

Town of Prescott Valley
Arizona

Monthly Financial Report



To The Town Council

Presented on September 27, 2012

Covering the highlights of the financial activities of the Town Government
during

The Month of August 2012

Additional detailed information will be furnished upon request to the Town
Manager's Office

Prepared by the Town of Prescott Valley Management Services Department

**Town of Prescott Valley
Management's Discussion and Analysis**

General Fund

Revenues

Revenues	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Taxes	\$ 999,610	\$ 1,668,834	\$ 1,212,382	\$ (456,452)	-27.35%	\$ 212,772	21.29%	
Licenses and Permits	93,269	71,240	117,603	46,363	65.08%	24,334	26.09%	
Intergovernmental Revenue	1,105,823	1,905,288	1,344,579	(560,709)	-29.43%	238,756	21.59%	
Charges for Services	63,515	45,994	66,245	20,251	44.03%	2,730	4.30%	
Fines and Forfeitures	62,666	115,160	86,018	(29,142)	-25.31%	23,352	37.26%	
Investment and Rental	(12,451)	36,160	(2,893)	(39,053)	-108.00%	9,558	76.76%	
Miscellaneous Revenue	20,485	3,362	(56,328)	(59,690)	-1775.43%	(76,813)	-374.97%	
Other Financing Sources	-	6,666	-	(6,666)	-100.00%	-	0.00%	
Total	\$ 2,332,917	\$ 3,852,704	\$ 2,767,606	\$(1,085,098)	-28.16%	\$ 434,689	18.63%	

Total revenues for the general fund increased by \$434,689 over the previous year, with the majority of the increase being attributable to:

Tax revenues (transaction privilege tax and franchise fees) are favorable to prior year by 21.29% percent but are below budget estimates by 27.35%. This deficit is the result of the current year budget not being adjusted for seasonality which will be corrected during the next fiscal month. Transaction privilege tax collections are showing a positive trend in many areas including retail, finance, insurance and real estate.

Intergovernmental revenues represent the revenues that the State and other governmental entities provide to the Town. The general fund reports Urban Revenue Sharing, State Sales Tax, Auto Lieu Tax and other intergovernmental revenues (Yavapai County flood control, Yavapai County library, Yavapai College and utility administration).

Intergovernmental Revenues

Revenues	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Urban Revenue Sharing	\$ 545,988	\$ 660,870	\$ 660,930	\$ 60	0.01%	\$ 114,942	21.05%	
State Sales Tax	245,879	541,050	258,218	(282,832)	-52.27%	12,339	5.02%	
Auto Lieu Tax	170,525	336,220	277,455	(58,765)	-17.48%	106,930	62.71%	
Other	143,431	367,148	147,976	(219,172)	-59.70%	4,545	3.17%	
Total	\$ 1,105,823	\$ 1,905,288	\$ 1,344,579	\$(560,709)	-29.43%	\$ 238,756	21.59%	

*State sales tax and auto lieu tax are one month of actual collections

Total intergovernmental revenues increased by \$238,756 over the previous year; however we are below budget estimates due to the following:

- Budgeted amounts for state sales tax and auto lieu tax are for two months of collections while actual collections are one month. This adjustment will be corrected in the next fiscal month.

Fines and forfeitures increased by \$23,352 over prior year and are below budget estimates by 25.31%. Compared to prior year collections, fines and forfeitures are ahead mainly due to photo radar. However, photo radar collections are below budget in the current fiscal year. This category includes court administration, library fines and photo enforcement.

Investment and rental revenues are unfavorable for the month resulting from prior year accrual reversals. This variance will improve over the fiscal year as investments and interest earnings are realized.

Miscellaneous revenue is unfavorable for the month resulting from a prior year accrual reversal for insurance dividends which have not yet been received in the current fiscal year as expected.

**Town of Prescott Valley
Management's Discussion and Analysis**

Expenditures

Expenditure Category	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Personnel Services	\$ 1,711,933	\$ 2,219,880	\$ 1,932,570	\$ 287,310	12.94%	\$ (220,637)	-12.89%	
Operating Expenditures	773,476	1,514,501	2,752,022	(1,237,521)	-81.71%	(1,978,546)	-255.80%	
Other Expenditures	283	30,903	10,861	20,042	64.85%	(10,578)	-3737.81%	
Capital Expenditures	66,589	180,350	4,603	175,747	97.45%	61,986	93.09%	
Transfers Out	-	475,380	-	475,380	100.00%	-	0.00%	
Total	\$ 2,552,281	\$ 4,421,014	\$ 4,700,056	\$ (279,042)	-6.31%	\$(2,147,775)	-84.15%	

Total Revenues Over (Under)

Total Expenditures \$ (219,364) \$ (568,310) \$ (1,932,450)

Total expenditures increased by \$2,147,775 over the prior year and are over budget estimates.

Highlights of general fund expenditures include:

- Town Council expenditures include the annual membership dues for the League of Arizona Cities and Towns.
- Management Services expenditures include several annual maintenance agreements for computer related hardware and software.
- Parks and Recreation expenditures include charges related to the Fourth of July celebration, utility costs for seasonal watering and maintenance and costs related to the operation of the pool.
- Non-Departmental expenditures include a one-time payment per a development agreement which was due in the current fiscal month.

As revenues and expenditures are monitored, it is important to review the Town's position of total revenues over (under) total expenditures to ensure the Town is in compliance with policy and bond covenants. Over the last several years, operations have been partially funded by fund balance, with an actual amount of \$3.4 million this year. The current budget-to-date is approximately \$1.9 million.

Highway Users Revenue Fund (HURF)

Revenues

Revenues	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Grants	\$ -	\$ -	\$ (5,565)	\$ (5,565)	-100.00%	\$ (5,565)	-100.00%	
Highway Users Revenue*	196,248	383,332	206,172	(177,160)	-46.22%	9,924	5.06%	
Charges for Services	-	1,332	-	(1,332)	-100.00%	-	0.00%	
Investment Earnings	(5,452)	1,500	(4,736)	(6,236)	-415.73%	716	-13.13%	
Miscellaneous	181	-	-	-	100.00%	(181)	-100.00%	
Other Financing Sources	-	8,332	-	(8,332)	-100.00%	-	0.00%	
Total	\$ 190,977	\$ 394,496	\$ 195,871	\$ (198,625)	-50.35%	\$ 4,894	2.56%	

*Highway Users Revenue is one month of actual collections

Pursuant to state statute, HURF monies can only be used for street and highway purposes, including right of way and payment of debt service on highway and street bonds. For the Town, HURF revenues support road maintenance and repair as well as capital projects. Total HURF revenues have increased by \$4,894 compared to the previous year. Compared to budget, revenues are down \$198,625 due primarily to:

- Grants revenue is unfavorable for the current month as the result of year-end accrual reversals. This variance will be eliminated upon receipt of the grant revenue.

Town of Prescott Valley Management's Discussion and Analysis

- Budgeted amounts for highway users revenue is for two months of collections while actual collections are one month. This adjustment will be corrected in the next fiscal month.
- Investment earnings are unfavorable for the month resulting from prior year accrual reversals. This variance will improve over the fiscal year as investments and interest earnings are realized.

Expenditures

Expenditure Category	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Budget	Fav (Unf)	%	Fav (Unf)	%
Personnel Services	\$ 117,137	\$ 120,406	\$ 120,406	\$ -	-	0.00%	\$ (3,269)	-2.79%
Operating Expenditures	746,540	349,566	900,557	(550,991)	(550,991)	-157.62%	(154,017)	-20.63%
Capital Expenditures	-	34,580	(5,556)	40,136	40,136	116.07%	5,556	100.00%
Total	\$ 863,677	\$ 504,552	\$ 1,015,407	\$ (510,855)	\$ (510,855)	-101.25%	\$ (151,730)	-17.57%

Total Revenues Over (Under)

Total Expenditures \$ (672,700) \$ (110,056) \$ (819,536)

Total expenditures increased by \$151,730 over the previous year and are over budget estimates.

Operating expenditures are 157.62% unfavorable to budget mainly due to expenditures for the annual chip seal program occurred during the current fiscal month.

Capital expenditures approved for FY 2012-13 are \$207,500. The approved projects include the Glassford Hill multiuse path, PV Pipeline multiuse path and Central Core multiuse path. At this time no activity has occurred for any of the approved projects. The current activity reported is the result of a year-end accrual reversal which was paid out of a different fund. The correcting entry will be made in the next fiscal month.

As revenues and expenditures are monitored, it is important to review the Town's position of total revenues over (under) total expenditures to ensure the Town is in compliance with policy and bond covenants. Over the last few fiscal years, operations have been partially funded by fund balance, with an actual annual amount of \$769,965 this year. The current budget-to-date is \$819,536.

Enterprise Funds

The Wastewater and Water Funds are Enterprise Funds which means they are operated similar to a private business where the intent is for them to be financially self-sufficient with all costs supported mainly by user charges. Because enterprise funds are operated like businesses, they have operational costs, capital, debt service and unlike the government funds, depreciation expense.

Wastewater Revenues

Revenues	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Budget	Fav (Unf)	%	Fav (Unf)	%
Investment Earnings	\$ (22,520)	\$ 12,500	\$ (28,248)	\$ (40,748)	(40,748)	-325.98%	\$ (5,728)	-25.44%
Business Type Activity	790,065	820,833	959,395	138,562	138,562	16.88%	169,330	21.43%
Other Financing Sources	-	79,895	27	(79,868)	(79,868)	-99.97%	27	100.00%
Total	\$ 767,545	\$ 913,229	\$ 931,174	\$ 17,946	\$ 17,946	1.97%	\$ 163,629	21.32%

Total wastewater fund revenues increased by \$163,629 over the previous year. Compared to budget, revenues are favorable by \$17,946.

**Town of Prescott Valley
Management's Discussion and Analysis**

Wastewater Expenditures

	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Personnel Services	\$ 29,002	\$ 24,517	\$ 21,012	\$ 3,505	14.29%	\$ 7,990	27.55%	
Operating Expenditures	203,972	476,868	284,985	191,883	40.24%	(81,013)	-39.72%	
Other Expenditures	53	518,333	47	518,286	0.00%	6	11.32%	
Capital Expenditures	-	90,833	-	90,833	0.00%	-	0.00%	
Debt Service	821,863	299,636	832,286	(532,650)	-177.77%	(10,423)	-1.27%	
Total	\$ 1,054,890	\$ 1,410,186	\$ 1,138,330	\$ 271,856	19.28%	\$ (83,440)	-7.91%	

Total Revenues Over (Under)

Total Expenditures \$ (287,345) \$ (496,958) \$ (207,156)

Total expenditures are higher than the prior year by \$83,440 and below budget by \$271,856 due mainly to the following:

Operating expenditures are lower than expected due to lower repair and maintenance expenses.

Other expenditures are lower than budgeted due to depreciation expenses budgeted that do not occur until the end of the fiscal year. Adjustments to the budget will be made in the next fiscal month.

Capital expenditures approved for FY 2012-13 are \$545,000. These projects include small sewer project improvements, lift station rehabilitation program, SCADA lift station improvements and the purchase of a clarifier algae sweep.

Water System Revenues

Revenues	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Fav (Unf)	%	Fav (Unf)	%	
Intergovernmental Revenue	\$ 140,400	\$ 127,178	\$ 145,400	\$ 18,222	14.33%	\$ 5,000	3.56%	
Investment and Rental	(14,190)	9,000	(6,373)	(15,373)	-170.81%	7,817	55.09%	
Miscellaneous Revenue	-	-	39	39	100.00%	39	100.00%	
Business Type Activities	1,624,838	1,277,500	1,729,448	451,948	35.38%	104,610	6.44%	
Total	\$ 1,751,048	\$ 1,413,678	\$ 1,868,514	\$ 454,836	32.17%	\$ 117,466	6.71%	

The water fund revenues increased by \$117,466 over the previous year and are better than budget expectations by \$454,836 mainly due to the following:

Investment earnings are unfavorable for the month resulting from prior year accrual reversals. This variance will improve over the fiscal year as investments and interest earnings are realized.

Business type activities are above budget estimates and have increased over previous year mainly due to water rates which were increased effective November 1, 2011. This fiscal year reflects the new rate compared with prior year reflecting the first four months at the old rate.

**Town of Prescott Valley
Management's Discussion and Analysis**

Water System Expenditures

Expenditure Category	2011-12		2012-13		Actual vs Budget		Actual vs Prior Year	
	Actual	Budget	Actual	Budget	Fav (Unf)	%	Fav (Unf)	%
Personnel Services	\$ 37,496	\$ 46,497	\$ 42,247	\$ 42,247	\$ 4,250	9.14%	\$ (4,751)	-12.67%
Operating Expenditures	490,343	988,687	802,715	802,715	185,972	18.81%	(312,372)	-63.70%
Other Expenditures	1,923	288,333	-	-	288,333	0.00%	1,923	100.00%
Capital Expenditures	6,623	577,583	(134,258)	-	711,841	123.24%	140,881	2127.15%
Debt Service	252,313	312,463	231,088	-	81,375	26.04%	21,225	8.41%
Transfer Out	-	38,229	-	-	38,229	100.00%	-	0.00%
Total	\$ 788,698	\$ 2,251,792	\$ 941,792	\$ 941,792	\$ 1,310,000	58.18%	\$ (153,094)	-19.41%

Total Revenues Over (Under)

Total Expenditures \$ 962,350 \$ (838,114) \$ 926,722

Total expenditures increased by \$153,094 over the previous year, and are below budget estimates for the year mainly due to the following:

Operating expenditures are favorable to budget mainly due to repair and maintenance costs below estimate.

Other expenditures are lower than budgeted due to depreciation expenses budgeted that do not occur until the end of the fiscal year. Adjustments to the budget will be made in the next fiscal month.

Capital expenditures are favorable to budget mainly due to limited expenditures for the North Plains Recharge Facility project and no activity on the Big Chino water project. The favorable expenses for the current month are the result of a year-end accrual for the Big Chino water project which has not yet been paid.



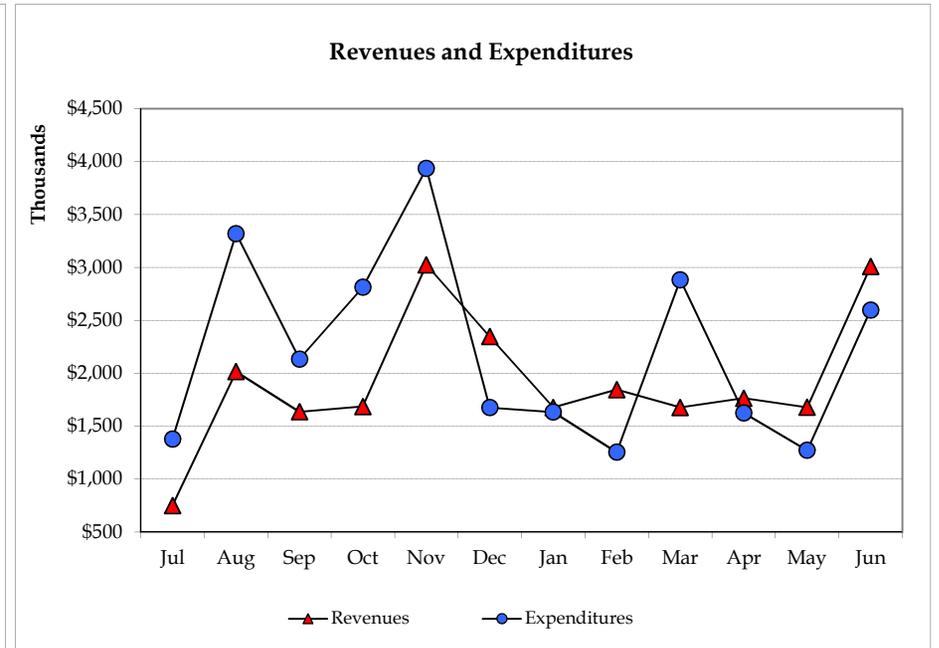
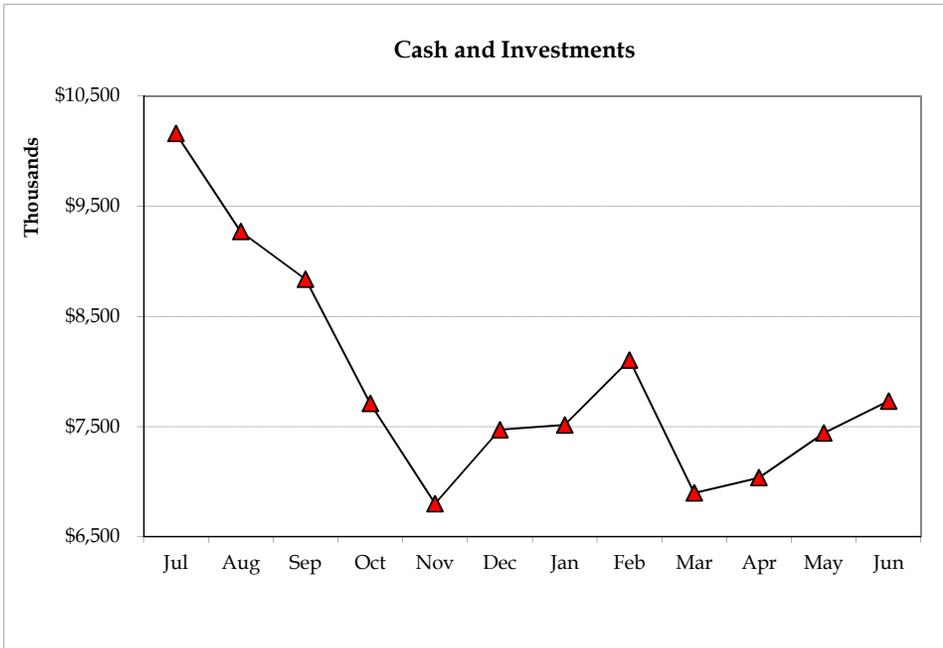
**Town of Prescott Valley
General Fund - Unaudited
Balance Sheet**

<u>ASSETS</u>	<u>August 31, 2012</u>	<u>August 31, 2011</u>
Current Assets		
Cash and Investments	\$ 8,905,974	\$ 14,597,969
Receivables		
Accounts Receivable	267,866	265,726
Sales Tax Assessments	34,266	14,505
Intergovernmental	172,275	281,635
Due from Other Funds	-	74,236
Supplies Inventory	2,788	2,810
Noncurrent Assets		
Restricted Cash	364,775	166,056
Advances to Other Funds	2,748,389	1,793,066
Total Assets	<u>\$ 12,496,333</u>	<u>\$ 17,196,003</u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable	\$ 137,925	\$ 279,854
Noncurrent Liabilities		
Deferred Revenue		
Court	134,481	116,302
Other	109,527	92,640
Guaranty and Other Deposits	192,198	192,813
Total Liabilities	<u>574,131</u>	<u>681,609</u>
<u>FUND BALANCE</u>		
Restricted		
Reserve for Encumbrances	2,302,007	2,228,864
Unrestricted Fund Balance	9,620,195	14,285,530
Total Fund Balance	<u>11,922,202</u>	<u>16,514,394</u>
Total Liabilities and Fund Balance	<u>\$ 12,496,333</u>	<u>\$ 17,196,003</u>



**Town of Prescott Valley
General Fund - Unaudited
FY 2012-13 Actual and Projected
Modified Accrual Basis**

	ACTUAL		PROJECTED									
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash and Investments	\$ 10,163,453	\$ 9,270,749	\$ 8,836,547	\$ 7,709,300	\$ 6,799,908	\$ 7,470,998	\$ 7,513,569	\$ 8,104,440	\$ 6,897,227	\$ 7,035,090	\$ 7,440,736	\$ 7,730,873
Net Receivable (Payable)	3,063,103	2,651,453	2,587,852	2,587,852	2,587,852	2,587,852	2,587,852	2,587,852	2,587,852	2,587,852	2,587,852	2,708,065
Ending Fund Balance	\$ 13,226,556	\$ 11,922,202	\$ 11,424,399	\$ 10,297,152	\$ 9,387,760	\$ 10,058,850	\$ 10,101,421	\$ 10,692,292	\$ 9,485,079	\$ 9,622,942	\$ 10,028,588	\$ 10,438,938
Beginning Fund Balance	\$ 13,854,653	\$ 13,226,556	\$ 11,922,202	\$ 11,424,399	\$ 10,297,152	\$ 9,387,760	\$ 10,058,850	\$ 10,101,421	\$ 10,692,292	\$ 9,485,079	\$ 9,622,942	\$ 10,028,588
Revenues	751,660	2,015,945	1,636,997	1,686,648	3,025,189	2,346,832	1,677,418	1,845,863	1,677,185	1,764,511	1,679,153	3,009,202
Expenditures	1,379,757	3,320,299	2,134,800	2,813,895	3,934,581	1,675,742	1,634,847	1,254,992	2,884,398	1,626,648	1,273,507	2,598,852
Ending Fund Balance	\$ 13,226,556	\$ 11,922,202	\$ 11,424,399	\$ 10,297,152	\$ 9,387,760	\$ 10,058,850	\$ 10,101,421	\$ 10,692,292	\$ 9,485,079	\$ 9,622,942	\$ 10,028,588	\$ 10,438,938





Town of Prescott Valley
General Fund - Unaudited
Summary of Revenues and Expenditures
For the Month Ended August 31, 2012 - 83% of the Year Remaining

	Annual	Current Month		Year to Date		Prior Year to Date	Amount Encumbered	Unrealized Balance	% Remaining
	Budget	Estimate	Actual	Estimate	Actual				
Revenues by Category									
Taxes	\$ 10,013,000	\$ 834,417	\$ 1,024,295	\$ 1,668,834	\$ 1,212,382	\$ 999,610		\$ 8,800,618	87.89%
Licenses and Permits	427,500	35,620	65,435	71,240	117,603	93,269		309,897	72.49%
Intergovernmental Revenue	11,431,803	952,644	857,965	1,905,288	1,344,579	1,105,823		10,087,224	88.24%
Charges for Services	276,100	22,997	31,602	45,994	66,245	63,515		209,855	76.01%
Fines and Forfeitures	691,000	57,580	82,383	115,160	86,018	62,666		604,982	87.55%
Investment and Rental	217,000	18,080	18,195	36,160	(2,893)	(12,451)		219,893	101.33%
Miscellaneous Revenue	20,200	1,681	(63,930)	3,362	(56,328)	20,485		76,528	378.85%
Other Financing Sources	40,000	3,333	-	6,666	-	-		40,000	100.00%
Total Revenues	\$ 23,116,603	\$ 1,926,352	\$ 2,015,945	\$ 3,852,704	\$ 2,767,606	\$ 2,332,917		\$ 20,348,997	88.03%
Expenditures by Department									
Town Council	\$ 108,646	\$ 9,049	\$ 5,407	\$ 18,098	\$ 39,668	\$ 37,699	\$ 2,007	\$ 66,971	61.64%
Town Clerk	378,666	31,534	23,813	63,068	39,636	38,947	16,366	322,664	85.21%
Town Management	731,874	60,955	75,541	121,910	102,678	95,507	52,016	577,180	78.86%
Management Services	1,954,648	162,812	192,362	325,624	409,818	346,555	30,201	1,514,629	77.49%
Community Development	1,150,515	95,831	109,919	191,662	156,717	170,444	4,798	989,000	85.96%
Human Resources	219,004	18,237	19,572	36,474	34,619	23,249	6,652	177,733	81.16%
Parks and Recreation	1,581,214	131,695	175,960	263,390	304,991	230,191	28,756	1,247,467	78.89%
Legal	675,112	56,247	45,205	112,494	70,990	88,602	19,722	584,400	86.56%
Library	1,607,050	133,868	175,670	267,736	247,881	231,331	128,595	1,230,574	76.57%
Magistrate Court	523,396	43,604	51,641	87,208	70,104	60,373	668	452,624	86.48%
Public Works	1,969,945	164,105	125,156	328,210	159,671	141,172	64,185	1,746,089	88.64%
Police	7,949,989	662,387	754,787	1,324,774	1,114,028	965,125	1,120,709	5,715,252	71.89%
Non-Departmental	7,682,259	640,183	1,565,266	1,280,366	1,949,255	123,086	827,332	4,905,672	63.86%
Total Expenditures	\$ 26,532,318	\$ 2,210,507	\$ 3,320,299	\$ 4,421,014	\$ 4,700,056	\$ 2,552,281	\$ 2,302,007	\$ 19,530,255	73.61%
Total Revenues Over (Under)									
Total Expenditures (1)	\$ (3,415,715)	\$ (284,155)	\$ (1,304,354)	\$ (568,310)	\$ (1,932,450)	\$ (219,364)			

(1) Expenditures over revenues will be funded using the carry forward fund balance from the previous year.

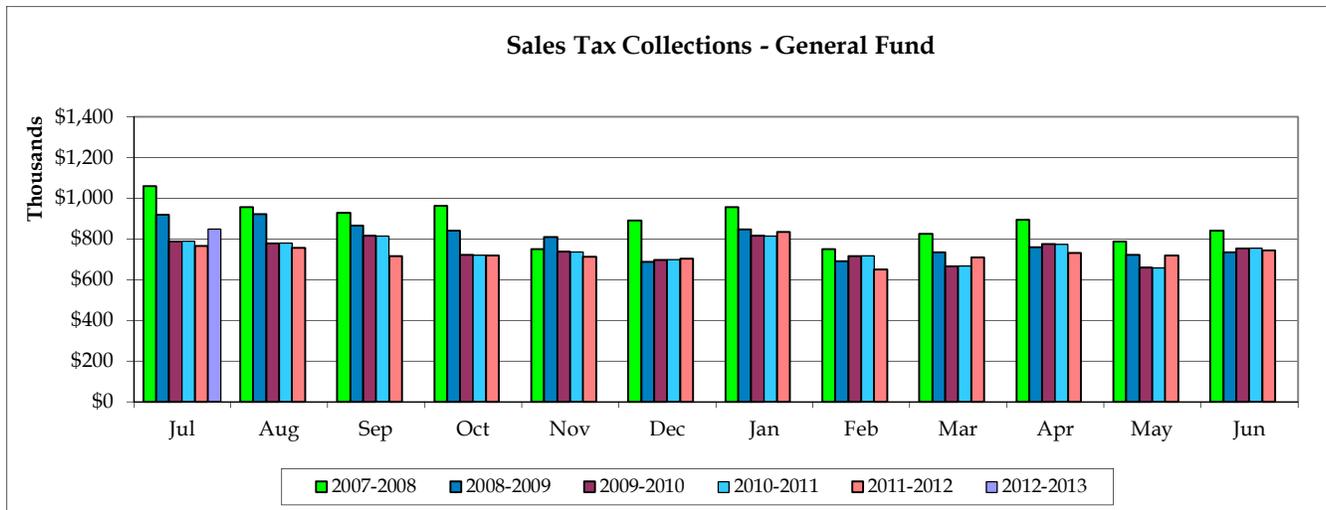


Town of Prescott Valley Sales Tax Collections (Recorded in Month Received)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	% 2012 +/- 2013	\$ 2012 +/- 2013
General Fund Sales Tax Collections - 2.00%								
Jul	\$ 1,061,309	\$ 919,580	\$ 788,713	\$ 767,567	\$ 819,162	\$ 847,557	3.47%	\$ 28,395
Aug	956,005	923,933	779,702	757,824	795,800	Data Unavailable*		
Sep	927,786	866,230	814,551	715,944	730,126			
Oct	964,149	840,998	721,888	718,723	851,038			
Nov	749,061	809,648	737,676	711,411	732,831			
Dec	891,175	688,705	698,352	703,232	734,306			
Jan	955,441	847,768	814,666	835,239	866,182			
Feb	749,842	692,329	716,316	651,777	717,958			
Mar	826,059	733,420	666,632	708,892	741,312			
Apr	893,317	759,231	774,560	730,342	759,533			
May	787,790	721,550	659,604	718,809	792,353			
Jun	839,821	735,178	753,999	743,302	801,518			
Subtotal	\$ 10,601,755	\$ 9,538,570	\$ 8,926,659	\$ 8,763,062	\$ 9,342,119	\$ 847,557	3.47%	\$ 28,395
Street Improvement Fund Sales Tax Collections - .33%								
Jul	\$ 175,116	\$ 151,731	\$ 130,138	\$ 126,649	\$ 135,162	\$ 139,847	3.47%	\$ 4,685
Aug	157,741	152,449	128,651	125,041	131,307	Data Unavailable*		
Sep	153,085	142,928	134,401	118,131	120,471			
Oct	159,085	138,765	119,111	118,589	140,421			
Nov	123,595	133,592	121,717	117,383	120,917			
Dec	147,044	113,636	115,228	116,033	121,160			
Jan	157,648	139,882	134,420	137,814	142,920			
Feb	123,724	114,234	118,192	107,543	118,463			
Mar	136,300	121,014	109,994	116,968	122,317			
Apr	147,397	125,273	127,802	120,506	125,323			
May	129,985	119,056	108,835	118,604	130,738			
Jun	138,570	121,304	124,410	122,645	132,251			
Subtotal	\$ 1,749,290	\$ 1,573,864	\$ 1,472,899	\$ 1,445,906	\$ 1,541,450	\$ 139,847	3.47%	\$ 4,685
Total	\$ 12,351,045	\$ 11,112,434	\$ 10,399,558	\$ 10,208,968	\$ 10,883,569	\$ 987,404	3.47%	\$ 33,080

% Change	(15.31%)	(10.03%)	(6.42%)	(1.83%)	6.61%	
Monthly Average	\$ 1,029,254	\$ 926,036	\$ 866,630	\$ 850,747	\$ 906,964	\$ 987,404
% Change	(15.31%)	(10.03%)	(6.42%)	(1.83%)	6.61%	8.87%

*Sales tax revenue reporting by Arizona Department of Revenue (ADOR) is on a one month lag.





Town of Prescott Valley Retail Sales Tax Collections (Recorded in Month Received)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	% 2012 +/- 2013	\$ 2012 +/- 2013
General Fund Sales Tax Collections - 2.00%								
Jul	\$ 391,668	\$ 363,316	\$ 387,058	\$ 414,900	\$ 439,936	\$ 455,227	3.48%	\$ 15,291
Aug	363,476	390,845	395,700	380,819	406,938	Data Unavailable*		
Sep	405,472	364,266	392,108	376,570	361,374			
Oct	406,809	375,657	380,988	392,985	476,674			
Nov	260,358	394,881	369,228	384,744	389,776			
Dec	367,424	377,318	381,896	387,754	403,997			
Jan	446,989	465,785	428,120	508,381	517,013			
Feb	325,151	339,479	377,850	357,699	386,403			
Mar	337,281	326,307	351,531	360,706	393,839			
Apr	424,640	380,276	387,823	407,579	413,912			
May	358,390	387,681	386,909	411,220	443,285			
Jun	325,531	399,842	401,425	405,393	452,900			
Subtotal	\$ 4,413,189	\$ 4,565,653	\$ 4,640,636	\$ 4,788,750	\$ 5,086,047	\$ 455,227	3.48%	\$ 15,291
Street Improvement Fund Sales Tax Collections - .33%								
Jul	\$ 64,625	\$ 59,947	\$ 63,864	\$ 68,458	\$ 72,590	\$ 75,112	3.48%	\$ 2,522
Aug	59,974	64,489	65,290	62,835	67,145	Data Unavailable*		
Sep	66,903	60,104	64,698	62,134	59,627			
Oct	67,123	61,983	62,863	64,843	78,651			
Nov	42,959	65,155	60,923	63,483	64,312			
Dec	60,625	62,258	63,013	63,979	66,659			
Jan	73,753	76,855	70,640	83,883	85,307			
Feb	53,650	56,014	62,345	59,020	63,756			
Mar	55,651	53,841	58,003	59,516	64,983			
Apr	70,066	62,746	63,991	67,251	68,296			
May	59,134	63,967	63,840	67,851	73,143			
Jun	53,713	65,974	66,235	66,890	74,729			
Subtotal	\$ 728,176	\$ 753,333	\$ 765,705	\$ 790,143	\$ 839,198	\$ 75,112	3.48%	\$ 2,522
Total	\$ 5,141,365	\$ 5,318,986	\$ 5,406,341	\$ 5,578,893	\$ 5,925,245	\$ 530,339	3.48%	\$ 17,813

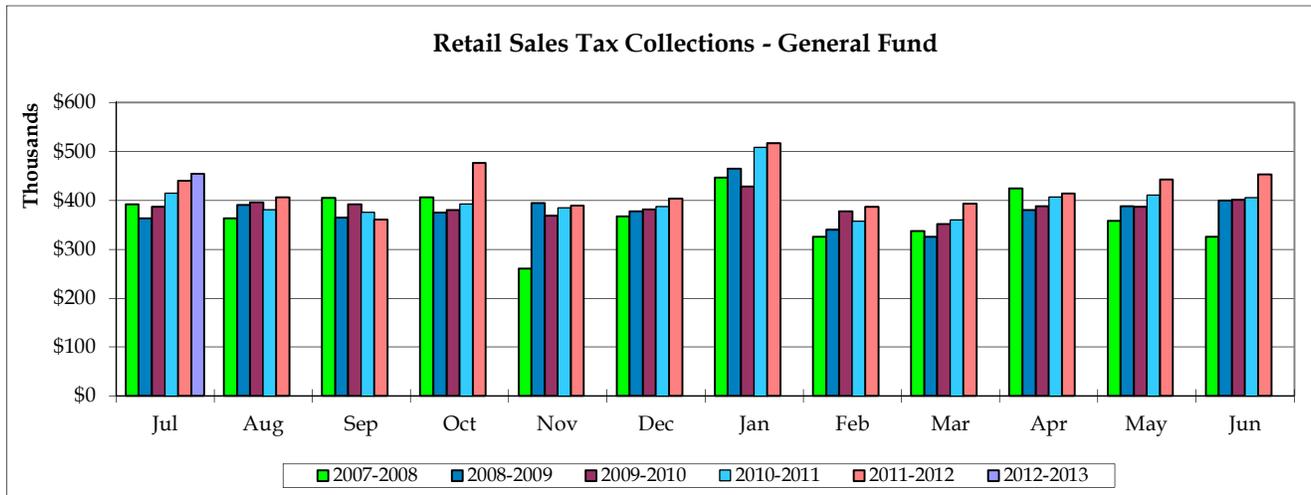
% Change (10.18%) 3.45% 1.64% 3.19% 6.21%

Monthly

Average \$ 428,447 \$ 443,249 \$ 450,528 \$ 464,908 \$ 493,770 \$ 530,339

% Change (10.18%) 3.45% 1.64% 3.19% 6.21% 7.41%

*Sales tax revenue reporting by Arizona Department of Revenue (ADOR) is on a one month lag.



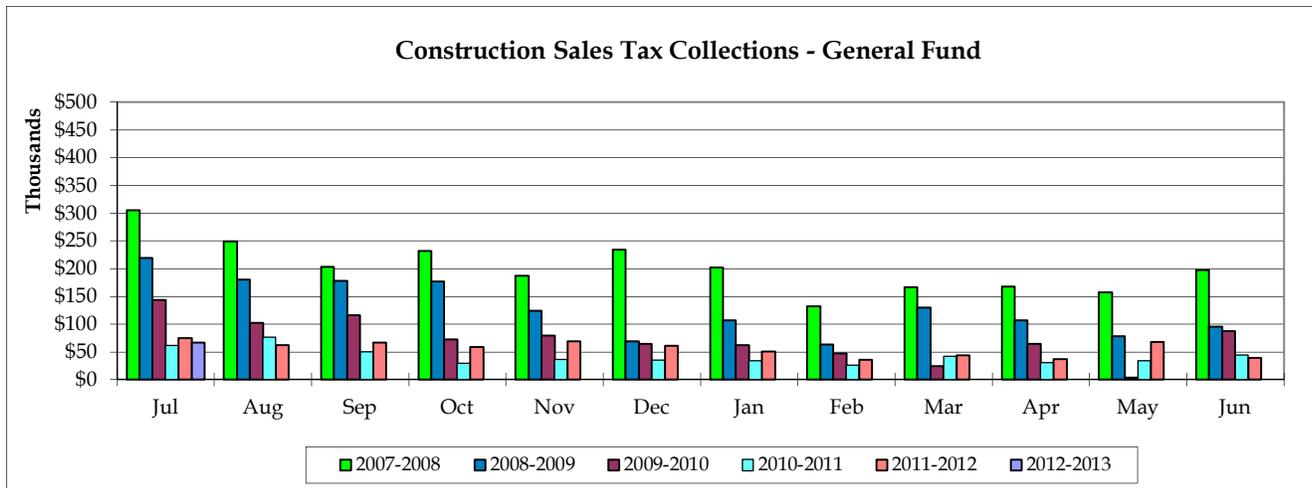


Town of Prescott Valley Construction Sales Tax Collections (Recorded in Month Received)

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	% 2012 +/- 2013	\$ 2012 +/- 2013
General Fund Sales Tax Collections - 2.00%								
Jul	\$ 305,361	\$ 219,122	\$ 143,601	\$ 61,485	\$ 74,742	\$ 66,474	(11.06%)	\$ (8,268)
Aug	249,166	180,261	102,855	76,558	62,480	Data Unavailable*		
Sep	203,398	177,866	116,537	50,045	66,618			
Oct	232,234	176,586	73,204	29,494	58,825			
Nov	187,063	124,101	79,190	37,121	69,795			
Dec	234,129	69,184	65,207	35,672	60,804			
Jan	202,045	107,599	62,746	34,412	50,471			
Feb	131,787	63,370	47,618	26,555	36,073			
Mar	166,530	130,558	24,496	42,579	44,067			
Apr	167,529	107,607	64,632	31,315	36,948			
May	158,123	78,536	4,140	34,409	68,656			
Jun	197,827	96,054	87,266	44,193	39,066			
Subtotal	\$ 2,435,192	\$ 1,530,844	\$ 871,492	\$ 503,838	\$ 668,545	\$ 66,474	(11.06%)	\$ (8,268)
Street Improvement Fund Sales Tax Collections - .33%								
Jul	\$ 50,384	\$ 36,155	\$ 23,694	\$ 10,145	\$ 12,332	\$ 10,968	(11.06%)	\$ (1,364)
Aug	41,112	29,743	16,971	12,632	10,309	Data Unavailable*		
Sep	33,561	29,348	19,229	8,257	10,991			
Oct	38,319	29,137	12,079	4,866	9,706			
Nov	30,865	20,477	13,066	6,125	11,518			
Dec	38,631	11,415	10,759	5,886	10,032			
Jan	33,337	17,754	10,353	5,678	8,328			
Feb	21,745	10,456	7,857	4,382	5,952			
Mar	27,477	21,542	4,042	7,026	7,271			
Apr	27,642	17,755	10,664	5,167	6,097			
May	26,090	12,959	683	5,678	11,328			
Jun	32,641	15,849	14,399	7,292	6,446			
Subtotal	\$ 401,804	\$ 252,590	\$ 143,796	\$ 83,134	\$ 110,310	\$ 10,968	(11.06%)	\$ (1,364)
Total	\$ 2,836,996	\$ 1,783,434	\$ 1,015,288	\$ 586,972	\$ 778,855	\$ 77,442	(11.06%)	\$ (9,632)

% Change	(37.35%)	(37.14%)	(43.07%)	(42.19%)	32.69%	
Monthly Average	\$ 236,416	\$ 148,620	\$ 84,607	\$ 48,914	\$ 64,905	\$ 77,442
% Change	(37.35%)	(37.14%)	(43.07%)	(42.19%)	32.69%	19.32%

*Sales tax revenue reporting by Arizona Department of Revenue (ADOR) is on a one month lag.

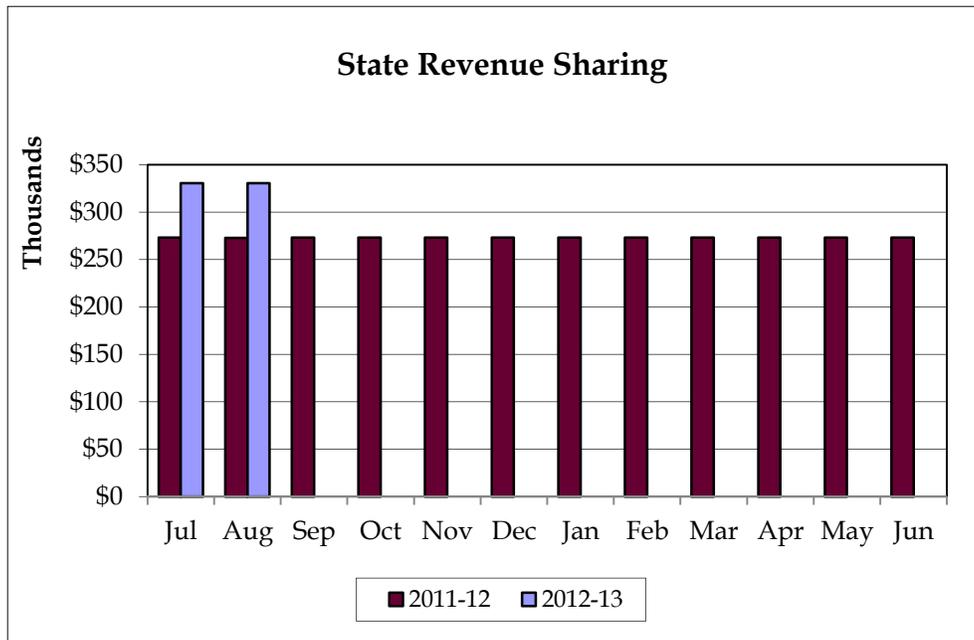




Town of Prescott Valley State Revenue Sharing

	2011-12	2012-13	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	\$ 273,062	\$ 330,465	21.02%	\$ 57,403
Aug	272,926	330,466	21.08%	57,540
Sep	273,062			
Oct	273,062			
Nov	273,061			
Dec	273,062			
Jan	273,062			
Feb	273,062			
Mar	273,061			
Apr	273,062			
May	273,062			
Jun	273,061			
Total	\$ 3,276,605	\$ 660,931	21.05%	\$ 114,943

Monthly Average \$ 273,050 \$ 330,466 21.03%
 2013 Budget \$ 3,965,224 % Received 16.67%



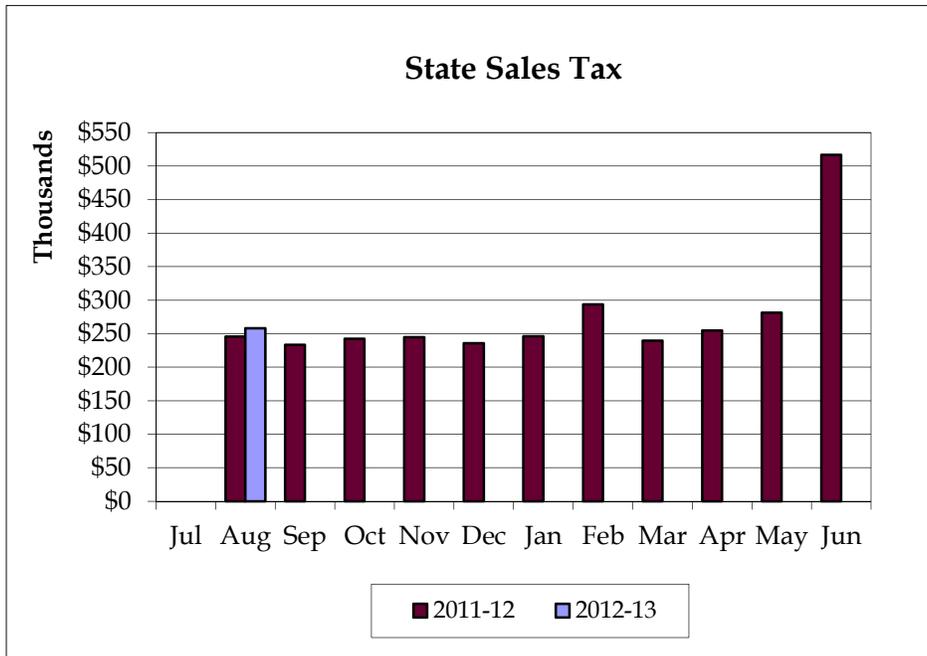


Town of Prescott Valley State Sales Tax

	2011-12	2012-13	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	\$ -	\$ -	0.00%	\$ -
Aug	245,879	258,218	5.02%	12,339
Sep	233,254			
Oct	242,173			
Nov	244,882			
Dec	235,629			
Jan	245,967			
Feb	293,867			
Mar	239,423			
Apr	254,650			
May	281,179			
Jun	516,660			
Total	\$ 3,033,563	\$ 258,218	5.02%	\$ 12,339

Monthly
Average \$ 252,797 \$ 258,218 2.14%

2013 Budget \$ 3,246,305 % Received 7.95%



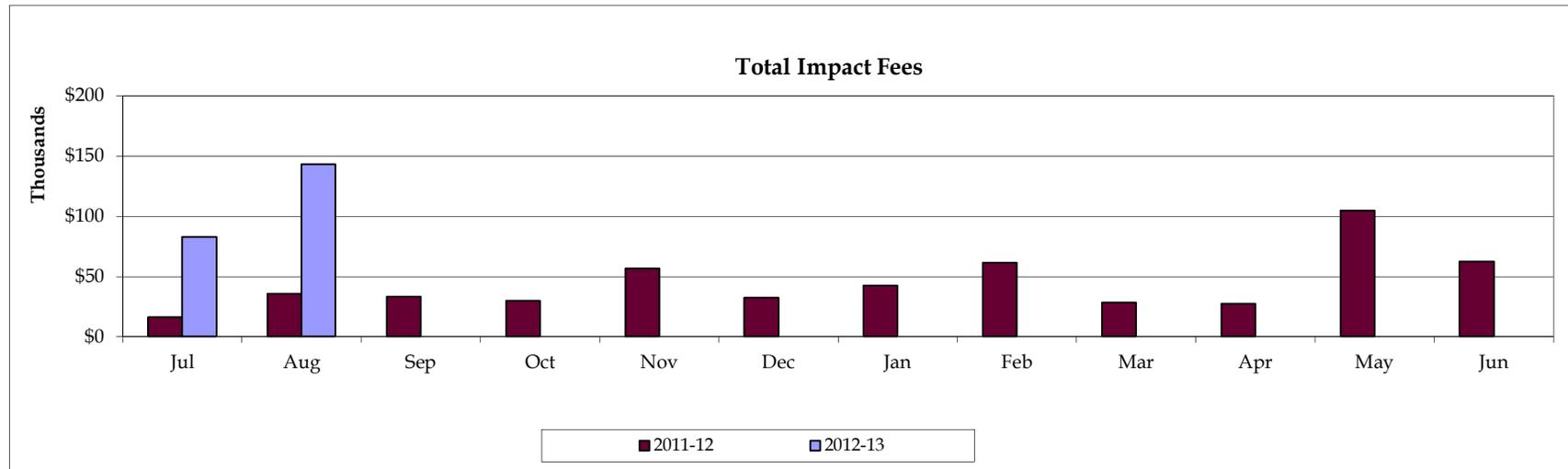


Town of Prescott Valley Impact Fees (Recorded in the Month Received)

	2011-12 Streets	2012-13 Streets	2011-12 Public Safety	2012-13 Public Safety	2011-12 Recreation	2012-13 Recreation	2011-12 Civic	2012-13 Civic	2011-12 Cultural	2012-13 Cultural	2011-12 Total	2012-13 Total	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	\$ 7,568	\$ 44,790	\$ 1,165	\$ 6,645	\$ 2,794	\$ 7,730	\$ 324	\$ -	\$ 4,176	\$ 23,835	\$ 16,027	\$ 83,000	417.88%	\$ 66,973
Aug	18,122	59,926	2,773	12,519	3,872	25,763	771	-	9,941	44,899	35,479	143,107	303.36%	107,628
Sep	16,526		2,494		4,510		693		8,943		33,166	-		
Oct	16,526		2,494		1,078		693		8,943		29,734	-		
Nov	28,676		4,381		6,666		1,218		15,706		56,647	-		
Dec	15,136		2,330		5,588		648		8,352		32,054	-		
Jan	22,704		3,495		3,234		324		12,528		42,285	-		
Feb	30,066		4,545		10,736		-		16,297		61,644	-		
Mar	12,150		1,887		7,304		123		6,763		28,227	-		
Apr	11,944		2,215		5,148		-		7,945		27,252	-		
May	56,940		8,532		8,619		-		30,598		104,689	-		
Jun	30,066		5,431		7,304		-		19,475		62,276	-		
Total	\$ 266,424	\$ 104,716	\$ 41,742	\$ 19,164	\$ 66,853	\$ 33,493	\$ 4,794	\$ -	\$ 149,667	\$ 68,734	\$ 529,480	\$ 226,107	338.99%	\$ 174,601

Monthly

Average	\$ 22,202	\$ 52,358	\$ 3,479	\$ 9,582	\$ 5,571	\$ 16,747	\$ 400	\$ -	\$ 12,472	\$ 34,367	\$ 44,123	\$ 18,842		
% Change		135.83%		175.46%		200.60%		(100.00%)		175.55%		(57.30%)		
2013 Budget		\$ 114,000		\$ 41,000		\$ 137,000		\$ -		\$ 148,000		\$ 440,000		
% of Budget		91.86%		46.74%		24.45%		0.00%		46.44%		51.39%		



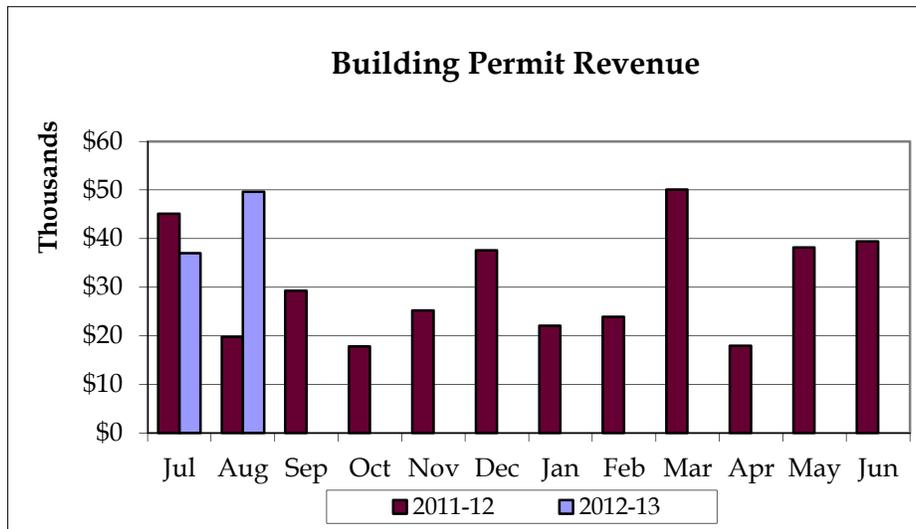


**Town of Prescott Valley
Building Permit Revenue
(Recorded in Month Received)**

	2011-12	2012-13	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	\$ 45,123	\$ 37,003	(18.00%)	\$ (8,120)
Aug	19,786	49,656	150.97%	29,870
Sep	29,257			
Oct	17,824			
Nov	25,213			
Dec	37,611			
Jan	22,096			
Feb	23,905			
Mar	50,093			
Apr	17,936			
May	38,199			
Jun	39,446			
Total	\$ 366,489	\$ 86,659	33.51%	\$ 21,750

Monthly
Average \$ 30,541 \$ 43,330 41.87%

2013 Budget \$ 267,000 % Received 32.46%

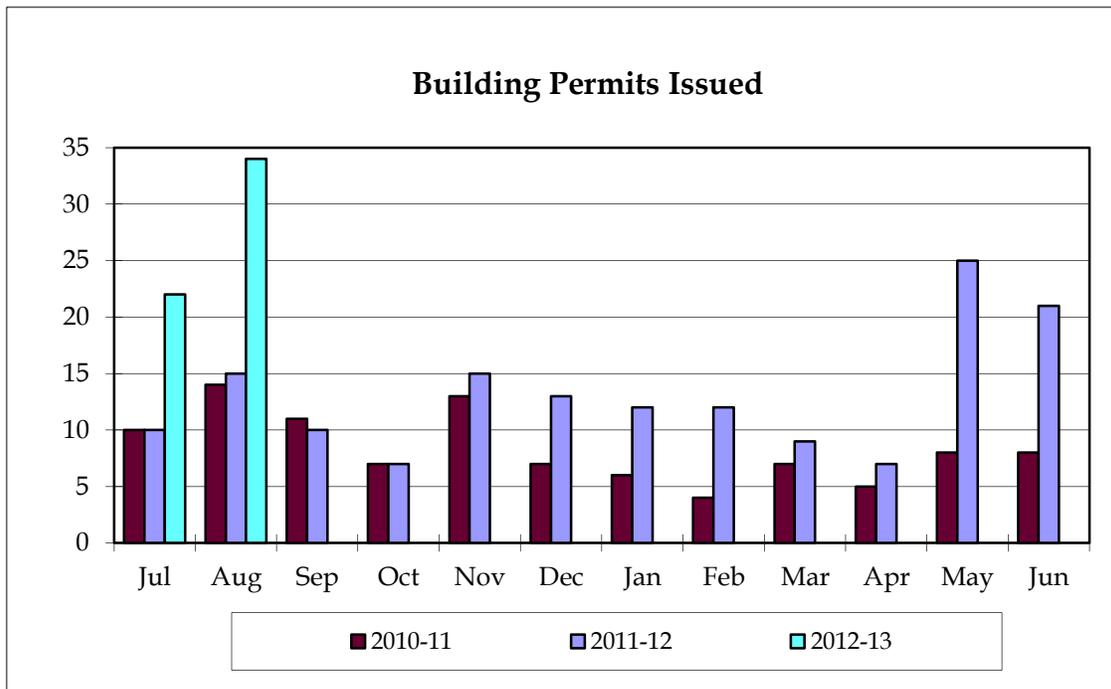




**Town of Prescott Valley
Building Permits Issued
Single Family, Duplexes, Triplexes, Fourplexes,
Mobiles and Commercial**

	2010-11	2011-12	2012-13	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	10	10	22	120.00%	12
Aug	14	15	34	126.67%	19
Sep	11	10			
Oct	7	7			
Nov	13	15			
Dec	7	13			
Jan	6	12			
Feb	4	12			
Mar	7	9			
Apr	5	7			
May	8	25			
Jun	8	21			
Total	100	156	56	124.00%	31

Monthly
Average 8 13 28

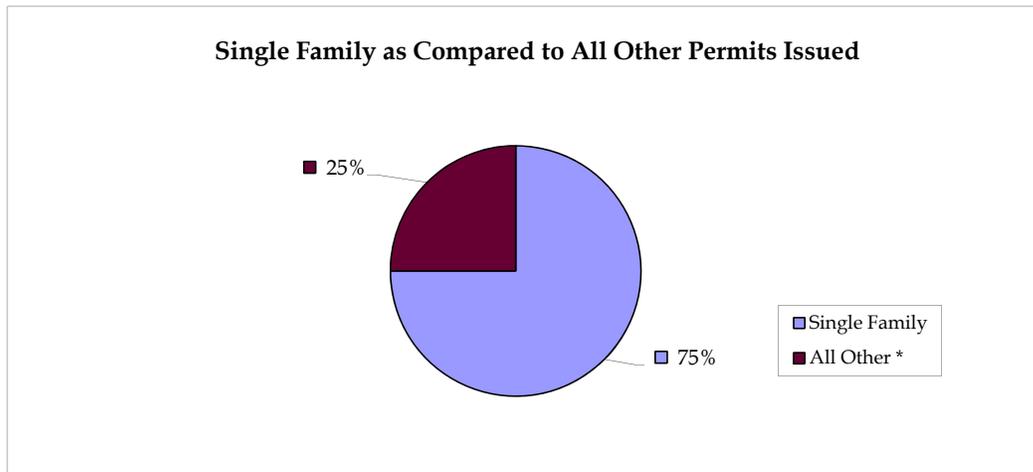




Town of Prescott Valley Building Permits Issued by Category

	Single Family	Duplex	Triplex/ Fourplex	Apartments	Mobile Home	Garage/ Carport	New Commercial	2012-13 Total
Jul	17	-	-	-	-	2	3	22
Aug	25	-	-	-	2	7	-	34
Sep								
Oct								
Nov								
Dec								
Jan								
Feb								
Mar								
Apr								
May								
Jun								
Total	42	-	-	-	2	9	3	56

As of 6/30/12	80	-	-	-	26	30	20	156
FY 2011-12 Monthly Average	7	-	-	-	2	3	2	13
FY 2012-13 Monthly Average	21	-	-	-	1	5	2	28
% Change	200.00%	0.00%	0.00%	0.00%	(50.00%)	66.67%	0.00%	115.38%



*All Other includes: Duplex, Triplex/Fourplex, Apartments, Mobile Homes, Garage/Carports and New Commercial



**Town of Prescott Valley
Street Funds - Unaudited
Balance Sheet**

<u>ASSETS</u>	<u>August 31, 2012</u>	<u>August 31, 2011</u>
Current Assets		
Cash and Investments	\$ 1,250,877	\$ 1,630,527
Receivables		
Accounts Receivable	4,900	-
Intergovernmental Receivable	-	181
	<u>1,255,777</u>	<u>1,630,708</u>
Total Assets	<u>\$ 1,255,777</u>	<u>\$ 1,630,708</u>
 LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 18,126	\$ 15,243
Total Liabilities	<u>18,126</u>	<u>15,243</u>
 FUND BALANCE		
Restricted		
Reserve for Encumbrances	340,492	326,517
Unrestricted Fund Balance	<u>897,159</u>	<u>1,288,948</u>
Total Fund Balance	<u>1,237,651</u>	<u>1,615,465</u>
Total Liabilities and Fund Balance	<u>\$ 1,255,777</u>	<u>\$ 1,630,708</u>

This balance sheet reflects the activity in the Highway User Revenue Special Revenue Fund. Special Revenue Funds are established to finance particular activities and are created out of receipts of specific taxes or other earmarked revenue.

Highway User Revenue Fund - This fund is used to account for the Town's share of motor fuels taxes and fees relating to the registration and operation of motor vehicles on the public highways of the state. The taxes, fees and charges are collected by the State of Arizona and distributed to the various towns and cities. Use of these funds is restricted to highway construction, improvements and other related expenses.



Town of Prescott Valley
Street Funds - Unaudited
Summary of Revenues and Expenditures
For the Month Ended August 31, 2012 - 83% of Year Remaining

	Annual Budget	Current Month		Year to Date		Prior Year to Date	Amount Encumbered	Unrealized Balance	% Remaining
		Estimate	Actual	Estimate	Actual				
Revenues by Category									
Intergovernmental Revenue									
Grants	\$ -	\$ -	\$ (5,565)	-	\$ (5,565)	\$ -		\$ 5,565	(100.00%)
Highway User Revenue	2,300,000	191,666	206,172	383,332	206,172	196,248		2,093,828	91.04%
Charges for Services	8,000	666	-	1,332	-	-		8,000	100.00%
Investment Earnings	9,000	750	20	1,500	(4,736)	(5,452)		13,736	152.62%
Miscellaneous	-	-	-	-	-	181		-	0.00%
Other Financing Sources	50,000	4,166	-	8,332	-	-		50,000	100.00%
Total Revenues	\$ 2,367,000	\$ 197,248	\$ 200,627	\$ 394,496	\$ 195,871	\$ 190,977		\$ 2,171,129	91.72%
Expenditures by Category									
Personnel Services	\$ 831,816	\$ 69,312	\$ 86,494	\$ 120,406	\$ 120,406	\$ 117,137	\$ -	\$ 711,410	85.52%
Administrative/Official	45,500	3,791	-	7,582	-	112	-	45,500	100.00%
Professional Services	149,801	12,481	13,029	24,962	13,029	16,912	125,786	10,986	7.33%
Other Purchased Services	50,400	4,199	-	8,398	-	-	-	50,400	100.00%
Utilities	164,600	13,715	24,071	27,430	27,020	14,436	4,347	133,233	80.94%
Repairs and Maintenance	1,494,281	124,520	771,154	249,040	843,898	697,943	164,081	486,302	32.54%
Rentals	4,000	333	82	666	82	285	-	3,918	97.95%
Leases	546	45	43	85	85	81	455	6	1.10%
Communications	636	53	53	106	106	106	-	530	83.33%
Printing and Publishing	2,436	201	150	402	150	32	-	2,286	93.84%
Education	2,299	190	-	380	-	-	-	2,299	100.00%
General Supplies	32,050	2,668	836	5,336	2,309	2,728	2,786	26,955	84.10%
Vehicle	65,000	5,415	8,958	10,830	10,440	10,067	43,037	11,523	17.73%
Clothing	6,000	500	3,438	1,000	3,438	3,838	-	2,562	42.70%
Chemicals	100	8	-	17	-	-	-	100	100.00%
Other	80,000	6,666	-	13,332	-	-	-	80,000	100.00%
Capital Outlay	207,500	17,290	(5,556)	34,580	(5,556)	-	-	213,056	102.68%
Total Expenditures	\$ 3,136,965	\$ 261,388	\$ 902,752	\$ 504,552	\$ 1,015,407	\$ 863,677	\$ 340,492	\$ 1,781,066	56.78%
Total Revenues Over (Under)									
Total Expenditures	\$ (769,965)	\$ (64,140)	\$ (702,125)	\$ (110,056)	\$ (819,536)	\$ (672,700)			

Expenditures over revenues will be funded using the carry forward fund balance from the previous year.

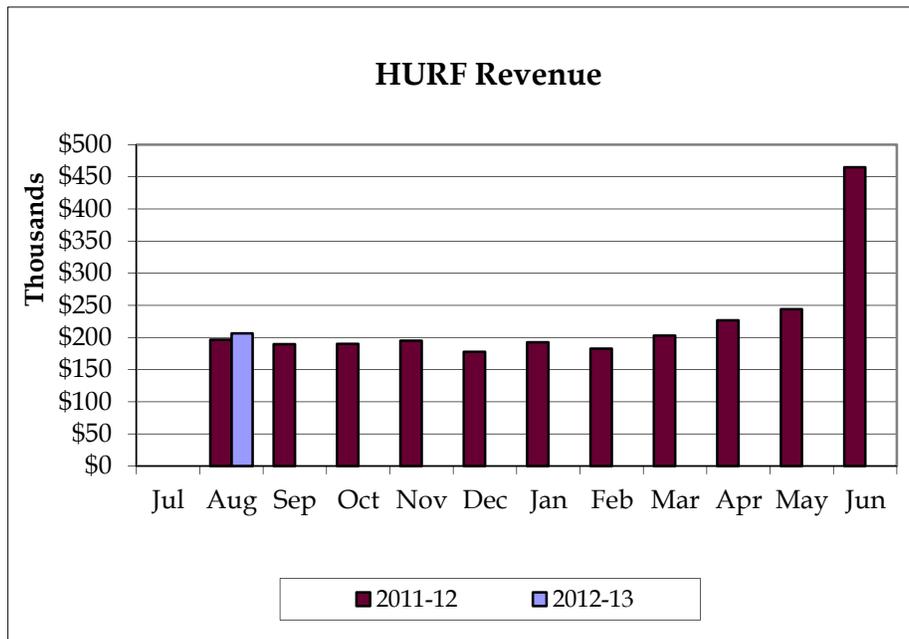


**Town of Prescott Valley
HURF Revenue
(Recorded in Month Received)**

	2011-12	2012-13	% 2012 +/- 2013	\$ 2012 +/- 2013
Jul	\$ -	\$ -	0.00%	\$ -
Aug	196,248	206,172	5.06%	9,924
Sep	189,195			
Oct	189,919			
Nov	194,688			
Dec	177,478			
Jan	192,354			
Feb	182,540			
Mar	202,588			
Apr	226,694			
May	244,107			
Jun	464,784			
Total	\$ 2,460,595	\$ 206,172	5.06%	\$ 9,924

Monthly
Average \$ 205,050 \$ 206,172 0.55%

2013 Budget \$ 2,300,000 % Received 8.96%





**Town of Prescott Valley
Debt Service Funds - Unaudited
Balance Sheet**

<u>ASSETS</u>	<u>August 31, 2012</u>	<u>August 31, 2011</u>
Current Assets		
Cash and Investments	\$ 3,434,095	\$ 2,487,472
Noncurrent Assets		
Advance to Other Funds	11,420,000	12,455,227
Special Assessments	466,591	881,439
Total Assets	<u>\$ 15,320,686</u>	<u>\$ 15,824,138</u>
<u>LIABILITIES</u>		
Noncurrent Liabilities		
Deferred Revenue	\$ 466,591	\$ 881,439
Total Liabilities	<u>466,591</u>	<u>881,439</u>
<u>FUND BALANCE</u>		
Unrestricted Fund Balance	<u>14,854,095</u>	<u>14,942,699</u>
Total Fund Balance	<u>14,854,095</u>	<u>14,942,699</u>
Total Liabilities and Fund Balance	<u>\$ 15,320,686</u>	<u>\$ 15,824,138</u>

This balance sheet reflects the activity in the Debt Service Funds of the Town for Municipal Property Corporation (MPC) MPC - 2004 Revenue Refunding, MPC - 2011 Revenue Refunding, MPC - 2012 Revenue Refunding, Certificates of Participation (COP) COP - Library Building and Special Assessments (SA) SA - Phase II debt.

Debt Service Funds are established to account for the accumulation of resources for, and payment of, general long-term debt principal and interest that are not serviced by the Enterprise Funds.



Town of Prescott Valley
Debt Service Funds - Unaudited
Summary of Revenues and Expenditures
For the Month Ended August 31, 2012 - 83% of the Year Remaining

	Annual	Current Month		Year to Date		Prior Year to Date	Amount Encumbered	Unrealized Balance	% Remaining
	Budget	Estimate	Actual	Estimate	Actual				
Revenues by Category									
Fines and Forfeitures	\$ 186,917	\$ 15,576	\$ 2,021	31,153	\$ (902)	\$ 8,190		\$ 187,819	100.48%
Investment and Rental	-	-	5	-	5	1		(5)	0.00%
Other Financing Sources	3,888,700	324,058	-	648,117	-	-		3,888,700	100.00%
Total Revenues	\$ 4,075,617	\$ 339,635	\$ 2,026	\$ 679,270	\$ (897)	\$ 8,191		\$ 4,076,514	100.02%
Expenditures by Department									
MPC - Street Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358,801	\$ -	\$ -	0.00%
MPC - 2004 Refunding	773,046	64,419	70,523	128,838	70,523	81,285	-	702,523	90.88%
MPC - 2011 Refunding	782,350	65,196	339,925	130,390	339,925	-	-	-	0.00%
MPC - 2012 Refunding (A)	-	-	18,372	-	18,372	-	-	-	(100.00%)
MPC - 2012 Refunding (B)	-	-	18,372	-	18,372	-	-	-	(100.00%)
MPC - Water Importation	1,064,208	88,683	-	177,366	-	228,889	-	1,064,208	100.00%
COP - Library Building	1,238,212	103,183	283,556	206,366	283,556	296,456	-	954,656	77.10%
SA - Phase I	-	-	-	-	-	77	-	-	0.00%
SA - Phase II	222,275	18,520	22,170	37,040	22,235	550	-	200,040	90.00%
Total Expenditures	\$ 4,080,091	\$ 340,001	\$ 752,918	\$ 680,000	\$ 752,983	\$ 966,058	\$ -	\$ 2,921,427	71.60%
Total Revenues Over (Under)									
Total Expenditures (1)	\$ (4,474)	\$ (366)	\$ (750,892)	\$ (731)	\$ (753,880)	\$ (957,867)			

(1) Expenditures over revenues will be funded using the carry forward fund balance from the previous year.



**Prescott Valley Wastewater System
Proprietary Fund Only - Unaudited
Statement of Net Assets**

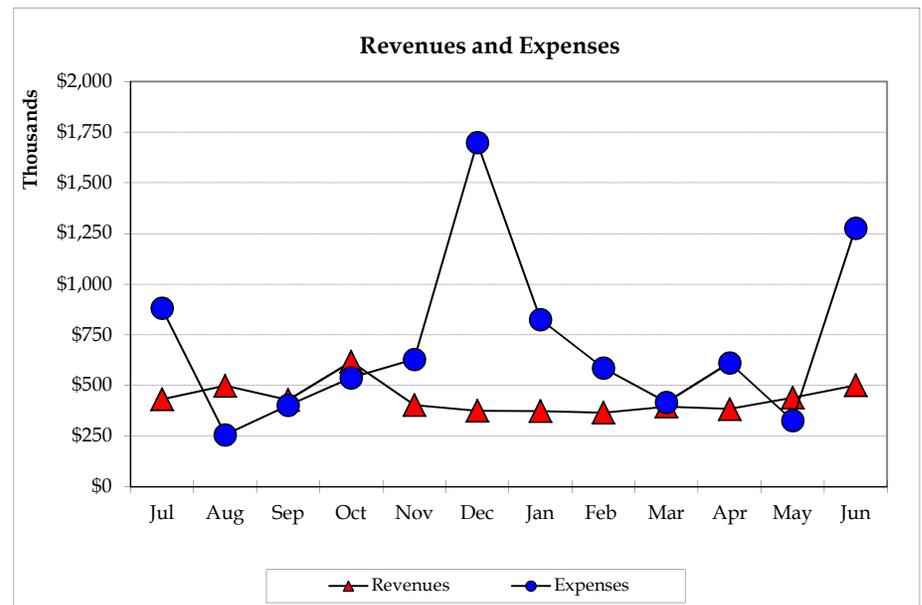
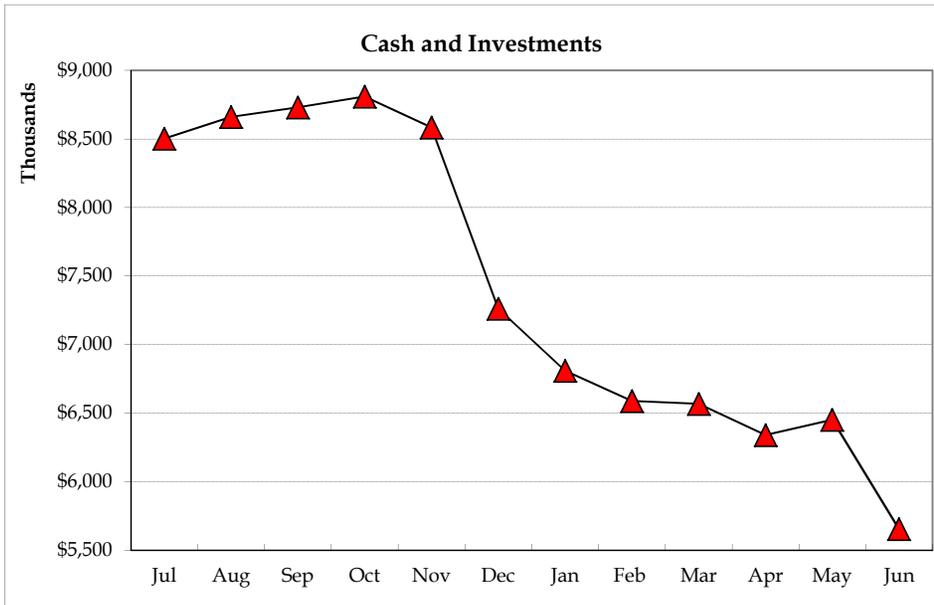
ASSETS	August 31, 2012	August 31, 2011
Current Assets		
Cash and Investments	\$ 8,660,178	\$ 9,620,896
Receivables		
Accounts Receivable	8,221	134,701
Utility Billing	266,148	215,651
Total Current Assets	8,934,547	9,971,248
Noncurrent Assets		
Bond Issuance Premium/Discount/ Costs	-	156,148
Capital Assets		
Land	250,101	250,101
Buildings	3,498,027	4,047,735
Machinery and Equipment	5,612,649	5,047,752
Infrastructure	76,227,511	76,218,261
Construction in Progress	78,109	78,109
Less: Accumulated Depreciation	(29,413,157)	(26,646,006)
Total Capital Assets (Net of Accumulated Depreciation)	56,253,240	58,995,952
Total Noncurrent Assets	56,253,240	59,152,100
Total Assets	\$ 65,187,787	\$ 69,123,348
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 4,170	\$ 22,092
Taxes Payable	9,575	9,481
Total Current Liabilities	13,745	31,573
Noncurrent Liabilities		
Bonds Payable	-	7,255,127
Customer Deposits and Utility Suspense	211,236	263,952
Contributed Capital and Aid in Construction	24,684,022	24,684,022
Notes Payable	11,015,298	11,644,990
Total Noncurrent Liabilities	35,910,556	43,848,091
Total Liabilities	35,924,301	43,879,664
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	45,237,942	40,095,835
Unrestricted Fund Balance	(15,974,456)	(14,852,151)
Total Net Assets	\$ 29,263,486	\$ 25,243,684

This balance sheet reflects the activity of the Wastewater System Fund, Wastewater Reserve Fund, Wastewater Replacement Fund, Reclaimed Water Fund and Wastewater System Capacity Fund.



Town of Prescott Valley Wastewater System Funds - Unaudited FY 2012-13 Actual and Projected Modified Accrual Basis

	ACTUAL		PROJECTED									
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash and Investments	\$ 8,501,519	\$ 8,660,178	\$ 8,729,293	\$ 8,808,608	\$ 8,583,509	\$ 7,261,650	\$ 6,809,556	\$ 6,589,035	\$ 6,567,701	\$ 6,340,035	\$ 6,451,917	\$ 5,654,052
Net Receivable (Payable)	226,052	260,624	243,337	243,337	243,337	243,337	243,337	243,337	243,337	243,337	243,337	266,590
Net Other Assets (Liabilities)	20,293,831	20,342,684	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257	20,318,257
Ending Fund Balance	\$ 29,021,402	\$ 29,263,486	\$ 29,290,887	\$ 29,370,202	\$ 29,145,103	\$ 27,823,244	\$ 27,371,150	\$ 27,150,629	\$ 27,129,295	\$ 26,901,629	\$ 27,013,511	\$ 26,238,899
Beginning Fund Balance	\$ 29,470,644	\$ 29,021,402	\$ 29,263,486	\$ 29,290,887	\$ 29,370,202	\$ 29,145,103	\$ 27,823,244	\$ 27,371,150	\$ 27,150,629	\$ 27,129,295	\$ 26,901,629	\$ 27,013,511
Revenues	431,899	499,274	429,461	617,909	404,096	376,065	373,876	365,945	396,072	384,005	439,830	501,568
Expenses	881,141	257,190	402,060	538,594	629,195	1,697,924	825,970	586,466	417,406	611,671	327,948	1,276,180
Ending Fund Balance	\$ 29,021,402	\$ 29,263,486	\$ 29,290,887	\$ 29,370,202	\$ 29,145,103	\$ 27,823,244	\$ 27,371,150	\$ 27,150,629	\$ 27,129,295	\$ 26,901,629	\$ 27,013,511	\$ 26,238,899





Town of Prescott Valley
Wastewater Funds - Unaudited
Summary of Revenues and Expenses
For the Month Ended August 31, 2012 - 83% of Year Remaining

	Annual Budget	Current Month		Year to Date		Prior Year to Date	Amount Encumbered	Unrealized Balance	% Remaining
		Estimate	Actual	Estimate	Actual				
Revenues by Category									
Investment Earnings	\$ 75,000	\$ 6,250	\$ 105	12,500	\$ (28,248)	\$ (22,520)		\$ 103,248	137.66%
Miscellaneous Revenue	-	-	-	-	27	-		(27)	0.00%
Business Type Activity	4,925,000	410,417	499,169	820,833	959,395	790,065		3,965,605	80.52%
Other Financing Sources	479,371	39,948	-	79,895	-	-		479,371	100.00%
Total Revenues	\$ 5,479,371	\$ 456,614	\$ 499,274	\$ 913,229	\$ 931,174	\$ 767,545		\$ 4,548,197	83.01%
Expenses by Category									
Personnel Services	\$ 147,099	\$ 12,258	\$ 15,533	\$ 24,517	\$ 21,012	\$ 29,002	\$ -	\$ 126,087	85.72%
Administrative/Official	337,060	28,088	28,088	56,177	56,177	56,417	-	280,883	83.33%
Professional Services	1,317,828	109,819	156,905	219,638	156,905	78,088	798,805	362,118	27.48%
Technical Services	5,000	417	-	833	-	-	-	5,000	100.00%
Other Purchased Services	25,000	2,083	-	4,167	-	-	-	25,000	100.00%
Utilities	566,700	47,225	56,036	94,450	69,083	55,205	-	497,617	87.81%
Repairs and Maintenance	549,005	45,750	-	91,501	2,194	8,856	-	546,811	99.60%
Leases	20	2	2	3	3	5,217	17	-	0.00%
Printing and Publishing	400	33	19	67	19	-	-	381	95.25%
Education	1,682	140	-	280	-	-	-	1,682	100.00%
General Supplies	57,010	4,751	589	9,502	604	28	-	56,406	98.94%
Vehicle	1,500	125	-	250	-	161	700	800	53.33%
Other Expenditures	3,110,000	259,167	18	518,333	47	53	-	3,109,953	100.00%
Capital Outlay	545,000	45,417	-	90,833	-	-	-	545,000	100.00%
Debt Service	1,797,814	149,818	-	299,636	832,286	821,863	-	965,528	53.71%
Operating Transfers Out	250,000	-	-	-	-	-	-	-	0.00%
Total Expenses	\$ 8,711,118	\$ 705,093	\$ 257,190	\$ 1,410,186	\$ 1,138,330	\$ 1,054,890	\$ 799,522	\$ 6,523,266	74.88%
Total Revenues Over (Under)									
Total Expenses	\$ (3,231,747)	\$ (248,479)	\$ 242,084	\$ (496,958)	\$ (207,156)	\$ (287,345)			

Expenses over revenues will be funded using the carry forward fund balance from the previous year.



Town of Prescott Valley Wastewater Funds Revenues

	Total Revenues		% 2012 +/- 2013	\$ 2012 +/- 2013
	2011-12	2012-13		
Jul	\$ 387,797	\$ 431,899	(10.21%)	\$ 44,102
Aug	379,747	499,274	(23.94%)	119,527
Sep	432,700			
Oct	622,569			
Nov	407,144			
Dec	378,901			
Jan	376,696			
Feb	368,705			
Mar	399,059			
Apr	386,901			
May	443,147			
Jun	505,351			
Total	\$ 5,088,717	\$ 931,173	21.32%	\$ 163,629

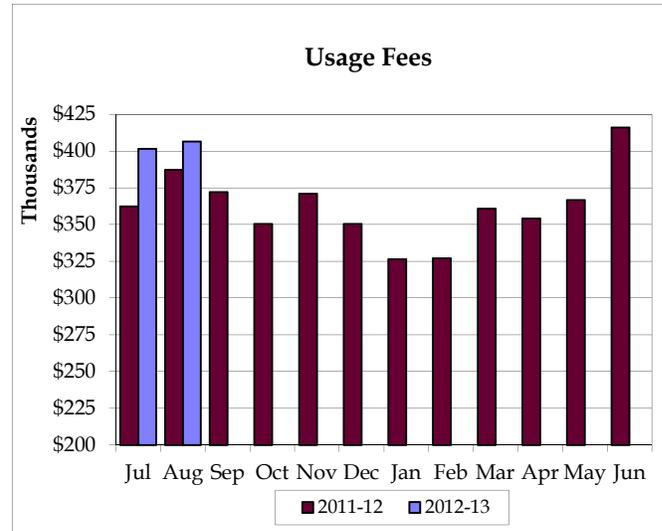
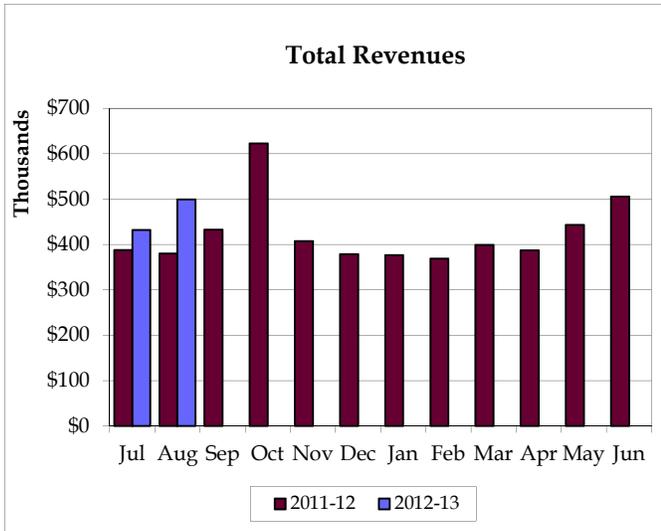
	Usage Fees		% 2012 +/- 2013	\$ 2012 +/- 2013
	2011-12	2012-13		
Jul	\$ 362,322	\$ 401,495	10.81%	\$ 39,173
Aug	387,171	406,573	5.01%	19,402
Sep	371,985			
Oct	350,425			
Nov	370,958			
Dec	350,385			
Jan	326,376			
Feb	327,057			
Mar	360,904			
Apr	354,012			
May	366,768			
Jun	415,983			
Total	\$ 4,344,346	\$ 808,068	7.82%	\$ 58,575

Monthly Average \$ 424,060 \$ 465,587 9.79%

Monthly Average \$ 362,029 \$ 404,034 11.60%

2013 Budget \$ 5,479,371 % Received 16.99%

2013 Budget \$ 4,530,000 % Received 17.84%





Prescott Valley Water System
Proprietary Fund Only - Unaudited
Statement of Net Assets

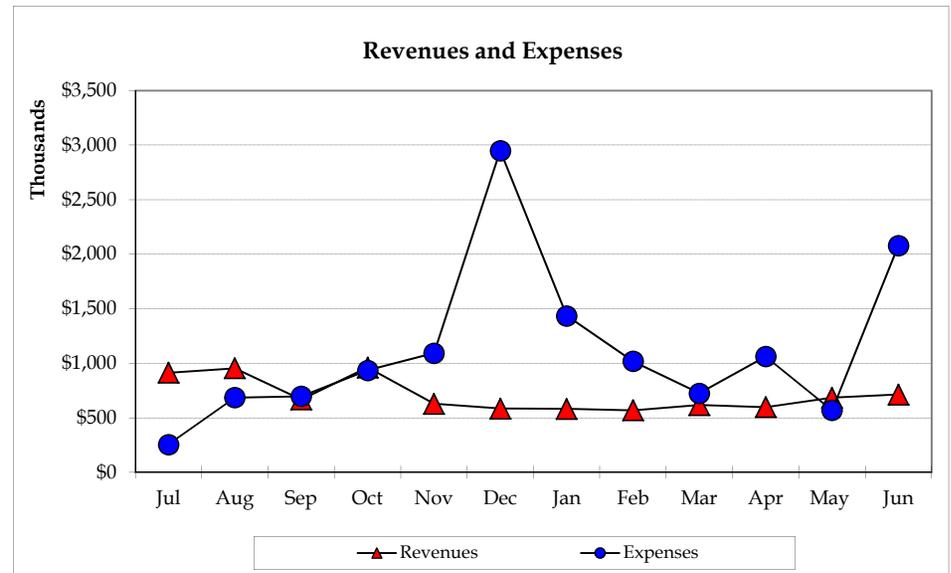
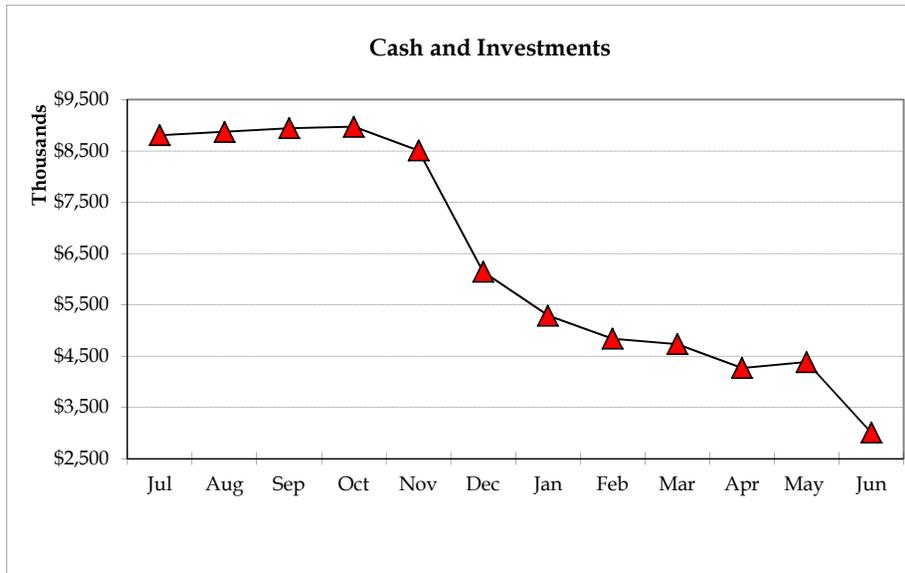
ASSETS	August 31, 2012	August 31, 2011
Current Assets		
Cash and Investments	\$ 8,872,454	\$ 8,237,563
Receivables		
Accounts Receivable	-	113,480
Intergovernmental Receivable	52,000	1,092
Utility Billing	565,219	522,499
Other Current Assets	9,738	9,738
Total Current Assets	<u>9,499,411</u>	<u>8,884,372</u>
Noncurrent Assets		
Capital Assets		
Land	776,556	776,556
Buildings	209,214	209,214
Improvements Other than Buildings	28,199,864	28,282,392
Machinery and Equipment	1,226,907	1,143,736
Infrastructure	32,583,827	32,042,078
Construction in Progress	5,689,820	5,520,115
Less: Accumulated Depreciation	<u>(13,747,421)</u>	<u>(12,149,138)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>54,938,767</u>	<u>55,824,953</u>
Total Noncurrent Assets	<u>54,938,767</u>	<u>55,824,953</u>
Total Assets	<u>\$ 64,438,178</u>	<u>\$ 64,709,325</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 120,867	\$ 23,978
Taxes Payable	80,458	78,013
Total Current Liabilities	<u>201,325</u>	<u>101,991</u>
Noncurrent Liabilities		
Deferred Revenue and Other liabilities	11,500	11,500
Bonds Payable	10,645,754	11,948,005
Customer Deposits	379,317	443,132
Contributed Capital and Aid in Construction	1,958,630	1,958,630
Advance from Other Fund	11,420,000	12,455,227
Total Noncurrent Liabilities	<u>24,415,201</u>	<u>26,816,494</u>
Total Liabilities	<u>24,616,526</u>	<u>26,918,485</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	32,873,013	31,421,721
Unrestricted Fund Balance	6,948,639	6,369,119
Total Net Assets	<u>\$ 39,821,652</u>	<u>\$ 37,790,840</u>

This balance sheet reflects the activity of the Water System Fund, Water Resource/Recharge Fund, Water Resource - UVRWPC Fund and Water Capacity Fund.



Town of Prescott Valley Water System Funds - Unaudited FY 2012-13 Actual and Projected Modified Accrual Basis

	ACTUAL		PROJECTED									
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash and Investments	\$ 8,807,581	\$ 8,872,454	\$ 8,944,432	\$ 8,971,205	\$ 8,507,447	\$ 6,142,974	\$ 5,290,216	\$ 4,841,270	\$ 4,733,021	\$ 4,268,413	\$ 4,383,779	\$ 3,007,231
Net Receivable (Payable)	230,356	415,894	323,124	323,124	323,124	323,124	323,124	323,124	323,124	323,124	323,124	330,223
Net Other Assets (Liabilities)	30,515,754	30,533,304	30,524,529	30,524,529	30,524,529	30,524,529	30,524,529	30,524,529	30,524,529	30,524,529	30,524,529	30,528,790
Ending Fund Balance	<u>\$ 39,553,691</u>	<u>\$ 39,821,652</u>	<u>\$ 39,792,085</u>	<u>\$ 39,818,858</u>	<u>\$ 39,355,100</u>	<u>\$ 36,990,627</u>	<u>\$ 36,137,869</u>	<u>\$ 35,688,923</u>	<u>\$ 35,580,674</u>	<u>\$ 35,116,066</u>	<u>\$ 35,231,432</u>	<u>\$ 33,866,244</u>
Beginning Fund Balance	\$ 38,894,930	\$ 39,553,691	\$ 39,821,652	\$ 39,792,085	\$ 39,818,858	\$ 39,355,100	\$ 36,990,627	\$ 36,137,869	\$ 35,688,923	\$ 35,580,674	\$ 35,116,066	\$ 35,231,432
Revenues	913,931	954,583	669,061	962,645	629,545	585,874	582,465	570,109	617,044	598,244	685,215	713,350
Expenses	255,170	686,622	698,628	935,872	1,093,303	2,950,347	1,435,223	1,019,055	725,293	1,062,852	569,849	2,078,538
Ending Fund Balance	<u>\$ 39,553,691</u>	<u>\$ 39,821,652</u>	<u>\$ 39,792,085</u>	<u>\$ 39,818,858</u>	<u>\$ 39,355,100</u>	<u>\$ 36,990,627</u>	<u>\$ 36,137,869</u>	<u>\$ 35,688,923</u>	<u>\$ 35,580,674</u>	<u>\$ 35,116,066</u>	<u>\$ 35,231,432</u>	<u>\$ 33,866,244</u>





Town of Prescott Valley
Water System Funds - Unaudited
Summary of Revenues and Expenses

For the Month Ended August 31, 2012 - 83% of Year Remaining

	Annual	Current Month		Year to Date		Prior Year to Date	Amount Encumbered	Unrealized Balance	% Remaining	
	Budget	Estimate	Actual	Estimate	Actual					
Revenues by Category										
Intergovernmental Revenue	\$ 763,067	\$ 63,589	\$ -	127,178	\$ 145,400	\$ 140,400		\$ 617,667	80.95%	
Investment and Rental	54,000	4,500	7,479	9,000	(6,373)	(14,190)		60,373	111.80%	
Miscellaneous Revenue	-	-	-	-	39	-		(39)	0.00%	
Business Type Activity	7,665,000	638,750	947,104	1,277,500	1,729,448	1,624,838		5,935,552	77.44%	
Total Revenues	\$ 8,482,067	\$ 706,839	\$ 954,583	\$ 1,413,678	\$ 1,868,514	\$ 1,751,048		\$ 6,613,553	77.97%	
Expenses by Category										
Personnel Services	\$ 278,983	\$ 23,249	\$ 31,278	\$ 46,497	\$ 42,247	\$ 37,496	\$ -	\$ 236,736	84.86%	
Administrative and Official	421,339	35,112	35,112	70,223	70,223	72,040	-	351,116	83.33%	
Professional Services	3,267,927	272,327	361,015	544,655	361,359	184,616	1,803,460	1,103,108	33.76%	
Technical Services	10,000	833	-	1,667	-	-	-	10,000	100.00%	
Other Purchased Services	68,000	5,667	-	11,333	-	-	-	68,000	100.00%	
Utilities	1,149,260	95,772	158,624	191,543	267,536	149,418	245,356	636,368	55.37%	
Repairs and Maintenance	267,402	22,284	14	44,567	8,759	13,511	152	258,491	96.67%	
Leases	107,126	8,927	1,250	17,854	2,500	2,500	20	104,606	97.65%	
Advertising	100	8	-	17	-	-	-	100	100.00%	
Printing and Publishing	1,500	125	11	250	11	2	-	1,489	99.27%	
Travel	230	19	-	38	-	-	-	230	100.00%	
Education	99,350	8,279	20	16,558	88,659	68,000	-	10,691	10.76%	
General Supplies	534,360	44,530	3,550	89,060	3,550	230	250	530,560	99.29%	
Vehicle	5,530	461	118	922	118	26	2,415	2,997	54.20%	
Other Expenditures	1,730,000	144,167	-	288,333	-	1,923	-	1,730,000	100.00%	
Capital Outlay	3,465,500	288,792	(134,258)	577,583	(134,258)	6,623	55,342	3,544,416	102.28%	
Debt Service	1,874,775	156,231	229,888	312,463	231,088	252,313	-	1,643,687	87.67%	
Transfers Out	229,371	19,114	-	38,229	-	-	-	229,371	100.00%	
Total Expenses	\$ 13,510,753	\$ 1,125,896	\$ 686,622	\$ 2,251,792	\$ 941,792	\$ 788,698	\$ 2,106,995	\$ 10,461,966	77.43%	
Total Revenues over (under)										
Total Expenses	\$ (5,028,686)	\$ (419,057)	\$ 267,961	\$ (838,114)	\$ 926,722	\$ 962,350				

Expenses over revenues will be funded using the carry forward fund balance from the previous year.



Town of Prescott Valley Water System Funds Revenues

	Total Revenues		% 2012 +/- 2013	\$ 2012 +/- 2013
	2011-12	2012-13		
Jul	\$ 756,549	\$ 913,931	20.80%	\$ 157,382
Aug	994,497	954,583	(4.01%)	(39,914)
Sep	842,726			
Oct	692,177			
Nov	627,776			
Dec	545,305			
Jan	490,100			
Feb	493,860			
Mar	565,944			
Apr	543,310			
May	623,174			
Jun	1,008,095			
Total	\$ 8,183,513	\$ 1,868,514	6.71%	\$ 117,468

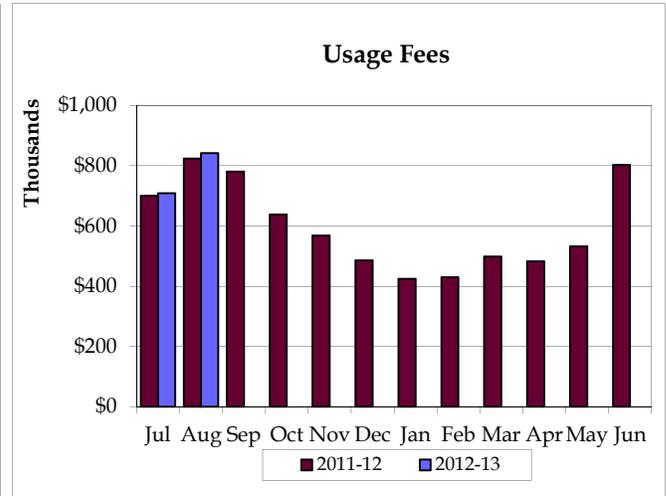
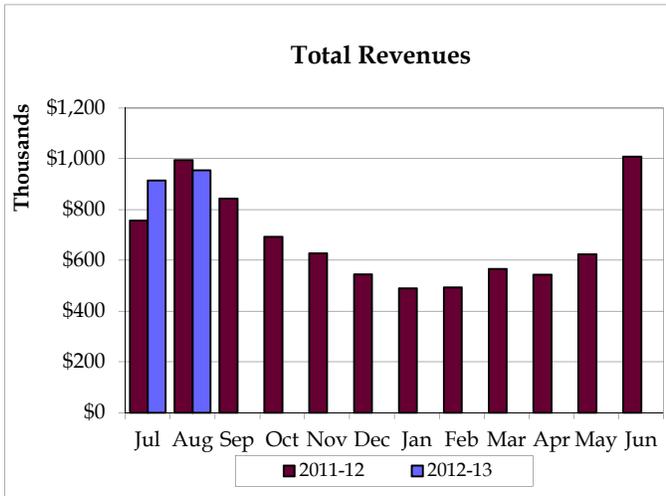
	Usage Fees		% 2012 +/- 2013	\$ 2012 +/- 2013
	2011-12	2012-13		
Jul	\$ 700,552	\$ 709,259	1.24%	\$ 8,707
Aug	824,598	841,738	2.08%	17,140
Sep	780,303			
Oct	638,041			
Nov	568,253			
Dec	485,752			
Jan	424,899			
Feb	430,237			
Mar	498,476			
Apr	482,929			
May	532,880			
Jun	803,466			
Total	\$ 7,170,386	\$ 1,550,997	1.69%	\$ 25,847

Monthly Average \$ 681,959 \$ 934,257 37.00%

Monthly Average \$ 597,532 \$ 775,499 29.78%

2013 Budget \$ 8,482,067 % Received 22.03%

2013 Budget \$ 7,100,000 % Received 21.85%





**Town of Prescott Valley
Capital Project Summary
August 31, 2012**

Project Number	Project Description	Original Budget	Budget Adjustments	Revised Budget	YTD Expenditures	Encumbrances	Total Expenditures	Remaining Balance	% Spent
General Fund									
Public Works									
Engineering									
CE1302	Agua Fria Drainage Outfall	\$ 675,000	\$ -	\$ 675,000	\$ -	\$ -	\$ -	\$ 675,000	0.00%
CE1301	Western Boulevard Drainage - Ph III	275,000	-	275,000	-	-	-	275,000	0.00%
Total Public Works		950,000	-	950,000	-	-	-	950,000	0.00%
Total General Fund		950,000	-	950,000	-	-	-	950,000	0.00%
HURF									
	Assessment Payments	15,500	-	15,500	-	-	-	15,500	0.00%
CS1102	Central Core Multiuse Path - Phase III	40,000	-	40,000	-	-	-	40,000	0.00%
	Glassford Hill Multiuse Path - ROW	22,000	-	22,000	-	-	-	22,000	0.00%
CS1002	PV Pipeline Multiuse Path - Phase I - III	110,000	-	110,000	-	-	-	110,000	0.00%
Total HURF		187,500	-	187,500	-	-	-	187,500	0.00%
UNS Facilities Relocation Fund									
	Relocation	440,000	-	440,000	-	-	-	440,000	0.00%
Total UNS Facilities Relocation Fund		440,000	-	440,000	-	-	-	440,000	0.00%
Impact Fee Funds									
Recreation									
CP1301	Pronghorn Park Improvements	85,000	-	85,000	9,301	14,199	23,500	61,500	27.65%
Total Recreation		85,000	-	85,000	9,301	14,199	23,500	61,500	27.65%
Civic									
CF1001	Civic Center Remodel	690,000	-	690,000	4,749	209,000	213,749	476,251	30.98%
Total Civic		690,000	-	690,000	4,749	209,000	213,749	476,251	30.98%
Total Impact Fees		775,000	-	775,000	14,050	223,199	237,249	537,751	30.61%
Grant Funds									
Streets									
CS1201	Loos Drive Improvements - Phase I	300,000	-	300,000	79,753	176,355	256,108	43,892	85.37%
	Loos Drive Improvements - Phase II	485,858	-	485,858	-	-	-	485,858	0.00%
	Loos Drive Improvements - Phase III	300,000	-	300,000	-	-	-	300,000	0.00%
Total Streets		1,085,858	-	1,085,858	79,753	176,355	256,108	829,750	23.59%
Miscellaneous									
	Site Improvements	1,000,000	-	1,000,000	-	-	-	1,000,000	0.00%
Total Miscellaneous		1,000,000	-	1,000,000	-	-	-	1,000,000	0.00%
Total Grants		2,085,858	-	2,085,858	79,753	176,355	256,108	1,829,750	12.28%



**Town of Prescott Valley
Capital Project Summary
August 31, 2012**

Project Number	Project Description	Original Budget	Budget Adjustments	Revised Budget	YTD Expenditures	Encumbrances	Total Expenditures	Remaining Balance	% Spent
<u>Streets Capital Projects</u>									
CS1101	Navajo Drive, Superstition to Loos	25,000	-	25,000	-	-	-	25,000	0.00%
ST1201	Viewpoint Drive, Manley to Roundup	1,300,000	-	1,300,000	9,618	54,273	63,891	1,236,109	4.91%
Total Streets Capital Projects		1,325,000	-	1,325,000	9,618	54,273	63,891	1,261,109	4.82%
<u>Wastewater System</u>									
	Small Sewer Projects Program	50,000	-	50,000	-	-	-	50,000	0.00%
	Lift Station Rehabilitation	20,000	-	20,000	-	-	-	20,000	0.00%
Total Wastewater System		70,000	-	70,000	-	-	-	70,000	-
<u>Water System</u>									
	7th Steet Water Line	40,000	-	40,000	-	-	-	40,000	0.00%
	Glassford Hill Multiuse Path - ROW	71,500	-	71,500	-	-	-	71,500	0.00%
	Small Water Projects	60,000	-	60,000	-	-	-	60,000	0.00%
	PRV Upgrades	80,000	-	80,000	-	-	-	80,000	0.00%
	SCADA Upgrades	50,000	-	50,000	-	-	-	50,000	0.00%
	Well Rehabilitation	150,000	-	150,000	-	-	-	150,000	0.00%
	Valve Replacement Program	120,000	-	120,000	-	-	-	120,000	0.00%
	Water Tank Rehabilitation	50,000	-	50,000	-	-	-	50,000	0.00%
Total Water System		621,500	-	621,500	-	-	-	621,500	-
<u>Recharge/Water Resource</u>									
CC0701	North Plains Recharge Facility	2,310,000	-	2,310,000	4,365	55,342	59,707	2,250,293	2.58%
CC0702	Tri-City Pipeline (1)	500,000	-	500,000	(138,623)	-	(138,623)	638,623	-27.72%
Total Recharge/Water Resource		2,810,000	-	2,810,000	(134,258)	55,342	(78,916)	2,888,916	-2.81%
Total Capital Projects		\$ 9,264,858	\$ -	\$ 9,264,858	\$ (30,837)	\$ 509,169	\$ 478,332	\$ 8,786,526	5.16%

(1) Year-end accrual reversal which has not yet been paid in the current fiscal year.



**Town of Prescott Valley
Grants
August 31, 2012**

Description	End Date	Total Grant	Total Expense	Encumbrance Balance	Grant Balance
Streets					
ADOH - CDBG Loos Drive Widening	12/31/13	\$ 300,000.00	\$ 115,901.69	\$ 176,354.81	\$ 7,743.50
Total Streets		\$ 300,000.00	\$ 115,901.69	\$ 176,354.81	\$ 7,743.50
Police					
<i>Governor's Office of Highway Safety (GOHS)</i>					
2012 - AL - 034 DUI Enforcement & Equipment	09/30/12	\$ 24,832.00	\$ 19,434.56	\$ -	\$ 5,397.44
2012 - PT - 037 STEP Enforcement	09/30/12	25,500.00	14,093.87	-	11,406.13
2012 - DOJ - 016	12/31/12	15,000.00	4,146.17	-	10,853.83
Total GOHS		65,332.00	37,674.60	-	27,657.40
<i>Miscellaneous</i>					
YCCF - K9	07/31/12	6,000.00	5,833.96	-	166.04
GOCYF - STOP Violence Against Women	12/31/12	145,165.00	82,757.00	522.59	61,885.41
AZDOH Homeland Security Grant	12/31/12	27,455.65	17,597.64	-	9,858.01
YCCF - K9	06/30/13	5,463.00	3,134.00	-	2,329.00
AZ Post Training	06/30/13	3,062.00	893.09	-	2,168.91
Total Miscellaneous		187,145.65	110,215.69	522.59	76,407.37
Total Police		\$ 252,477.65	\$ 147,890.29	\$ 522.59	\$ 104,064.77
Partner's Against Narcotics Trafficking (PANT)/Racketeer Influenced and Corrupt Organizations (RICO)					
<i>Partner's Against Narcotics Trafficking (PANT)</i>					
Administration	06/30/13	\$ 68,024.00	\$ 18,109.94	\$ -	\$ 49,914.06
Non-Agency	06/30/13	350,375.00	8,751.96	-	341,623.04
Total PANT		418,399.00	26,861.90	-	391,537.10
<i>Racketeer Influences and Corrupt Organizations (RICO)</i>					
RICO	06/30/13	-	15,185.74	-	(15,185.74)
Total RICO		-	15,185.74	-	(15,185.74)
Total PANT/RICO		\$ 418,399.00	\$ 42,047.64	\$ -	\$ 376,351.36
Community Development					
AZ DoH Housing Rehabilitation	05/31/14	\$ 330,000.00	\$ 161,858.03	\$ 11,331.00	\$ 156,810.97
Total Community Development		\$ 330,000.00	\$ 161,858.03	\$ 11,331.00	\$ 156,810.97
Upper Verde River Water Protection Coalition					
UVRWPC - ACF Watersmart Program	06/15/13	\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
Total Upper Verde River Water Protection Coalition		\$ 5,000.00	\$ -	\$ 5,000.00	\$ -
Total Grants		\$ 1,305,876.65	\$ 467,697.65	\$ 193,208.40	\$ 644,970.60