



Financial Statements
June 30, 2012

Town of Parker, Arizona

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	3
Basic Financial Statements	
Statement of Net Assets	9
Government-wide Financial Statements	
Statement of Activities.....	10
Balance Sheet - Governmental Funds.....	11
Fund Financial Statements	
Reconciliation of the Governmental Funds Balance to the Statement of Net Assets	12
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Net Assets - Proprietary Funds	15
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	16
Statement of Cash Flows – Proprietary Funds.....	17
Statement of Fiduciary Net Assets – Fiduciary Funds.....	18
Notes to Financial Statements.....	19
Required Supplementary Information	
Schedule of Funding Progress.....	36
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund.....	37
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual - Highway Users Revenue Fund	38
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual - CDBG Fund	39
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual - Impact Fees Fund	40
Notes Required Supplementary Information	41
Other Supplementary Information	
Schedule of Expenditures – Budget and Actual – General Fund.....	42
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	43
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	44



Independent Auditor's Report

The Honorable Mayor
and Members of the Town Council
Town of Parker, Arizona
Parker, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate fund information of the Town of Parker, Arizona (the Town) as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and analysis on pages 3-9, the schedule of funding progress on page 36, and the budgetary schedules on pages 37-40 be presented to supplement the basic financial statements. Such information, although not 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Parker, Arizona's financial statements as a whole. The schedule of expenditures – budget and actual – general fund and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Eide Bailly LLP

Phoenix, Arizona
March 8, 2013

Management's Discussion and Analysis

This discussion and analysis is intended to be an easily readable breakdown of the Town of Parker financial activities based on currently known facts, decisions and conditions. This analysis focuses on current year activities and operations and should be read in combination with the financial statements that follow.

Report Layout

Besides the Management's Discussion and Analysis, (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements, combining schedules of nonmajor funds and supplementary information.

The first several statements are highly condensed and present a government-wide view of the Town's finances and operations. Within this view, all Town operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services like public safety, culture and recreation, community services, public works and general governmental administration. Business-type activities are water. The government-wide statements include the Statement of Net Assets and Statement of Activities.

Statement of Net Assets

The Statement of Net Assets presents the unrestricted assets of governmental and business-type activities. Governmental and Business-type activities reflect capital assets including infrastructure and long-term liabilities. Business-type activities have long reported capital assets and long-term liabilities.

Net assets, the difference between assets and liabilities, provide a measure of the Town's financial strength, or financial position. Over time, increases or decreases in net assets are an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the Town's privilege tax or the condition of roads, parks and libraries to accurately assess the overall health of the Town.

Statement of Activities

The Statement of Activities presents the major program costs and matches major resources with each. To the extent that direct charges and grants do not recover a program's cost, it is paid from general taxes and other resources. The statement simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

Following the government-wide statements is a section containing fund financial statements. These statements reinforce information in the government-wide financial statements or provide additional information. The Town's major funds are presented in a separate column titled, "Other Governmental Funds." For each major fund, a Budgetary Comparison Statement is presented. Users who want to obtain information on non-major funds can find it in the Combining Schedules of Non-major Funds and/or the Supplemental Information-Budgetary Comparison Schedules of this report.

The MD&A is intended to explain significant changes in the financial position and differences in operations between current and prior years.

Town as a Whole

A condensed version of the Statement of Net Assets as of June 30, 2012 follows:

	Governmental Activities		Business-type Activities		Total Government	
	2012	2011	2012	2011	2011	2010
Current and other assets	\$ 4,821,359	\$ 5,048,745	\$ 1,126,625	\$ 956,615	\$ 5,947,984	\$ 6,005,360
Capital assets	4,278,042	4,087,614	3,014,387	1,174,352	7,292,429	5,261,966
Total assets	9,099,401	9,136,359	4,141,012	2,130,967	13,240,413	11,267,326
Other liabilities	651,722	571,519	44,324	41,519	696,046	613,038
Long-term liabilities	683,472	1,022,804	364,326	394,351	1,047,798	1,417,155
Total liabilities	1,335,194	1,594,323	408,650	435,870	1,743,844	2,030,193
Net assets:						
Invested in capital assets net of related debt	3,674,575	3,135,445	2,650,061	2,780,001	6,324,636	5,915,446
Restricted	1,976,441	1,997,334	50,000	50,000	2,026,441	2,047,334
Unrestricted	2,113,191	2,409,257	1,032,301	865,096	3,145,492	3,274,353
Total net assets	\$ 7,764,207	\$ 7,542,036	\$ 3,732,362	\$ 3,695,097	\$ 11,496,569	\$ 11,237,133

Statement of Net Assets at June 30, 2012

During fiscal year 2011-2012 several major events changed the balance of net assets: inclusion of infrastructure and long-term debt, and various capital improvement projects.

The Town's overall financial position has improved during the year as reflected in the increase in net assets above. Additionally the unrestricted net assets of both the governmental and business-type activities amount to \$2.1 million and \$1 million respectively. This provides a useful measure of the Town's net assets available for spending at the end of the fiscal year.

There are restrictions of \$1.9 million in restricted net assets of governmental type activities. There are restrictions of \$50 thousand in restricted net assets of business-type activities. The restrictions represent legal or contractual obligations on how the assets may be expended. Within the governmental activities category are taxes and other collections limited to specific transportation construction projects and the repayment of debt. Within the business type activities are debt service reserves.

Governmental Activities

Addition of Infrastructure: By far the largest change was the inclusion of general government capital assets and infrastructure (land, road and bridge improvements, streets, etc.).

Infrastructure and other improvements total approximately \$6.2 million. The non-land portion of improvements, are now depreciated and the accumulated depreciation at year-end is \$3.1 million. The net value of the assets is \$4.1 million. Long term debt totaling \$683 thousand is now included in the governmental activities. The addition of infrastructure overshadowed the current year activities.

Business –type Activities

Infrastructure and other improvements total approximately \$5.4 million. The non-land portion of improvements, are depreciated and the net value is \$3 million.

Statement of Activities for the Year Ended June 30, 2012

A summary of the statement of activities follows:

Change in Net Assets

	Governmental Activities		Business-type Activities		Total Government	
	2012	2011	2012	2011	2012	2011
Program revenues						
Charges for services	\$ 223,458	\$ 259,897	\$ 636,177	\$ 653,692	\$ 859,635	\$ 913,589
Grants and contributions	771,553	993,605	-	-	771,553	993,605
Total Program Revenues	995,011	1,253,502	636,177	653,692	1,631,188	1,907,194
General revenues						
Taxes	1,271,629	1,265,730	-	-	1,271,629	1,265,730
Intergovernmental	1,651,738	1,873,021	-	-	1,651,738	1,873,021
Interest	8,281	10,499	-	-	8,281	10,499
Miscellaneous	33,759	54,945	11,751	13,376	45,510	68,321
Total General Revenues	2,965,407	3,204,195	11,751	13,376	2,977,158	3,217,571
Total Revenues	3,960,418	4,457,697	647,928	667,068	4,608,346	5,124,765
Expenses						
General Government	827,346	752,014	-	-	827,346	752,014
Public safety	1,390,020	1,214,223	-	-	1,390,020	1,214,223
Public works	639,375	739,728	-	-	639,375	739,728
Culture and recreation	819,805	918,262	-	-	819,805	918,262
Interest on long-term debt	31,724	32,954	-	-	31,724	32,954
Contingencies	29,977	18,305	-	-	29,977	18,305
Water	-	-	610,663	608,659	610,663	608,659
	3,738,247	3,675,486	610,663	608,659	4,348,910	4,284,145
Changes in net assets	222,171	782,211	37,265	58,409	259,436	840,620
Beginning net assets	7,542,036	6,759,825	3,695,097	3,636,688	11,237,133	10,396,513
Ending net assets	\$ 7,764,207	\$ 7,542,036	\$ 3,732,362	\$ 3,695,097	\$ 11,496,569	\$ 11,237,133

Government Activities

The cost of all governmental activities this year was \$3.7 million. \$223 thousand of this cost was paid for by those who directly benefited from or contributed to the programs. \$772 thousand was subsidized by grants received from other governmental organizations for both capital and operating activities, and \$1.3 million was financed through general Town taxes. Other governmental revenues, including inter-governmental aid and interest amounted to \$1.7 million.

The Town's governmental functions include the following: general government, culture and recreation, public safety and public works. Each function's net cost, (total cost less revenues generated by the activities) is presented below. The new cost reflects the extent to which the Town's general taxes support each of the Governmental functions.

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
General Government	\$ 827,346	\$ 752,014	\$ 621,661	\$ 605,938
Public safety	1,390,020	1,214,223	1,167,172	802,503
Public works	639,375	739,728	523,351	620,174
Culture and recreation	819,805	918,262	369,351	342,110
Contingencies	29,977	18,305	29,977	18,305
Interest	31,724	32,954	31,724	32,954
Total	<u>\$ 3,738,247</u>	<u>\$ 3,675,486</u>	<u>\$ 2,743,236</u>	<u>\$ 2,421,984</u>

Business-type Activities

The cost of providing all business-type activities this year was \$611 thousand. All of this cost was paid by users.

The Town's business-type programs include water. The program's net cost (total cost, less revenues generated by the activities) is presented below. The new cost reflects the extent to which general business-type revenues support each of the business type programs

Business-type Activities

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
Water	<u>\$ 610,663</u>	<u>\$ 608,659</u>	<u>\$ (25,514)</u>	<u>\$ (45,033)</u>

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2012 the Town had invested \$7.3 million in capital assets as reflected in the following table. Of the total additions reflected below, \$493 thousand represent current year infrastructure additions.

The following table reconciles the changes in capital assets.

	<u>Governmental Activities</u>	<u>Business Activities</u>	<u>Total</u>
Beginning Balance	\$ 4,087,614	\$ 3,174,352	\$ 7,261,966
Additions	490,089	2,475	492,564
Deductions	-	-	-
Depreciation	<u>(299,661)</u>	<u>(162,440)</u>	<u>(462,101)</u>
Ending Balance	<u>\$ 4,278,042</u>	<u>\$ 3,014,387</u>	<u>\$ 7,292,429</u>

Additional information of the Town of Parker capital assets can be found in the notes to the financial statements.

Debt Administration

As of year-end, the Town had \$1.0 million in debt outstanding compared to \$1.4 million last year. The additions of \$182 thousand in debt to the Governmental Activities resulted from compensated absences as well as lease purchase obligations of approximately \$88 thousand for the Town of Parker. In addition, compensated absences were reduced by \$85 thousand through the utilization of paid time off.

	<u>Governmental Activities</u>	<u>Business Activities</u>	<u>Total</u>
Beginning Balance	\$ 1,022,804	\$ 394,351	\$ 1,417,155
Additions	182,144	-	182,144
Retirements	<u>(521,476)</u>	<u>(30,025)</u>	<u>(551,501)</u>
Ending Balance	<u>\$ 683,472</u>	<u>\$ 364,326</u>	<u>\$ 1,047,798</u>

Governmental:

	<u>2012</u>	<u>2011</u>
HURF Revenue bonds	\$ -	\$ 375,000
GADA loans payable	535,000	565,000
Premium on bonds	11,349	12,169
Lease obligation	57,118	-
Compensated absences	<u>80,005</u>	<u>70,635</u>
	<u>683,472</u>	<u>1,022,804</u>

Business-type:

USDA loan payable	<u>364,326</u>	<u>394,351</u>
Total Debt	<u>\$ 1,047,798</u>	<u>\$ 1,417,155</u>

Additional information on the Town of Parker long-term debt can be found in the notes to the financial statements.

Economic Factors

Governmental Funds

The Town relies heavily on state shared revenues and local sales tax. During the year 88% of the general revenues were derived from state shared revenues and local sales tax. The retail picture has not provided sufficient privilege tax revenues to sustain the operational costs of general government. The retail picture will depend upon future development of housing, commercial and industrial business within the community.

The Town's share of state-shared revenues is being carefully watched over the next few years.

The overall decline in the state's economy has led to further reductions in state shared revenues. This has created a need to evaluate all of the Town's programs and services. Increases in some programming and user fees have been implemented.

Next Year's Budget and Rates

The 2012-2013 fiscal year budgets have increased by about 4% over last year.

The 2012-2013 fiscal year general fund budget has increased by about 1% over the last year.

The 2012-2013 Capital Budgets for next year was limited to the following projects:

Highway User Fund for \$2.1 million for New Vehicles, Equipment and Infrastructure Improvements.

Water Fund for \$837 thousand for Infrastructure Improvements and Equipment

Grant Funds for \$694 thousand for Infrastructure Improvements

General Fund for \$74 thousand –Basic maintenance to Town Hall, the Library, the Senior Center, vehicles for the Police Department and Various Equipment

Financial Contact

The Town's financial statements are designed to present users (citizens, taxpayers, investors, customers and creditors) with general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions about the report or need additional financial information, please contact the Town's Finance Director at 1314 11th Street, Parker, AZ 85344.

Town of Parker, Arizona
Statement of Net Assets
June 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 4,331,697	\$ 916,781	\$ 5,248,478
Cash held by trustee	43,709	-	43,709
Receivables, (net of allowances)			
Accounts	-	74,805	74,805
Due from other governments	445,953	-	445,953
Inventory of supplies, at cost	-	54,039	54,039
Restricted cash and investments:			
Customer deposits	-	23,000	23,000
Capital replacement	-	58,000	58,000
Non-depreciable capital assets	1,191,157	42,314	1,233,471
Depreciable capital assets	6,220,755	5,379,296	11,600,051
Accumulated depreciation	(3,133,870)	(2,407,223)	(5,541,093)
Total assets	<u>9,099,401</u>	<u>4,141,012</u>	<u>13,240,413</u>
Liabilities			
Current liabilities			
Accounts payable	151,702	14,856	166,558
Accrued payroll and related taxes	70,744	2,988	73,732
Interest payable	16,522	-	16,522
Matured bonds payable	405,000	-	405,000
Liabilities payable from restricted assets			
Customer deposits	7,754	26,480	34,234
Noncurrent liabilities			
Due within one year	138,620	31,600	170,220
Due in more than one year	544,852	332,726	877,578
Total liabilities	<u>1,335,194</u>	<u>408,650</u>	<u>1,743,844</u>
Net Assets			
Invested in capital assets, net of related debt	3,674,575	2,650,061	6,324,636
Restricted	1,976,441	50,000	2,026,441
Unrestricted	2,113,191	1,032,301	3,145,492
Total net assets	<u>\$ 7,764,207</u>	<u>\$ 3,732,362</u>	<u>\$ 11,496,569</u>

Town of Parker, Arizona
Statement of Activities
Year Ended June 30, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities							
General government	\$ 827,346	\$ 6,283	\$ 46,106	\$ 153,296	\$ (621,661)	\$ -	\$ (621,661)
Public safety	1,390,020	93,761	129,087	-	(1,167,172)	-	(1,167,172)
Public works	639,375	116,024	-	-	(523,351)	-	(523,351)
Culture and recreation	819,805	7,390	443,064	-	(369,351)	-	(369,351)
Contingencies	29,977	-	-	-	(29,977)	-	(29,977)
Interest	31,724	-	-	-	(31,724)	-	(31,724)
	<u>3,738,247</u>	<u>223,458</u>	<u>618,257</u>	<u>153,296</u>	<u>(2,743,236)</u>	<u>-</u>	<u>(2,743,236)</u>
Business-type activities							
Utility enterprise fund	<u>610,663</u>	<u>636,177</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,514</u>	<u>25,514</u>
Total primary government	<u>\$ 4,348,910</u>	<u>\$ 859,635</u>	<u>\$ 618,257</u>	<u>\$ 153,296</u>	<u>(2,743,236)</u>	<u>25,514</u>	<u>(2,717,722)</u>
General revenues							
Taxes					1,271,629	-	1,271,629
State shared taxes					500,738	-	500,738
Gas and auto taxes					1,151,000	-	1,151,000
Investment earnings					8,281	-	8,281
Other income					33,759	11,751	45,510
Total general revenues and transfers					<u>2,965,407</u>	<u>11,751</u>	<u>2,977,158</u>
Increase in net assets					222,171	37,265	259,436
Net assets - beginning of year					<u>7,542,036</u>	<u>3,695,097</u>	<u>11,237,133</u>
Net assets - end of year					<u>\$ 7,764,207</u>	<u>\$ 3,732,362</u>	<u>\$ 11,496,569</u>

Town of Parker, Arizona
Balance Sheet - Governmental Funds
June 30, 2012

	General Fund	Highway Users Revenue Fund	CDBG Fund	Impact Fees	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	\$ 1,761,816	\$ 1,459,818	\$ -	\$ 3,403	\$ 377,813	\$ 728,847	\$ 4,331,697
Cash held by fiscal agent	-	-	-	-	43,709	-	43,709
Receivables	-	-	-	-	-	-	-
Due from other governments	130,740	87,731	146,781	-	-	80,701	445,953
Due from other funds	306,386	-	-	-	-	-	306,386
Total assets	\$ 2,198,942	\$ 1,547,549	\$ 146,781	\$ 3,403	\$ 421,522	\$ 809,548	\$ 5,127,745
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 50,513	\$ 7,839	\$ 78,685	\$ -	\$ -	\$ 14,665	\$ 151,702
Accrued payroll and related taxes	59,871	3,404	-	-	-	7,469	70,744
Accrued interest	-	-	-	-	16,522	-	16,522
Due to other funds	-	-	68,096	238,290	-	-	306,386
Payables from restricted assets	-	-	-	-	-	-	-
Customer deposits	7,754	-	-	-	-	-	7,754
Bonds payable	-	-	-	-	405,000	-	405,000
Total liabilities	118,138	11,243	146,781	238,290	421,522	22,134	958,108
Fund Balances							
Restricted	54,172	1,536,306	-	-	-	385,963	1,976,441
Assigned	654,670	-	-	-	-	401,451	1,056,121
Unassigned	1,371,962	-	-	(234,887)	-	-	1,137,075
Total fund balances (deficit)	2,080,804	1,536,306	-	(234,887)	-	787,414	4,169,637
Total liabilities and fund balances	\$ 2,198,942	\$ 1,547,549	\$ 146,781	\$ 3,403	\$ 421,522	\$ 809,548	\$ 5,127,745

Town of Parker, Arizona
Reconciliation of the Governmental Funds Balance to the Statement of Net Assets
Year Ended June 30, 2012

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

Total Governmental Funds fund balance	\$ 4,169,637
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	4,278,042
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds	<u>(683,472)</u>
Government activities net assets	<u><u>\$ 7,764,207</u></u>

Town of Parker, Arizona
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2012

	General Fund	Highway Users Revenue Fund	CDBG Fund	Impact Fees	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 1,198,948	\$ -	\$ -	\$ -	\$ -	\$ 72,681	\$ 1,271,629
Licenses and permits	60,164	-	-	-	-	-	60,164
Intergovernmental revenues	811,329	886,513	153,298	-	-	471,239	2,322,379
Charges for services	66,293	-	-	-	-	-	66,293
Fines and forfeits	89,993	-	-	-	-	-	89,993
Investment earnings	8,281	-	-	-	-	-	8,281
Miscellaneous earnings	48,342	250	-	-	-	93,087	141,679
Total revenues	2,283,350	886,763	153,298	-	-	637,007	3,960,418
Expenditures							
Current							
General government	722,157	-	-	-	-	64,498	786,655
Public safety	1,105,244	-	-	-	-	232,364	1,337,608
Public works	64,857	420,026	-	-	-	13,004	497,887
Culture and recreation	392,871	-	-	-	-	352,494	745,365
Debt service							
Principal	30,936	-	-	-	405,000	-	435,936
Interest and fiscal charges	-	-	-	-	32,544	-	32,544
Contingencies	29,977	-	-	-	-	-	29,977
Capital outlay	117,091	80,910	280,170	-	-	11,918	490,089
Total expenditures	2,463,133	500,936	280,170	-	437,544	674,278	4,356,061
Revenues over (Under) Expenditures	(179,783)	385,827	(126,872)	-	(437,544)	(37,271)	(395,643)
Other Financing Sources (Uses)							
Lease Proceeds	88,054	-	-	-	-	-	88,054
Transfers in (out)	(169,021)	(380,625)	112,102	-	437,544	-	-
Total other financing sources (uses)	(80,967)	(380,625)	112,102	-	437,544	-	88,054
Net Change in Fund Balances	(260,750)	5,202	(14,770)	-	-	(37,271)	(307,589)
Fund Balances (Deficit), Beginning of Year	2,341,554	1,531,104	14,770	(234,887)	-	824,685	4,477,226
Fund Balances (Deficit), End of Year	\$ 2,080,804	\$ 1,536,306	\$ -	\$ (234,887)	\$ -	\$ 787,414	\$ 4,169,637

Town of Parker, Arizona
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
 Funds to the Statement of Activities
 Year Ended June 30, 2012

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

Net change in fund balances - total governmental funds	\$ (307,589)
--	--------------

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	490,089
Depreciation expense	(299,661)
	190,428

Proceeds from long-term debt provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Assets.

Lease Proceeds	(88,054)
----------------	----------

Payments of certain long-term obligations are reported as expenditures in the governmental funds but are not reported as expenses in the statement of activities.

Principal payments on long-term debt	435,936
--------------------------------------	---------

Amortization of bond premium is reported in the Government-Wide Statements of Activities and Changes in Net Assets, but does not require the use of current financial resources. The following amount represents the change in bond premium from the prior year.

	820
--	-----

Compensated absence expense 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.

	(9,370)
--	---------

Change in net assets of governmental activities	\$ 222,171
---	------------

Town of Parker, Arizona
Statement of Net Assets - Proprietary Funds
June 30, 2012

	Utility Enterprise Fund
Assets	
Current assets	
Cash and cash equivalents	\$ 916,781
Accounts receivable, net of allowance	74,805
Inventory of supplies, at cost	54,039
Total current assets	1,045,625
Noncurrent assets	
Restricted cash:	
Customer deposits	23,000
Capital replacement	58,000
Capital assets, non-depreciable	42,314
Capital assets, depreciable, net	2,972,073
Total noncurrent assets	3,095,387
Total assets	4,141,012
Liabilities	
Current liabilities	
Accounts payable	14,856
Accrued payroll and related taxes	2,988
Notes payable	31,600
Total current liabilities	49,444
Noncurrent liabilities	
Customer deposits payable from restricted assets	26,480
Notes payable	332,726
Total noncurrent liabilities	359,206
Total liabilities	408,650
Net Assets	
Invested in capital assets, net of related debt	2,650,061
Restricted for debt service	50,000
Unrestricted	1,032,301
Total net assets	\$ 3,732,362

Town of Parker, Arizona
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds
Year Ended June 30, 2012

	Utility Enterprise Fund
Operating Revenues	
Water services	\$ 617,338
Tap and turn-on fees	18,839
Penalties	11,751
Total operating revenue	647,928
Operating Expenses	
Cost of sales and services	428,712
Depreciation	162,440
Total operating expenses	591,152
Operating Income	56,776
Nonoperating Revenues (Expenses) - Interest expense	(19,511)
Change in Net Assets	37,265
Net Assets, Beginning of Year	3,695,097
Net Assets, End of Year	\$ 3,732,362

Town of Parker, Arizona
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2012

	<u>Utility Enterprise Fund</u>
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 635,808
Cash paid to suppliers	(263,944)
Cash paid to employees	(161,963)
	<u>209,901</u>
Net cash provided by operating activities	<u>209,901</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition and construction of capital assets	(2,475)
Principal paid on capital debt	(30,025)
Interest paid on capital debt	(19,511)
	<u>(52,011)</u>
Net cash used in capital and related financing activities	<u>(52,011)</u>
Net Change in Cash and Cash Equivalents	157,890
Cash and Cash Equivalents, Beginning of Year	<u>839,891</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 997,781</u></u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating loss	<u>\$ 56,776</u>
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation expense	162,440
(Increase) decrease in assets	
Accounts receivable	(12,120)
Increase (decrease) in liabilities	
Accounts payable	1,745
Accrued payroll and related taxes	(117)
Deposits payable from restricted assets	1,177
Total adjustments	<u>153,125</u>
Net cash provided by operating activities	<u><u>\$ 209,901</u></u>

Town of Parker, Arizona
Statement of Fiduciary Net Assets – Fiduciary Funds
June 30, 2012

	<u>Utility Billing Agency Fund</u>
Assets	
Cash and investments	\$ 22,873
Accounts receivable	
Other	<u>39,741</u>
Total assets	<u>62,614</u>
Liabilities	
Accounts payable	<u>62,614</u>
Net Assets	
Unrestricted	<u><u>\$ -</u></u>

Note 1 - Summary of Significant Accounting Policies

The basic financial statements of the Town of Parker, Arizona (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the Town's more significant accounting policies follows.

A. Reporting Entity

The Town was incorporated on June 7, 1948 under Arizona Revised Statute Chapter 9, Section 101 and is governed by a seven member council. Oversight responsibility includes financial interdependency, the selection of governing authority, the designation of management, the ability to significantly influence operations, and the accountability for fiscal matters.

Component Units

As required by accounting principles generally accepted in the United States of America, these financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the Town's operations, and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Town. The blended component unit discussed below has a June 30 year-end. The Town has no discretely presented component units.

Blended Component Unit

The Town of Parker Municipal Property Corporation (MPC), a non-profit corporation, was created by the Town in 1998 primarily for the purpose of financing the costs of electric distribution to serve current and future development in Parker South. The MPC is governed by a Board of Directors appointed by the Town Council. For financial reporting purposes, transactions of the MPC are included as if it were part of the Town's operations.

Joint Venture

The Colorado River Sewage System Joint Venture is a sewage disposal system that carries out the collection, purification, and disposal of sewage and industrial waste for the Town and Colorado River Indian Tribes. The Joint Venture is controlled by a Board of Directors, composed of five members, two selected by the Town, two by the Tribes, while the fifth member is selected by the other four members with approval of the Secretary of the Interior or delegate. In accordance with terms of the Joint Venture agreement, on or prior to May 1 each year, the manager of the Joint Venture will prepare and submit a budget to the Board of Directors for approval and authorization. Funding is provided by user fees. Due to unavailability of information relating to the Town's joint venture share of profit or losses, a footnote disclosure only has been provided.

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Government-Wide Financial Statements

The statement of net assets and the statement of activities report all of the non-fiduciary activities of the Town, the primary government, as a whole. These statements distinguish between activities that are governmental and those that are considered business-type activities. Governmental activities, which are normally supported by intergovernmental revenues and transfers from business-type activities, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from any legally separate, discretely presented component units for which the primary government is financially accountable. As mentioned above, the Town has no discretely presented component units.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund and fiduciary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide statements of activities present a comparison between expenses and program revenues for each segment of the business-type activities of the Town and for each governmental program. Direct expenses are those that are specifically associated with the specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from the 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. Revenues, which are not classified as program revenue, are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the Town.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use.

Fund Financial Statements

Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Governmental Funds

All governmental funds are accounted for using modified accrual basis of accounting and current financial resources measurement focus. 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. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. The Town considers all revenues reported in the governmental funds to be available if collected within 60 days of year end. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on long-term debt, including compensated absences, which is recognized when due.

The Town reports the following major governmental funds:

GENERAL FUND – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except for those required to be accounted for in another fund.

HIGHWAY USER REVENUE FEE FUND – The HURF Fund accounts for revenue and expenditures that are legally restricted to expenditures for the construction, repair, and maintenance of public works and streets.

CDBG FUND – The CDBG Fund accounts for revenues and expenditures related to federal grants for the Department of Housing and Urban Development which are passed through the State of Arizona.

IMPACT FEES FUND – The Impact Fees Fund accounts for revenues and expenditures that are restricted to the development of Parker South.

DEBT SERVICE FUND – The Debt Service Fund accounts for funds which have been provided for the payment of the General Long Term Debt of the Town.

Proprietary Funds

All proprietary funds are accounted for on the flow of economic resources measurement focus and use of the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating 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. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The government-wide and proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The Town reports the following major proprietary fund:

UTILITY ENTERPRISE FUND – The Utility Enterprise Fund is used to account for provision of water distribution to the residents and commercial users of the Town.

In addition, the Town reports the following agency fund:

UTILITY BILLING AGENCY FUND – The Utility Billing Agency Fund (not included in the government-wide statements) is used to account for assets held by the Town as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

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

Budgetary Data

Budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects and Utility Enterprise Fund. The following procedures are followed in establishing the budgetary information in these financial statements:

1. The Town Manager submits to the Town Council a proposed operating budget for the fiscal year to commence on July 1, of the year. The proposed budget includes proposed expenditures and the means of financing them.
2. Public hearings and council workshops on the budget are held each year to obtain citizen input.
3. Prior to, or on the third Monday of July of each fiscal year, the Town Council must adopt a tentative budget. Once adopted, the total expenditures may not be increased upon final adoption, but may be decreased. The tentative budget must be published once a week for two consecutive weeks prior to final adoption. Final adoption must occur on or before the second Monday in August.
4. The level of control for each adopted budget is the fund level. The Town Manager may, subject to Town Council approval, transfer encumbered appropriation balances within a fund. With Town Council approval, transfers of unencumbered appropriation balances may be transferred between funds. Amounts shown are as originally adopted, or as amended by Council as of June 30, 2012. Appropriations lapse at year-end.
5. Formal budgetary integration was employed in all the budgeted funds as a management control device. All the fund budgets have been adopted on a consistent basis with the basic financial statements.

C. Cash and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with maturities of three months or less.

A pooled cash account and a pooled investment account are maintained for all Town funds. The pooling of funds provides the Town the ability to maximize earnings by investing larger amounts of idle cash for longer periods of time. The investments are invested primarily with the Arizona State Treasurer's Local Government Investment Pool.

Investments are stated at fair value. The fair value of each share in the Local Government Investment Pool is equal to \$1. Interest earnings, and correspondingly, interest expense for those funds with negative balances, are not allocated to the various funds.

D. Receivables

Accounts receivable consists primarily of utility service charges for water and garbage services and miscellaneous receivables from various sources.

During the course of operations, individual funds within the Town's pooled cash accounts may borrow money from the other funds within the pool on a short-term basis. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

E. Transfers

Legally authorized transfers from funds receiving revenues to funds through which the resources are to be expended and operating loss subsidies are recorded as transfers.

F. Inventories

Inventories are valued at lower of cost (first-in, first-out method) or market, and consist of water works supplies in the Utility Enterprise Fund. Inventory items in other funds are not significant and are recorded as expenditures at the time of purchase. Therefore, the inventory items in the funds other than the Utility Enterprise Fund are not included in the balance sheets for those funds.

G. Restricted Assets

Certain proceeds of the Town's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants.

Customer deposits are also classified as restricted assets because their use is limited.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town capitalizes all assets with an initial, individual cost greater than \$5,000 with an estimated useful life in excess of one year. The valuation basis for capital assets are historical costs, or where historical costs is not available, estimated historical costs based on replacement costs. Donated capital assets are capitalized at estimated fair value on date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

Depreciation of governmental activities' capital assets is computed and recorded by the straight-line method using the following estimated useful lives:

<u>Asset Classification</u>	<u>Years</u>
Buildings	20-40
Building improvements	20
Equipment	5-10
Vehicles	5-10

Depreciation of business-type activities' capital assets is computed and recorded by the straight-line method using the following estimated useful lives:

<u>Asset Classification</u>	<u>Years</u>
Buildings	20-40
Infrastructure	30-75
Equipment	5-10
Vehicles	5-10

I. Compensated Absences

Employees can earn vacation time at the rate of ten days per year for the first five years, 15 days per year after five years of service through nine years, and 20 days per year after ten years of service. The maximum permissible accumulation is 20 days of vacation for ten years of service or less, and 25 days for employees with more than ten years of service. At termination, employees are paid for any accumulated vacation up to the maximum accumulation. For governmental activities, compensated absences are liquidated by the general fund.

Employees earn health leave at the rate of 12 days per year. The maximum accumulation is 24 days. Health leave is not a form of additional vacation time and upon termination, the accumulated health leave is not paid out to the employee. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

J. Long-Term Obligations

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

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

K. Net Assets

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

L. Fund Balance

The Town has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The following classifications describe the relative strength of the spending constraints:

Non spendable fund balance—amounts that are not in non spendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority (i.e., Town Council). To be reported as committed, amounts cannot be used for any other purpose unless the Town takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the Town intends to use for a specific purpose. Intent can be expressed by the Town Council or by an official or body to which the Town Council delegates the authority. In fiscal year 2012, the Town Council had authority to assign fund balances intended to be used for specific purposes.

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The Town's policy related to use of unrestricted funds is to first use committed funds if allowable, before assigned or unassigned is spent.

M. Funding of Retirement Plan Costs

The Town funds retirement plan costs as accrued.

N. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Deposits and Investments

Deposits

At year-end, the carrying amount of the Town's deposits was \$2,018,942 and the bank balances were \$2,119,324. The difference represents outstanding checks and deposits which are held in the checking accounts at the financial institutions trust departments until the checks are presented for payment. The deposits include short term certificates of deposits of \$482,257. In addition, the cash and investments include cash balances of \$619.

Cash Held by Trustee

As of June 30, 2011, the Town has provided funds of \$365,512 to a bond paying agent and \$38,709 to the Greater Arizona Development Authority. The total amount of \$404,221 represents amounts due for bonds and loans with July 1 maturity.

Restricted Cash and Investments

At year-end, the Town had restricted cash and investments in the amount of \$81,000 included in the above balances. Of the restricted balances, \$23,000 was restricted for customer deposits and \$58,000 was restricted for the purchase of capital items.

Investments

Arizona Revised Statutes authorize the Town to invest idle funds in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit, repurchase agreements, and in the Local Government Investment Pool of the Arizona State Treasurer.

As of June 30, 2012, the Town's investments included \$3,029,321 which were invested in the Local Government Investment Pool. In this pool, the Town's monies are combined with those of the other investors in the pool. As such, the Town does not own specific securities within the pool; they are, therefore, not categorized. The Local Government Investment Pool, however, is managed by the Arizona State Treasurer in accordance with Arizona law. The majority of the investments in the Pool are rated AAA. Included in the Town's investments are \$24,964 of funds held by the courts.

Risk Disclosures

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment portfolio maturities do not exceed five years at time of purchase.

Credit Risk – State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). The Town limits its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's, Fitch Ratings, and Moody's Investors Service.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. As of June 30, 2012 approximately \$1,778,000 of deposits held by the Town were not covered under the current FDIC Program.

Note 3 - Receivables

Receivables as of year-end for the governmental individual major and nonmajor funds and agency funds in the aggregate, including the applicable allowances for the uncollectible accounts are as follows:

	General Fund	Highway Users Revenue Fund	CDBG Fund	Nonmajor Governmental Funds	Utility Enterprise Fund	Utility Billing Agency Fund	Total
Receivables							
Customers	\$ -	\$ -	\$ -	\$ -	\$ 85,422	\$ -	\$ 85,422
Due from governments	130,740	87,731	146,781	80,701	-	-	445,953
Other	-	-	-	-	-	39,741	39,741
	<u>130,740</u>	<u>87,731</u>	<u>146,781</u>	<u>80,701</u>	<u>85,422</u>	<u>39,741</u>	<u>571,116</u>
Gross receivables							
Less allowance for uncollectibles	-	-	-	-	(10,617)	-	(10,617)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,617)</u>	<u>-</u>	<u>(10,617)</u>
Net total receivables	<u>\$ 130,740</u>	<u>\$ 87,731</u>	<u>\$ 146,781</u>	<u>\$ 80,701</u>	<u>\$ 74,805</u>	<u>\$ 39,741</u>	<u>\$ 560,499</u>

Note 4 - Interfund Receivables, Payables, and Transfers

	Transfers (in) out	Due (to) from
Governmental Funds		
Major governmental funds		
General fund	\$ 169,021	\$ 306,386
HURF fund	380,625	-
CDBG fund	(112,102)	(68,096)
Impact Fees	-	(238,290)
Debt service fund	(437,544)	-

Amounts due from or due to other funds represent short-term obligations on open account, and arise primarily from the nature of the Town's treatment of bank accounts. The Town maintains an overall checking account with each fund's cash pooled for banking purposes. Excess cash is invested in the State of Arizona Local Government Investment Pool to properly manage cash.

Transfers are made primarily to cover debt service payments.

Note 5 - Capital Assets

Capital assets activity for the year ended June 30, 2012, was as follows:

	<u>Balance Beginning</u>	<u>Increases</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Not being depreciated				
Land	\$ 881,525	\$ -	\$ -	\$ 881,525
Construction in Process	-	309,632	-	309,632
Total capital assets not being depreciated	<u>881,525</u>	<u>309,632</u>	<u>-</u>	<u>1,191,157</u>
Other capital assets				
Infrastructure	2,628,357	-	-	2,628,357
Buildings and improvements	1,770,172	-	-	1,770,172
Equipment and vehicles	1,641,769	180,457	-	1,822,226
Total capital assets being depreciated	<u>6,040,298</u>	<u>180,457</u>	<u>-</u>	<u>6,220,755</u>
Less: Accumulated depreciation				
Infrastructure	(896,941)	(136,468)	-	(1,033,409)
Buildings and improvements	(669,988)	(52,797)	-	(722,785)
Equipment and vehicles	(1,267,280)	(110,396)	-	(1,377,676)
Total accumulated depreciation	<u>(2,834,209)</u>	<u>(299,661)</u>	<u>-</u>	<u>(3,133,870)</u>
Total capital assets being depreciated, net	<u>3,206,089</u>	<u>(119,204)</u>	<u>-</u>	<u>3,086,885</u>
Governmental activities capital assets, net	<u>\$ 4,087,614</u>	<u>\$ 190,428</u>	<u>\$ -</u>	<u>\$ 4,278,042</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Not being depreciated				
Land	\$ 42,314	\$ -	\$ -	\$ 42,314
Total capital assets not being depreciated	<u>42,314</u>	<u>-</u>	<u>-</u>	<u>42,314</u>
Other capital assets				
Infrastructure	4,662,535	-	-	4,662,535
Buildings and Improvements	639,752	2,475	-	642,227
Equipment and vehicles	74,534	-	-	74,534
Total capital assets being depreciated	<u>5,376,821</u>	<u>2,475</u>	<u>-</u>	<u>5,379,296</u>
Less: Accumulated depreciation				
Infrastructure	(1,972,942)	(137,578)	-	(2,110,520)
Buildings and Improvements	(205,303)	(24,862)	-	(230,165)
Equipment and vehicles	(66,538)	-	-	(66,538)
Total accumulated depreciation	<u>(2,244,783)</u>	<u>(162,440)</u>	<u>-</u>	<u>(2,407,223)</u>
Total capital assets being depreciated, net	<u>3,132,038</u>	<u>(159,965)</u>	<u>-</u>	<u>2,972,073</u>
Business-type activities capital assets, net	<u>\$ 3,174,352</u>	<u>\$ (159,965)</u>	<u>\$ -</u>	<u>\$ 3,014,387</u>

Depreciation expense was charged by program/function as follows:

Government Activities		
General government	\$	31,321
Public safety		52,412
Public works		141,488
Culture and recreation		74,440
Total governmental activities depreciation expense	<u>\$</u>	<u>299,661</u>
Business - type Activities		
Utility enterprise fund	\$	162,440
Total business-type activities depreciation expense	<u>\$</u>	<u>162,440</u>

Note 6 - Long-Term Debt

The following is a summary of long-term debt for the year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Governmental obligation bonds					
HURF revenue bonds	\$ 375,000	\$ -	\$ (375,000)	\$ -	\$ -
GADA loan payable	565,000	-	(30,000)	535,000	30,000
Premium on bonds	12,169	-	(820)	11,349	820
	<u>952,169</u>	<u>-</u>	<u>(405,820)</u>	<u>546,349</u>	<u>30,820</u>
Lease obligations	<u>-</u>	<u>88,054</u>	<u>(30,936)</u>	<u>57,118</u>	<u>27,795</u>
Compensated absences	<u>70,635</u>	<u>94,090</u>	<u>(84,720)</u>	<u>80,005</u>	<u>80,005</u>
Governmental activities long-term liabilities	<u>\$ 1,022,804</u>	<u>\$ 182,144</u>	<u>\$ (521,476)</u>	<u>\$ 683,472</u>	<u>\$ 138,620</u>
Business Activities					
Notes payable					
USDA loan payable	<u>\$ 394,351</u>	<u>\$ -</u>	<u>\$ (30,025)</u>	<u>\$ 364,326</u>	<u>\$ 31,600</u>

Bond and Note Maturity Schedule

Year Ended June 30	Lease Obligation		USDA Loan		GADA Revenue Bonds		Total Principal and Interest
	Principal	Interest	Principal	Interest	Principal	Interest	
2013	\$ 27,795	\$ 3,141	\$ 31,600	\$ 17,936	\$ 30,000	\$ 25,219	\$ 135,691
2014	29,323	1,613	33,258	16,278	30,000	23,944	134,416
2015	-	-	35,003	14,533	30,000	22,669	102,205
2016	-	-	36,840	12,696	30,000	21,394	100,930
2017	-	-	38,773	10,763	35,000	20,119	104,655
2018-2022	-	-	188,852	21,717	190,000	75,344	475,913
2022-2026	-	-	-	-	190,000	23,969	213,969
Total	<u>\$ 57,118</u>	<u>\$ 4,754</u>	<u>\$ 364,326</u>	<u>\$ 93,923</u>	<u>\$ 535,000</u>	<u>\$ 212,658</u>	<u>\$ 1,267,779</u>

Included in the long-term obligations of the governmental activities is an accrual for vacation time, recorded as compensated absences of \$80,005. Sick time amounts have been earned by employees as of June 30, 2012, but the payment thereof will not require available spendable resources.

HURF Revenue Bonds

Highway User Revenue Fee (HURF) bonds are issued specifically for the purpose of constructing street and highway projects. These bonds are repaid out of the HURF Fund by gas tax revenues collected by the State of Arizona and distributed to cities and towns based on a formula of population and gas sales within each county.

1998 Highway User Revenue Bonds Projects of 1997, Series A (1998) is due in annual installments of \$100,000 to \$375,000 through July 1, 2012; average interest rate of 4.33 percent. The original issue amount was \$4,000,000.

There are a number of limitations and restrictions contained in the bond indentures. The Town is in compliance with all significant limitations and restrictions.

GADA Loan Payable

Greater Arizona Development Authority (GADA) bonds are issued specifically for the purpose of providing resources through loans to local communities for capital projects.

The Town obtained funds from the Greater Arizona Development Authority through a loan agreement. The funds were used for the reconstruction of streets, construction of a water pipeline for the public works building and additions to a water treatment plant.

The loan agreement calls for annual principal payments of \$25,000 to \$50,000 due July 1, 2008 through July 1, 2026, with interest payments due on July 1 and January 1 of each year. The note carries an average interest rate of 4.49 percent. The original issuance included a principal balance of \$665,000 and a premium of \$25,401.

There are a number of limitations and restrictions contained in the bond indentures. The Town is in compliance with all significant limitations and restrictions.

Loan Payable – USDA

In September 2002, the Town obtained a loan of \$600,000 from the United States Department of Agriculture for the construction of a water facility plant for Parker South. The loan requires monthly payments of \$4,128 including principal and interest through September 2022 and has a stated interest rate of 5.125 per annum.

Lease Obligation

In April 2012, the Town entered into a lease purchase agreement for the acquisition of three vehicles. The agreement calls for three annual installments of \$30,936 beginning in April 2012. The payments include interest of \$4,754.

Note 7 - Waste Billing Agreement

The Town has entered into an agreement with a privately owned waste disposal company whereby the Town bills and collects disposal customers for services provided. These amounts are recorded in the Utility Billing Agency Fund. The Town receives ten percent of the collections and remits the balance to the disposal company. Revenues received by the Town under this agreement are recorded in the Utility Enterprise Fund.

Note 8 - Fund Balance Classifications

The following is a summary of non-spendable, restricted, committed, and assigned fund balances of the Governmental funds:

	<u>General Fund</u>	<u>Highway Users Revenue Fund</u>	<u>Impact Fees</u>	<u>Other Governmental</u>
Fund balances:				
Restricted for:				
Debt service	\$ -	\$ -	\$ -	\$ -
Highways	-	1,536,306	-	13,432
Public safety	18,836	-	-	435
Tourism	-	-	-	80,094
Culture and recreation	35,336	-	-	-
Capital projects	-	-	-	292,002
Assigned for:				
Aging services	-	-	-	309,526
Public safety	-	-	-	37,755
Library services	-	-	-	54,170
Budget policy reservation	654,670	-	-	-
Unassigned	<u>1,371,962</u>	<u>-</u>	<u>(234,887)</u>	<u>-</u>
Total fund balances	<u>\$ 2,080,804</u>	<u>\$ 1,536,306</u>	<u>\$ (234,887)</u>	<u>\$ 787,414</u>

The Impact Fee Funds has a deficit fund equity balances of \$234,887 as of June 30, 2012 as a result of revenues which were inadequate to cover expenses. Future revenue collected is expected to fund the deficit fund equity balances.

Note 9 - Risk management

The Town is exposed to various risks of loss relating to torts; theft of, damage to and destruction of asset; errors and omissions; and natural disasters. Thus, the Town participates in the Arizona Municipal Risk Retention Pool (AMRRP), which provides a comprehensive municipal coverage program including property, general liability, public official's liability, automobile liability, and physical damage, bonds, and crime. The basic coverage program is standard for all participants and deemed to be appropriate by the governing board of the AMRRP. Individual limits are determined by the Council and staff members.

The limit for the basic coverage is \$13 million per occurrence on a claim made basis. The AMRRP is structured such that member premiums are based on the actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligation. The pool has the authority to assess its members' additional premiums should reserves and annual premiums be insufficient to meet the pools obligations. The Town can be assessed up to the amount of the current year's contribution. The Town's obligation is to file claims timely. The AMRRP is responsible for investigating claims and billing the Town for any deductible portion. The Town's loss has not exceeded its coverage in any of the last three years, and the deductible portion has not been material to the Town's financial position. Investment in Joint Venture

The Town's investment in the Colorado River Sewage System Joint Venture is based upon the ratio of gallonage of sewage contributed to the System to the total gallonage of sewage processed through the plant by each joint venture member. As of June 30, 2012, the percentage of net profits or losses allocable to each joint venture member is not available to adequately record the Town's proportionate share of the joint venture operations. Below are balances as of June 30, 2012:

Assets	
Current assets	\$ 442,986
Non Current Investments	663,933
Capital assets, non-depreciable	94,927
Capital assets, depreciable, net	758,106
Total Assets	<u>\$ 1,959,952</u>
Liabilities and Net Assets	
Current liabilities	\$ 60,674
Net assets	
Invested in capital assets, net of related debt	853,033
Unrestricted	<u>1,046,245</u>
Total Net Assets	<u>1,899,278</u>
Total Liabilities and Net Assets	<u>\$ 1,959,952</u>
Operating Revenue and Expenses	
Operating revenue	<u>\$ 1,306,121</u>
Operating expense, less depreciation	1,325,854
Depreciation expense	<u>195,489</u>
Total expense	<u>1,521,343</u>
Operating loss	(215,222)
Non-operating income - net	20,465
Change in net assets	<u>\$ (194,757)</u>

Note 10 - Employee Retirement Plans

Retirement Systems

The Town's permanent full-time employees belong to statewide government retirement systems. Sworn police officers belong to the Arizona Public Safety Personnel Retirement System. Other Town employees belong to the Arizona State Retirement Plan.

Arizona State Retirement Plan

A. Plan Description

All full-time Town employees, except public safety personnel, participate in the Arizona State Retirement System (the System), a multiple-employer cost sharing defined benefit plan pension plan. The System was established by the State of Arizona to provide pension benefits for employees of the state and employees of participating political subdivisions and school districts. The System is administered in accordance with Title 38, Chapter 5, of the Arizona Revised Statutes. The System provides for retirement, disability, health insurance benefits, and death and survivor benefits. The Arizona State Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Arizona State Retirement System, P.O. Box 33910, Phoenix, AZ 85067 or by calling 1-800-621-33778.

B. Funding Policy

The Arizona Revised Statutes (ARS) provide statutory authority for determining the employees' and employers' contributions amounts as a percentage of covered payroll. Employers are required to contribute at the same rate as employees. Although the statutes prescribe the basis of making the actuarial calculations, the Arizona legislature is able to legislate a contribution rate other than the actuarially determined rate. The actuarially determined contribution rate for the years ended June 30, 2012, 2011 and 2010 were 10.74, (10.50% retirement and .24% long-term disability) 9.60% and 9.40% retirement and .25% long-term disability respectively, for both employers and employees. The total contributions made by the Town for the years ended June 30, 2012, 2011, and 2010 were \$103,722, \$112,081, and \$115,094, respectively, equal to the required contributions for each year.

Retirement Plan for Public Safety Employees

A. Plan Description

All of the Town's public safety personnel (police officers) participate in the Public Safety Personnel Retirement System (PSPRS), an agent multiple-employer defined benefit pension plan. PSPRS was established by Title 38, Chapter 5, article 4 of the Arizona Revised Statutes to provide pension benefits for public safety employees of certain state and local governments. The PSPRS is jointly administered by the fund manager and 229 local boards. PSPRS provides retirement benefits, as well as death and disability benefits. The Public Safety Personnel retirement System of the State of Arizona issues a publicly available financial report that includes financial and required supplementary information. The report may be obtained by writing to Public Safety Personnel Retirement System, 3010 E. Camelback Rd, Suite 200, Phoenix AZ 85016 or by calling (602) 255-5575.

B. Funding Policy

The System is funded through member contributions of 8.65% of gross payroll, an employer contribution set by an actuarial valuation expressed as a percent of gross payroll, and a distribution of net earnings of the Fund. The Town's contribution rate for police for the fiscal year ended June 30, 2012 was 14.89% of annual covered payroll. Contribution rates for police were 13.94% and 9.91% in 2011 and 2010, respectively.

C. Annual Pension Cost

For 2012, the Town's annual pension costs of \$85,926 were equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2010 actuarial valuation using the individual entry age normal cost method. Significant actuarial assumptions used in determining the pension benefit obligation include (a) a rate of return on the investment of present and future assets of 8.5% per year compounded annually, (b) projected salary increases of 5.5% per year compounded annually attributable to inflation, and (c) additional projected salary increases ranging from 1.0% to 3.0% per year, depending on age, attributable to seniority/merit. The actuarial value of APSPRS assets are determined on a smoothed market basis which spreads differences between actual and assumed investment return over a seven-year period.

Three-Year Trend Information for APSPRS

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2012	\$ 85,926	100%	\$ -
6/30/2011	\$ 71,749	100%	\$ -
6/30/2010	\$ 53,747	100%	\$ -

The following schedule of funding progress, presented here and as required supplemental information (RSI) presents multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress for APSPRS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
6/30/2012	\$ 2,050,926	\$ 2,774,298	\$ 723,372	73.9%	\$ 634,948	113.9%
6/30/2011	1,904,646	2,341,822	437,176	81.3%	514,700	84.9%
6/30/2010	1,780,402	2,037,968	257,566	87.4%	495,200	52.0%

Note 11 - Contingent Liability

The Town is a party to a number of legal actions arising in the ordinary course of its business. In management's opinion, the Town has adequate legal defenses regarding each of these actions and does not believe that they will materially affect the Town's operations or financial position.



Required Supplementary Information
June 30, 2012

Town of Parker, Arizona

Town of Parker, Arizona
 Required Supplementary Information – Arizona Public Safety Personnel Retirement System
 Schedule of Funding Progress
 Year Ended June 30, 2012

Schedule of Funding Progress for APSPRS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2012	\$ 2,050,926	\$ 2,774,298	\$ 723,372	73.9%	\$ 634,948	113.9%
6/30/2011	1,904,646	2,341,822	437,176	81.3%	514,700	84.9%
6/30/2010	1,780,402	2,037,968	257,566	87.4%	495,200	52.0%

Town of Parker, Arizona
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual –
General Fund
Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance with Budget- Positive (Negative)
Revenues			
Taxes	\$ 1,209,000	\$ 1,198,948	\$ (10,052)
Licenses and permits	58,200	60,164	1,964
Intergovernmental revenues	696,379	811,329	114,950
Charges for services	74,600	66,293	(8,307)
Fines and forfeits	96,800	89,993	(6,807)
Investment earnings	10,000	8,281	(1,719)
Miscellaneous earnings	23,200	48,342	25,142
Total revenues	<u>2,168,179</u>	<u>2,283,350</u>	<u>115,171</u>
Expenditures			
Current			
General government	760,488	722,157	38,331
Public safety	1,126,875	1,105,244	21,631
Public works	82,583	64,857	17,726
Culture and recreation	432,452	392,871	39,581
Debt service			
Principal	-	30,936	(30,936)
Contingencies	219,181	29,977	189,204
Capital outlay	107,600	117,091	(9,491)
Total expenditures	<u>2,729,179</u>	<u>2,463,133</u>	<u>266,046</u>
Revenues Over (Under) Expenditures	(561,000)	(179,783)	381,217
Other Financing Sources (Uses)			
Lease Proceeds	-	88,054	88,054
Transfers in (out)	(55,000)	(169,021)	(114,021)
Net Change in Fund Balance	(616,000)	(260,750)	355,250
Fund Balances, Beginning of Year	<u>2,341,554</u>	<u>2,341,554</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 1,725,554</u>	<u>\$ 2,080,804</u>	<u>\$ 355,250</u>

Town of Parker, Arizona
Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual -
Highway Users Revenue Fund
Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance with Budget- Positive (Negative)
Revenues			
Taxes	\$ 933,711	\$ 886,513	\$ (47,198)
Intergovernmental	1,225,000	250	(1,224,750)
Total revenues	<u>2,158,711</u>	<u>886,763</u>	<u>(1,271,948)</u>
Expenditures			
Current			
Public works	561,978	420,026	141,952
Contingencies	541,680	-	541,680
Capital outlay	1,281,200	80,910	1,200,290
Total expenditures	<u>2,384,858</u>	<u>500,936</u>	<u>1,883,922</u>
Revenues over (Under) Expenditures	(226,147)	385,827	611,974
Other Financing Uses			
Transfers in (out)	(380,625)	(380,625)	-
Net Change in Fund Balance	(606,772)	5,202	611,974
Fund Balances, Beginning of Year	<u>1,531,104</u>	<u>1,531,104</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 924,332</u>	<u>\$ 1,536,306</u>	<u>\$ 611,974</u>

Town of Parker, Arizona
 Required Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual -
 CDBG Fund
 Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance with Budget- Positive (Negative)
Revenues			
Intergovernmental	\$ 480,465	153,298	\$ (327,167)
Expenditures			
Capital outlay	480,465	280,170	200,295
Revenues Over (Under) Expenditures	-	(126,872)	(126,872)
Other Financing Sources			
Transfers in	-	112,102	112,102
Net Change in Fund Balance	-	(14,770)	(14,770)
Fund Balances, Beginning of Year	14,770	14,770	-
Fund Balances, End of Year	\$ 14,770	\$ -	\$ (14,770)

Town of Parker, Arizona
 Required Supplementary Information
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual -
 Impact Fees Fund
 Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance with Budget- Positive (Negative)
Revenues			
Miscellaneous earnings	\$ -	\$ -	\$ -
Total revenues	-	-	-
Expenditures			
Public works	-	-	-
Total expenditures	-	-	-
Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses)			
Transfers out	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balances, Beginning of Year	(234,887)	(234,887)	-
Fund Balances, End of Year	<u>\$ (234,887)</u>	<u>\$ (234,887)</u>	<u>\$ -</u>

Note RSI -1 Budgetary Information

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. Exceptions to the modified accrual basis include certain GAAP requirements such as those related to accounting for capital lease proceeds as well as gains or losses from sale of general fixed assets. The operation budget includes proposed expenditures and the means of financing them. The Town Council must approve transfers between funds, or increases to the fund's budget. (See Note 1B for additional budgetary information).



Other Supplementary Information
June 30, 2012

Town of Parker, Arizona

Town of Parker, Arizona
Supplemental Information
Schedule of Expenditures – Budget and Actual – General Fund
Year Ended June 30, 2012

	Original and Final Budget	Actual	Variance with Budget- Positive (Negative)
General Government			
Mayor and Town Council	\$ 34,260	\$ 39,236	\$ (4,976)
Magistrate	99,210	94,550	4,660
Town office	239,210	231,027	8,183
Attorney	105,000	78,039	26,961
Building maintenance	88,943	141,788	(52,845)
Finance	181,815	135,542	46,273
Elections	10,050	-	10,050
Outside agencies	2,000	1,975	25
Total general government	<u>760,488</u>	<u>722,157</u>	<u>38,331</u>
Public Safety			
Police	983,650	984,879	(1,229)
Building regulation and inspection	96,625	90,971	5,654
Animal control	46,600	29,394	17,206
Total public safety	<u>1,126,875</u>	<u>1,105,244</u>	<u>21,631</u>
Public Works			
Waste collection and disposal	2,600	3,167	(567)
Cemetery	79,983	61,690	18,293
Total public works	<u>82,583</u>	<u>64,857</u>	<u>17,726</u>
Culture and Recreation			
Parks	183,897	152,863	31,034
Swimming pool	7,950	4,210	3,740
Library	169,955	168,736	1,219
Other recreation	9,200	669	8,531
Senior citizens	61,450	66,393	(4,943)
Total culture and recreation	<u>432,452</u>	<u>392,871</u>	<u>39,581</u>
Contingencies	219,181	29,977	189,204
Capital Outlays	107,600	117,091	(9,491)
Debt Service	-	30,936	(30,936)
Total Expenditures	<u><u>\$ 2,729,179</u></u>	<u><u>\$ 2,463,133</u></u>	<u><u>\$ 266,046</u></u>

	Bed Tax Fund	Congregate Meals Fund	Home Delivered Meals	Local Transportation Assistance Fund	School Resource Officer
Assets					
Cash and investments	\$ 80,094	\$ 168,486	\$ 85,693	\$ 14,002	\$ 29,330
Due from other governments	-	45,879	15,447	-	-
Total assets	\$ 80,094	\$ 214,365	\$ 101,140	\$ 14,002	\$ 29,330
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 1,494	\$ 2,180	\$ 570	\$ -
Accrued payroll and related taxes	-	1,124	1,181	-	764
Due to other funds	-	-	-	-	-
Total liabilities	-	2,618	3,361	570	764
Fund Balances (Deficit)					
Restricted	80,094	-	-	13,432	-
Assigned	-	211,747	97,779	-	28,566
Unassigned	-	-	-	-	-
Total fund balance	80,094	211,747	97,779	13,432	28,566
Total liabilities and fund balances	\$ 80,094	\$ 214,365	\$ 101,140	\$ 14,002	\$ 29,330

Town of Parker, Arizona
 Supplemental Information
 Combining Balance Sheet - Nonmajor Special Revenue Funds
 Year Ended June 30, 2012

County Library Grant Fund	Library Grant C-070	Police Grant Fund	Drug Seizure	Total Special Revenue Funds	GADA Fund	Totals
\$ 24,458	\$ 27,382	\$ 435	\$ 6,965	\$ 436,845	\$ 292,002	\$ 728,847
-	12,626	-	6,749	80,701	-	80,701
<u>\$ 24,458</u>	<u>\$ 40,008</u>	<u>\$ 435</u>	<u>\$ 13,714</u>	<u>\$ 517,546</u>	<u>\$ 292,002</u>	<u>\$ 809,548</u>
-	9,815	-	606	14,665	-	14,665
-	481	-	3,919	7,469	-	7,469
-	-	-	-	-	-	-
-	10,296	-	4,525	22,134	-	22,134
-	-	435	-	93,961	292,002	385,963
24,458	29,712	-	9,189	401,451	-	401,451
-	-	-	-	-	-	-
<u>24,458</u>	<u>29,712</u>	<u>435</u>	<u>9,189</u>	<u>495,412</u>	<u>292,002</u>	<u>787,414</u>
<u>\$ 24,458</u>	<u>\$ 40,008</u>	<u>\$ 435</u>	<u>\$ 13,714</u>	<u>\$ 517,546</u>	<u>\$ 292,002</u>	<u>\$ 809,548</u>

	Bed Tax Fund	Congregate Meals Fund	Home Delivered Meals	Local Transportation Assistance Fund	School Resource Officer
Revenues					
Intergovernmental	\$ -	\$ 151,208	\$ 130,512	\$ -	\$ 42,443
Taxes	72,681	-	-	-	-
Miscellaneous earnings	-	31,700	47,645	-	-
Total revenues	72,681	182,908	178,157	-	42,443
Expenditures					
Current					
General government	64,498	-	-	-	-
Public safety	-	-	-	-	36,474
Public works	-	-	-	13,004	-
Culture and recreation	-	142,507	159,019	-	-
Capital Outlay	-	-	-	-	-
Total expenditures	64,498	142,507	159,019	13,004	36,474
Revenues Over (Under) Expenditures	8,183	40,401	19,138	(13,004)	5,969
Other Financing Sources (Uses)					
Transfers in (out)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net Change in Fund Balance	8,183	40,401	19,138	(13,004)	5,969
Fund Balances					
Beginning of Year	71,911	171,346	78,641	26,436	22,597
Fund Balances End of Year	\$ 80,094	\$ 211,747	\$ 97,779	\$ 13,432	\$ 28,566

Town of Parker, Arizona
Supplemental Information
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Nonmajor Special Revenue Funds
Year Ended June 30, 2012

County Library Grant Fund	Library Grant C-070	Police Grant Fund	Drug Seizure	Total Special Revenue	GADA Fund	Totals
\$ 9,224	\$ 51,208	\$ -	\$ 86,644	\$ 471,239	\$ -	\$ 471,239
-	-	-	-	72,681	-	72,681
-	13,742	-	-	93,087	-	93,087
<u>9,224</u>	<u>64,950</u>	<u>-</u>	<u>86,644</u>	<u>637,007</u>	<u>-</u>	<u>637,007</u>
-	-	-	-	64,498	-	64,498
-	-	376	195,514	232,364	-	232,364
-	-	-	-	13,004	-	13,004
7,468	43,500	-	-	352,494	-	352,494
-	11,918	-	-	11,918	-	11,918
<u>7,468</u>	<u>55,418</u>	<u>376</u>	<u>195,514</u>	<u>674,278</u>	<u>-</u>	<u>674,278</u>
<u>1,756</u>	<u>9,532</u>	<u>(376)</u>	<u>(108,870)</u>	<u>(37,271)</u>	<u>-</u>	<u>(37,271)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,756	9,532	(376)	(108,870)	(37,271)	-	(37,271)
<u>22,702</u>	<u>20,180</u>	<u>811</u>	<u>118,059</u>	<u>532,683</u>	<u>292,002</u>	<u>824,685</u>
<u>\$ 24,458</u>	<u>\$ 29,712</u>	<u>\$ 435</u>	<u>\$ 9,189</u>	<u>\$ 495,412</u>	<u>\$ 292,002</u>	<u>\$ 787,414</u>