,679
Fiduciary Net Position - Ending	<u>\$ 395,850</u>

See accompanying Notes to the Basic Financial Statements

NOTES TO BASIC FINANCIAL STATEMENTS

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Town of Wickenburg, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

Reporting Entity

The Town is a municipal government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. In evaluating how to define the Town, for financial reporting purposes, management has identified no potential component units. The decision to include a potential component unit in the reporting entity would have been made by applying criteria set forth in accounting principles generally accepted in the United States of America. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e., the Town) are financially accountable. The primary government is financially accountable for a potential component unit if it: appoints a voting majority of the potential component unit's governing body; and, either is able to impose its will on the potential component unit or there is a possibility of the potential component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. In addition, a primary government may be financially accountable for a potential component unit even though the potential component unit may have a separately elected governing board, a board appointed by another government, or a jointly appointed board if the potential component unit is fiscally dependent on the primary government (e.g., the primary government must approve the potential component unit's budget, tax rates, etc.). Because no potential component units were identified in defining the Town's reporting entity, none have been included in the Town's reporting entity. Consequently, the Town's financial statements present only the funds of those organizational entities for which its elected governing board is financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements, except for interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. Property taxes, intergovernmental grants and aid, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

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

The *Grants Fund* – A special revenue fund used to account for the activities of various state and federal grants and contributions received by the Town.

The Town reports the following major proprietary funds:

The *Water System-1 Fund* accounts for the activities necessary to provide water services to the citizens of the Town.

The *Water System-2 Fund* accounts for the activities necessary to provide water services to the citizens of the town living in Wickenburg Ranch.

The *Electric Fund* accounts for the activities necessary to provide electricity to the citizens of the Town.

The *Sanitation Fund* accounts for the activities necessary to provide trash collections for the citizens of the Town.

The *Wastewater System-1 Fund* accounts for the activities necessary to provide wastewater services to the citizens of the Town.

The *Wastewater System-2 Fund* accounts for the activities necessary to provide wastewater services to the citizens of the town living in Wickenburg Ranch.

The *Airport Fund* accounts for the transactions related to operating the municipal airport.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund types:

The *Internal Service Funds* account for the direct and overhead costs of vehicle maintenance on Town vehicles and the operation of the Town's Fuel Facility. The funds are operated on a cost reimbursement basis.

The *Custodial Fund* is used to report fiduciary activities that are not required to be reported in pension or OPEB trust funds, investment trust funds, or private purpose trust funds. The Fund accounts for funds held by the Town on behalf of Southwest Gas which controls the use of the funds for various capital expenses incurred by Southwest Gas to provide services to the Town. Any related capital is not the property of the Town.

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 internal service fund are charges to other funds for direct and overhead costs of vehicle maintenance on Town vehicles and operations of the fuel facility. Operating expenses for the internal service fund include the cost of fuel and maintenance of Town vehicles. 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, for governmental activities it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. For business-type activities, the use of restricted resources is governed by the applicable loan covenants.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

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

Cash and investments are pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Interest earned from investments purchased with such pooled monies are allocated to each of the funds based on the average daily cash balances. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, towns or duly organized school districts, improvement districts in this state and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

Accounts and Property Tax Receivables

All trade and property taxes receivable are shown net of an allowance for uncollectible accounts.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Maricopa County and Yavapai County levy real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property attaches on the first day of January preceding assessment and levy thereof.

Intergovernmental Receivables

Intergovernmental receivables include amounts due from other government agencies and include Town sales tax (\$1,591,220), Highway User Revenue fuel tax (\$59,416), State sales tax (\$44,721), auto lieu (\$18,134), fire district billings (\$549,475), and other (\$43,423) in the governmental funds and governmental activities column of the government-wide financial statements.

Inventories and Prepays

Inventories are recorded as expenditures at the time of purchase in the governmental funds and are recorded as an asset and expensed when consumed in the government-wide and proprietary fund financial statements. In the governmental funds, enterprise funds, and government-wide financial statements, prepaids are recorded as an asset and expensed in the period goods or services are received.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental and business-type activities column in the government-wide financial statements and in the proprietary funds financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Infrastructure assets acquired prior to 1980 are not reported in the governmental activities column in the government-wide financial statements.

Property, plant, and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Land improvements	10-40 years
Buildings and improvements	10-40 years
Utility components	5-40 years
Infrastructure	5-40 years
Furniture, equipment, and vehicles	3-20 years

Deferred Outflows of Resources

The deferred outflows of resources represent the consumption of net position that is applicable to a future reporting period. Reported amounts are related to the requirements of accounting and financial reporting for pensions.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund financial statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund statements of net position.

Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Arizona State Retirement System (ASRS) and Public Safety Personnel Retirement System (PSPRS) and additions to/deductions from ASRS/PSPRS's fiduciary net position have been determined on the same basis as they are reported by ASRS/PSPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows of Resources

Deferred inflows of resources represent the acquisition of net position that is applicable to a future reporting period. Reported amounts are related to the requirements of accounting and financial reporting for pensions and leases.

Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets is separately reported because capital assets make up a significant portion of total net position. Restricted net position accounts for the portion of net position restricted by parties outside the Town. Unrestricted net position is the remaining net position not included in the previous two categories.

None of the restricted net position is restricted by enabling legislation.

Fund Balances

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

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as inventories or are legally or contractually required to be maintained intact.

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. The committed fund balances are self-imposed limitations approved by the Town's Council, which is the highest level of decision-making authority within the Town. Only the Town Council can remove or change the constraints placed on committed fund balances. The Town Council must commit fund balances before the end of the fiscal year through formal council action. Assigned fund balances are resources constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. The Town Council has authorized, through the adoption of a fund balance policy, the Town Manager to make assignments of resources for a specific purpose. The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balance of the other governmental funds are reported as unassigned. When an expenditure is incurred, it is the Town's policy to use restricted fund balance first, then committed, assigned, and unassigned fund balances as resources are available.

The various components of fund balance are as follows:

	General Fund	Grants Fund	Non-Major	Total
			Governmental	Governmental
Restricted				
Highways and streets	\$ -	\$ -	\$ 1,172,123	\$ 1,172,123
Police	112,382	24,592	-	136,974
Fire	65,933	-	-	65,933
Library contributions	116,157	-	-	116,157
Economic development	294,486	-	-	294,486
Contributions	868,248	-	-	868,248
Judicial court enhancement	-	-	142,882	142,882
Total restricted	1,457,206	24,592	1,315,005	2,796,803
Assigned				
Cemetery operations	297,103	-	-	297,103
Court enhancement	22,423	-	-	22,423
Street maintenance	-	-	695,000	695,000
Rodeo grounds operations	88,112	-	-	88,112
Retirement benefits	205,598	-	-	205,598
Capital outlay	-	-	315,697	315,697
Total assigned	613,236	-	1,010,697	1,623,933
Unassigned				
Total	\$ 25,556,862	\$ 24,592	\$ 2,325,702	\$ 27,907,156

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Leases

The Town determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements. Lease receivables represent the Town's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

1. In accordance with Arizona Revised Statutes, the Town Manager submits a proposed budget for the fiscal year commencing the following July 1 to the Town Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in August, the expenditure limitation for the Town is legally enacted through passage of an ordinance. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total Town expenditures from the audited basic financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. Expenditures may not legally exceed the expenditure budget by department for the General Fund or the total fund budget for other funds without council approval. The Town legally adopts a budget by department for the General Fund and in total by fund for other funds. Transfers between departments within the General Fund may be authorized by the Department Director, transfers of any unencumbered appropriation balance between Funds must be approved by the Town Council. The adopted budget cannot be amended in any way without Town Council approval.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, and Capital Projects Funds on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information (Continued)

The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complies with this law. No supplementary budgetary appropriations were necessary during the year.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits and investments at June 30, 2023 consist of the following:

Deposits:	
Cash on hand	\$ 990
Cash in bank	3,692,796
Investments:	
State treasurer's investment pool	39,457,108
Total deposits and investments	<u>43,150,894</u>
Less:	
Restricted assets	(324,660)
Fiduciary funds	<u>(395,850)</u>
Total cash and cash equivalents	<u>\$ 42,430,384</u>

Deposits

The Town's deposits at June 30, 2023 had a carrying value of \$3,692,796 and a bank balance of \$3,733,305. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining balance was covered through the State of Arizona's pooled collateral program. Therefore, the Town's deposits were not exposed to any custodial credit risk.

Investments

The Town holds its investments in the Arizona State Treasurer's Local Government Investment Pool (LGIP). Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the Town held. The fair value of a participant's position in the pool approximates the value of the participant's pool shares. The State Board of Deposit provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. Investments in the State Treasurer's investment pools are reported at fair value. Fair value is the amount reasonably expected to be received for an investment in a current sale between a willing buyer and a willing seller. Investments are valued based on published market prices and securities pricing services.

Interest Rate Risk – In accordance with its investment policy, the Town manages its exposure to declines in fair value by limiting the average maturity of its investments to six months or less. All of the Town's investments held in LGIP have maturities of one year or less.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Credit Risk – The Town does not have a policy relating to credit risk. The State Treasurer's investments held in Pools 5 and 7, the pools in which the Town is invested, have an average rating of AAA from Standard and Poor's and are comprised primarily of treasury bills backed by the U.S. Government.

Concentration of Credit Risk – The Town's investment policy does not address concentration of credit risk. The Town currently only invests in the State Treasurer's Investment Pools.

Restricted Assets

Restricted assets in the Governmental Activities and Business-Type Activities at June 30, 2023 consisted customer deposits and restricted contributions.

NOTE 4 – LEASES

The Town, acting as lessor, leases land and facilities under long-term, non-cancelable lease agreements. The leases expire at various dates through 2052 and provide for renewal options ranging from one year to six years. During the year ended June 30, 2023, the Town recognized \$102,009 and \$21,710 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 13,237	\$ 2,849	\$ 66,040	\$ 22,901	\$ 79,277	\$ 25,750
2025	2,764	2,496	62,117	21,833	64,881	24,329
2026	2,065	2,435	55,781	20,623	57,846	23,058
2027	2,128	2,372	39,469	19,675	41,597	22,047
2028	2,192	2,308	32,340	19,001	34,532	21,309
Thereafter	78,180	29,823	927,309	206,482	1,005,489	236,305
Total	\$ 100,566	\$ 42,283	\$ 1,183,056	\$ 310,515	\$ 1,283,622	\$ 352,798

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2023, consisted of the following:

Transfer In	Transfer Out		
	General Fund	Electric Fund	Total
Nonmajor Governmental Funds	\$ 498,902	\$ 200,000	\$ 698,902
Airport Fund	150,000	-	150,000
Total	\$ 648,902	\$ 200,000	\$ 848,902

The General Fund and Electric Fund transferred \$498,902 and \$200,000, respectively, to the Capital Improvement Nonmajor Governmental Fund for budgeted capital projects approved by Town council. Additionally, \$150,000 was transferred from the General Fund to the Airport Fund for taxiway lighting.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	(Restated)		
	Balance	Additions	Balance
	July 01, 2022	Deductions	June 30, 2023
Governmental Activities			
Capital assets not being depreciated			
Land	\$ 15,091,705	\$ -	\$ 15,091,705
Construction in progress	2,509,026	- (2,484,389)	24,637
Total Capital Assets not Being Depreciated	17,600,731	- (2,484,389)	15,116,342
Capital assets being depreciated			
Land improvements	6,912,760	41,717	- 6,954,477
Buildings and improvements	10,064,065	5,359,734	- 15,423,799
Infrastructure	16,841,419	31,783	- 16,873,202
Furniture, equipment, and vehicles	7,880,583	2,486,173	(55,797) 10,310,959
Intangible property	52,070	- -	52,070
Total Capital Assets Being Depreciated	41,750,897	7,919,407	(55,797) 49,614,507
Less Accumulated Depreciation			
Land improvements	(3,711,969)	(343,983)	- (4,055,952)
Buildings and improvements	(4,569,268)	(222,650)	- (4,791,918)
Infrastructure	(10,237,584)	(331,367)	- (10,568,951)
Furniture, equipment, and vehicles	(5,453,622)	(514,765)	55,797 (5,912,590)
Intangible property	(16,923)	(1,302)	- (18,225)
Total Accumulated Depreciation	(23,989,366)	(1,414,067)	55,797 (25,347,636)
Total Capital assets, being depreciated, net	17,761,531	6,505,340	- 24,266,871
Governmental Activities Capital Assets, Net	\$ 35,362,262	\$ 6,505,340	\$ (2,484,389) \$ 39,383,213

Depreciation expenses was charged to governmental functions as follows:

Governmental Activities:	
General government	\$ 303,569
Public safety	334,970
Highways and streets	434,004
Parks, recreation, and zoning	327,946
Internal service funds	13,578
Total governmental activities depreciation expense	<u>\$ 1,414,067</u>

As of June 30, 2023, the Town did not have any active construction commitments.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Business-Type Activities	(Restated)			Balance June 30, 2023
	Balance July 01, 2022	Additions	Deductions	
Capital assets not being depreciated				
Land	\$ 8,550,435	\$ -	\$ -	\$ 8,550,435
Construction in progress	340,284	439,324	(126,628)	652,980
Total Capital Assets not Being Depreciated	<u>8,890,719</u>	<u>439,324</u>	<u>(126,628)</u>	<u>9,203,415</u>
Capital assets being depreciated				
Land improvements	877,021	-	-	877,021
Wells, waterlines, and improvements	25,142,494	1,500,121	-	26,642,615
Electric meters and wires	3,679,448	-	-	3,679,448
Sewer treatment plant	13,476,628	63,547	-	13,540,175
Sewer lines and mains	12,813,498	-	-	12,813,498
Airport runways and hangars	16,678,851	-	(2)	16,678,849
Furniture, equipment, and vehicles	11,878,835	627,770	-	12,506,605
Total Capital Assets Being Depreciated	<u>84,546,775</u>	<u>2,191,438</u>	<u>(2)</u>	<u>86,738,211</u>
Less Accumulated Depreciation				
Land improvements	(657,627)	(15,862)	-	(673,489)
Wells, waterlines, and improvements	(5,024,154)	(719,113)	-	(5,743,267)
Electric meters and wires	(1,065,360)	(101,281)	-	(1,166,641)
Sewer treatment plant	(3,769,231)	(205,603)	-	(3,974,834)
Sewer lines and mains	(3,377,350)	(572,235)	-	(3,949,585)
Airport runways and hangars	(8,890,403)	(561,701)	-	(9,452,104)
Furniture, equipment, and vehicles	(6,988,948)	(605,027)	-	(7,593,975)
Total Accumulated Depreciation	<u>(29,773,073)</u>	<u>(2,780,822)</u>	<u>-</u>	<u>(32,553,895)</u>
Business-type Activities Capital Assets, Net	<u>\$ 63,664,421</u>	<u>\$ (150,060)</u>	<u>\$ (126,630)</u>	<u>\$ 63,387,731</u>

Depreciation expenses was charged to the business-type activities as follows:

Business-type Activities:		
Water System-1	\$ 383,569	
Water System-2	463,577	
Electric	117,437	
Sanitation	88,331	
Wastewater System-1	353,502	
Wastewater System-2	746,845	
Airport	<u>627,561</u>	
Total business-type activities depreciation expense	<u>\$ 2,780,822</u>	

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 – LONG-TERM OBLIGATIONS

Loans

The Town has loans payable issued to provide funds for the acquisition and construction of major capital facilities. On March 22, 2022, the Town entered into a loan agreement with Zion Bank in the amount of \$2,350,000 for the acquisition and/or construction of Wickenburg Ranch Fire Station. The loan carries a 2.20% interest rate and will mature on March 22, 2027. The loan is secured by general revenues (sales tax, licenses and fees and other miscellaneous revenues of the General Fund). In the event of default, the creditor has the right to: a. take possession of the financed property; b. hold the Town liable for the difference between the rent to the end of the original term or renewal term and the rent pay by the Town pursuant to a new agreement, c. take action at law to enforce its rights under the agreement or d. terminate the escrow agreement and apply the proceeds in the escrow account.

Debt service requirements on the loan at June 30, 2023, is as follows:

	Governmental Activities	
	Principal	Interest
Year Ended June 30:		
2024	\$ 459,608	\$ 39,294
2025	469,775	29,126
2026	480,167	18,735
2027	490,789	8,113
Total	<u>\$ 1,900,339</u>	<u>\$ 95,268</u>

Compensated Absences

Compensated absences are paid by the applicable fund where each employee is regularly paid, primarily the General Fund for the governmental activities.

Changes in governmental activities long-term liabilities for the year ended June 30, 2023 are as follows:

	Balance	Additions	Deductions	Balance	Due Within One Year
	July 01, 2022			June 30, 2023	
Governmental activities:					
Loans payable	\$ 2,350,000	\$ -	\$ (449,661)	\$ 1,900,339	\$ 459,608
Net pension liability	2,764,807	1,380,245	-	4,145,052	-
Compensated absences	312,642	44,996	(154,566)	203,072	48,737
Total	<u>\$ 5,427,449</u>	<u>\$ 1,425,241</u>	<u>\$ (604,227)</u>	<u>\$ 6,248,463</u>	<u>\$ 508,345</u>

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 – LONG-TERM OBLIGATIONS (CONTINUED)

Commitments Payable

Effective July 1, 2018, the Town of Wickenburg assumed the operations and assets of the Wickenburg Ranch water and wastewater utilities (water system 2 and wastewater system 2) from the Wickenburg Ranch Water LLC and Wickenburg Ranch Wastewater LLC, respectively through a transfer agreement that was signed June 28, 2019 ("transfer agreement").

The Wickenburg Ranch Water utilities were recorded as a capital contribution to the Town. The Town does not have any commitments to the Wickenburg Ranch Water LLC as a result of the transfer agreement; however, the transfer agreement acknowledges that initial operating revenues of the Wickenburg Ranch Water operations will not be sufficient to pay for the related operating expenses. Therefore, the transfer agreement requires a subsidy to be paid to the Town of Wickenburg by Wickenburg Ranch Water LLC in an amount equal to the net operating income (excluding depreciation) of the Wickenburg Ranch Water operations, plus the net cumulative capital reserve deficit (as defined in the transfer agreement), plus the contingency fund deficit. The subsidy will continue until annual operating revenues meet annual operating expenses and generate funds for the capital reserve at a level of twenty-four percent of the annual operating revenues for a period of five consecutive years. Total subsidies received by the Town for the Wickenburg Ranch Water operations for the fiscal year ended June 30, 2023, was \$64,880, which are included in other nonoperating revenue.

The Wickenburg Ranch Wastewater utility assets were acquired from the Wickenburg Ranch Wastewater LLC through a long-term commitment in the amount of \$12,007,348. The commitment is executed directly by and between the Town of Wickenburg, Arizona and Wickenburg Ranch Wastewater LLC. Except for the provisions set forth in the asset transfer agreement between the Town of Wickenburg and the Wickenburg Ranch Wastewater LLC for an automatic extension of the terms of the commitment, the agreement will terminate on the 30th anniversary of the first day of the term of the agreement. In connection with the Town's agreement to assume the assets and operations of the Wickenburg Ranch Wastewater utilities, the commitment repayment will be subordinate to funding the Wickenburg Ranch Wastewater operations, including reserves and contingencies. As set forth in the transfer agreement, the commitment will be repaid from connection fees and the operating income of the wastewater utilities in excess of capital and operating reserves set forth within the agreement. The Town does not anticipate the use of non-Wickenburg Ranch related resources to fund the commitment.

In the event of default, as defined in the asset transfer agreement, a notice of hearing will be provided and the dispute will be heard by a mediator who will provide a default resolution. The Town made a payment of \$1,874,604 towards the commitment during the fiscal year. The commitment balance on June 30, 2023 was \$5,303,101.

Changes in the business-type activities long-term liabilities for the year ended June 30, 2023 are as follows:

Business-type activities:	Balance		Balance		Due Within One Year
	July 01, 2022	Additions	Deductions	June 30, 2023	
Note payable	\$ 205,861	\$ -	\$ (205,861)	\$ -	\$ -
Commitments	7,177,705	-	(1,874,604)	5,303,101	-
Net pension liability	956,316	234,478	-	1,190,794	-
Compensated absences	44,707	73,563	(62,620)	55,650	13,913
Total	\$ 8,384,589	\$ 308,041	\$ (2,143,085)	\$ 6,549,545	\$ 13,913

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 – RISK MANAGEMENT

The Town of Wickenburg, Arizona is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the Town is a participating member. The limit for basic coverage is for \$2,000,000 per occurrence on a claims made basis. Excess coverage is for an additional \$10,000,000 per occurrence on a follow form, claims made basis. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years. The Town has a deductible for claims of \$25,000 per claim.

The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has the authority to assess its member's additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

The Town is also insured by Arizona Municipal Workers Compensation Fund for potential worker related accidents.

NOTE 9 – CONTINGENT LIABILITIES

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

Arbitrage – Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense or expenditure prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

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

Litigation – The Town is a defendant in various lawsuits. In the opinion of the Town's attorney no determination of liability can be made or any loss will be covered by insurance.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS

The Town contributes to the Arizona State Retirement System (ASRS), the Public Safety Personnel Retirement System (PSPRS) for police officers and firefighters, and the Corrections Officer Retirement Plan (CORP) for dispatchers. The plans are component units of the State of Arizona.

At June 30, 2023, the Town reported the following aggregate amounts related to pensions for all plans to which it contributes:

	ASRS	PSPRS & CORP
Net pension assets	\$ -	\$ 70,101
Net pension liability	4,677,949	657,897
Deferred outflows of resources	801,346	2,249,414
Deferred inflows of resources	126,736	368,935
Pension expense	696,285	392,651
Contributions	495,358	682,264

The Town reported accrued payroll and employee benefits of \$-0- for outstanding pension contribution amounts payable to all pension plans for the year ended June 30, 2023. The OPEB plans related to the cost-sharing multiple employer plan were not posted as the activity was not significant to the Town's financial statements.

Arizona State Retirement System

Plan Description

Town employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit (OPEB); and a cost-sharing, multiple-employer defined benefit long- term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2, and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Benefits Provided

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

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Benefits Provided (Continued)

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

**With actuarially reduced benefits*

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

Contributions

In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2023, statute required active ASRS members to contribute at the actuarially determined rate of 12.17% (12.03% for retirement and 0.14% for long-term disability) of the members' annual covered payroll, and statute required the Town to contribute at the actuarially determined rate of 12.17% (11.92% for retirement, 0.11% for health insurance premium benefit, and 0.14% for long term disability) of the active members' annual covered payroll. In addition, the Town was required by statute to contribute at the actuarially determined rate of 9.68% (9.62% for retirement and 0.06% for long-term disability) of annual covered payroll of retired members who worked for the Town in positions that an employee who contributes to the ASRS would typically fill. The Town's contributions to the pension plan for the year ended June 30, 2023 was \$485,895.

During fiscal year 2023, the Town paid for pension contributions as follows: 75% from the General Fund, 24% from business-type activities, and 1% from nonmajor funds.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Liability

On June 30, 2023, the Town reported a net pension liability of \$4,677,949. The Town's proportionate share of the net pension liability increased 0.0003% from 0.0283% to 0.0287%.

The net assets and net liabilities were measured as of June 30, 2023. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2021, to the measurement date of June 30, 2023. The Town's proportion of the net asset or net liability was based on the Town's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023, and the change from its proportions measured as of June 30, 2021, were noted above.

Expense

For the year ended June 30, 2023, the Town recognized pension expense of \$696,285.

Deferred Outflows/Inflows of Resources

On June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,859	\$ -
Changes of assumptions or other inputs	232,176	-
Net difference between projected and actual earnings on pension plan investments	-	123,222
Changes in proportion and differences between contributions and proportionate share of contributions	33,953	3,514
Contributions subsequent to the measurement date	495,358	-
Total	\$ 801,346	\$ 126,736

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized in expenses as follows:

Year Ending June 30:	Deferred Outflows (Inflows) of Resources
2024	\$ 235,940
2025	(39,968)
2026	(213,942)
2027	197,222
Total	\$ 179,252

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Actuarial Assumptions

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

Actuarial valuation date	June 30, 2021
Actuarial roll forward date	June 30, 2022
Actuarial cost method	Entry age normal
Asset valuation	Fair value
Investment rate of return	7.0%
Projected salary increases	2.9-8.4%
Inflation rate	2.3%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term
		Expected Geometric
Equity	50%	3.90%
Fixed income - credit	20%	5.30%
Fixed income - interest rate sensitive	10%	-0.20%
Real Estate	20%	6.00%
Total	100%	

Discount Rate

On June 30, 2023, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Sensitivity of the Town's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate

The following table presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	1% Decrease (6.00%)	Current (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability	\$ 6,902,174	\$ 4,677,949	\$ 2,823,292

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

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP)

Plan Descriptions

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

Town dispatchers participate in the Corrections Officer Retirement Plan (CORP) or the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The CORP administers an agent multiple-employer defined benefit pension plan for Town dispatchers (agent plan) which were closed to new members as of July 1, 2018. Employees who were CORP members before July 1, 2018, participate in CORP. Town dispatchers who became members on or after July 1, 2018, participate in PSPDCRP. The PSPRS Board of Trustees and the participating local boards govern CORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

The Town has members participating in the Public Safety Personnel Defined Contribution Retirement Plan and the activity was insignificant to the financial statements.

The PSPRS and CORP issue publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS Web site at www.psprs.com.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

Benefits Provided

The PSPRS and CORP provide 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		
Retirement and Disability	Before January 1, 2012	On or After January 1, 2012, and before July 1, 2017	On or after July 1, 2017
Years of services and age requirement to receive benefit	20 years of service, any age	25 years of service or 15 years of credited service, age 52.5	15 or more years of service, age 55
Final average salary is based on:	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 years
Benefit percentage, normal retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited 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		
<u>Survivor Benefit</u>			
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.		

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

Benefits Provided (Continued)

CORP	Initial Membership Date		
Retirement and Disability	Before January 1, 2012	On or After January 1, 2012, and before July 1, 2017	On or after July 1, 2017
Years of services and age requirement to receive benefit	Sum of years and age equals 80, 25 years, any age (dispatchers), 10 years, age 62	25 years, age 52.5, 10 years, age 62	15 years of credited service, age 52.5, 15 or more years of service, age 55
Final average salary is based on:	Highest 36 consecutive months of last 10 years	Highest 60 consecutive months of last 10 years	Highest 60 consecutive months of last 15 years
Benefit percentage, normal retirement	2.0% to 2.5% per year of credited service, not to exceed 80%	2.5% per year of credited service, not to exceed 80%	1.5% - 2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement if more than 20 years of credited service	50% or normal retirement if more than 25 years of credited service	
Catastrophic Disability Retirement	50% or normal retirement if more than 25 years of credited service		
Ordinary Disability Retirement	2.5% per year of credited service		
<u>Survivor Benefit</u>			
Retired Members	80% of retired member's pension benefit		
Active Members	40% of average monthly compensation or 100% of average monthly compensation if death was the result of injuries received on the job. If there is no surviving spouse or eligible children, the beneficiary is entitled to 2 times the member's contributions.		

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.

Employees Covered by Benefit Terms – On June 30, 2023, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police	PSPRS Fire	CORP Dispatchers
Inactive employees or beneficiaries currently receiving benefits	10	1	3
Inactive employees or entitled to but not yet receiving benefits	8	1	2
Active employees	10	20	-
Total employees	28	22	5

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

Contributions

State statutes establish the pension contribution requirements for active PSPRS and CORP employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS and CORP pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2023, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police	PSPRS Fire	CORP Dispatchers
Active members	7.65%-10.85%	7.65%-10.85%	0.00%
Town			
PSPRS Tier 1/2	15.74%	13.50%	0.00%
PSPRS Tier 3	12.54%-13.45%	9.94%-10.85%	0.00%

During the year ended June 30, 2023, the Town paid for PSPRS and CORP pension 100% from the General Fund.

Liability

As of June 30, 2023, the Town reported a pension liability(asset) for PSPRS Police, PSPRS Firefighters, and CORP Dispatchers of \$374,974, \$282,923, and (\$70,101) respectively.

Actuarial Assumptions and Other Inputs

The total pension liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Actuarial valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.30%
Wage inflation	3.50%
Price inflation	2.50%
Cost of living adjustment	1.85%
Mortality rates	PubS-2010 tables

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

Actuarial Assumptions and Other Inputs (Continued)

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2017. The long-term expected rate of return on PSPRS and CORP plan investments was determined to be 7.20% 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Public equity	24%	3.49%
International Public Equity	16%	4.47%
Global Private Equity	20%	7.18%
Other Assets (Capital Appreciation)	7%	4.83%
Core Bonds	2%	0.45%
Private Credit	20%	5.10%
Diversifying Strategies	10%	2.68%
Cash - Mellon	1%	-0.35%
Total	100%	

Discount Rate

At June 30, 2022, the discount rate used to measure the PSPRS and CORP total pension liabilities was 7.20%. 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 liabilities.

Changes in the Agent Plans Net Pension Liability (Asset)

The tables on the following page present changes in the Town's net pension liability (asset) for the PSPRS – Police, PSPRS – Fire and CORP – Dispatcher pension plans.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

Changes in the Agent Plans Net Pension Liability (Asset) (Continued)

PSPRS Police	Total pension liability (a)	Fiduciary net position (b)	Net pension liability (a)-(b)
Balance at June 30, 2021	\$ 7,916,285	\$ 8,605,046	\$ (688,761)
Changes for the year:			
Service cost	206,811	-	206,811
Interest on the total liability	575,727	-	575,727
Difference between expected and actual experience	21,479	-	21,479
Changes in assumptions	134,128	-	134,128
Contributions - employer	-	123,231	(123,231)
Contributions - employee	-	93,312	(93,312)
Net investment income	-	(336,065)	336,065
Administrative expense	-	(6,068)	6,068
Benefit payments	(472,840)	(472,840)	-
Net changes	465,305	(598,430)	1,063,735
Balances as of June 30, 2022	<u>\$ 8,381,590</u>	<u>\$ 8,006,616</u>	<u>\$ 374,974</u>
PSPRS Firefighters	Total pension liability (a)	Fiduciary net position (b)	Net pension liability (a)-(b)
Balance at June 30, 2021	\$ 3,862,905	\$ 4,341,747	\$ (478,842)
Changes for the year:			
Service cost	202,467	-	202,467
Interest on the total liability	294,580	-	294,580
Difference between expected and actual experience	256,174	-	256,174
Changes in assumptions	23,276	-	23,276
Contributions - employer	-	116,978	(116,978)
Contributions - employee	-	75,821	(75,821)
Net investment income	-	(174,914)	174,914
Administrative expense	-	(3,153)	3,153
Benefit payments	(60,059)	(60,059)	-
Net changes	716,438	(45,327)	761,765
Balances as of June 30, 2022	<u>\$ 4,579,343</u>	<u>\$ 4,296,420</u>	<u>\$ 282,923</u>
CORP Dispatchers	Total pension liability (a)	Fiduciary net position (b)	Net pension liability (a)-(b)
Balance at June 30, 2021	\$ 590,672	\$ 738,012	\$ (147,340)
Changes for the year:			
Interest on the total liability	41,303	-	41,303
Difference between expected and actual experience	7,005	-	7,005
Changes in assumptions	1,750	-	1,750
Net investment income	-	(26,690)	26,690
Administrative expense	-	(491)	491
Benefit payments	(49,744)	(49,744)	-
Net changes	314	(76,925)	77,239
Balances as of June 30, 2022	<u>\$ 590,986</u>	<u>\$ 661,087</u>	<u>\$ (70,101)</u>

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PSPRS Police

Differences between expected and actual experience
 Changes of assumptions or other inputs
 Net difference between projected and actual earnings on pension plan investments
 Contributions subsequent to the measurement date
 Total

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$ 118,378	\$ 68,423
	165,225	-
	360,150	-
	375,345	-
	\$ 1,019,098	\$ 68,423

PSPRS Firefighters

Differences between expected and actual experience
 Changes of assumptions or other inputs
 Net difference between projected and actual earnings on pension plan investments
 Contributions subsequent to the measurement date
 Total

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$ 661,732	\$ 300,512
	114,556	-
	124,557	-
	306,273	-
	\$ 1,207,118	\$ 300,512

CORP Dispatchers

Net difference between projected and actual earnings on pension plan investments
 Contributions subsequent to the measurement date
 Total

	Deferred Outflows of Resources	Deferred Inflows of Resources
	\$ 22,552	\$ -
	646	-
	\$ 23,198	\$ -

The amounts reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (or an increase in the net pension asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as noted on the following page.

TOWN OF WICKENBURG, ARIZONA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 – RETIREMENT PLANS (CONTINUED)

Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. (Continued)

Year Ending June 30:	CORP		
	PSPRS Police	PSPRS Fire	Dispatchers
2024	\$ 135,308	\$ 100,231	\$ 5,030
2025	131,860	91,736	3,105
2026	91,664	62,229	(1,329)
2027	216,498	178,521	15,746
2028	-	86,009	-
Thereafter	-	81,607	-
Total	\$ 575,330	\$ 600,333	\$ 22,552

Sensitivity of the Town's Net Pension Liability (Asset) to Changes in the Discount Rate

The following table presents the Town's net pension liabilities (assets) calculated using the discount rates noted above, as well as what the Town's net pension liability (asset) 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:

	Current		
	1% Decrease	Discount Rate	1% Increase
	(6.20%)	(7.20%)	(8.20%)
PSPRS Police	\$ 1,540,186	\$ 374,974	\$ (565,299)
PSPRS Firefighters	1,030,861	282,923	(324,359)
CORP Dispatchers	(16,382)	(70,101)	(116,267)

Pension Expense

For the year ended June 30, 2023, the Town recognized the following pension expense:

	Pension Expense
PSPRS Police	\$ 220,294
PSPRS Firefighters	204,693
CORP Dispatchers	(32,336)
Total Pension Expense	\$ 392,651

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

**REQUIRED SUPPLEMENTARY INFORMATION OTHER
THAN MD&A**

TOWN OF WICKENBURG, ARIZONA

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS

COST SHARING PENSION PLAN

JUNE 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Reporting Fiscal Year (Measurement Date)									
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 (2013)
Proportion of the net pension liability	0.0287%	0.0283%	0.0284%	0.0251%	0.0250%	0.0242%	0.0240%	0.0216%	0.0208%	N/A
Proportionate share of the net pension liability	\$ 4,677,979	\$ 3,721,123	\$ 4,918,999	\$ 3,652,342	\$ 3,488,015	\$ 3,765,215	\$ 3,873,841	\$ 3,359,252	\$ 3,076,042	N/A
Covered payroll	\$ 4,035,982	\$ 3,451,336	\$ 3,108,709	\$ 2,651,289	\$ 2,486,941	\$ 2,367,552	\$ 2,182,535	\$ 2,044,839	\$ 2,213,988	N/A
Proportionate share of the net pension liability as a percentage of its covered payroll	115.91%	107.82%	158.23%	137.76%	140.25%	159.03%	177.49%	164.28%	138.94%	N/A
Plan fiduciary net position as a percentage of the total pension liability	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%	N/A

SCHEDULE OF CONTRIBUTIONS

	Reporting Fiscal Year									
	2022	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 495,358	\$ 409,705	\$ 378,225	\$ 355,947	\$ 296,156	\$ 271,077	\$ 254,182	\$ 243,575	\$ 215,812	\$ 200,515
Contributions in relation to the actuarially determined contribution	495,358	409,705	378,225	355,947	296,156	271,077	254,182	243,575	215,812	200,515
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 5,534,342	\$ 4,035,982	\$ 3,451,336	\$ 3,108,709	\$ 2,651,289	\$ 2,486,941	\$ 2,367,552	\$ 2,182,535	\$ 2,044,839	\$ 2,213,988
Contributions as a percentage of covered payroll	8.95%	10.15%	11.69%	11.35%	11.18%	10.90%	10.74%	11.16%	10.55%	9.06%

See accompanying Notes to Required Supplementary Information

Note: Information before the measurement period ending June 30, 2014, was not available. 10 years of information will be presented when information is available.

TOWN OF WICKENBURG, ARIZONA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
AGENT PENSION PLAN – PSPRS POLICE
YEAR ENDED JUNE 30, 2023

PSPRS Police	Reporting Year (Measurement Date)								
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total Pension Liability:									
Service Cost	\$ 206,811	\$ 222,017	\$ 225,797	\$ 235,063	\$ 205,869	\$ 251,245	\$ 202,453	\$ 183,370	\$ 173,943
Interest on the Total Pension Liability	575,727	549,711	517,676	500,614	475,486	452,167	426,817	413,793	333,484
Changes of Benefit Terms	-	-	-	-	-	65,709	281,162	-	96,284
Differences Between Expected and Actual Experience in the Measurement of the Pension Liability	21,479	40,125	132,155	(99,395)	(82,697)	(203,761)	(199,017)	(79,303)	280,526
Changes of Assumptions or Other Inputs	134,128	-	-	123,277	-	237,234	214,932	-	462,146
Benefit Payments, Including Refunds of Employee Contributions	(472,840)	(407,688)	(458,324)	(389,467)	(392,969)	(373,662)	(344,348)	(378,634)	(277,479)
Net Change in Total Pension Liability	465,305	404,165	417,304	370,092	205,689	428,932	581,999	139,226	1,068,904
Total Pension Liability- Beginning	7,916,285	7,512,120	7,094,816	6,724,724	6,519,035	6,090,103	5,508,104	5,368,878	4,299,974
Total Pension Liability- Ending (a)	8,381,590	7,916,285	7,512,120	7,094,816	6,724,724	6,519,035	6,090,103	5,508,104	5,368,878
Plan Fiduciary Net Position									
Contributions- Employer	123,231	4,047,485	463,281	391,054	390,283	337,472	307,317	231,967	210,447
Contributions- Employee	93,312	98,908	109,727	111,004	115,995	131,544	124,271	118,122	99,823
Net Investment Income	(336,065)	1,237,329	45,495	177,480	206,081	311,765	14,946	91,892	301,375
Benefit Payments, Including Refunds Of Employee Contributions	(472,840)	(407,688)	(458,324)	(389,467)	(392,969)	(373,662)	(344,348)	(378,634)	(277,479)
Administrative Expenses	(6,068)	(5,641)	(3,709)	(4,078)	(3,837)	(3,159)	(2,551)	(2,620)	-
Other Changes	-	-	(19,952)	(2,493)	(82,296)	(29,663)	(83,550)	(2,047)	(84,380)
Net Change in Plan Fiduciary Net Position	(598,430)	4,970,393	136,518	283,500	233,257	374,297	16,085	58,680	249,786
Plan Fiduciary Net Position- Beginning	8,605,046	3,634,653	3,498,135	3,214,635	2,981,378	2,607,081	2,590,996	2,532,316	2,282,530
Plan Fiduciary Net Position- Ending (b)	8,006,616	8,605,046	3,634,653	3,498,135	3,214,635	2,981,378	2,607,081	2,590,996	2,532,316
Town's Net Pension Liability (Asset)- Ending (a)-(b)	\$ 374,974	\$ (688,761)	\$ 3,877,467	\$ 3,596,681	\$ 3,510,089	\$ 3,537,657	\$ 3,483,022	\$ 2,917,108	\$ 2,836,562
Plan Fiduciary Net Position as a Percentage Of the total Pension Liability									
Covered Payroll	95.53%	108.70%	48.38%	49.31%	47.80%	45.73%	42.81%	47.04%	47.17%
Town's Net Pension Liability (Assets) as a Percentage of Covered Payroll	42.58%	-74.68%	377.56%	353.96%	326.51%	307.52%	315.69%	285.36%	279.18%

See accompanying Notes to Required Supplementary Information

Note: Information before the measurement period ending June 30, 2014, was not available. 10 years of information will be presented when information is available.

TOWN OF WICKENBURG, ARIZONA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
AGENT PENSION PLAN – PSPRS FIRE
YEAR ENDED JUNE 30, 2023

PSPRS Fire	Reporting Year (Measurement Date)								
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total Pension Liability:									
Service Cost	\$ 202,467	\$ 192,965	\$ 173,563	\$ 183,498	\$ 173,334	\$ 170,783	\$ 136,786	\$ 97,923	\$ 95,348
Interest on the Total Pension Liability	294,580	268,727	210,849	203,064	173,375	148,615	87,318	76,898	67,651
Changes of Benefit Terms	-	-	-	-	-	28,228	197,520	-	(2,902)
Differences Between Expected and Actual Experience in the Measurement of the Pension Liability	256,174	(87,014)	418,091	(245,533)	(42,334)	(47,881)	342,756	(61,512)	(53,514)
Changes of Assumptions or Other Inputs	23,276	-	-	42,188	-	60,341	87,828	-	9,923
Benefit Payments, Including Refunds of Employee Contributions	(60,059)	-	(58,101)	-	(1)	-	-	-	-
Net Change in Total Pension Liability	716,438	374,678	744,402	183,217	304,374	360,086	852,208	113,309	116,506
Total Pension Liability- Beginning	3,862,905	3,488,227	2,743,825	2,560,608	2,256,234	1,896,148	1,043,940	930,631	814,125
Total Pension Liability- Ending (a)	4,579,343	3,862,905	3,488,227	2,743,825	2,560,608	2,256,234	1,896,148	1,043,940	930,631
Plan Fiduciary Net Position									
Contributions- Employer	116,978	893,898	182,414	166,342	189,865	82,397	80,265	74,179	91,736
Contributions- Employee	75,821	76,608	80,442	72,412	70,767	84,510	86,662	59,935	52,733
Net Investment Income	(174,914)	790,955	31,419	114,343	124,029	171,646	7,439	39,780	114,473
Benefit Payments, Including Refunds Of Employee Contributions	(60,059)	-	(58,101)	-	(1)	-	-	-	-
Administrative Expenses	(3,153)	(3,634)	(2,561)	(2,978)	(2,588)	(1,919)	(1,470)	(1,357)	-
Other Changes	-	-	-	(1,057)	(93,254)	17	6	(764)	(25,587)
Net Change in Plan Fiduciary Net Position	(45,327)	1,757,827	233,613	349,062	288,818	336,651	172,902	171,773	233,355
Plan Fiduciary Net Position- Beginning	4,341,747	2,583,920	2,350,307	2,001,245	1,712,427	1,375,776	1,202,874	1,031,101	797,746
Plan Fiduciary Net Position- Ending (b)	4,296,420	4,341,747	2,583,920	2,350,307	2,001,245	1,712,427	1,375,776	1,202,874	1,031,101
Town's Net Pension Liability (Asset)- Ending (a)-(b)	\$ 282,923	\$ (478,842)	\$ 904,307	\$ 393,518	\$ 559,363	\$ 543,807	\$ 520,372	\$ (158,934)	\$ (100,470)
Plan Fiduciary Net Position as a Percentage Of the total Pension Liability	93.82%	112.40%	74.08%	85.66%	78.16%	75.90%	72.56%	115.22%	110.80%
Covered Payroll	\$ 746,710	\$ 894,536	\$ 885,856	\$ 778,842	\$ 803,216	\$ 767,908	\$ 744,211	\$ 543,573	\$ 522,169
Town's Net Pension Liability (Assets) as a Percentage of Covered Payroll	37.89%	-53.53%	102.08%	50.53%	69.64%	70.82%	69.92%	-29.24%	-19.24%

See accompanying Notes to Required Supplementary Information

Note: Information before the measurement period ending June 30, 2014, was not available. 10 years of information will be presented when information is available.

TOWN OF WICKENBURG, ARIZONA

SCHEDULE OF PENSION CONTRIBUTIONS: PSPRS POLICE, PSPRS FIRE, CORP DISPATCHERS

YEAR ENDED JUNE 30, 2023

CORP Dispatchers

	Reporting Year (Measurement Date)								
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total Pension Liability:									
Service Cost	\$ -	\$ 6,028	\$ 15,818	\$ 22,444	\$ 22,934	\$ 21,566	\$ 20,815	\$ 18,875	\$ 24,441
Interest on the Total Pension Liability	41,303	48,838	58,989	56,954	55,952	45,514	63,155	60,840	50,669
Changes of Benefit Terms	-	-	-	-	(40,638)	91,436	649	-	14,161
Differences Between Expected and Actual Experience in the Measurement of the Pension Liability	7,005	(102,799)	(108,139)	38,802	(3,616)	512	(263,320)	(4,399)	(1,712)
Changes of Assumptions or Other Inputs	1,750	-	-	14,177	-	21,196	18,720	-	89,262
Benefit Payments, Including Refunds of Employee Contributions	(49,744)	(48,769)	(143,076)	(31,606)	(32,522)	(30,782)	(45,340)	(48,252)	(40,704)
Net Change in Total Pension Liability	314	(96,702)	(176,408)	100,771	2,110	149,442	(205,321)	27,064	136,117
Total Pension Liability- Beginning	590,672	687,374	863,782	763,011	760,901	611,459	816,780	789,716	653,599
Total Pension Liability- Ending (a)	590,986	590,672	687,374	863,782	763,011	760,901	611,459	816,780	789,716
Plan Fiduciary Net Position									
Contributions- Employer	-	233,041	22,519	34,548	22,339	37,908	36,040	19,780	21,137
Contributions- Employee	-	1,071	7,740	11,234	10,764	10,662	10,447	10,178	11,532
Net Investment Income	(26,690)	123,493	12,427	27,150	33,012	47,781	2,383	14,276	48,583
Benefit Payments, Including Refunds of Employee Contributions	(49,744)	(48,769)	(143,076)	(31,606)	(32,522)	(30,782)	(45,340)	(48,252)	(40,704)
Administrative Expenses	(491)	(568)	(480)	(1,185)	(1,199)	(819)	(737)	(721)	-
Other Changes	-	-	-	-	(9)	(2)	(2)	(363)	(27,704)
Net Change in Plan Fiduciary Net Position	(76,925)	308,268	(100,870)	40,141	32,385	64,748	2,791	(5,102)	12,844
Plan Fiduciary Net Position- Beginning	738,012	429,744	530,614	490,473	458,088	393,340	390,549	395,651	382,807
Plan Fiduciary Net Position- Ending (b)	661,087	738,012	429,744	530,614	490,473	458,088	393,340	390,549	395,651
Town's Net Pension Liability (Asset)- Ending (a)-(b)	\$ (70,101)	\$ (147,340)	\$ 257,630	\$ 333,168	\$ 272,538	\$ 302,813	\$ 218,119	\$ 426,231	\$ 394,065
Plan Fiduciary Net Position as a Percentage of the total Pension Liability									
Covered Payroll	111.86%	124.94%	62.52%	61.43%	64.28%	60.20%	64.33%	47.82%	50.10%
Town's Net Pension Liability (Assets) as a Percentage of Covered Payroll	0.00%	0.00%	510.42%	236.08%	201.55%	226.07%	166.19%	333.36%	314.60%

See accompanying Notes to Required Supplementary Information

Note: Information before the measurement period ending June 30, 2014, was not available. 10 years of information will be presented when information is available.

TOWN OF WICKENBURG, ARIZONA

SCHEDULE OF PENSION CONTRIBUTIONS: PSPRS POLICE, PSPRS FIRE, CORP DISPATCHERS

YEAR ENDED JUNE 30, 2023

Reporting Fiscal Year											
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	
PSPRS Police											
Actuarially Determined Contribution	\$ 375,345	\$ 213,109	\$ 4,290,018	\$ 508,301	\$ 394,723	\$ 388,887	\$ 337,472	\$ 307,317	\$ 231,967	\$ 210,447	
Town's Contribution in Relation to the Actuarially Determined Contribution	375,345	213,109	4,290,018	508,301	394,723	314,014	337,472	307,317	231,967	210,447	
Town's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,873	\$ -	\$ -	\$ -	\$ -	
Town's Covered Payroll	\$ 1,540,646	\$ 1,306,146	\$ 1,263,445	\$ 1,026,985	\$ 1,075,036	\$ 1,075,036	\$ 1,150,390	\$ 1,103,288	\$ 1,022,265	\$ 1,016,026	
Town's Contributions as a Percentage of Covered Payroll	24.36%	16.32%	339.55%	49.49%	36.72%	29.21%	29.34%	27.85%	22.69%	20.71%	
PSPRS Fire											
Actuarially Determined Contribution	\$ 306,273	\$ 142,817	\$ 874,643	\$ 206,658	\$ 174,096	\$ 163,876	\$ 82,397	\$ 80,265	\$ 74,179	\$ 91,739	
Town's Contribution in Relation to the Actuarially Determined Contribution	306,273	142,817	874,643	206,658	174,096	86,894	82,397	80,265	74,179	91,739	
Town's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,982	\$ -	\$ -	\$ -	\$ -	
Town's Covered Payroll	\$ 1,107,552	\$ 1,040,735	\$ 1,094,554	\$ 885,856	\$ 778,842	\$ 803,216	\$ 767,908	\$ 744,211	\$ 543,573	\$ 522,169	
Town's Contributions as a Percentage of Covered Payroll	27.65%	13.72%	79.91%	23.33%	22.35%	10.82%	10.73%	10.79%	13.65%	17.57%	
CORP Dispatchers											
Actuarially Determined Contribution	\$ 646	\$ -	\$ 2,845	\$ 22,519	\$ 33,406	\$ 31,785	\$ 37,908	\$ 36,040	\$ 19,780	\$ 21,137	
Town's Contribution in Relation to the Actuarially Determined Contribution	646	-	2,845	22,519	33,406	31,785	37,908	36,040	19,780	21,137	
Town's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Town's Covered Payroll	\$ -	\$ -	\$ -	\$ 50,474	\$ 141,127	\$ 135,223	\$ 133,949	\$ 131,245	\$ 127,859	\$ 125,260	
Town's Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	44.62%	23.67%	23.51%	28.30%	27.46%	15.47%	16.87%	

See accompanying Notes to Required Supplementary Information

TOWN OF WICKENBURG, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Adopted and Final Budget	Actual	Variances - Final to Actual
REVENUES			
Sales tax	\$ 9,932,286	\$ 13,231,416	\$ 3,299,130
Property tax	613,800	582,867	(30,933)
Licenses and permits	282,480	782,166	499,686
Fines and forfeitures	147,250	148,918	1,668
Charges for services	3,045,373	1,752,265	(1,293,108)
Contributions and donations	-	109,332	109,332
Intergovernmental	79,340	777,701	698,361
Interest earnings (loss)	9,012	895,128	886,116
Other	74,112	361,140	287,028
Total Revenues	14,183,653	18,640,933	4,457,280
EXPENDITURES			
Current:			
General government:			
Finance and technology	618,657	697,199	(78,542)
Town manager	560,184	549,660	10,524
Town attorney	219,307	230,155	(10,848)
Town clerk	198,793	196,398	2,395
Economic development	265,170	233,275	31,895
Community development	694,548	523,930	170,618
Public services	374,844	372,973	1,871
General services	6,375,717	936,617	5,439,100
Town court	306,254	292,672	13,582
Total general government	9,613,474	4,032,879	5,580,595
Public Safety			
Police department	4,120,236	3,642,618	477,618
Fire	7,021,341	6,508,260	513,081
Total Public Safety	11,141,577	10,150,878	990,699
Parks, recreation, and facilities			
Recreation	380,124	458,201	(78,077)
Parks and facilities	1,425,139	1,207,503	217,636
Library	219,813	229,984	(10,171)
Total parks, recreation, and facilities	2,025,076	1,895,688	129,388
Total Expenditures	22,780,127	16,079,445	6,700,682
Excess (Deficiency) of Revenues			
Over Expenditures	(8,596,474)	2,561,488	11,157,962
Other Financing Sources (Uses):			
Transfers in	98,435	-	98,435
Transfers out	(747,337)	(648,902)	(98,435)
Net Financing Sources (Uses)	(648,902)	(648,902)	-
NET CHANGE IN FUND BALANCE	(9,245,376)	1,912,586	11,157,962
Fund Balance - Beginning	9,245,376	23,644,276	14,398,900
Fund Balance - Ending	\$ -	\$ 25,556,862	\$ 25,556,862

See accompanying Notes to Required Supplementary Information

TOWN OF WICKENBURG, ARIZONA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL GRANTS FUND

YEAR ENDED JUNE 30, 2023

	Adopted and Final Budget	Actual	Variances - Final to Actual
REVENUES			
Intergovernmental	\$ 2,907,212	\$ 144,734	\$ 2,762,478
Interest earnings	-	17	(17)
Total Revenues	2,907,212	144,751	2,762,461
EXPENDITURES			
Current:			
General government	2,592,479	113,433	2,479,046
Public safety	1,112,887	48,694	1,064,193
Capital outlay	553,130	24,202	528,928
Total Expenditures	4,258,496	186,329	4,072,167
Excess (Deficiency) of Revenues			
Over Expenditures	(1,351,284)	(41,578)	6,834,628
Fund Balance - Beginning	1,351,284	66,170	(1,285,114)
Fund Balance - Ending	\$ -	\$ 24,592	\$ 24,592

See accompanying Notes to Required Supplementary Information

TOWN OF WICKENBURG, ARIZONA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023

NOTE 1 – AVAILABILITY OF PRIOR YEAR PENSION INFORMATION

Information prior to the measurement date of June 30, 2014, was not available. GASB Statement No. 68 requires the Town to present 10 years of pension information as required supplementary information. However, until a full 10 years of trend data is compiled, the Town will present information for only those years for which information is available.

NOTE 2 – ACTUARILLY DETERMINED CONTRIBUTION RATES

Actuarial determined contribution rates for PSPRS and CORP 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 Level	Level percent of pay, closed
Remaining Amortization Period as of 2017	21 years for unfunded actuarial accrued liability, 20 years for excess
Actuarial Valuation	
Asset Valuation Method	PSPRS members with initial membership date before July 1, 2017, and CORP members with initial membership date before July 1, 2018: 7-year smoothed market value; 80%/120% market corridor PSPRS members with initial membership on or after July 1, 2017: 5-year smoothed market value; 80%/120% market corridor
<i>Actuarial Assumptions:</i>	
Investment Rate of Return	PSPRS Members with initial membership date before July 1, 2017, and CORP members with initial membership date before July 1, 2018: In the 2017 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%. PSPRS members with initial membership on or after July 1, 2017: 7%
Project Salary Increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%-8.0% to 3.5%-7.5% for PSPRS and from 4.0%-7.25% to 3.5%-6.5% for CORP. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0% for PSPRS and from 4.5%-7.75% to 4.0%-7.25% for CORP. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5% for PSPRS and from 5.0%-8.35% to 4.5%-7.75% for CORP
Wage Growth	In the 2017 actuarial valuation, wage growth was decreased from 4.0% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In the 2013 actuarial valuation, wage growth decreased from 5.0% to 4.5% for PSPRS and CORP.
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 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 (adjusted by 15% for both males and females)

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

TOWN OF WICKENBURG, ARIZONA
NONMAJOR GOVERNMENTAL FUNDS
FUND DESCRIPTIONS
JUNE 30, 2023

SPECIAL REVENUE FUNDS

Highway User Revenue Fund (HURF) – Used to account for the Town’s share of motor fuel tax revenues and lottery proceeds.

Judicial Court Enhancement Fund – Used to account for court funds received to improve the Town court.

CAPITAL PROJECTS FUNDS

Capital Improvements Fund – A capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

DEBT SERVICE FUND

Debt Service Fund – Used to account for the repayment of the Town’s outstanding WIFA loan for the Kerkes storm water project.

TOWN OF WICKENBURG, ARIZONA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund		Non-Major Governmental Funds
	Judicial Collection		Debt Service Fund	Capital Improvement Fund		
	Highway User Revenue Fund	Enhancement Fund				
ASSETS						
Cash and investments	\$ 1,858,008	\$ 142,882	\$ -	\$ 638,149	\$ 2,639,039	
Receivables (net):						
Intergovernmental	59,416	-	-	-	59,416	
Total Assets	\$ 1,917,424	\$ 142,882	\$ -	\$ 638,149	\$ 2,698,455	
LIABILITIES						
Accounts payable	\$ 50,301	\$ -	\$ -	\$ 322,452	\$ 372,753	
Total Liabilities	50,301	-	-	322,452	372,753	
FUND BALANCES						
Restricted	1,867,123	142,882	-	-	-	2,010,005
Assigned	-	-	-	315,697	315,697	
Total Fund Balances	1,867,123	142,882	-	315,697	2,325,702	
Total Liabilities and Fund Balances	\$ 1,917,424	\$ 142,882	\$ -	\$ 638,149	\$ 2,698,455	

TOWN OF WICKENBURG, ARIZONA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FISCAL YEAR ENDED JUNE 30, 2023

	Special Revenue Funds		Debt Service Fund	Capital Projects Fund			
	Judicial Collection			Capital Improvement Fund	Non-Major Governmental Funds		
	Highway User Revenue Fund	Enhancement Fund					
REVENUES							
Sales tax	\$ 772,467	\$ -	\$ -	\$ -	\$ 772,467		
Charges for services	597,810	-	-	-	597,810		
Fines and forfeitures	-	12,336	-	-	12,336		
Interest earnings (loss)	64,401	5,363	-	-	69,764		
Total Revenues	1,434,678	17,699	-	-	1,452,377		
EXPENDITURES							
Current:							
General government	-	29,247	-	-	29,247		
Highways and streets	993,701	-	-	-	993,701		
Debt service:							
Principal	-	-	449,661	-	449,661		
Interest and fiscal charges	-	-	49,241	-	49,241		
Capital outlay	256,551	1,399	-	767,793	1,025,743		
Total Expenditures	1,250,252	30,646	498,902	767,793	2,547,593		
Excess (Deficiency) of Revenues							
Over Expenditures	184,426	(12,947)	(498,902)	(767,793)	(1,095,216)		
Other Financing Sources (Uses)							
Transfers in	-	-	498,902	200,000	698,902		
NET CHANGE IN FUND BALANCE	184,426	(12,947)	-	(567,793)	(396,314)		
Fund Balance - Beginning	1,682,697	155,829	-	883,490	2,722,016		
Fund Balance - Ending	\$ 1,867,123	\$ 142,882	\$ -	\$ 315,697	\$ 2,325,702		

TOWN OF WICKENBURG, ARIZONA
HIGHWAY USER REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	Adopted and Final Budget	Actual	Variances - Final to Actual
REVENUES			
Sales tax	\$ 970,839	772,467	\$ 198,372
Intergovernmental	592,874	597,810	(4,936)
Interest earnings (loss)	869	64,401	(63,532)
Total Revenues	1,564,582	1,434,678	129,904
EXPENDITURES			
Current:			
Highways and streets	1,944,373	993,701	950,672
Capital outlay	896,000	256,551	639,449
Total Expenditures	2,840,373	1,250,252	1,590,121
Excess (Deficiency) of Revenues			
Over Expenditures	(1,275,791)	184,426	1,720,025
Fund Balance - Beginning	1,275,791	1,682,697	406,906
Fund Balance - Ending	\$ -	\$ 1,867,123	\$ 1,867,123

TOWN OF WICKENBURG, ARIZONA
JUDICIAL COURT ENHANCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	Adopted and Final Budget	Actual	Variances - Final to Actual
REVENUES			
Fines and forfeitures	\$ 16,446	\$ 12,336	\$ 4,110
Interest earnings	80	5,363	(5,283)
Total Revenues	16,526	17,699	(1,173)
EXPENDITURES			
Current:			
General government	107,294	29,247	78,047
Capital outlay	62,000	1,399	60,601
Total Expenditures	169,294	30,646	138,648
Excess (Deficiency) of Revenues			
Over Expenditures	(152,768)	(12,947)	137,475
Fund Balance - Beginning	152,768	155,829	3,061
Fund Balance - Ending	\$ -	\$ 142,882	\$ 142,882

TOWN OF WICKENBURG, ARIZONA**DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****FISCAL YEAR ENDED JUNE 30, 2023**

	Adopted and Final Budget	Actual	Variances - Final to Actual
EXPENDITURES			
Debt service			
Principal	449,661	449,661	-
Interest	49,241	49,241	-
Total Expenditures	498,902	498,902	-
Excess (Deficiency) of Revenues			
Over Expenditures	(498,902)	(498,902)	-
Other Financing Sources (Uses):			
Transfers in	498,902	498,902	-
NET CHANGE IN FUND BALANCE			
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -

TOWN OF WICKENBURG, ARIZONA
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	Adopted and Final Budget	Actual	Variances - Final to Actual
REVENUES			
EXPENDITURES			
Current:			
Capital outlay	\$ 1,609,739	\$ 767,793	\$ 841,946
Other Financing Sources (Uses):			
Transfers in	200,000	200,000	-
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
Fund Balance - Beginning	(1,409,739)	(567,793)	841,946
Fund Balance - Ending	<hr/>	<hr/>	<hr/>
	1,409,739	883,490	(526,249)
	<hr/>	<hr/>	<hr/>
	\$ -	\$ 315,697	\$ 315,697

**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION

This section of the Town of Wickenburg, Arizona's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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.

Revenue Capacity: These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

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.

Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

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.

See the table of contents for page numbers of the schedules that encompass the above sections

TOWN OF WICKENBURG, ARIZONA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 36,913,489	\$ 38,066,635	\$ 35,738,912	\$ 35,527,351	\$ 34,960,026	\$ 35,399,424	\$ 35,646,384	\$ 34,073,314	\$ 32,572,003	\$ 30,577,575
Restricted	2,866,904	3,756,773	4,082,279	3,325,269	2,333,782	1,716,752	283,735	1,045,320	936,495	1,000,977
Unrestricted	23,951,362	19,587,818	12,731,183	8,962,918	7,573,492	5,532,074	5,410,309	3,467,253	3,203,492	2,112,112
Total Governmental Activities Net Pension	\$ 63,731,755	\$ 61,411,226	\$ 52,552,374	\$ 47,815,538	\$ 44,867,300	\$ 42,648,250	\$ 41,340,428	\$ 38,585,887	\$ 36,711,990	\$ 33,690,664
Business-Type Activities:										
Net Investment in Capital Assets	\$ 58,082,210	\$ 52,097,194	\$ 52,697,907	\$ 47,887,850	\$ 40,507,336	\$ 29,996,352	\$ 29,821,108	\$ 30,404,269	\$ 27,657,515	\$ 27,302,707
Unrestricted	11,840,966	13,089,276	11,007,991	9,515,045	9,439,014	6,442,839	5,017,740	3,681,436	3,981,737	3,984,176
Total Business- Type Activities Net Position	\$ 69,923,176	\$ 65,186,470	\$ 63,705,898	\$ 57,402,895	\$ 49,946,350	\$ 36,439,191	\$ 34,838,848	\$ 34,085,705	\$ 31,639,252	\$ 31,286,883
Primary Government:										
Net Investment in Capital Assets	\$ 94,995,699	\$ 90,163,829	\$ 88,436,819	\$ 83,415,201	\$ 75,467,362	\$ 65,395,776	\$ 65,467,492	\$ 64,477,583	\$ 60,229,518	\$ 57,880,282
Restricted	2,866,904	3,756,773	4,082,279	3,325,269	2,333,782	1,716,752	283,735	1,045,320	936,495	1,000,977
Unrestricted	35,792,328	32,677,094	23,739,174	18,477,963	17,012,506	11,974,913	10,428,049	7,148,689	7,185,229	6,096,288
Total Primary Government Net Position	\$ 133,654,931	\$ 126,597,696	\$ 116,258,272	\$ 105,218,433	\$ 94,813,650	\$ 79,087,441	\$ 76,179,276	\$ 72,671,592	\$ 68,351,242	\$ 64,977,547

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
EXPENSES, PROGRAM REVENUES, AND NET EXPENSE
LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities:										
General Government	\$ 4,910,943	\$ 3,606,476	\$ 3,338,119	\$ 3,095,678	\$ 3,035,934	\$ 2,838,550	\$ 2,576,827	\$ 2,658,702	\$ 2,970,703	\$ 2,192,834
Public Safety	6,189,223	4,920,571	5,443,519	5,210,273	4,651,445	4,719,481	5,154,215	4,074,234	3,816,543	3,930,094
Highway and Streets	1,445,172	1,224,032	1,230,666	1,145,805	1,096,701	1,087,732	1,003,764	981,551	698,372	630,157
Parks, Recreation, and Facilities	2,165,428	1,932,108	1,870,245	1,877,307	1,707,229	1,748,961	1,745,688	1,638,563	1,480,726	1,407,316
Interest	49,241	-	1,157	2,309	3,453	4,466	4,057	-	1,686	3,982
Total Governmental Activities	14,760,007	11,683,187	11,883,706	11,331,372	10,494,762	10,399,190	10,484,551	9,353,050	8,968,030	8,164,383
Business-Type Activities:										
Water System- 1	1,270,403	1,208,695	1,057,006	1,028,155	987,791	1,244,934	1,268,968	1,445,318	1,100,406	922,906
Water System- 2	963,537	1,007,842	882,608	825,404	625,841	-	-	-	-	-
Electric	3,555,335	2,895,607	2,373,070	1,621,139	1,684,675	1,698,349	1,587,325	1,603,218	1,575,803	1,591,851
Sanitation	1,121,652	1,014,603	942,439	856,529	896,786	758,774	866,391	761,331	705,006	738,808
Wastewater System- 1	1,164,357	953,715	1,036,603	864,153	1,255,953	1,496,609	1,422,380	1,354,709	1,110,541	1,032,667
Wastewater System- 2	1,676,047	1,455,397	1,356,445	1,275,740	1,197,190	-	-	-	-	-
Airport	1,108,020	1,151,993	1,023,583	974,691	951,631	915,518	942,142	961,400	1,003,164	1,085,754
Total Business-Type Activities	10,859,351	9,687,852	8,671,754	7,445,811	7,599,867	6,114,184	6,087,206	6,125,976	5,494,920	5,371,986
Total Primary Government Expenses	\$ 25,619,358	\$ 21,371,039	\$ 20,555,460	\$ 18,777,183	\$ 18,094,629	\$ 16,513,374	\$ 16,571,757	\$ 15,479,026	\$ 14,462,950	\$ 13,536,369
Program Revenues:										
Governmental Activities:										
Fines, Fees, and Charges for Services:										
General Government	\$ 814,904	\$ 3,201,765	\$ 3,475,562	\$ 2,312,410	\$ 2,282,802	\$ 2,078,002	\$ 2,007,739	\$ 2,011,134	\$ 1,878,062	\$ 1,205,683
Public Safety	2,051,138	470,176	650,382	495,099	463,789	439,393	502,710	486,630	361,766	291,522
Parks, Recreation, and Zoning	383,053	118,791	145,278	76,979	99,688	116,523	86,918	108,085	101,160	106,963
Operating Grants and Contributions	1,629,575	852,904	799,065	1,810,990	721,625	610,178	567,950	541,540	439,692	392,081
Capital Grants and Contributions	-	2,693,362	141,127	74,407	197,640	135,252	1,614,897	735,542	2,751,634	44,830
Total Governmental Activities Program Revenues:	4,878,670	7,336,998	5,211,414	4,769,885	3,765,544	3,379,348	4,780,214	3,882,931	5,532,314	2,041,079
Business-Type Activities:										
Charges for Services:										
Water System- 1	1,503,224	1,558,429	1,617,952	1,417,255	1,410,566	1,606,191	1,435,303	1,326,194	1,129,687	1,017,374
Water System- 2	545,930	578,747	478,215	307,505	224,421	-	-	-	-	-
Electric	3,999,313	3,288,227	2,740,949	2,526,794	2,545,144	2,555,521	2,569,959	2,575,894	2,486,188	2,670,784
Sanitation	1,130,226	1,070,145	985,524	921,004	836,167	821,153	796,620	764,553	804,983	921,821
Wastewater System- 1	1,441,228	1,433,461	1,457,022	1,353,500	1,299,974	1,859,257	1,901,928	1,358,993	1,074,639	877,929
Wastewater System- 2	1,424,877	2,690,835	2,479,134	1,342,788	1,440,073	-	-	-	-	-
Airport	568,931	498,408	374,747	310,611	270,380	332,964	304,216	368,661	423,796	511,280
Capital Grants and Contributions	640,019	190,568	4,692,611	6,316,031	10,097,036	258,883	369,187	3,341,597	365,334	730,760
Total Business- Type Activities Program Revenues	11,253,748	11,308,820	14,826,154	14,495,488	18,123,761	7,433,969	7,377,213	9,735,892	6,284,627	6,729,948
Total Primary Government Program Revenues	\$ 16,132,418	\$ 18,645,818	\$ 20,037,568	\$ 19,265,373	\$ 21,889,305	\$ 10,813,317	\$ 12,157,427	\$ 13,618,823	\$ 11,816,941	\$ 8,771,027

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
ACCURAL BASIS OF ACCOUNTING
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net (Expense)/Revenue										
Governmental Activities	\$ (9,881,337)	\$ (4,346,189)	\$ (6,672,292)	\$ (6,561,487)	\$ (6,729,218)	\$ (7,019,842)	\$ (5,704,337)	\$ (5,470,119)	\$ (3,453,716)	\$ (6,123,304)
Business-Type Activities	394,397	1,620,968	6,154,400	7,049,677	10,523,894	1,319,785	1,290,007	3,609,916	789,707	1,357,962
Total Primary Government Net Expenses	<u>\$ (9,486,940)</u>	<u>\$ (2,725,221)</u>	<u>\$ (517,892)</u>	<u>\$ 488,190</u>	<u>\$ 3,794,676</u>	<u>\$ (5,700,057)</u>	<u>\$ (4,414,330)</u>	<u>\$ (1,860,203)</u>	<u>\$ (2,664,009)</u>	<u>\$ (4,765,342)</u>
Position										
Governmental Activities:										
Taxes:										
Sales Taxes	\$ 10,994,465	\$ 9,036,781	\$ 7,611,644	\$ 6,353,528	\$ 5,816,826	\$ 5,730,587	\$ 5,579,360	\$ 4,103,951	\$ 3,757,455	\$ 3,155,627
Property Taxes	582,867	527,872	481,657	437,780	401,204	387,358	338,201	320,367	309,684	250,544
State Revenue Sharing	1,459,753	997,383	1,156,460	1,013,826	897,229	881,260	832,665	766,104	770,280	709,237
State Sales Tax Revenue Sharing	1,137,482	1,063,730	959,980	811,992	748,903	685,871	625,377	603,408	581,507	553,854
Auto Lieu Tax Revenue Sharing	412,183	411,072	418,088	353,327	331,850	299,741	269,827	262,751	243,077	227,047
Investment Earnings	972,078	53,188	18,049	212,662	267,963	134,874	54,658	21,902	10,863	12,156
Other	361,951	696,515	763,250	196,610	69,893	145,990	82,838	47,196	95,192	144,720
Transfers	50,000	418,500	-	130,000	415,000	(98,000)	675,952	1,218,337	688,984	615,000
Total Governmental Activities	<u>\$ 15,970,779</u>	<u>\$ 13,205,041</u>	<u>\$ 11,409,128</u>	<u>\$ 9,509,725</u>	<u>\$ 8,948,868</u>	<u>\$ 8,167,681</u>	<u>\$ 8,458,878</u>	<u>\$ 7,344,016</u>	<u>\$ 6,457,042</u>	<u>\$ 5,668,185</u>
Business-Type Activities:										
Investment Earnings	508,211	50,210	(1,425)	153,474	228,599	91,382	35,614	22,643	15,497	21,450
Other	115,185	227,894	150,028	383,394	3,169,666	91,176	103,474	32,231	236,149	36,522
Transfers	(50,000)	(418,500)	-	(130,000)	(415,000)	98,000	(675,952)	(1,218,337)	(688,984)	(615,000)
Total Business-Type Activities	<u>\$ 573,396</u>	<u>\$ (140,396)</u>	<u>\$ 148,603</u>	<u>\$ 406,868</u>	<u>\$ 2,983,265</u>	<u>\$ 280,558</u>	<u>\$ (536,864)</u>	<u>\$ (1,163,463)</u>	<u>\$ (437,338)</u>	<u>\$ (557,028)</u>
Total Primary Government	<u>\$ 16,544,175</u>	<u>\$ 13,064,645</u>	<u>\$ 11,557,731</u>	<u>\$ 9,916,593</u>	<u>\$ 11,932,133</u>	<u>\$ 8,448,239</u>	<u>\$ 7,922,014</u>	<u>\$ 6,180,553</u>	<u>\$ 6,019,704</u>	<u>\$ 5,111,157</u>
Change in Net Position										
Governmental Activities	6,089,442	8,858,852	4,736,836	2,948,238	2,219,050	1,147,839	2,754,541	1,873,897	3,021,326	(455,119)
Business-Type Activities	967,793	1,480,572	6,303,003	7,456,545	13,507,159	1,600,343	753,143	2,446,453	352,369	800,934
Total Primary Government	<u>\$ 7,057,235</u>	<u>\$ 10,339,424</u>	<u>\$ 11,039,839</u>	<u>\$ 10,404,783</u>	<u>\$ 15,726,209</u>	<u>\$ 2,748,182</u>	<u>\$ 3,507,684</u>	<u>\$ 4,320,350</u>	<u>\$ 3,373,695</u>	<u>\$ 345,815</u>

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Nonspendable	\$ -	\$ 1,258	\$ 1,566	\$ 1,202	\$ 131	\$ -	\$ 66,764	\$ 68,709	\$ -	\$ -
Restricted	1,457,206	3,564,631	3,164,989	2,472,335	1,896,086	1,426,780	81,760	114,679	11,674	8,663
Assigned	613,236	584,507	555,536	523,463	511,478	463,255	260,998	250,280	260,249	259,841
Unassigned	23,486,420	19,493,880	12,364,600	13,609,977	11,534,383	9,952,571	9,889,798	8,191,481	6,799,312	5,654,941
Total General Fund	\$ 25,556,862	\$ 23,644,276	\$ 16,086,691	\$ 16,606,977	\$ 13,942,078	\$ 11,842,606	\$ 10,299,320	\$ 8,625,149	\$ 7,071,235	\$ 5,923,445
All Other Governmental Funds:										
Restricted	\$ 2,034,597	\$ 1,209,696	\$ 917,290	\$ 852,934	\$ 467,696	\$ 289,972	\$ 201,975	\$ 930,641	\$ 924,821	\$ 992,314
Assigned	315,697	1,578,490	1,701,834	835,602	1,357,852	1,054,855	1,010,294	33,291	1,159,990	1,132,025
Unassigned	-	-	(579)	(1,155)	(1,726)	-	-	-	-	-
Total All Other Governmental Funds	\$ 2,350,294	\$ 2,788,186	\$ 2,618,545	\$ 1,687,381	\$ 1,823,822	\$ 1,344,827	\$ 1,212,269	\$ 963,932	\$ 2,084,811	\$ 2,124,339

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Taxes	\$ 14,586,750	\$ 9,564,653	\$ 8,093,301	\$ 6,791,308	\$ 6,218,030	\$ 6,117,945	\$ 5,917,561	\$ 4,424,318	\$ 4,067,139	\$ 3,406,171
Intergovernmental	777,701	3,415,551	3,412,978	4,059,477	2,811,822	2,549,132	3,225,408	2,580,070	2,132,460	1,927,049
Fines and Forfeitures	161,254	176,813	141,412	163,057	125,249	121,411	130,578	184,187	153,839	166,240
Licenses and Permits	926,900	1,529,406	1,799,614	679,339	729,389	623,137	656,212	483,981	471,129	138,855
Charges for Services	2,350,075	1,842,942	2,101,673	1,840,317	1,791,355	1,695,750	1,630,494	1,769,256	1,546,615	1,144,041
Rentals and Leases	95,602	241,571	228,523	201,775	200,286	193,620	180,083	168,425	169,405	155,032
Contributions and Donations	109,332	2,292,900	61,742	5,065	85,425	18,170	32,019	215,675	-	-
Investment Earnings	964,909	53,189	18,049	212,662	267,962	134,874	54,659	21,900	10,864	12,156
Other	265,538	713,931	719,034	194,783	69,294	145,990	82,840	47,196	95,192	144,720
Total Revenues	20,238,061	19,830,956	16,576,326	14,147,783	12,298,812	11,600,029	11,909,854	9,895,008	8,646,643	7,094,264
Expenditures										
General Government	4,175,559	3,241,720	2,920,747	2,745,429	2,777,867	2,649,797	2,594,697	2,221,827	1,976,595	1,800,102
Public Safety	10,199,572	6,271,323	10,156,246	5,136,259	4,615,588	4,512,920	4,222,084	3,893,219	3,597,401	3,267,081
Highways and Streets	993,701	902,326	777,525	691,489	616,631	651,270	784,730	720,355	519,333	317,261
Parks, Recreation, and Facilities	1,895,688	1,614,170	1,454,943	1,601,056	1,499,850	1,489,884	1,481,184	1,366,834	1,420,230	1,251,205
Principal Expense	449,661	162,285	161,134	159,992	158,858	157,731	-	-	45,270	43,226
Interest Expenses	49,241	1	1,157	2,309	3,453	4,466	4,057	-	1,686	3,982
Capital Outlay	1,049,945	2,680,405	693,696	1,382,791	493,098	554,858	2,245,853	2,509,738	651,908	1,078,457
Total Expenditures	18,813,367	14,872,230	16,165,448	11,719,325	10,165,345	10,020,926	11,332,605	10,711,973	8,212,423	7,761,314
Excess of Revenues										
Over (Under) Expenditures	1,424,694	4,958,726	410,878	2,428,458	2,133,467	1,579,103	577,249	(816,965)	434,220	(667,050)
Other Financing Sources (Uses)										
Transfers In	698,902	2,680,333	1,662,867	1,147,872	1,075,000	1,357,000	1,310,000	1,503,280	800,000	775,000
Transfers Out	(648,902)	(2,261,833)	(1,662,867)	(1,017,872)	(660,000)	(1,455,000)	(570,000)	(253,280)	(125,958)	(160,000)
Loan Proceeds	-	2,350,000	-	-	-	194,741	605,259	-	-	-
Sources (Uses)	50,000	2,768,500	-	130,000	415,000	96,741	1,345,259	1,250,000	674,042	615,000
Net Change in Fund Balance	\$ 1,474,694	\$ 7,727,226	\$ 410,878	\$ 2,558,458	\$ 2,548,467	\$ 1,675,844	\$ 1,922,508	\$ 433,035	\$ 1,108,262	\$ (52,050)
Debt Service as Percentage of Noncapital Expenditures	3.86%	1.57%	1.10%	1.60%	1.71%	0.04%	0.04%	-	0.62%	0.71%

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Sales Taxes	Property Taxes	Total
2023	\$ 10,765,895	\$ 582,867	\$ 11,348,762
2022	9,036,781	527,872	9,564,653
2021	7,611,644	481,657	8,093,301
2020	6,353,528	437,780	6,791,308
2019	5,816,826	401,204	6,218,030
2018	5,730,587	387,358	6,117,945
2017	5,579,360	338,201	5,917,561
2016	4,103,951	320,367	4,424,318
2015	3,757,455	309,684	4,067,139
2014	3,155,627	250,544	3,406,171

Source: The Town's finance department.

TOWN OF WICKENBURG, ARIZONA
SALES TAX COLLECTIONS BY CATEGORY
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Sales Category:										
Construction	\$ 3,862,338	\$ 2,980,136	\$ 2,345,070	\$ 1,968,474	\$ 1,715,764	\$ 1,768,683	\$ 1,910,905	\$ 557,850	\$ 459,061	\$ 113,335
Mining & Manufacturing	-	-	-	-	-	-	-	93,474	78,574	79,924
Transportation, Communications, and Utilities	425,143	378,194	355,809	347,416	354,239	339,650	338,076	364,685	347,501	338,625
Wholesale Trade	-	-	-	-	-	-	-	484,850	460,128	431,051
Retail Trade	4,346,578	3,828,845	3,321,217	2,805,016	2,439,913	2,252,079	2,204,507	1,782,300	1,353,276	1,271,164
Restaurants and Bars	682,920	641,036	568,032	462,468	470,102	448,075	376,247	351,831	336,423	295,742
Real Estate, Rental and Leases, Finance, and Insurance	586,104	511,191	398,960	403,119	314,454	304,744	262,391	204,353	207,793	196,213
Accommodations, Arts & Entertainment	579,694	574,572	452,546	378,300	397,815	346,778	280,620	241,100	199,083	178,881
Services & Administration	27,810	28,124	23,368	22,041	29,272	27,097	31,732	110,411	128,904	75,670
Other	659	2,296	1,884	2,158	(19)	4,563	1,735	23,437	11,035	5,873
Total	\$ 10,511,244	\$ 8,944,394	\$ 7,466,886	\$ 6,388,992	\$ 5,721,540	\$ 5,491,669	\$ 5,406,213	\$ 4,214,291	\$ 3,581,778	\$ 2,986,478
Town Sales Tax Rate	1.69% for single items over \$5,000, otherwise 2.2%	1.19% for single items over \$10,000, otherwise 2.2%								

Source: The Arizona Department of Revenue.

TOWN OF WICKENBURG, ARIZONA
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Town Direct Rate	Maricopa County	Yavapai County
2023	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2022	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2021	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2020	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2019	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2018	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2017	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2016	1.69% for single items over %5,000, otherwise 2.2%	0.70	0.75
2015	1.69% for single items over %5,000, otherwise 2.2%	0.70	Unavailable
2014	1.69% for single items over %5,000, otherwise 2.2%	0.70	Unavailable

Source: Town's Finance Department, and Maricopa & Yavapai County Treasurers.

TOWN OF WICKENBURG, ARIZONA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Maricopa County Assessed Value

Fiscal Year	Commercial, Industrial, and Military					Less: Tax Exempt Real Property	Net Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
	Residential									
2023	\$ 55,352,492	\$ 100,273,964	\$ (23,583,517)	\$ 132,042,939	0.4646	\$ 1,306,338,490	0.101			
2022	36,380,575	76,894,146	(19,260,051)	94,014,670	0.5000	911,594,484	10.313			
2021	35,333,267	73,403,688	(17,710,382)	91,026,573	0.5000	876,459,337	10.386			
2020	31,676,865	68,544,018	(18,327,149)	81,893,734	0.5270	799,938,411	10.238			
2019	28,733,106	63,988,366	(16,286,262)	76,435,210	0.5270	737,394,683	10.366			
2018	30,515,604	61,069,581	(16,772,986)	74,812,199	0.5270	737,258,919	10.147			
2017	29,085,822	55,786,745	(17,113,060)	67,759,507	0.5270	671,035,995	10.098			
2016	25,075,107	51,735,874	(17,059,663)	59,751,318	0.4244	593,280,712	10.071			
2015	24,706,272	50,921,755	(17,007,782)	58,620,245	0.0483	575,392,639	10.188			
2014	27,927,849	52,650,738	(19,063,286)	61,515,301	0.0142	600,658,951	10.241			

Source: The Maricopa County Treasurer.

Yavapai County Assessed Value

Fiscal Year	Commercial, Industrial, and Military					Less: Tax Exempt Real Property	Net Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value
	Residential									
2023	\$ 30,070,123	\$ 31,680,685	\$ (315,362)	\$ 61,435,446	0.4646	\$ 564,119,288	0.109			
2022	18,248,690	17,120,878	(218,930)	35,150,638	0.5000	320,679,516	10.961			
2021	11,980,220	16,263,385	(216,003)	28,027,602	0.5000	255,501,156	10.970			
2020	8,677,702	15,411,403	(201,294)	23,887,811	0.5000	207,947,628	11.487			
2019	4,470,634	11,084,830	(74,589)	15,480,875	0.5000	129,704,887	11.935			
2018	2,829,923	5,818,731	(28,710)	8,619,944	0.5270	73,845,028	11.673			
2017	538,286	3,169,565	(27,527)	3,680,324	0.5270	73,845,028	13.305			
2016	374,386	1,651,739	-	2,026,125	0.5270	14,409,440	14.061			
2015	210,214	493,494	-	703,708	0.5270	5,394,426	14.170			
2014	Data prior to 2015 unavailable									

Source: The Yavapai County Treasurer.

TOWN OF WICKENBURG, ARIZONA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Year	Basic Rate	Maricopa Overlapping Rates				Total	
		Wickenburg Unified School District #60		Maricopa Community College			
		Wickenburg Unified School District #60	Maricopa Community College	Maricopa County			
2023	0.4646	5.7037	1.0791	1.2044	8.4518		
2022	0.5000	3.2136	1.5017	1.7925	7.0078		
2021	0.5000	3.0100	1.1112	1.5807	6.2019		
2020	0.5000	3.0605	1.1250	1.6357	6.3212		
2019	0.5270	3.4375	0.2140	1.1708	5.3493		
2018	0.5270	3.5758	1.1956	1.6357	6.9341		
2017	0.5270	3.8975	1.2376	1.6357	7.2978		
2016	0.5270	3.6581	1.2628	1.5757	7.0236		
2015	0.5270	3.9198	1.2824	1.5157	7.2449		
2014	0.4083	3.7838	0.2444	1.4637	5.9002		

Source: The Maricopa County Treasurer.

Year	Basic Rate	Yavapai Overlapping Rates				Total	
		Wickenburg Unified School District #60		Yavapai Community College			
		Wickenburg Unified School District #60	Yavapai Community College	Yavapai County			
2023	0.4646	2.9556	1.5084	1.7148	6.6434		
2022	0.5000	3.2136	1.5017	1.7925	7.0078		
2021	0.5000	3.0100	1.9820	1.8570	7.3490		
2020	0.5000	3.0605	1.6131	1.9255	7.0991		
2019	0.5270	3.4375	1.7584	1.7788	7.5017		
2018	0.5270	3.5758	1.7827	1.8395	7.7250		
2017	0.5270	3.8975	1.8439	1.9027	8.1711		
2016	0.5270	3.6581	1.8721	1.9317	7.9889		
2015	0.5270	N/A	N/A	N/A	0.5270		
2014	0.4083	N/A	N/A	N/A	0.4083		

Source: The Yavapai County Treasurer.

TOWN OF WICKENBURG, ARIZONA
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEAR ENDED JUNE 30, 2023, AND NINE YEARS PRIOR
(UNAUDITED)

Taxpayer	Fiscal Year				Fiscal Year			
	2023		2014		2023		2014	
	Taxable Assessed Value	Rank	% of Assessed Value		Taxable Assessed Value	Rank	% of Assessed Value	
Store Master Funding XVIII LLC	\$ 3,604,032	1	2.79%		\$ -			
BNSF Railway Company	1,890,578	3	1.46%		-			
My Fathers Wickenburg LLC	1,382,272	4	1.07%		-			
NSJA Wickenburg LLC	1,222,045	5	0.95%		-			
Green Real Estate Investments LLLP	934,311	2	0.72%		-			
GVD Commercial Properties	851,989	6	0.66%		-			
Bradshaw	820,230	9	0.64%		-			
Schuck-Powell, Jacquelynn J TR	675,934	10	0.52%		-			
Nashua Southwest Dev Co	651,457	7	0.50%		-			
MHC Westpark LL	391,930	8	0.30%		-			
Arizona Public Service				\$ 2,036,248		1		3.47%
Paradise Plaza LLC				1,005,458		2		1.72%
Southwest Gas Corporation				903,502		3		1.54%
Raylynn Homes Inc				643,093		4		1.10%
Hevner, Richard W				489,782		5		0.84%
Ranch On Jefferson				473,095		6		0.81%
Los Vierjos Inn LLC				352,980		7		0.60%
Remuda Ranch Company	-		-	341,905		8		0.58%
Schuck Keith/Cynthia Trust	-		-	307,082		9		0.52%
Snedecor William/Roberta Trust	-		-	271,529		10		0.46%
	<u>\$ 12,424,778</u>		<u>9.62%</u>	<u>\$ 6,824,674</u>				<u>11.64%</u>

Source: The Maricopa County Treasurer.

TOWN OF WICKENBURG, ARIZONA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of		Total Tax Collections	Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Outstanding Delinquent Taxes to Total Tax Levy
			Current Taxes Collected	Delinquent Tax Collections				
2023	\$ 581,163	\$ 571,463	98.33	\$ -	\$ 571,463	98.33%	\$ 9,700	1.67%
2022	530,596	516,324	97.31	10,315	529,476	99.79%	1,120	0.21%
2021	482,942	423,475	87.69	58,192	481,897	99.78%	1,045	0.22%
2020	450,900	433,889	96.23	3,891	450,321	99.87%	579	0.13%
2019	418,500	395,025	94.39	3,811	418,470	99.99%	30	0.01%
2018	404,913	379,391	93.70	7,967	404,913	100.00%	-	0.00%
2017	357,810	350,460	97.95	7,350	357,810	100.00%	-	0.00%
2016	322,500	312,595	96.93	9,660	322,472	99.99%	28	0.01%
2015	305,609	305,477	99.96	132	305,609	100.00%	-	0.00%
2014	246,744	246,101	99.74	643	246,744	100.00%	-	0.00%

Source: The Maricopa County Treasurer.

TOWN OF WICKENBURG, ARIZONA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Financed Purchases	Term Notes and Loans	Term Notes and Loans	Financed Purchases	Commitments				
2023	\$ -	\$ 1,900,339	\$ -	\$ 5,303,101	\$ 7,203,440	2.11%	\$ 934		
2022	-	2,350,000	205,861	-	7,177,705	9,733,566	3.12%	1,262	
2021	-	162,285	205,861	-	8,551,243	7,383,566	3.28%	983	
2020	-	323,419	598,882	-	9,239,086	10,161,387	4.52%	1,353	
2019	-	483,411	786,419	-	12,007,348	1,269,830	0.56%	170	
2018	-	642,269	968,216	-	-	1,610,485	0.48%	199	
2017	-	605,259	1,798,549	-	-	2,403,808	0.78%	307	
2016	-	-	1,980,553	-	-	1,980,553	0.66%	273	
2015	-	-	2,163,250	-	-	2,163,250	0.76%	310	
2014	45,270	-	2,333,604	-	-	2,378,874	0.84%	357	

Source: The Town's Finance Department.

TOWN OF WICKENBURG, ARIZONA
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2023
(UNAUDITED)

Governmental Unit	Outstanding Debt	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Maricopa County	\$ 722,116,468	0.18 %	\$ 129,980,964
Yavapai County	10,731,000	0.19	2,038,890
Maricopa County Community College District	184,715,000	0.18	33,248,700
Yavapai County Community College District	4,725,000	0.19	897,750
Wickenburg Unified School District No. 9 & 60	5,775,000	0.21	1,212,750
Subtotal, Overlapping Debt			167,379,054
Total Town of Wickenburg, Arizona Direct Debt			1,900,339
			\$ 169,279,393

Source: Maricopa County & Yavapai County Treasurer's Office.

TOWN OF WICKENBURG, ARIZONA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
20% Debt Limit	\$ 22,263,352	\$ 18,802,934	\$ 18,802,934	\$ 18,205,315	\$ 16,378,747	\$ 15,287,042	\$ 14,962,440	\$ 13,551,901	\$ 11,950,264	\$ 11,724,049
Total Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 22,263,352	\$ 18,802,934	\$ 18,802,934	\$ 18,205,315	\$ 16,378,747	\$ 15,287,042	\$ 14,962,440	\$ 13,551,901	\$ 11,950,264	\$ 11,724,049

Total Net Debt Applicable to the Limit
 as a Percentage of the Debt Limit

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
6% Debt Limit	\$ 6,679,006	\$ 5,640,880	\$ 5,640,880	\$ 5,461,594	\$ 4,913,624	\$ 4,583,113	\$ 4,488,732	\$ 4,065,570	\$ 3,585,079	\$ 3,517,251
Total Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 6,679,006	\$ 5,640,880	\$ 5,640,880	\$ 5,461,594	\$ 4,913,624	\$ 4,583,113	\$ 4,488,732	\$ 4,065,570	\$ 3,585,079	\$ 3,517,251

Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit

Source: The Town's Finance Department and the Maricopa County Assessor's Office.

TOWN OF WICKENBURG, ARIZONA
CALCULATION OF THE LEGAL DEBT MARGIN
JUNE 30, 2023
(UNAUDITED)

Net Secondary Assessed Valuation	\$	<u>111,316,759</u>
<u>Water, Sewer, Light, Parks, Open Space, and Recreational Facility Bonds</u>		
Debt Limit - 20% of Secondary Net Assessed Valuation		22,263,352
<u>Debt Applicable to Limit</u>		
General Obligation Bonds Outstanding	\$	-
Less Amount Set Aside for Repayment of Debt		<u>-</u>
Net Debt Applicable to Limit		<u>-</u>
20% Legal Debt Margin	\$	<u>22,263,352</u>
<u>All Other General Obligation Bonds</u>		
Debt Limit - 6% of Secondary Net Assessed Valuation	\$	6,679,006
<u>Debt Applicable to Limit</u>		
General Obligation Bonds Outstanding	\$	-
Less Amount Set Aside for Repayment of Debt		<u>-</u>
Net Debt Applicable to Limit		<u>-</u>
All Other General Obligation Bonds Debt Margin		<u>6,679,006</u>
Total Legal Debt Margin	\$	<u>28,942,357</u>

Source: Maricopa County Assessor's Office.

Note: The Town did not have any debt subject to the debt limit.

TOWN OF WICKENBURG, ARIZONA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	USDA Loan					
	Pledge Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2023	N/A	N/A	N/A	N/A	N/A	N/A
2022	N/A	N/A	N/A	N/A	N/A	N/A
2021	N/A	N/A	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A	N/A	N/A
2018	\$ 1,904,266	\$ 1,468,166	\$ 436,100	\$ 654,100	\$ 1,292	0.67
2017	1,965,836	1,348,282	617,554	5,771	35,201	15.07
2016	1,380,124	1,286,226	93,898	11,857	26,442	2.45
2015	1,097,251	1,032,944	64,307	4,743	36,215	1.57
2014	900,538	957,458	(56,920)	4,467	33,911	(1.48)

Wickenburg Ranch Construction Loan

Fiscal Year	Wickenburg Ranch Construction Loan					
	Pledge Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2023	\$ 20,238,061	\$ 18,314,465	\$ 1,923,596	\$ 449,661	\$ 49,241	3.86
2022	12,178,261	14,709,944	12,178,261	-	-	N/A

Source: Town of Wickenburg's internal records.

Note 1: Pledged revenue includes operating revenues and unrestricted interest and other income.

Note 2: The USDA loan was paid off in fiscal year 2018.

Note 3: 2022 was the first year of the Wickenburg Ranch construction loan and no payments were due in fiscal year 2021-22.

TOWN OF WICKENBURG, ARIZONA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population	Personal		Per Capita Personal Income	Median Age	Unemployment Rate (%)
		Income (Thousands of Dollars)	Personal Income			
2023	7,715	342,098,530	44,342	64.9	2.1	
2022	7,715	311,593,420	40,388	61.2	2.6	
2021	7,511	224,818,696	29,932	61.4	2.6	
2020	7,474	224,818,696	30,080	56.3	0.8	
2019	8,092	224,818,696	27,783	56.3	0.8	
2018	7,840	335,175,680	42,752	56.3	0.9	
2017	7,253	310,080,256	42,752	56.3	0.9	
2016	6,978	299,272,464	42,888	59.5	1.0	
2015	6,661	284,771,072	42,752	56.9	1.1	
2014	6,602	282,248,704	42,752	57.0	1.2	

Sources: www.census.gov, Population & Unemployment Rate - Office of Economic Opportunity
<https://population.az.gov/> , Arizona Commerce Authority <https://www.azcommerce.com/>
City Data <http://www.city-data.com/city/Wickenburg-Arizona.html>

TOWN OF WICKENBURG, ARIZONA

PRINCIPAL EMPLOYERS

**FISCAL YEAR ENDING JUNE 30, 2023, AND NINE YEARS PRIOR
(UNAUDITED)**

Employer	Fiscal Year					
	2023			2014		
	Employees	Rank	% of Assessed Value	Employees	Rank	% of Assessed Value
1 Basha's	44	10	1.26%	60	9	1.71%
2 Bear Cat	86	7	2.46%	N/A		N/A
3 Jones Ford	55	8	1.57%	55	10	1.57%
4 Los Cab	122	4	3.49%	140	5	4.00%
5 Meadows	N/A		N/A	260	1	7.43%
6 Remuda Ranch	N/A		N/A	136	6	3.89%
7 Remuda Ranch/Meadows	423	1	12.09%	N/A		N/A
8 Rosewood	N/A		N/A	170	4	4.86%
9 Safeway	107	6	3.06%	98	7	2.80%
10 Town of Wickenburg	111	5	3.17%	88	8	2.51%
11 Wickenburg Comm. Hospital	257	2	7.34%	190	3	5.43%
12 Wickenburg Ranch (with contractors)	N/A		N/A	N/A		N/A
13 Wickenburg Ranch	46	9	1.31%	N/A		N/A
14 Wickenburg Unified School District	180	3	5.14%	254	2	7.26%
	<u>1,431</u>		<u>40.89%</u>	<u>1,451</u>		<u>41.46%</u>

Source: The Wickenburg Sun and Maricopa Association of Governments (MAG) Socioeconomic Projects of Population, Housing and Employment by Municipal Planning Area and Regional Analysis Zone.

TOWN OF WICKENBURG, ARIZONA
FULL-TIME EQUIVALENT EMPLOYEE BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Full Time Equivalent Employees									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Mayor and Council	7	7	7	7	7	7	7	7	7	7
Management Services	5	5	5	3	3	3	3	2	2	2
Finance and Technology	4	3	4	6	6	6	6	5	4	4
Community Development										
Other	2	2	2	2	2	1	1	1	1	1
Building	1	1	1	1	1	2	2	1	1	1
Economic Development	1	1	-	-	-	-	-	-	-	-
Court	5	4	4	4	4	4	4	4	4	4
Clerk	2	2	2	2	2	2	2	2	2	2
Airport	1	1	1	1	1	1	1	1	1	1
Police										
Officers	24	21	20	21	21	19	19	19	17	17
Dispatchers	7	7	6	6	6	5	5	5	6	5
Recreational/Other	2	2	2	2	2	2	2	2	2	2
Fire										
Firefighters	21	7	8	8	8	10	10	7	13	13
EMT's and Paramedics	-	10	9	8	8	7	6	6	-	-
Administrative	2	-	-	-	-	-	-	-	-	-
Public Services Administration	3	3	3	3	3	3	1	2	2	3
Sanitation	4	4	4	4	4	4	4	4	4	4
Other Public Works										
Electric	1	1	1	1	1	1	1	1	1	1
Streets	7	5	4	4	4	3	2	4	2	1
Maintenance Shop	2	2	1	1	1	1	1	1	1	1
Parks and Recreation										
Administrative	3	2	2	2	2	2	2	2	2	2
Operations	11	10	10	11	10	10	9	9	9	9
Recreation Seasonal	17	17	14	14	27	29	29	24	N/A	N/A
Library	2	3	4	3	3	3	2	2	2	2
Water	5	5	5	5	5	4	4	4	4	3
Wastewater	7	7	7	7	7	4	4	4	4	2
Total	<u>145</u>	<u>132</u>	<u>126</u>	<u>126</u>	<u>138</u>	<u>133</u>	<u>127</u>	<u>119</u>	<u>91</u>	<u>87</u>

Source: The Town of Wickenburg's internal records

TOWN OF WICKENBURG, ARIZONA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Government										
Building Permits Issued	538	847	684	531	524	236	526	395	294	222
Building Inspection Conducted	4,059	4,891	3,918	2,736	2,570	2,535	2,509	1,726	1,664	351
Police										
Physical Arrests	112	291	225	192	183	150	239	288	287	283
Parking Violations	33	1	2	5	2	-	-	9	6	7
Traffic Violations	2,146	1,186	1,525	1,125	1,016	670	1,122	1,238	1,220	1,016
Fire										
Emergency Responses	1,815	1,886	1,860	1,832	1,694	1,675	1,780	1,596	1,506	969
Fires Extinguished	45	43	59	74	91	84	106	82	31	72
Inspections	20	330	324	179	259	121	64	48	29	18
Refuse Collection										
Refuse Collections (Tons/Day)	34	17	12	9	9	8	8	8	9	11
Recyclables Collected (Tons/Day)	8	7	3	2	2	2	2	2	2	7
Other Public Works										
Street Resurfacing (miles)	2	2	2	2	-	2	2	-	-	-
Potholes Repaired	1,100	850	800	400	300	401	343	275	450	97
Parks and Recreation										
Community Center Rentals	61	61	34	45	121	286	284	279	279	331
Rec Center Rentals	48	57	33	59	59	65	82	N/A	N/A	N/A
Library										
Volumes in Collection	29,755	29,005	39,659	39,171	40,274	44,148	41,228	39,496	45,015	44,435
Total Volumes Borrowed	25,790	28,970	31,500	31,466	40,452	41,996	42,248	43,256	95,683	19,122
Water										
New Connections										
System 1	17	41	103	24	13	13	17	18	9	1
System 2 (WR) acquired 7/1/2018	49	270	294	124	572	N/A	N/A	N/A	N/A	N/A
Water Main Breaks										
System 1	0	-	-	-	4	3	2	3	-	-
System 2 (WR) acquired 7/1/2018	1	-	-	-	-	N/A	N/A	N/A	N/A	N/A
Water Main Leaks										
System 1	46	75	90	82	88	N/A	N/A	N/A	N/A	N/A
System 2 (WR) acquired 7/1/2018	10	12	2	-	-	N/A	N/A	N/A	N/A	N/A
Average Daily Consumptions (Thousands of Gallons)										
System 1	1,156	1,194	1,114	1,123	1,134	1,193	1,161	1,263	984	1,067
System 2 (WR) acquired 7/1/2018	309	238	166	12	1	N/A	N/A	N/A	N/A	N/A
Wastewater										
Average Daily Sewage Treatment (Thousands of Gallons)										
System 1	657	747	571	434	344	225	293	306	308	340
System 2 (WR) acquired 7/1/2018	99	201	51	36	26	N/A	N/A	N/A	N/A	N/A

TOWN OF WICKENBURG, ARIZONA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	20	20	20	21	22	21	18	20	20	23
Fire Stations	1	1	1	1	1	1	1	1	1	1
Refuse Collection										
Collection Trucks	4	4	4	4	4	4	4	4	4	6
Other Public Works										
Streets (Miles)	65	65	78	78	78	78	78	77	77	77
Highways (Miles)	7	7	7	7	7	7	7	7	7	7
Streetlights	339	339	339	339	339	339	339	339	339	338
Traffic Signals	3	3	3	3	3	3	3	3	3	3
Parks and Recreation										
Acreage	41	41	41	41	403	403	403	403	403	403
Playgrounds	5	5	5	5	5	5	5	5	5	5
Baseball and Softball Diamonds	5	5	5	5	5	5	5	5	5	5
Community Centers	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (Miles)										
System 1	56.4	56.4	56.4	56.4	56.4	56.4	56.4	55.3	55.3	55.3
System 2 (WR) acquired 7/1/2018	60.0	60	60	60	60	N/A	N/A	N/A	N/A	N/A
Fire Hydrants										
System 1	494.0	494	494	494	494	494	494	484	484	484
System 2 (WR) acquired 7/1/2018	200.0	200	200	200	200	N/A	N/A	N/A	N/A	N/A
Wastewater										
Sanitary Sewers (Miles)										
System 1	34.0	34.0	34.0	34.0	34.0	34.0	34.0	33.4	33.4	33.4
System 2 (WR) acquired 7/1/2018	49.4	49.4	49.4	49.4	49.37	N/A	N/A	N/A	N/A	N/A
Storm Sewers (Miles)										
System 1	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
System 2 (WR) acquired 7/1/2018	none	none	none	none	none	none	none	none	none	none
Maximum Daily Treatment Capacity										
System 1	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
System 2 (WR) acquired 7/1/2018	365,000	365,000	365,000	100,000	100,000	N/A	N/A	N/A	N/A	N/A

Source: The Town of Wickenburg's internal records.

TOWN OF WICKENBURG, ARIZONA
UTILITY CUSTOMER STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Water										
Residential										
System 1	2,275	2,269	2,242	2,138	2,114	2,088	2,061	2,035	2,028	2,004
System 2 (WR) acquired 7/1/2018	1,304	1,255	956	688	566	N/A	N/A	N/A	N/A	N/A
Commercial and Governmental										
System 1	371	359	370	360	365	352	366	357	357	349
System 2 (WR) acquired 7/1/2018	14	11	11	11	6	N/A	N/A	N/A	N/A	N/A
Electric										
Residential	1,110	1,111	1,086	1,061	1,047	1,068	1,050	1,050	1,041	1,024
Commercial and Governmental	381	382	384	389	396	398	403	405	404	395
Wastewater										
Residential										
System 1	1,760	1,631	1,684	1,625	1,608	1,583	1,553	1,545	1,538	1,521
System 2 (WR) acquired 7/1/2018	1,323	1,247	955	687	565	N/A	N/A	N/A	N/A	N/A
Commercial and Governmental										
System 1	283	284	285	282	281	281	278	273	277	275
System 2 (WR) acquired 7/1/2018	7	6	6	6	6	N/A	N/A	N/A	N/A	N/A
Sanitation										
Residential	3,620	3,398	3,114	2,871	2,690	2,537	2,374	2,223	2,166	2,141
Commercial and Governmental	200	195	197	195	195	199	202	203	236	281

Source: The Town of Wickenburg's internal records.