

CITY OF PAGE, ARIZONA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Year Ended June 30, 2023

CITY OF PAGE, ARIZONA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2023

PREPARED BY:

CITY OF PAGE FINANCE DEPARTMENT

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CITY OF PAGE, ARIZONA

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Office of the City Manager

December 11, 2023

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Page:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Page for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the City of Page. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Page has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Page's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Page's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Page's financial statements have been audited by Hinton Burdick, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Page for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified that the City of Page's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City of Page, incorporated in 1975, is located in northern Arizona just south of Lake Powell. The City's boundaries currently enclose approximately 37 square miles in Coconino County with a population estimate from the 2020 Census Bureau of 7,531 and an elevation of 4,300 feet.

The City of Page operates under the Council-Manager form of government. The Common Council, which has policy-taking and legislative authority, consists of a mayor and a six-member council. The Council is responsible for, among other things, passing ordinances, resolutions and adopting the annual budget. They also appoint committees and hire the City Manager, City Attorney, City Clerk, City Magistrate and General Manager for the Page Utility Enterprises. The City Manager is responsible for carrying out the policies, ordinances and resolutions of the Council, and for overseeing the day-to-day operations of the City overall; the utility General Manager manages the electric, water, sewer and refuse enterprises pursuant to City ordinance. The City Council is elected on a nonpartisan "at large" basis. Council members are elected to four-year staggered terms with three council members elected every two years. The qualified electors of the City directly elect the Mayor for a two-year term.

The City of Page provides a full range of services, including water, sewer, electric, police and fire services, planning, zoning, and building code enforcement, the construction and maintenance of streets and other infrastructure, along with recreational activities and cultural events.

City of Page owns and operates its own municipal electric, water, and sewer utilities, dba Page Utility Enterprises (PUE). The utilities are governed by the Page City Council and PUE Board, functioning pursuant Page City Ordinance 588-12. PUE currently serves the citizens of Page within the City's corporate boundaries. Due to the isolation of the area, PUE also serves many of the residents and commercial enterprises outside Page's corporate boundaries.

With regard to general fund departments and operations, the City Manager presents a proposed, balanced budget to the City Council for review. The proposed budget is presented in the Spring of each year. The proposed budget with any additions or deletions becomes the tentative budget, which is usually presented to Council for preliminary adoption in May. The preliminary budget is then presented to the City Council for final adoption no later than July. The legal level of budgetary control is established at the fund level.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Page operates.

Local Economy. The City of Page depends on the recreational businesses that serve the visitors that pass through our City during the summer months. The National Park Service estimates that the Page/Lake Powell area received around 3.5 million visitors in 2021, up 46% over 2020 numbers. This is reflection of moving toward the end of the Covid-19 pandemic numbers and their effect on tourism for the Page area. Lake Powell is the center of recreational opportunities for Page. The lake has 1,960 miles of shoreline, which is longer than the entire West Coast of the continental United States. Although the City of Page itself has an estimated population of 7,531, it services the needs of its surrounding communities including an additional 45,000 people within a 75-mile radius.

Since the closure of the Salt River Project Navajo Generating Station (NGS) on November 18, 2019, the tourism service businesses have provided stability and contributions to the Page economy. Many of

P.O. Box 1180, 697 Vista Avenue, Page AZ 86040, (928)-645-4241

these businesses host only seasonal employment jobs that run the months from March through November. We are very grateful to the businesses that have made efforts to remain open and to serve, not only the tourism community, but the local community as well.

Recognizing that NGS will always be remembered as playing a significant role in the local economy, the City is concentrating our efforts to support the future economic vitality of our community through the implementation of our Strategic Plan.

Long-Term Financial Planning. The City of Page is dedicated to enhancing the quality of life for its citizens and to providing municipal services in the most effective and efficient manner while exercising fiscal responsibility.

During FY 2020/2021, the Mayor and Council continued to focus on debt reduction and revenue acquisition.

The City addressed its "bond debt" obligations and was dedicating 85% of 1% of our City Transaction Privilege Tax to be paid toward the Series 2011 Bond debt balance. On July 1, 2021, the City Council completely retired the bond debt for the Series 2011 Bond Debt. In February 2020, Ordinance 668-20 was adopted by Council and 1% of the City Sales Tax revenue is now dedicated to Capital Projects (70%), the Emergency Reserve Fund (15%) and other Long Term Liabilities (15%).

The City of Page's taxable revenue for the General Fund is showing a full recovery from the COVID-19 nationwide lockdown in 2021. This fiscal year was our highest revenue year yet in sales tax revenue, exceeding \$15.1 million this year.

The City of Page saw a slight increase in health insurance cost this year, at around 4% that was absorbed this year. I am continuing to monitor this cost to the City of Page and keep our options open for employee health insurance coverage.

In fiscal year 22/23, we reported 198 full time equivalent employees including the Page Utility Enterprises, which was around an 6.5% increase in workforce from the previous year, replacing around 13 positions that were cut in prior years. In the fiscal year 23/24 budget year, we currently have budgeted for a total of 214 employees between the City of Page and the Page Utility Enterprises. This increases our staffing an additional 7.5% from the prior year. Some of the departments that have seen changes are Fire, Police, Parks & Trails Maintenance, Horseshoe Bend, Recreation, Community Center, Library, Information Technology, and Lake Powell National Golf Course. With these changes the City of Page has positioned itself for continued financial success in the coming years.

AWARDS AND ACKNOWLEDGEMENTS

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year.

ended June 30, 2022. This was awarded to the City of Page, making this the thirteenth consecutive year that the City has received this prestigious award, in addition to receiving this award from 1992-2001.

In order to be awarded this certificate, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. We believe the current

annual comprehensive financial report continues to meet the program's requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year 2022-23 certificate.

Acknowledgements. The preparation of this report is due to the effective and dedicated efforts of the Finance Department staff. Beyond these efforts, this report is representative of the collaboration and hard work of employees at all levels of the organization; the excellence of the financial administration; and the leadership of the Mayor and City Council. For the efforts of all of these people, we wish to express our sincere gratitude.

Respectfully submitted,

A handwritten signature in black ink, reading "Darren Coldwell". The signature is fluid and cursive, with the first name "Darren" and last name "Coldwell" clearly distinguishable.

Darren Coldwell City Manager

A handwritten signature in blue ink, reading "Linda L. Watson". The signature is cursive and elegant, with the first name "Linda" and last name "Watson" clearly distinguishable.

Linda L. Watson

Finance Director

City of Page

Members of City Council

William Diak, *Mayor*
John Kocjan, *Vice Mayor*
David Auge
Brian Carey
Theresa Lee
Richard Leightner
Rick Yanke

City Appointed Officials

Darren Coldwell
City Manager

Joshua Smith
City Attorney

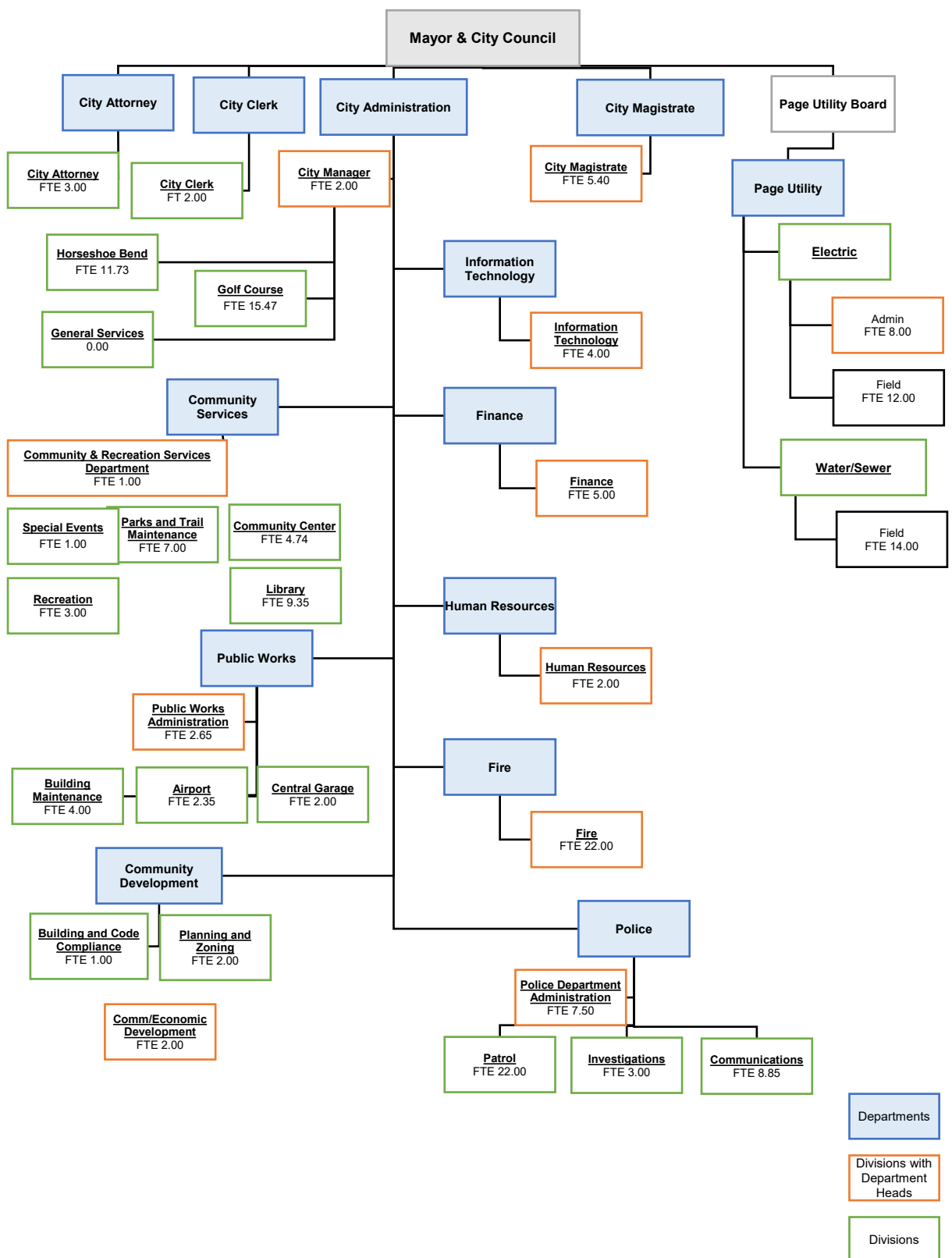
Kim Larson
City Clerk

Andrew Hettinger
City Magistrate

Bryan Hill
Page Utility Enterprises

Departments

| | |
|---------------------------------|-------------------|
| Airport | Kyle Christiansen |
| Community Development | Tim Suan |
| Community & Recreation Services | Lynn Cormier |
| Finance | Linda Watson |
| Fire | Chief Jeff Reed |
| Human Resources | Rachell French |
| Information Technology | Kane Scott |
| Police | Chief Tim Lange |
| Public Works | Kyle Christiansen |



FTEs displayed are budgeted numbers



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Page
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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Independent Auditors' Report

The Honorable Mayor and
City Council
Page, Arizona

Report on the Audit of the Financial Statements

Opinions

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

In our opinion the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 2 to the financial statements, in fiscal year 2023, the City implemented the provisions of GASB Statement No. 96, Leases and Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the proportionate share of the net pension/OPEB liabilities, the schedule of changes in the net pension/OPEB liabilities and related ratios, the schedule of pension/OPEB contributions, and the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion



or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary budgetary comparison schedule for major funds, the nonmajor fund combining statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary budgetary comparison schedule for major funds, the nonmajor fund combining statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

HintonBurdick, PLLC

Gilbert, Arizona
December 8, 2023

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CITY OF PAGE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023

As management of the City of Page, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity (3) identify changes in the City's financial position (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The discussion and analysis (MD&A) has a different focus and purpose than the transmittal letter of this report and is designed to be read in conjunction with the transmittal letter as well as the basic financial statements beginning on page 16 and the accompanying notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total net position at the close of the fiscal year was \$185,471,658. This amount is comprised of \$118,544,366 in capital assets net of related debt, \$9,744,050 restricted net position and \$58,114,144 in unrestricted net position. This position reflects an overall net increase of \$6,600,095 from prior year and is due primarily to an increase in cash and cash equivalents and capital assets in our Governmental Type Activities and a decrease in other liabilities in both our Governmental and Enterprise Type Activities. We received \$2.1 million more in tax revenue than was budgeted in this year, showing the continued comeback of our tourism economy within our city limits. Due to national economic conditions, we have realized a net decrease in our Net Pension/OPEB asset of nearly \$1.5 million this year. The reporting structure with GASB 68 and the requirement to report long term pension liabilities for both the governmental activities and the business-type activities changes were made in prior year's reporting. This fiscal year we see a total of \$1,139,848 in deferred inflows related to pensions for both Governmental and Business-type Activities. In addition, we see that the deferred inflows related to leases is reporting at \$3,543,951 from the Governmental Activities. These total deferred inflows of resources are reported as required by the Governmental Accounting Standards Board (GASB).
- City Sales tax remains the single largest revenue source in the General Fund budget for the City of Page. This fiscal year, city tax revenue increased from last year by \$2.1 million. This increase is a direct result the increase in tourism since prior years dealing with the results of the COVID-19 pandemic. The City has in the past, budgeted conservatively and brought in higher revenues to build our cash reserves. This fiscal year we budgeted to receive tax revenue in the amount of \$13.24 million, and we received \$15.1 million by June 2023. While the hotel category remains the prime driver of the tax revenue in bringing in \$3.97 million, the retail sales and restaurant categories combined pulled in \$5.6 million of the sales tax revenue to the City of Page.
- Regarding capital grants, the City receives various Federal and State funds to support City programs and non-capital items such as bulletproof vests for our police officers; Community Development Block Grants for our community improvements; Northern Arizona Council of Governments (NACOG) assists in funding part of our Community Center Meal Program; and County and State funds are distributed to our local Library. This year we also received \$550,000 from the U.S. Department of Justice for our Drug Court Program. This program has proven to be a very successful program in helping rehabilitate and assist those who are drug dependent and charged with probation offenses.

This fiscal year, the City of Page received federal grant money in the amount of \$2.5M from the federal government under the American Rescue Plan Act. The specific program is the

Coronavirus Local Fiscal Recovery Fund – Non-Entitlement Units. This money was utilized to restore to pre-pandemic employment levels, make improvements with security access across the City and to the Community Center kitchen, park improvements including replacing the playground equipment at John C. Page Memorial Park and a new Fire Pumper Truck with Cardiac Monitor/Defibrillator, tools, & equipment and Welcome Signs.

Once again, the U.S. Department of Transportation has assisted the City of Page with a grant for Essential Air Service for air travel in and out of Page, Arizona. This fiscal year, the City received almost \$4.3 million dollars in federal grant funds for this service.

In addition, the Administrative Office of Courts (AOC) assisted the City of Page with a \$47,300 grant to improve the security at our court building by putting in ballistic windows and doors to make the building more secure.

Finally, the City also received a grant in the amount of \$200,176 from the Arizona State Parks for developing our Red Mesa Rim Trail. This trail adds to the esthetics of the City of Page by providing another option for outdoor recreation for our locals and our visitors alike. This new trail system is open to bicyclists, walkers and hikers and offers three ranges of difficulty to satisfy all fitness levels.

- The City's cash reserves remain an important focus for management and the City Council. Eight years ago, the City Council approved the first investment of \$6 million to be invested outside of the Local Government Investment Pool (LGIP) in CD's and Government Agency Bonds. As of June 30, 2023, the City had earned a total of \$1.02 million in interest from those outside investments in prior years and 1.54 million in the year ended June 30, 2023. The City Council authorized additional investments to be made over the years for a total investment balance of \$13.4 million. The balance remaining in the City of Page LGIP accounts as of June 30, 2023 was approximately \$11.2 million, with \$876,827 being reserved for Highway User Revenue Fund; \$8.1 million in the General Operating Account, and \$6.6 million in the Horseshoe Bend Account.
- Leases were paid for Golf Course Equipment this year, in the amount of \$49,604. The leases for the patrol vehicles were paid in full in fiscal year 2023 for remaining outstanding amounts totaling \$426,518.78, saving the City of Page \$12,455 in interest. Overall, the total principal on outstanding long-term debt currently held by the City of Page on June 30, 2023 was \$134,650. The Council and City Manager's goal continues to be focused on the reduction of outstanding debt.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net position and the Statement of Activities. These statements provide information about the activities of the City as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. (3) Notes to the financial statements.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the City's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities provide information about the City and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the change in the City's net position. Net position, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in net position 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 City's sales tax revenue or condition of the City's roads to accurately assess the overall health of the City.

The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the City's basic services are governmental activities, including general government, public safety, public works/streets, economic development, culture and recreation, and payment of long-term debt. Sales tax, federal grants, intergovernmental revenues and charges for services finance most of these activities.
- Proprietary activities/Business type activities – The City charges a fee to customers that is intended to cover all or most of the cost of the services provided for water, sewer, sanitation, and electricity.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds which aid in the management of money for purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The City's two major kinds of funds, governmental and proprietary, use different accounting approaches as explained below.

- Governmental funds – Most of the City's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent soon to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations included with the Basic Financial Statements on pages 16-17.
- Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the City's financial position. The City's combined assets and deferred outflows exceed liabilities and deferred inflows by \$185.5 million as of June 30, 2023 as shown in the following condensed statement of net position. The City has chosen to account for its Utility operations, Golf and Horseshoe Bend operations in enterprise funds which are shown as Business Activities.

City of Page Statement of Net Position

| | Governmental activities | | Business-type activities | | Combined Total | |
|--|----------------------------|----------------|-----------------------------|---------------|-------------------|----------------|
| | 6/30/2023 | 6/30/2022 | 6/30/2023 | 6/30/2022 | 6/30/2023 | 6/30/2022 |
| Current and other assets | \$ 51,004,944 | \$ 47,344,472 | \$ 33,326,911 | \$ 36,009,885 | \$ 84,331,855 | \$ 83,354,357 |
| Capital assets | 80,901,011 | 77,203,467 | 37,771,819 | 38,503,607 | 118,672,830 | 115,707,074 |
| Total assets | 131,905,955 | 124,547,939 | 71,098,730 | 74,513,492 | 203,004,685 | 199,061,431 |
| Deferred outflows related to pensions/OPEB | 2,235,863 | 2,169,147 | 722,804 | 971,183 | 2,958,667 | 3,140,330 |
| Total deferred outflows of resources | 2,235,863 | 2,169,147 | 722,804 | 971,183 | 2,958,667 | 3,140,330 |
| Long-term liabilities outstanding | 6,176,990 | 4,590,868 | 3,842,473 | 3,328,713 | 10,019,463 | 7,919,581 |
| Other liabilities | 2,375,782 | 3,831,992 | 3,412,650 | 3,479,980 | 5,788,432 | 7,311,972 |
| Total liabilities | 8,552,772 | 8,422,860 | 7,255,123 | 6,808,693 | 15,807,895 | 15,231,553 |
| Deferred inflows related to pensions/OPEB | 916,475 | 3,640,374 | 223,373 | 1,168,500 | 1,139,848 | 4,808,874 |
| Deferred inflows related to leases | 3,543,951 | 3,288,503 | - | - | 3,543,951 | 3,288,503 |
| Total deferred inflows of resources | 4,460,426 | 6,928,877 | 223,373 | 1,168,500 | 4,683,799 | 8,097,377 |
| Net position: | | | | | | |
| Net investment in capital assets | 80,901,011 | 76,771,123 | 37,643,355 | 38,305,688 | 118,544,366 | 115,076,811 |
| Restricted | 9,619,411 | 10,103,029 | 124,639 | - | 9,744,050 | 10,103,029 |
| Unrestricted | 30,608,198 | 24,491,197 | 26,575,044 | 29,201,794 | 57,183,242 | 53,692,991 |
| Total net position | \$ 121,128,620 | \$ 111,365,349 | \$ 64,343,038 | \$ 67,507,482 | \$ 185,471,658 | \$ 178,872,831 |

The City has \$203 million in total assets, with \$118 million in capital assets (net of depreciation). The City's water, sewer, sanitation, electric enterprise and Golf and Horseshoe Bend operations are included in the Business-type activities column. These operations are capital intensive, using a large portion of their resources to maintain and replace major equipment and facilities.

Governmental Activities

The City's programs include: General Government, Public Safety, Public Works/Streets, Economic Development, Community Support, Culture and Recreation, Water, Sewer, Sanitation, Electric, Golf and Horseshoe Bend. Each programs' net cost (total cost less revenues generated by the activities) is presented in the following table – Changes in Net Position. The net cost shows the extent to which the City's general taxes support each of the City's programs.

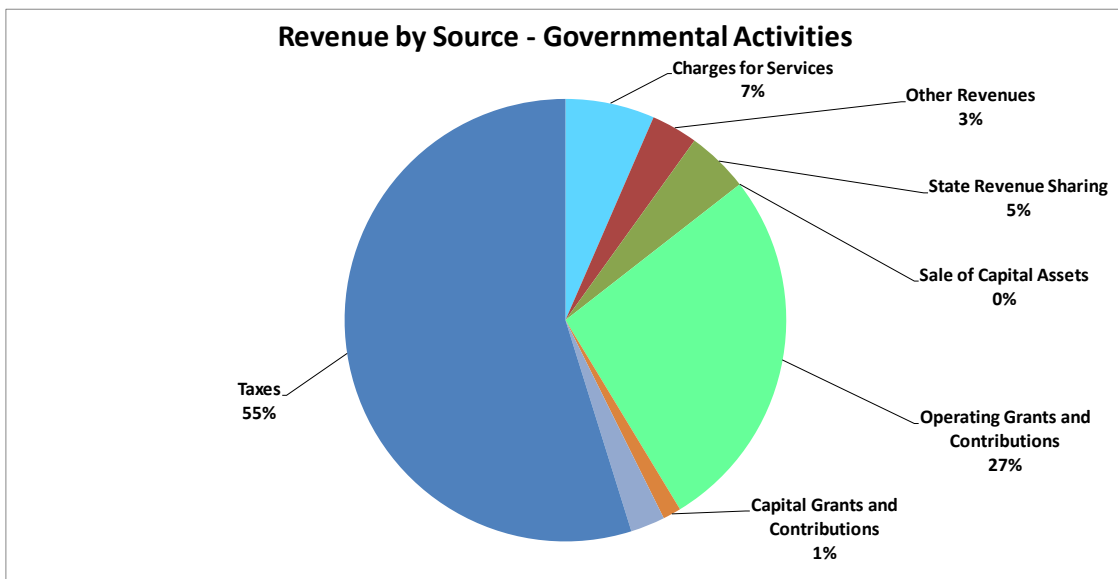
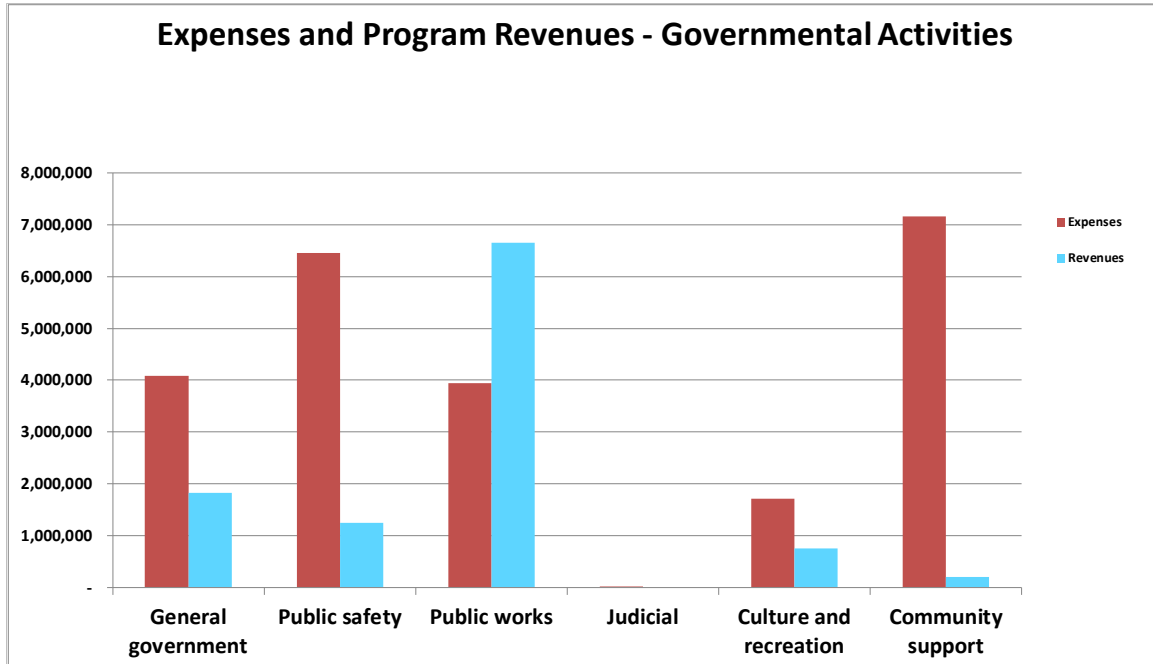
City of Page
Changes in Net Position

| | Governmental activities | | Business-type activities | | Combined Total | |
|--|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 6/30/2023 | 6/30/2022 | 6/30/2023 | 6/30/2022 | 6/30/2023 | 6/30/2022 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 2,010,732 | \$ 1,941,041 | \$ 20,011,695 | \$ 18,672,911 | \$ 22,022,427 | \$ 20,613,952 |
| Operating grants and contributions | 8,256,833 | 6,671,846 | - | - | 8,256,833 | 6,671,846 |
| Capital grants and contributions | 411,148 | 440,459 | 54,324 | - | 465,472 | 440,459 |
| General revenues: | | | | | | |
| Taxes | 16,868,978 | 15,283,009 | - | - | 16,868,978 | 15,283,009 |
| State revenue sharing | 1,399,049 | 981,403 | - | - | 1,399,049 | 981,403 |
| Investment Income | 775,611 | (146,481) | 746,966 | 32,616 | 1,522,577 | (113,865) |
| Gain/(Loss) on disposal of asset | 102,948 | - | 37,921 | 1,800 | 140,869 | 1,800 |
| Other revenue/(expense) | 1,045,297 | 90,417 | - | - | 1,045,297 | 90,417 |
| Total revenues | <u>30,870,596</u> | <u>25,261,694</u> | <u>20,850,906</u> | <u>18,707,327</u> | <u>51,721,502</u> | <u>43,969,021</u> |
| Expenses: | | | | | | |
| General government | 4,084,224 | 3,164,721 | - | - | 4,084,224 | 3,164,721 |
| Public safety | 6,458,600 | 5,824,832 | - | - | 6,458,600 | 5,824,832 |
| Public works/Streets | 3,945,218 | 4,264,878 | - | - | 3,945,218 | 4,264,878 |
| Judicial | 7,114 | 9,649 | - | - | 7,114 | 9,649 |
| Culture and recreation | 1,717,817 | 1,333,513 | - | - | 1,717,817 | 1,333,513 |
| Community support | 7,156,603 | 5,309,658 | - | - | 7,156,603 | 5,309,658 |
| Interest on long-term debt | 4,961 | 14,779 | - | - | 4,961 | 14,779 |
| Water | - | - | 1,789,388 | 1,853,181 | 1,789,388 | 1,853,181 |
| Sewer | - | - | 1,666,189 | 1,620,118 | 1,666,189 | 1,620,118 |
| Sanitation | - | - | 898,646 | 812,728 | 898,646 | 812,728 |
| Electric | - | - | 14,623,431 | 10,929,498 | 14,623,431 | 10,929,498 |
| Golf | - | - | 1,592,497 | 1,439,084 | 1,592,497 | 1,439,084 |
| Horseshoe Bend | - | - | 1,177,987 | 1,268,940 | 1,177,987 | 1,268,940 |
| Total expenses | <u>23,374,537</u> | <u>19,922,030</u> | <u>21,748,138</u> | <u>17,923,549</u> | <u>45,122,675</u> | <u>37,845,579</u> |
| Increase (Decrease) in net position before transfers | 7,496,059 | 5,339,664 | (897,232) | 783,778 | 6,598,827 | 6,123,442 |
| Transfers | 2,267,212 | 1,550,903 | (2,267,212) | (1,550,903) | - | - |
| Change in net position | 9,763,271 | 6,890,567 | (3,164,444) | (767,125) | 6,598,827 | 6,123,442 |
| Net position, beginning | 111,365,349 | 104,474,782 | 67,507,482 | 68,278,921 | 178,872,831 | 172,753,703 |
| Prior period adjustment | - | - | - | (4,314) | - | (4,314) |
| Net position, ending | <u>\$ 121,128,620</u> | <u>\$ 111,365,349</u> | <u>\$ 64,343,038</u> | <u>\$ 67,507,482</u> | <u>\$ 185,471,658</u> | <u>\$ 178,872,831</u> |

The cost of all governmental activities this year was \$23.37 million, while the cost of all business-type activities totaled \$21.74 million, bringing the total expenses for the government to \$45.12 million. The cost of the governmental activities was financed by general and other revenues which are primarily made up of the tax collections and state shared revenues received by the City that total \$18.27 million. The balance was funded from revenues collected by the City for fees, charges and grant funds.

The business-type activities expenses were funded by service fees charges for water, sewer, electric, sanitation services and fees for Golf and Horseshoe Bend. The total revenue received for the business-type activities during the year was \$20 million, which is \$1.3 million more than the prior year. The increase in revenues is mainly from the \$1.34 million increase in charges for services which was largely due to the increase of visitation at Horseshoe Bend and the revenue the parking fees generated. Total expenses for the business-type activities of \$21.74 million are \$3.8 million more than the prior year which is mainly due to an increase in power costs of \$3.7 million.

The following graphs compare program expenses to program revenues and provide a breakdown of revenues by source for all government activities.

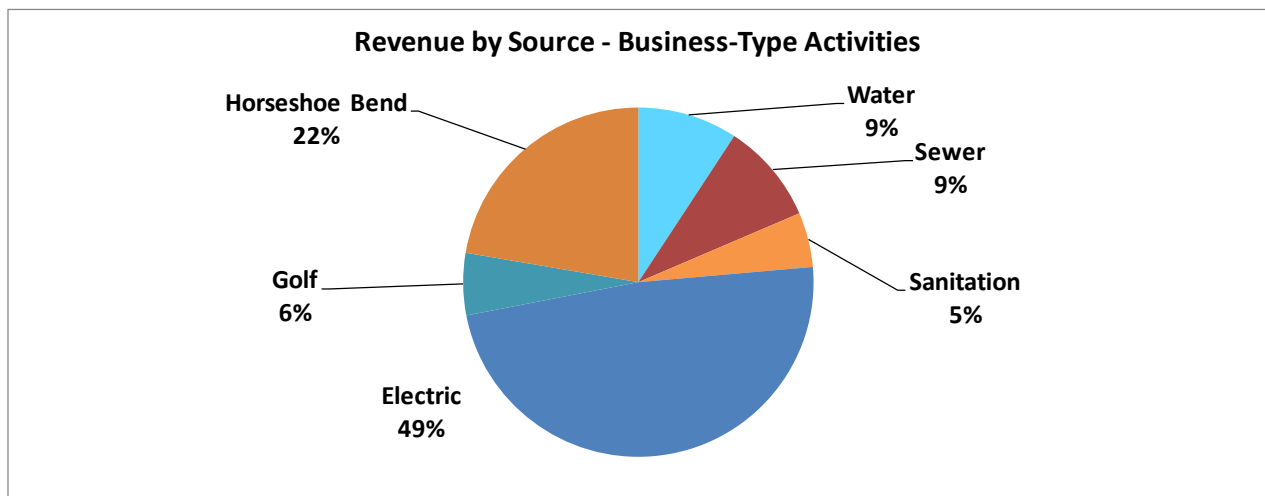
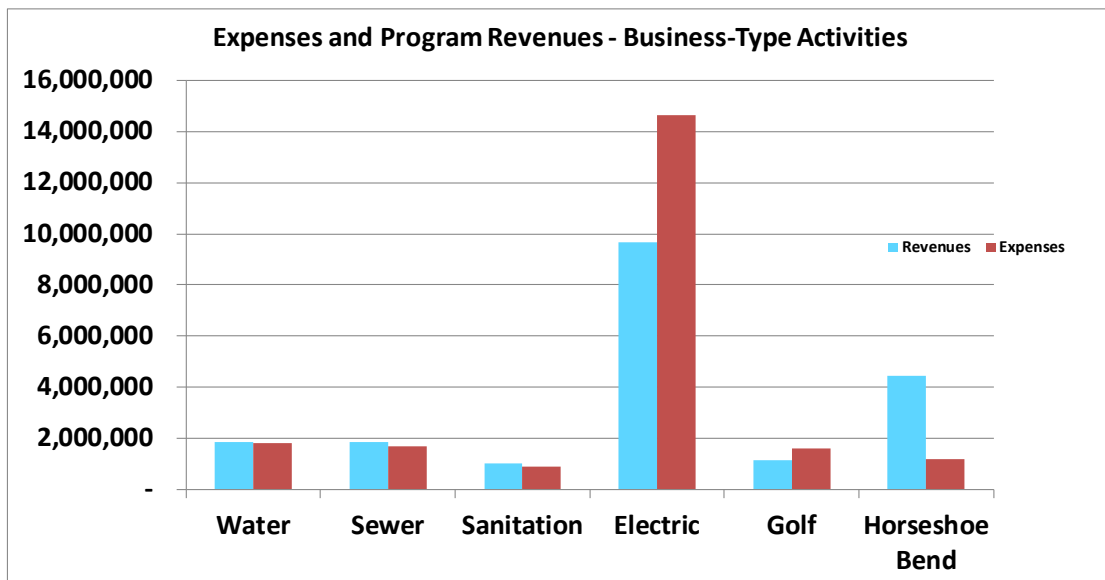


Business Type Activities

The net position of the Business Type activities on June 30, 2023, as reflected in the Statement of Net Position, was \$64.34 million. The cost of providing all Business Type activities this year was \$21.74 million. As shown in the statement of Changes in Net Position, the amounts paid by users of the system were \$20.01 million reflecting a \$1.34 million increase in revenue from the prior year. The Net Position decreased by \$3.16 million.

In May 2012, the Mayor and Council passed Ordinance 588-12 which provided for the City Code Chapter 2, Article 8 to be amended and the creation of Page Utility Enterprises to manage the Water and Sewer Utilities as well as Electric, starting on July 1, 2012. Residential sanitation services are provided by Republic Services through a contract with the City of Page and billed through the Utility.

Fiscal year 2022-23 was not a good year for the Electric Utility as the cost of purchased power rose significantly. However, infrastructure improvements did continue, and these two factors combined resulted in a decrease in cash reserves. Management was able to continue with its ambitious five-year plan to modernize the infrastructure of both the Water and Sewer Utilities.



Financial Analysis of the Government's Funds

As noted earlier, the City of Page uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of the end of the current fiscal year, the City of Page's governmental funds reported a combined ending fund balance of \$44.90 million, an increase of \$6.2 million in comparison with the prior year. In looking at all of the Governmental Funds for the fiscal year 2023, the City can realize that the increase of \$6.20 million in fund balance is primarily due to the increase of General Fund Investment balance by 8 million. Within our General Fund, the City realized \$1.6 million more in sales tax revenue that was received over the prior year making the fund balance increase. The Capital Projects fund balance decreased \$1 million this year from prior year due the completion of major projects and purchase of capital assets. These additional expenditures have been planned, with fund balance set aside for this purpose in prior years. The City's Storm Drain Project was completed, as was the Aqua Ave Improvement project. Capital Project expenditures were within budgeted amounts. Approximately 71.95% of this total amount or \$33.3 million constitutes unassigned fund balance, which is available for new spending at the government's discretion. The remainder of the fund balance is non-spendable, restricted or committed because it has already been committed 1) to pay our PSPRS unfunded liability, 2) to pay for capital improvements or 3) for a variety of other restricted purposes.

The General Fund is the chief operating fund of the City of Page. At the end of the current fiscal year, total fund balance in the General Fund was \$33.40 million, all of which is unassigned. As a measure of liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Both unassigned fund balance and total fund balance represents 233% of total general fund expenditures for fiscal year 2023.

The Highway User Revenue Fund has a total fund balance of \$892,980, all of which is restricted for road and street construction and improvements. The net increase in the fund balance during the current year was \$700,622. The current year Highway User revenues were nearly all utilized for current year street and road maintenance that was completed throughout the City of Page.

Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the Government-wide Financial Statements, but in more detail. At the end of the fiscal year, the unrestricted component of the net position had positive balances for all proprietary funds, Electric, Water, Sewer, Sanitation, Horseshoe Bend, and the newest addition, the Golf Fund.

Revenues and transfers in were less than expenses and transfers out in the proprietary funds by \$3.16 million for the fiscal year ended June 30, 2023. This reflects an overall decrease in net position of 4.7% from prior year. Horseshoe Bend saw an increase in net position of \$1.02 million. This increase is primarily due to the increase in tourism to our community and realized through parking fees for our venue. The Golf fund reported a net position of \$1.26 million, a decrease of \$440,902. This decrease is a result of the increase in wages and related employee benefits, and other supplies and service costs with and low increase in Service Fees from the Golf Course.

The Electric Utility Fund reduced its fund balance by approximately \$4.35 million because of the significant increase in the cost of purchased power which was not passed on to the customers this year. The annual replacement of the direct buried electric cable continued. In the Water & Sewer Funds, there were multiple

major projects underway including the Sunrise/Sage Upgrade, among other completed projects for the year ended June 30, 2023.

General Fund Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds. These statements compare the original adopted budget, the budget if amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis.

General Fund actual revenues for the year were \$21.89 million. The amount budgeted for the year was \$19.31 million showing an excess in revenue of \$2.58 million from budget. The variance in budget to actual numbers is caused by the overall General Fund revenues exceeding the budgeted numbers for the year. This in combination with receiving more city sales tax revenue than we projected, made up the difference in the variance. Actual expenditures of \$14.29 million were 85.6% of the budgeted expenditures of \$16.69 million.

Actual expenditures were less than budget by \$2.40 million. The variance in budget was primarily due to unspent funds in all of the city departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the City are those assets that are used in performance of City functions, including infrastructure assets. Capital Assets include equipment, vehicles, buildings, land, park facilities and roads. At the end of fiscal year 2023, net capital assets of the government activities totaled \$80.90 million and the net capital assets of the business-type activities totaled \$37.77 million. Depreciation on capital assets is recognized in the Government-Wide financial statement. (See note 6 of the financial statements).

Debt

At year-end, the City had \$0 in governmental long-term liabilities outstanding, not including compensated absences of \$959,107 and the net pension liability of \$5.84 million. These are liability of the government and includes the City's lease obligations when applicable. The City's governmental long-term debt again decreased during the current fiscal year. (See note 7 to the financial statements for detailed descriptions on all debt outstanding.)

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

The City of Page, Arizona as well as other Arizona cities, remains dependent on state shared revenues and local sales taxes for resources. These revenue sources are economically sensitive taxes and subject to slowdowns in the economy and legislative appropriations.

The City maintains that it has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities. In these times of major changes in federal and state policies toward local government and the recovery in the City's tax base, the City needs to ensure that it is capable of adequately funding and providing those government services desired by the community.

The City has adopted a Financial Management Policy which establishes guidelines for the City's overall fiscal planning and management. These principles are intended to foster and support the continued financial strength and stability of the City of Page as reflected in its financial goals.

The City Council set the following guidelines for their Strategic Goals and Priorities for FY 2022 through FY 2027 Budget years. These guidelines continue to be followed today:

Community Development:

Goal: Implement economic development processes that assist in the development of a strong local economy; protect neighborhoods from blighting and deteriorating conditions that have a negative impact on area property values; and encourage residents and business owner's efforts to maintain the physical environment through standards set in local ordinances.

Fiscal Stability:

Goal: Operate in a fiscally prudent manner, assuring the most efficient expenditure of public funds.

High Performing Organization:

Goal: To create an environment that supports transparency, communication, and engaged, high performing employees; enable the City to recruit, retain and compete for talent; and ensure retention of institutional knowledge.

Improving Infrastructure:

Goal: Maintain and improve critical City infrastructure, including streets, sidewalks, parks, trails and facilities to support economic growth and improve quality of life in Page.

Quality of Life:

Goal: Maximize resources that enhance the quality of life for our residents and visitors.

The City established an Emergency Reserve Fund and set the minimum cash reserve for General Fund operations at \$8 million, per Resolution 1229-19. This reserve must be obtained while maintaining the capital and ongoing operation needs of the community. The adopted fiscal year 2022-2023 budget for the entire City of Page is \$65,481,971, which includes capital projects of \$16.65 million.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the government's finances and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to: City of Page, Finance Director, P.O. Box 1180, Page, AZ 86040.

BASIC FINANCIAL STATEMENTS

CITY OF PAGE, ARIZONA
Statement of Net Position
June 30, 2023

| | Governmental Activities | Business-type Activities | Total |
|--|------------------------------------|-------------------------------------|-----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 22,309,217 | \$ 30,357,298 | \$ 52,666,515 |
| Investments | 18,894,397 | - | 18,894,397 |
| Receivables (net of allowance) | 6,956,388 | 1,340,870 | 8,297,258 |
| Prepaid expenses | - | 604,701 | 604,701 |
| Inventories | - | 1,837,916 | 1,837,916 |
| Net pension/OPEB asset | 806,263 | 124,639 | 930,902 |
| Internal balances | 1,992,427 | (1,992,427) | - |
| Restricted assets (temporarily restricted): | | | |
| Cash and cash equivalents | 46,252 | 1,053,914 | 1,100,166 |
| Capital assets (net of accumulated depreciation) | | | |
| Land and improvements | 45,320,889 | 63,000 | 45,383,889 |
| Construction in progress | 1,423,255 | 581,285 | 2,004,540 |
| Buildings and improvements | 10,222,080 | 17,809,018 | 28,031,098 |
| Furniture, equipment and vehicles | 3,535,319 | 4,785,977 | 8,321,296 |
| Infrastructure | 20,399,468 | - | 20,399,468 |
| Distribution systems | - | 14,436,005 | 14,436,005 |
| Leased right-to-use asset | - | 96,534 | 96,534 |
| Total assets | <u>131,905,955</u> | <u>71,098,730</u> | <u>203,004,685</u> |
| Deferred Outflows of Resources | | | |
| Deferred outflows related to pensions/OPEB | <u>2,235,863</u> | <u>722,804</u> | <u>2,958,667</u> |
| Total deferred outflows of resources | <u>2,235,863</u> | <u>722,804</u> | <u>2,958,667</u> |
| Liabilities | | | |
| Accounts payable and other current liabilities | 1,747,731 | 1,953,162 | 3,700,893 |
| Customer deposits | - | 1,053,914 | 1,053,914 |
| Unearned revenue | 4,631 | - | 4,631 |
| Noncurrent liabilities: | | | |
| Due within one year | 623,420 | 405,574 | 1,028,994 |
| Due in more than one year | 335,687 | 226,681 | 562,368 |
| Net pension/OPEB liability | <u>5,841,303</u> | <u>3,615,792</u> | <u>9,457,095</u> |
| Total liabilities | <u>8,552,772</u> | <u>7,255,123</u> | <u>15,807,895</u> |
| Deferred Inflows of Resources | | | |
| Deferred inflows related to pensions/OPEB | 916,475 | 223,373 | 1,139,848 |
| Deferred inflows related to leases | <u>3,543,951</u> | <u>-</u> | <u>3,543,951</u> |
| Total deferred inflows of resources | <u>4,460,426</u> | <u>223,373</u> | <u>4,683,799</u> |
| Net Position | | | |
| Net investment in capital assets | 80,901,011 | 37,643,355 | 118,544,366 |
| Restricted for: | | | |
| Pension/OPEB | 806,263 | 124,639 | 930,902 |
| Capital projects | 7,111,843 | - | 7,111,843 |
| Highways and streets | 892,980 | - | 892,980 |
| Perpetual care - expendable | 397,477 | - | 397,477 |
| Community support and other | 410,848 | - | 410,848 |
| Unrestricted | <u>30,608,198</u> | <u>26,575,044</u> | <u>57,183,242</u> |
| Total net position | <u>\$ 121,128,620</u> | <u>\$ 64,343,038</u> | <u>\$ 185,471,658</u> |

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Activities
For the Year Ended June 30, 2023

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|---------------|----------------------|----------------------------------|--------------------------------|---|--------------------------|----------------|
| | | Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions | Governmental Activities | Business-type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | \$ 4,084,224 | \$ 157,248 | \$ 1,675,188 | \$ - | \$ (2,251,788) | \$ - | \$ (2,251,788) |
| Public safety | 6,458,600 | 922,454 | 322,809 | - | (5,213,337) | - | (5,213,337) |
| Public works | 3,945,218 | 841,688 | 5,594,896 | 210,514 | 2,701,880 | - | 2,701,880 |
| Judicial | 7,114 | - | - | - | (7,114) | - | (7,114) |
| Culture and recreation | 1,717,817 | 77,717 | 522,517 | 146,788 | (970,795) | - | (970,795) |
| Community support | 7,156,603 | 11,625 | 141,423 | 53,846 | (6,949,709) | - | (6,949,709) |
| Interest on long-term debt | 4,961 | - | - | - | (4,961) | - | (4,961) |
| Total governmental activities | 23,374,537 | 2,010,732 | 8,256,833 | 411,148 | (12,695,824) | - | (12,695,824) |
| Business-type activities: | | | | | | | |
| Water | 1,789,388 | 1,845,664 | - | - | - | 56,276 | 56,276 |
| Sewer | 1,666,189 | 1,866,191 | - | - | - | 200,002 | 200,002 |
| Sanitation | 898,646 | 1,012,653 | - | - | - | 114,007 | 114,007 |
| Electric | 14,623,431 | 9,672,489 | - | 54,324 | - | (4,896,618) | (4,896,618) |
| Golf | 1,592,497 | 1,151,595 | - | - | - | (440,902) | (440,902) |
| Horseshoe Bend | 1,177,987 | 4,463,103 | - | - | - | 3,285,116 | 3,285,116 |
| Total business-type activities | 21,748,138 | 20,011,695 | - | 54,324 | - | (1,682,119) | (1,682,119) |
| Total primary government | \$ 45,122,675 | \$ 22,022,427 | \$ 8,256,833 | \$ 465,472 | (12,695,824) | (1,682,119) | (14,377,943) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| City sales tax | | | | | 15,118,831 | - | 15,118,831 |
| Franchise tax | | | | | 245,078 | - | 245,078 |
| State sales tax (unrestricted) | | | | | 1,090,180 | - | 1,090,180 |
| Auto lieu tax (unrestricted) | | | | | 414,889 | - | 414,889 |
| State revenue sharing (unrestricted) | | | | | 1,399,049 | - | 1,399,049 |
| Unrestricted investment earnings (losses) | | | | | 775,611 | 746,966 | 1,522,577 |
| Gain on sale of capital assets | | | | | 102,948 | 37,921 | 140,869 |
| Other general revenues | | | | | 1,045,297 | - | 1,045,297 |
| Transfers | | | | | 2,267,212 | (2,267,212) | - |
| Total general revenues & transfers | | | | | 22,459,095 | (1,482,325) | 20,976,770 |
| Change in net position | | | | | 9,763,271 | (3,164,444) | 6,598,827 |
| Net position - beginning | | | | | 111,365,349 | 67,507,482 | 178,872,831 |
| Net position - ending | | | | | \$ 121,128,620 | \$ 64,343,038 | \$ 185,471,658 |

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2023

| | General | Highway User Fund | Airport Fund |
|---|----------------------|----------------------------------|-------------------------|
| Assets | | | |
| Cash and cash equivalents | 11,734,057.25 | \$ 876,827 | \$ 2,472,173 |
| Investments | 18,894,397 | - | - |
| Leases receivable | - | - | 3,543,951 |
| Other receivables | 141,047 | - | 11,268 |
| Due from other funds | 1,265,939 | - | - |
| Due from other governments | 2,218,499 | 94,808 | 252,555 |
| Restricted cash and cash equivalents | 21,117 | - | 25,135 |
| Total assets | <u>\$ 34,275,056</u> | <u>\$ 971,635</u> | <u>\$ 6,305,082</u> |
| Liabilities | | | |
| Accounts payable | \$ 594,582 | \$ 30,590 | \$ 9,683 |
| Accrued liabilities | 296,203 | - | 5,736 |
| Deposits payable | 21,117 | - | 25,135 |
| Due to other funds | 371 | 48,065 | - |
| Unearned revenue | 4,631 | - | - |
| Total liabilities | <u>916,904</u> | <u>78,655</u> | <u>40,554</u> |
| Deferred Inflows of Resources | | | |
| Deferred inflows related to leases | - | - | 3,543,951 |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>3,543,951</u> |
| Fund Balances | | | |
| Restricted: | | | |
| Roads and highways | - | 892,980 | - |
| Perpetual care - expendable | - | - | - |
| Public safety - substance abuse funds | - | - | - |
| Community support | - | - | - |
| Committed: | | | |
| Public works | - | - | 2,720,577 |
| Judicial | - | - | - |
| Assigned: | | | |
| Capital outlay | - | - | - |
| Unassigned | 33,358,152 | - | - |
| Total fund balances | <u>33,358,152</u> | <u>892,980</u> | <u>2,720,577</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 34,275,056</u> | <u>\$ 971,635</u> | <u>\$ 6,305,082</u> |

The accompanying notes are an integral part of the financial statements.

| Grants Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|------------------------|--------------------------------------|--|---|
| \$ 140,000 | \$ 6,625,492 | \$ 460,668 | \$ 22,309,217 |
| - | - | - | 18,894,397 |
| - | - | - | 3,543,951 |
| 35,400 | - | 10,420 | 198,135 |
| - | 774,554 | 371 | 2,040,864 |
| 602,919 | 45,034 | 486 | 3,214,301 |
| - | - | - | 46,252 |
| <u>\$ 778,319</u> | <u>\$ 7,445,080</u> | <u>\$ 471,945</u> | <u>\$ 50,247,117</u> |
| | | | |
| \$ 426,844 | \$ 333,237 | \$ 3,049 | \$ 1,397,985 |
| - | - | 1,555 | 303,494 |
| - | - | - | 46,252 |
| - | - | - | 48,436 |
| - | - | - | 4,631 |
| <u>426,844</u> | <u>333,237</u> | <u>4,604</u> | <u>1,800,798</u> |
| | | | |
| - | - | - | 3,543,951 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>3,543,951</u> |
| | | | |
| - | - | - | 892,980 |
| - | - | 397,477 | 397,477 |
| - | - | 39,702 | 39,702 |
| 351,475 | - | 19,671 | 371,146 |
| | | | |
| - | - | - | 2,720,577 |
| - | - | 10,491 | 10,491 |
| | | | |
| - | 7,111,843 | - | 7,111,843 |
| - | - | - | 33,358,152 |
| <u>351,475</u> | <u>7,111,843</u> | <u>467,341</u> | <u>44,902,368</u> |
| | | | |
| <u>\$ 778,319</u> | <u>\$ 7,445,080</u> | <u>\$ 471,945</u> | <u>\$ 50,247,117</u> |

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CITY OF PAGE, ARIZONA
Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities
June 30, 2023

| | | |
|----------------------------------|----|------------|
| Total governmental fund balances | \$ | 44,902,368 |
|----------------------------------|----|------------|

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

| | | |
|--------------------------------|---------------------|------------|
| Governmental capital assets | \$ 118,549,801 | |
| Less: accumulated depreciation | <u>(37,648,790)</u> | |
| | | 80,901,011 |

Net OPEB asset is not an available resource and, therefore is not reported in the funds.

806,263

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

| | | |
|-------------------|------------------|-----------|
| Deferred outflows | \$ 2,235,863 | |
| Deferred inflows | <u>(916,475)</u> | |
| | | 1,319,388 |

Some liabilities, including bonds payable and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

| | | |
|----------------------------|--------------------|--------------------|
| Compensated absences | \$ (959,107) | |
| Net pension/OPEB liability | <u>(5,841,303)</u> | |
| | | <u>(6,800,410)</u> |

| | | |
|---|----|---------------------------|
| Total net position of governmental activities | \$ | <u><u>121,128,620</u></u> |
|---|----|---------------------------|

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

| | General | Highway User Fund | Airport Fund |
|--|----------------------|----------------------------------|-------------------------|
| Revenues | | | |
| Taxes | \$ 15,363,909 | \$ - | \$ - |
| Licenses, permits and fees | 229,110 | - | - |
| Intergovernmental revenue | 3,363,718 | 916,086 | 301,378 |
| Charges for services | 913,039 | - | 94,177 |
| Fines and forfeitures | 186,021 | - | - |
| Lease revenue | - | - | 409,172 |
| Investment earnings (loss) | 683,451 | 21,704 | - |
| Land and asset sales | 102,948 | - | - |
| Other revenues | 1,051,468 | - | 140,305 |
| Total revenues | <u>21,893,664</u> | <u>937,790</u> | <u>945,032</u> |
| Expenditures | | | |
| Current: | | | |
| General government | 3,893,066 | - | - |
| Public safety | 6,683,562 | - | - |
| Public works | 1,593,668 | 221,249 | 386,706 |
| Judicial | - | - | - |
| Culture and recreation | 1,429,668 | - | - |
| Community support | 693,482 | - | - |
| Capital outlay | - | - | - |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total expenditures | <u>14,293,446</u> | <u>221,249</u> | <u>386,706</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>7,600,218</u> | <u>716,541</u> | <u>558,326</u> |
| Other Financing Sources (Uses) | | | |
| Transfers in | 2,967,277 | - | - |
| Transfers out | (3,359,480) | (15,919) | (276,563) |
| Total other financing sources and uses | <u>(392,203)</u> | <u>(15,919)</u> | <u>(276,563)</u> |
| Net change in fund balances | 7,208,015 | 700,622 | 281,763 |
| Fund balances, beginning of year | <u>26,150,137</u> | <u>192,358</u> | <u>2,438,814</u> |
| Fund balances, end of year | <u>\$ 33,358,152</u> | <u>\$ 892,980</u> | <u>\$ 2,720,577</u> |

The accompanying notes are an integral part of the financial statements.

| Grants Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|------------------------|--------------------------------------|--|---|
| \$ - | \$ - | \$ - | \$ 15,363,909 |
| - | - | - | 229,110 |
| 6,705,721 | 216,359 | 7,492 | 11,510,754 |
| - | - | 38,414 | 1,045,630 |
| - | - | - | 186,021 |
| - | - | - | 409,172 |
| - | 70,449 | 7 | 775,611 |
| - | - | - | 102,948 |
| - | - | 55,668 | 1,247,441 |
| <u>6,705,721</u> | <u>286,808</u> | <u>101,581</u> | <u>30,870,596</u> |
| - | - | - | 3,893,066 |
| 161,929 | - | 5,941 | 6,851,432 |
| 150,953 | - | - | 2,352,576 |
| - | - | 6,936 | 6,936 |
| 429,530 | - | 11,867 | 1,871,065 |
| 6,079,712 | - | 81,743 | 6,854,937 |
| - | 4,680,088 | - | 4,680,088 |
| - | 426,847 | - | 426,847 |
| - | 4,961 | - | 4,961 |
| <u>6,822,124</u> | <u>5,111,896</u> | <u>106,487</u> | <u>26,941,908</u> |
| <u>(116,403)</u> | <u>(4,825,088)</u> | <u>(4,906)</u> | <u>3,928,688</u> |
| - | 3,840,030 | - | 6,807,307 |
| <u>(31,030)</u> | <u>-</u> | <u>(857,102)</u> | <u>(4,540,094)</u> |
| <u>(31,030)</u> | <u>3,840,030</u> | <u>(857,102)</u> | <u>2,267,213</u> |
| (147,433) | (985,058) | (862,008) | 6,195,901 |
| 498,908 | 8,096,901 | 1,329,349 | 38,706,467 |
| <u>\$ 351,475</u> | <u>\$ 7,111,843</u> | <u>\$ 467,341</u> | <u>\$ 44,902,368</u> |

CITY OF PAGE, ARIZONA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To The Statement of Activities
For the Year Ended June 30, 2023

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

| | |
|--|--------------|
| Net change in fund balances - total governmental funds | \$ 6,195,901 |
|--|--------------|

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlays in the current period.

| | | |
|----------------------|--------------------|-----------|
| Capital outlay | \$ 6,481,682 | |
| Depreciation expense | <u>(2,488,640)</u> | |
| | | 3,993,042 |

| | |
|--|-----------|
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations, and disposals) is a decrease in net position. | (295,498) |
|--|-----------|

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

| | |
|----------------|---------|
| Principal paid | 432,344 |
|----------------|---------|

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

| | | |
|----------------------------|--------------------|-----------|
| Pension/OPEB contributions | \$ 945,946 | |
| Pension/OPEB expense | <u>(1,529,261)</u> | |
| | | (583,315) |

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

| | |
|---|----------------------------|
| | 20,797 |
| Change in net position of governmental activities | <u><u>\$ 9,763,271</u></u> |

The accompanying notes are an integral part of the financial statements.

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CITY OF PAGE, ARIZONA
Statement of Net Position
Proprietary Funds
June 30, 2023

| | Horseshoe Bend | Water | Sewer |
|--|---------------------------|----------------------|---------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 1,691,390 | \$ 7,511,602 | \$ 4,648,934 |
| Receivables, net of allowance | - | 228,884 | 192,626 |
| Inventories | - | 187,114 | 150,794 |
| Prepaid expenses | - | 1,563 | 7,673 |
| Total current assets | <u>1,691,390</u> | <u>7,929,163</u> | <u>5,000,027</u> |
| Noncurrent assets: | | | |
| Restricted cash | - | 127,235 | - |
| Net pension/OPEB asset | 13,169 | 18,419 | 13,739 |
| Capital assets: | | | |
| Land | - | - | - |
| Construction-in-progress | 250,708 | 5,161 | 33,638 |
| Buildings and improvements | 3,607,972 | 4,003,103 | 4,545,961 |
| Machinery, equipment, vehicles | 302,066 | 1,996,651 | 4,683,361 |
| Distribution system | - | 18,310,315 | 11,014,426 |
| Leased right-to-use asset | - | - | - |
| Less accumulated depreciation/amortization | (503,339) | (17,855,322) | (16,076,135) |
| Total noncurrent assets | <u>3,670,576</u> | <u>6,605,562</u> | <u>4,214,990</u> |
| Total assets | <u>5,361,966</u> | <u>14,534,725</u> | <u>9,215,017</u> |
| Deferred Outflows of Resources | | | |
| Deferred outflows related to pensions/OPEB | 76,369 | 106,812 | 79,677 |
| Total deferred outflows of resources | <u>76,369</u> | <u>106,812</u> | <u>79,677</u> |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 27,083 | 223,818 | 69,570 |
| Accrued liabilities | 17,996 | 44,479 | - |
| Customer deposits | - | 127,235 | - |
| Due to other funds | 1,355,794 | - | - |
| Current portion of long-term liabilities | 13,709 | 33,442 | 54,454 |
| Total current liabilities | <u>1,414,582</u> | <u>428,974</u> | <u>124,024</u> |
| Noncurrent liabilities: | | | |
| Notes payable (net of current portion) | - | - | - |
| Leases payable (net of current portion) | - | - | - |
| Compensated absences | 7,381 | 18,007 | 29,322 |
| Net pension/OPEB liability | 382,031 | 534,323 | 398,579 |
| Total noncurrent liabilities | <u>389,412</u> | <u>552,330</u> | <u>427,901</u> |
| Total liabilities | <u>1,803,994</u> | <u>981,304</u> | <u>551,925</u> |
| Deferred Inflows of Resources | | | |
| Deferred inflows related to pensions/OPEB | 23,601 | 33,009 | 24,623 |
| Total deferred inflows of resources | <u>23,601</u> | <u>33,009</u> | <u>24,623</u> |
| Net Position | | | |
| Net investment in capital assets | 3,657,407 | 6,459,908 | 4,201,251 |
| Restricted for: | | | |
| Pension/OPEB | 13,169 | 18,419 | 13,739 |
| Other purposes | - | - | - |
| Unrestricted | (59,836) | 7,148,897 | 4,503,156 |
| Total net position | <u>\$ 3,610,740</u> | <u>\$ 13,627,224</u> | <u>\$ 8,718,146</u> |

| <u>Electric</u> | <u>Golf</u> | <u>Sanitation (non-major)</u> | <u>Total</u> |
|----------------------|---------------------|-----------------------------------|----------------------|
| \$ 15,302,653 | \$ - | \$ 1,202,719 | \$ 30,357,298 |
| 822,563 | - | 96,797 | 1,340,870 |
| 1,500,008 | - | - | 1,837,916 |
| 595,465 | - | - | 604,701 |
| <u>18,220,689</u> | <u>-</u> | <u>1,299,516</u> | <u>34,140,785</u> |
| 926,679 | - | - | 1,053,914 |
| 58,618 | 20,694 | - | 124,639 |
| 63,000 | - | - | 63,000 |
| 231,890 | 59,888 | - | 581,285 |
| 15,327,671 | 7,637,531 | - | 35,122,238 |
| 6,630,024 | 495,566 | - | 14,107,668 |
| 30,076,177 | - | - | 59,400,918 |
| - | 215,995 | - | 215,995 |
| (31,490,921) | (5,793,568) | - | (71,719,285) |
| <u>21,823,138</u> | <u>2,636,106</u> | <u>-</u> | <u>38,950,372</u> |
| <u>40,043,827</u> | <u>2,636,106</u> | <u>1,299,516</u> | <u>73,091,157</u> |
| 339,934 | 120,012 | - | 722,804 |
| <u>339,934</u> | <u>120,012</u> | <u>-</u> | <u>722,804</u> |
| 967,053 | 36,389 | 79,748 | 1,403,661 |
| 431,736 | 55,290 | - | 549,501 |
| 926,679 | - | - | 1,053,914 |
| 13,986 | 622,647 | - | 1,992,427 |
| 211,724 | 92,245 | - | 405,574 |
| <u>2,551,178</u> | <u>806,571</u> | <u>79,748</u> | <u>5,405,077</u> |
| - | 750 | - | 750 |
| - | 49,604 | - | 49,604 |
| 114,005 | 7,612 | - | 176,327 |
| 1,700,503 | 600,356 | - | 3,615,792 |
| <u>1,814,508</u> | <u>658,322</u> | <u>-</u> | <u>3,842,473</u> |
| <u>4,365,686</u> | <u>1,464,893</u> | <u>79,748</u> | <u>9,247,550</u> |
| 105,052 | 37,088 | - | 223,373 |
| <u>105,052</u> | <u>37,088</u> | <u>-</u> | <u>223,373</u> |
| 20,837,841 | 2,486,948 | - | 37,643,355 |
| 58,618 | 20,694 | - | 124,639 |
| - | - | - | - |
| 15,016,564 | (1,253,505) | 1,219,768 | 26,575,044 |
| <u>\$ 35,913,023</u> | <u>\$ 1,254,137</u> | <u>\$ 1,219,768</u> | <u>\$ 64,343,038</u> |

CITY OF PAGE, ARIZONA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

| | Horseshoe Bend | Water | Sewer |
|---|----------------------------|-----------------------------|----------------------------|
| Operating revenues | | | |
| Service fees | \$ 4,463,103 | \$ 1,839,842 | \$ 1,866,191 |
| Other revenues | - | 5,822 | - |
| Total operating revenues | <u>4,463,103</u> | <u>1,845,664</u> | <u>1,866,191</u> |
| Operating expenses | | | |
| Salaries and wages | 358,898 | 402,823 | 461,816 |
| Employee benefits | 106,225 | 215,295 | 163,163 |
| Insurance | - | 35,295 | 35,295 |
| Service, supplies and other | 204,546 | 472,658 | 486,660 |
| Power costs | - | - | - |
| Contract services | 264,751 | 45,773 | 2,500 |
| Depreciation and amortization | <u>132,961</u> | <u>617,544</u> | <u>516,755</u> |
| Total operating expenses | <u>1,067,381</u> | <u>1,789,388</u> | <u>1,666,189</u> |
| Operating income (loss) | <u>3,395,722</u> | <u>56,276</u> | <u>200,002</u> |
| Nonoperating revenues (expenses) | | | |
| Interest income | - | 156,191 | 70,318 |
| Interest expense | (110,606) | - | - |
| Gain (loss) on disposal of capital assets | <u>-</u> | <u>70</u> | <u>-</u> |
| Total nonoperating revenues (expenses) | <u>(110,606)</u> | <u>156,261</u> | <u>70,318</u> |
| Income (loss) before transfers | 3,285,116 | 212,537 | 270,320 |
| Capital contributions | - | - | - |
| Transfers from other funds | - | - | - |
| Transfers to other funds | <u>(2,267,212)</u> | <u>-</u> | <u>-</u> |
| Change in net position | 1,017,904 | 212,537 | 270,320 |
| Total net position, beginning of year | <u>2,592,836</u> | <u>13,414,687</u> | <u>8,447,826</u> |
| Total net position, end of year | <u><u>\$ 3,610,740</u></u> | <u><u>\$ 13,627,224</u></u> | <u><u>\$ 8,718,146</u></u> |

The accompanying notes are an integral part of the financial statements.

| Electric | Golf | Sanitation (non-major) | Total |
|-----------------|--------------|-----------------------------------|---------------|
| \$ 9,672,489 | \$ 1,151,595 | \$ 1,012,653 | \$ 20,005,873 |
| - | - | - | 5,822 |
| 9,672,489 | 1,151,595 | 1,012,653 | 20,011,695 |
| 1,108,454 | 523,748 | - | 2,855,739 |
| 496,970 | 238,137 | - | 1,219,790 |
| 23,531 | 11,239 | - | 105,360 |
| 188,946 | 463,073 | 8,869 | 1,824,752 |
| 11,386,451 | - | - | 11,386,451 |
| 146,769 | 10,356 | 889,777 | 1,359,926 |
| 1,272,310 | 276,721 | - | 2,816,291 |
| 14,623,431 | 1,523,274 | 898,646 | 21,568,309 |
| (4,950,942) | (371,679) | 114,007 | (1,556,614) |
| 510,374 | - | 10,083 | 746,966 |
| - | (16,153) | - | (126,759) |
| 37,851 | (53,070) | - | (15,149) |
| 548,225 | (69,223) | 10,083 | 605,058 |
| (4,402,717) | (440,902) | 124,090 | (951,556) |
| 54,324 | - | - | 54,324 |
| - | - | - | - |
| - | - | - | (2,267,212) |
| (4,348,393) | (440,902) | 124,090 | (3,164,444) |
| 40,261,416 | 1,695,039 | 1,095,678 | 67,507,482 |
| \$ 35,913,023 | \$ 1,254,137 | \$ 1,219,768 | \$ 64,343,038 |

CITY OF PAGE, ARIZONA
Statement of Cash Flows
Proprietary Fund Types
For the Year Ended June 30, 2023

| | Horseshoe Bend | Water | Sewer |
|---|----------------------------|----------------------------|----------------------------|
| Cash Flows From Operating Activities: | | | |
| Cash received from customers, service fees | \$ 4,463,103 | \$ 1,859,562 | \$ 1,871,444 |
| Cash received from other operating revenues | - | 5,822 | - |
| Cash paid to suppliers | (449,121) | (543,001) | (506,877) |
| Cash paid to employees | (496,757) | (576,245) | (611,089) |
| Net cash flows from operating activities | <u>3,517,225</u> | <u>746,138</u> | <u>753,478</u> |
| Cash Flows From Noncapital Activities: | | | |
| Transfers (to) / from other funds | (2,267,212) | - | - |
| Payments (to) from other funds | (900,257) | - | - |
| Net cash flows from noncapital activities | <u>(3,167,469)</u> | <u>-</u> | <u>-</u> |
| Cash Flows From Capital and Related Financing Activities: | | | |
| Interest paid | (110,606) | - | - |
| Purchase of capital assets | (82,034) | (277,321) | (366,421) |
| Proceeds from sale of capital assets | - | 70 | - |
| Principal payments on notes payable | - | - | - |
| Principal payments on lease liabilities | - | - | - |
| Net cash flows from capital and related financing activities: | <u>(192,640)</u> | <u>(277,251)</u> | <u>(366,421)</u> |
| Cash Flows From Investing Activities: | | | |
| Interest on investments | - | 156,191 | 70,318 |
| Net cash flows from investing activities | <u>-</u> | <u>156,191</u> | <u>70,318</u> |
| Net change in cash and cash equivalents | <u>157,116</u> | <u>625,078</u> | <u>457,375</u> |
| Cash and cash equivalents, beginning of year | 1,534,274 | 7,013,759 | 4,191,559 |
| Cash and cash equivalents, end of year | <u><u>\$ 1,691,390</u></u> | <u><u>\$ 7,638,837</u></u> | <u><u>\$ 4,648,934</u></u> |
| Reconciliation to statement of net position: | | | |
| Cash and cash equivalents, unrestricted | \$ 1,691,390 | \$ 7,511,602 | \$ 4,648,934 |
| Cash and cash equivalents, restricted | - | 127,235 | - |
| Total | <u><u>\$ 1,691,390</u></u> | <u><u>\$ 7,638,837</u></u> | <u><u>\$ 4,648,934</u></u> |
| Reconciliation of operating income to net cash provided by operating activities: | | | |
| Net operating income (loss) | \$ 3,395,722 | \$ 56,276 | \$ 200,002 |
| Adjustments to reconcile net income to net cash provided by operating activities | | | |
| Depreciation/amortization | 132,961 | 617,544 | 516,755 |
| Pension/OPEB expense | (240) | 86,135 | 28,616 |
| Employer pension/OPEB contributions | (36,012) | (50,367) | (37,571) |
| Changes in operating assets and liabilities: | | | |
| (Increase) Decrease in receivables | - | 19,720 | 5,253 |
| (Increase) Decrease in prepaid expenses | - | (2) | - |
| (Increase) Decrease in inventories | - | 800 | (4,717) |
| Increase (Decrease) in accounts payable | 18,980 | 41,331 | 17,313 |
| Increase (Decrease) in compensated absences | 4,618 | 6,105 | 22,845 |
| Increase (Decrease) in accrued liabilities | 1,196 | (31,404) | 4,982 |
| Net cash flows from operating activities | <u><u>\$ 3,517,225</u></u> | <u><u>\$ 746,138</u></u> | <u><u>\$ 753,478</u></u> |
| Noncash investing, capital, and financing activities: | | | |
| Contributions of capital assets | \$ - | \$ - | \$ - |

The accompanying notes are an integral part of the financial statements.

| Electric | Golf | Sanitation (non-major) | Total |
|-----------------|--------------|-----------------------------------|----------------|
| \$ 9,755,826 | \$ 1,151,595 | \$ 1,002,036 | \$ 20,103,566 |
| - | - | - | 5,822 |
| (11,768,975) | (461,754) | (890,517) | (14,620,245) |
| (1,756,038) | (740,366) | - | (4,180,495) |
| (3,769,187) | (50,525) | 111,519 | 1,308,648 |
| - | - | - | (2,267,212) |
| 1,623,216 | 246,711 | - | 969,670 |
| 1,623,216 | 246,711 | - | (1,297,542) |
| - | (16,153) | - | (126,759) |
| (1,254,101) | (110,578) | - | (2,090,455) |
| 45,056 | - | - | 45,126 |
| - | (25,440) | - | (25,440) |
| - | (44,015) | - | (44,015) |
| (1,209,045) | (196,186) | - | (2,241,543) |
| 510,374 | - | 10,083 | 746,966 |
| 510,374 | - | 10,083 | 746,966 |
| (2,844,642) | - | 121,602 | (1,483,471) |
| 19,073,974 | - | 1,081,117 | 32,894,683 |
| \$ 16,229,332 | \$ - | \$ 1,202,719 | \$ 31,411,212 |
| \$ 15,302,653 | \$ - | \$ 1,202,719 | \$ 30,357,298 |
| 926,679 | - | - | 1,053,914 |
| \$ 16,229,332 | \$ - | \$ 1,202,719 | \$ 31,411,212 |
| \$ (4,950,942) | \$ (371,679) | \$ 114,007 | \$ (1,556,614) |
| 1,272,310 | 276,721 | - | 2,816,291 |
| 18,302 | 77,175 | - | 209,988 |
| (160,295) | (56,592) | - | (340,837) |
| 83,337 | - | (10,617) | 97,693 |
| 223,204 | - | - | 223,202 |
| (77,327) | - | - | (81,244) |
| (363,635) | (6,612) | 8,129 | (284,494) |
| (8,621) | 936 | - | 25,883 |
| 194,480 | 29,526 | - | 198,780 |
| \$ (3,769,187) | \$ (50,525) | \$ 111,519 | \$ 1,308,648 |
| \$ 54,324 | \$ - | \$ - | \$ 54,324 |

CITY OF PAGE, ARIZONA
Statement of Net Position
Fiduciary Funds
June 30, 2023

| | |
|---------------------------|--|
| | Volunteer Firefighters' Pension |
| Assets | |
| Current assets: | |
| Cash and cash equivalents | \$ 556,590 |
| Miscellaneous receivables | 3,296 |
| Total assets | <u>559,886</u> |
| Liabilities | |
| Current liabilities: | |
| Accounts payable | <u>-</u> |
| Total liabilities | <u>-</u> |
| Net position | |
| Restricted for pensions | <u><u>\$ 559,886</u></u> |

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

| | Volunteer Firefighters' Pension |
|--|--|
| Additions | |
| Contributions: | |
| Employer | \$ 814 |
| Employee | 1,717 |
| State fire insurance premium | 21,375 |
| Other | 3,296 |
| | <u>27,202</u> |
| Total contributions | <u>27,202</u> |
| Investment income | |
| Net appreciation (depreciation) in fair value of investments | 43,543 |
| Interest | 19,577 |
| | <u>63,120</u> |
| Net investment earnings (loss) | <u>63,120</u> |
| Total additions | <u>90,322</u> |
| Deductions | |
| Benefits | 44,563 |
| Administration | 2,880 |
| | <u>47,443</u> |
| Total deductions | <u>47,443</u> |
| Net increase (decrease) | 42,879 |
| Net position held in trust for pension benefits: | |
| Beginning of year | <u>517,007</u> |
| End of year | <u><u>\$ 559,886</u></u> |

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies

Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The City of Page, Arizona (the City) was incorporated March 1, 1975, under the provisions of Article 13, Sections 1 through 6, of the Constitution of Arizona and Title 9 of the Arizona Revised Statutes. The City operates under a Council-Manager form of government. The accompanying financial statements present all activities of the City. The City has no separate component units, entities for which the City is considered to be financially accountable that would be combined to form the City's reporting entity.

Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's electric functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of presentation – fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

The **Highway User Revenue Fund** accounts for the City's share of motor fuel tax revenues and lottery proceeds which are restricted for the maintaining, repairing, and upgrading of streets.

The **Grants Fund** is used to account for grants received by the City which are restricted for specific purposes.

The **Capital Projects Fund** accounts for the acquisition and construction of the City's major capital facilities, other than those financed by proprietary funds.

The City reports the following major proprietary funds:

The **Horseshoe Bend Fund** accounts for parking fees and other revenues associated with the operation, construction and maintenance of capital facilities at Horseshoe Bend.

The **Water Fund** accounts for the City's water utility operations.

The **Sewer Fund** accounts for the City's wastewater utility operations.

The **Electric Fund** accounts for the City's electrical services and operations.

Additionally, the City reports the following fund types:

The **Pension Trust Fund** accounts for the Volunteer Firefighters' Pension Plan, which accumulates resources for pension benefit payments to qualified volunteer firefighters and EMS personnel.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary and pension trust funds are reported using the *economic resources measurement* focus and the accrual basis of accounting.

Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash and cash equivalents

Cash includes cash on hand, demand deposits with banks and other financial institutions, deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts and short-term investments with original maturities of three months or less from the date of acquisition.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Investments

The City's policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the state treasurer's pool, obligations of the U. S. Government and other investments as allowed by Arizona State Statutes. All investments are carried at fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices. The reported value of the state treasurer's pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Internal balances" in the Statement of Net Position and as "Due to" or "Due from" other funds in the fund financial statements. All trade accounts receivable in the General Fund and proprietary funds are shown net of an allowance for doubtful accounts.

The City is the lessor for several land and building leases for aviation services. The leases are for periods of 1 to 40 years, are typically based on square footage involved in the lease and do not include variable payment terms. The City had deferred inflows and receivables of \$3,543,951 as of June 30, 2023 and had related revenues of \$409,172 for the year. The related lease receivables and deferred inflows of resources are recognized at the present value of future lease payments expected to be received during the lease term. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Inventories and Prepaid Items

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Inventories for the proprietary funds consist principally of materials used in the repair of the distribution, collection and treatment systems and are valued at cost. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capitalized assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City are depreciated/amortized using the straight line method over the following estimated useful lives:

| | |
|---|----------------|
| Building and improvements | 7 to 40 years |
| Machinery and equipment | 5 to 15 years |
| Electric, Water, and Sewer systems | 10 to 40 years |
| Streets, sidewalks & other infrastructure | 15 to 40 years |
| Intangibles: Right-to-use lease assets: | |
| Equipment | 5 years |

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. The pension/OPEB related items reported on the government-wide and proprietary fund financial statements. See footnote 9 for more information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The first type arises from aviation related leases. These amounts are recognized as income in the period that the amounts become available. The second type is pension/OPEB related items reported on the government-wide and proprietary fund financial statements. See footnote 9 for more information.

Pension and other postemployment benefits

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

Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements,

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council (Council) has authorized the Finance Director to assign fund balance. The policy used by the governing body to authorize the assignment of fund balance is the City of Page Financial Management Policy. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and expenditures/expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Property taxes

The City does not currently have a levy for any property taxes.

Compensated absences

The City's policy permits employees to accumulate earned but unused vacation and sick leave benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Employees may not accrue more than 960 hours of sick leave except for the purposes of payment as follows. Once the maximum limit of 960 hours has been accumulated, an employee hired before July 1, 2017, may elect to be paid for the excess of 960 sick hours at a rate of 75% their base pay or purchase service time from ASRS/PSPRS (if eligible) at a rate of 75% their base pay. Upon separation from City employment, an employee may be eligible to be paid at full face value for accrued sick leave if (1) the employee has been employed by any department with the City for ten continuous years and (2) the employee applies for and elects to receive ASRS/PSPRS benefits immediately upon separation from City service. Employees hired on or after July 1, 2017, upon separation from City employment, shall be eligible for accrued sick leave over 560 hours, up to 400 hours, if (1) the employee has been employed by any department with the City for ten continuous years and (2) the employee applies for and elects to receive ASRS benefits City of Page Personnel Rules 19 Revised October, 2018 immediately upon separation from City service. No payment will be made for the first 560 hours of accumulation or beyond 400 additional hours. Termination of the employee will forfeit payment of all sick leave.

Leases and Subscription-Based Information Technology Arrangements

As lessee, the City recognizes lease liabilities for agreements which convey the right to use an asset to the City and meet the criteria specified in GASB 87 and GASB 96. The City uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The City's estimated incremental borrowing rate is based on the City's most recent borrowing rate and/or the changes in the consumer price index.

As lessor, the City recognizes lease receivables for agreements which convey to another entity or individual the right to use one of the City's assets and meet the criteria specified in GASB 87 and GASB 96. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City's estimated incremental borrowing rate is calculated as described above.

Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, sanitation and electric funds are charges to customers for sales and services.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 1. Summary of Significant Accounting Policies, Continued

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Tax Abatements

The City has not entered into any tax abatement agreements and the City is not aware of any tax abatement agreements that have been entered into by other governments that would reduce the City's tax revenues.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Change in accounting principle

For the year ended June 30, 2023, the City of Page implemented the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which (1) defines a subscription-based information technology arrangement (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The City of Page had no SBITAs during the year ended June 30, 2023 as defined by GASB statement No. 96.

Note 3. Stewardship, Compliance, and Accountability

Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the City. The use of budgets and monitoring of equity status facilitate the City's compliance with legal requirements.

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 3. Stewardship, Compliance, and Accountability, Continued

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

1. In accordance with Arizona Revised Statutes, the City Manager submits a proposed budget for the fiscal year commencing the following July 1 to the City Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in July, the expenditure limitation for the City is legally enacted through passage of a resolution. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total City expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. State law requires that, prior to April 1, the Economic Estimates Commission provides the City with a final expenditure limit for the coming fiscal year.
5. Expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the City adopts a budget by department for the General Fund and in total by fund for other funds. The City Council has adopted a budget transfer policy and all amendments must be done in accordance with this policy.
6. The City has adopted budgets in accordance with A.R.S. requirements and utilizes the budgets as a management control device during the year for the General, Special Revenue, Debt Service and Enterprise funds. The budgets are prepared on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The City is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the City to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The City complied with this law during the year.

There were no supplementary budgetary appropriations made during the year ended June 30, 2023. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation for future years, is not employed by the City.

Expenditures over Appropriations

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual reports as listed in the table of contents present all of the departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2023, if any.

Highway User Revenue Funds

Highway user revenue fund monies received by the City pursuant to title 28, chapter 18, article 2 and other dedicated state transportation revenues received during the current fiscal year have been used solely for authorized transportation purposes.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 4. Deposits and Investments

A reconciliation of cash and investments as shown on the Statements of Net Position is as follows:

| | |
|--|-----------------------------|
| Cash and cash equivalents | \$ 52,666,515 |
| Investments | 18,894,397 |
| Restricted cash and cash equivalents | 1,100,166 |
| Fiduciary Fund cash and cash equivalents | <u>556,590</u> |
| Total | <u><u>\$ 73,217,668</u></u> |

Deposits

Custodial Credit Risk

For deposits this is the risk that in the event of a bank failure, the City's deposit may not be returned to it. The City does not have a formal policy for custodial credit risk. As of June 30, 2023, none of the City's bank balance of \$20,490,218.54 was exposed to custodial credit risk because it was not covered by FDIC insurance or collateralized with securities held by the pledging financial institution's trust department or agent.

Investments

The Arizona State Treasurer's Office operates the Local Government Investment Pool (LGIP). The LGIP is available for investment of funds administered by any Arizona Public Treasurer.

The LGIP is not registered with the SEC as an investment company. The State Board of Investments provides oversight for the State Treasurer's investment pools. Deposits in the LGIP are not insured or otherwise guaranteed by the State of Arizona, and participants share proportionally in any realized gain or losses on investments.

The provisions of State law (A.R.S. 35-323) govern the investment of funds in excess of \$100,000. A.R.S. 35-323 allows for investment in certificates of deposit, interest bearing savings accounts, repurchase agreements with a maximum maturity of 180 days, pooled investment funds established by the State Treasurer, obligations guaranteed by the United States, bonds of the State of Arizona or other local municipalities, commercial paper of prime quality that is rated "P1" by Moody's investors or "A1" by Standard and Poor's rating service, and bonds, debentures or notes that are issued by corporations organized and doing business in the United States subject to certain restrictions. For investments of less than \$100,000, procedures as specified by local ordinance or resolution must be followed.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 4. Deposits and Investments, Continued

As of June 30, 2023 the City had the following deposits and investments:

| | Fair Value | Quality Rating | Weighted Average Maturity (2) |
|-----------------------------------|----------------------|-------------------|-------------------------------------|
| Deposits: | | | |
| Cash on hand | \$ 181 | N/A | N/A |
| Cash in bank | 20,167,906 | N/A | N/A |
| Investments: | | | |
| State Treasurer's Investment Pool | 33,560,535 | AAA | 3.68 Years |
| U.S. Government Agency Securities | 9,772,045 | AA+ | 0.93 Years |
| Mutual Funds | 534,901 | N/A | N/A |
| Certificates of deposit | 9,182,100 | N/A | N/A |
| Total cash and investments | <u>\$ 73,217,668</u> | | |

- (1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable. Ratings for the City's investment in the State Treasurer's Investment Pool #7 and the U.S. Government Agency Securities are provided from Standard and Poor's.
- (2) State Treasurer's Investment Pool is valued at the pool's share price multiplied by the number of shares the Town held. The fair value of a participant's position in the pools approximate the value of that participant's shares. (Level 2 inputs).
- (3) Interest Rate Risk is estimated using the weighted average days to maturity.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the provisions of State law (A.R.S. 35- 323). A.R.S. 35-323 requires that the City's investment portfolio maturities do not exceed five years from the time of purchase.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with State law (A.R.S. 35-323). A.R.S. 35-323 limits investment in commercial paper and corporate bonds to the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor's and Moody's Investor Services.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 4. Deposits and Investments, Continued

Fair value measurements

As noted above, the City holds investments that are measured at fair value on a recurring basis. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The State Treasurer's Investment Pool, U.S Government Agency Securities, mutual funds, and certificates of deposit, as listed above, are valued using quoted market prices (Level 2 inputs).

Note 5. Restricted Assets

Restricted assets at June 30, 2023 consisted of the following cash reserves:

| <u>Restricted Cash</u> | |
|-----------------------------------|------------------------------|
| Magistrate Bond Deposits | \$ 6,316 |
| Refundable Deposits | 14,801 |
| Airport - Refundable Deposits | 25,135 |
| Water Fund - Customer Deposits | 127,235 |
| Electric Fund - Customer Deposits | <u>926,679</u> |
| Total Restricted Cash | <u><u>\$ 1,100,166</u></u> |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 6. Capital Assets

The following table summarizes the changes to capital assets for governmental activities during the year:

| Governmental Activities: | Balance 06/30/22 | Additions | Deletions | Balance 06/30/23 |
|--|----------------------|---------------------|-----------------------|----------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 44,521,257 | \$ 800,000 | \$ (368) | \$ 45,320,889 |
| Construction in progress | 1,598,689 | 1,469,409 | (1,644,843) | 1,423,255 |
| Total capital assets, not being depreciated | 46,119,946 | 2,269,409 | (1,645,211) | 46,744,144 |
| Capital assets, being depreciated | | | | |
| Buildings and improvements | 19,864,037 | 2,750,121 | - | 22,614,158 |
| Furniture, equipment, and vehicles | 10,446,670 | 1,419,752 | (446,370) | 11,420,052 |
| Infrastructure | 36,370,367 | 1,401,080 | - | 37,771,447 |
| Total capital assets being depreciated | 66,681,074 | 5,570,953 | (446,370) | 71,805,657 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (11,811,454) | (580,624) | - | (12,392,078) |
| Furniture, equipment, and vehicles | (7,667,671) | (654,465) | 437,403 | (7,884,733) |
| Infrastructure | (16,118,428) | (1,253,551) | - | (17,371,979) |
| Total accumulated depreciation | (35,597,553) | (2,488,640) | 437,403 | (37,648,790) |
| Total capital assets, being depreciated, net | 31,083,521 | 3,082,313 | (8,967) | 34,156,867 |
| Governmental activities capital assets, net | <u>\$ 77,203,467</u> | <u>\$ 5,351,722</u> | <u>\$ (1,654,178)</u> | <u>\$ 80,901,011</u> |

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

| | |
|--|---------------------|
| Governmental Activities: | |
| General government | \$ 218,772 |
| Public safety | 531,041 |
| Public works | 1,519,930 |
| Culture and recreation | 168,867 |
| Community support | 50,030 |
| Total depreciation expense - governmental activities | <u>\$ 2,488,640</u> |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 6. Capital Assets, Continued

The following table summarizes the changes to capital assets for business-type activities during the year:

| Business Type Activities: | Balance June 30, 2022 | Additions | Deletions | Balance June 30, 2023 |
|--|--------------------------|---------------------|--------------------|--------------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 63,000 | \$ - | \$ - | \$ 63,000 |
| Construction in progress | 255,078 | 350,877 | (24,670) | 581,285 |
| Total capital assets, not being depreciated | 318,078 | 350,877 | (24,670) | 644,285 |
| Capital assets, being depreciated | | | | |
| Buildings and improvements | 34,642,026 | 480,212 | - | 35,122,238 |
| Furniture, equipment, and vehicles | 13,841,622 | 496,384 | (230,338) | 14,107,668 |
| Electric distribution system | 29,468,319 | 607,857 | - | 30,076,176 |
| Water distribution system | 18,151,498 | 158,816 | - | 18,310,314 |
| Sewer distribution system | 10,963,797 | 50,628 | - | 11,014,425 |
| Total capital assets being depreciated | 107,067,262 | 1,793,897 | (230,338) | 108,630,821 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (16,453,278) | (859,942) | - | (17,313,220) |
| Furniture, equipment, and vehicles | (8,849,452) | (666,973) | 194,734 | (9,321,691) |
| Electric distribution system | (20,148,253) | (641,383) | - | (20,789,636) |
| Water distribution system | (13,241,890) | (449,953) | - | (13,691,842) |
| Sewer distribution system | (10,325,214) | (158,219) | - | (10,483,434) |
| Total accumulated depreciation | (69,018,087) | (2,776,470) | 194,734 | (71,599,824) |
| Total capital assets, being depreciated, net | 38,049,175 | (982,573) | (35,604) | 37,030,998 |
| Leased right-to-use asset being amortized | | | | |
| Leased right-to-use equipment | 215,995 | - | - | 215,995 |
| Accumulated amortization | | | | |
| Leased right-to-use equipment | (79,641) | (39,820) | - | (119,461) |
| Leased right-to-use asset being amortized, net | 136,354 | (39,820) | - | 96,534 |
| Total capital assets, net | <u>\$ 38,503,607</u> | <u>\$ (671,516)</u> | <u>\$ (60,274)</u> | <u>\$ 37,771,817</u> |

Business-Type Activities:

| | |
|--|---------------------|
| Water | \$ 617,544 |
| Sewer | 516,755 |
| Electric | 1,272,310 |
| Horseshoe Bend | 132,961 |
| Golf | 236,900 |
| Total depreciation expense business-type activities | <u>\$ 2,776,470</u> |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 7. Long-Term Liabilities

The following is a summary of changes in long-term obligations for the year ended June 30, 2023:

| Governmental activities: | Balance June 30, 2022 | Additions | Retirements | Balance June 30, 2023 | Current Portion |
|---|--------------------------|---------------------|-----------------------|--------------------------|---------------------|
| General Obligation: | | | | | |
| Notes payable | \$ 432,344 | \$ - | \$ (432,344) | \$ - | \$ - |
| Total General Obligation | 432,344 | - | (432,344) | - | - |
| Revenue Obligation: | | | | | |
| Pledged Revenue Refunding Obligations, Series 2011 | - | - | - | - | - |
| Bond Premiums | - | - | - | - | - |
| Total Revenue Obligation | - | - | - | - | - |
| Accrued compensated absences | 979,904 | 636,938 | (657,735) | 959,107 | 623,420 |
| Net pension/OPEB liabilities | 4,015,068 | 1,826,235 | - | 5,841,303 | - |
| Total Governmental Activity Long-term Liabilities | \$ 5,427,316 | \$ 2,463,173 | \$ (1,090,078) | \$ 6,800,410 | \$ 623,420 |
| Business-type activities: | | | | | |
| Notes payable | \$ 52,695 | \$ - | \$ (25,440) | \$ 27,255 | \$ 26,505 |
| Lease obligations - equipment | 145,224 | - | (44,015) | 101,209 | 51,605 |
| Accrued compensated absences | 477,908 | 211,070 | (185,188) | 503,790 | 327,464 |
| Net pension/OPEB liabilities | 3,040,075 | 575,717 | - | 3,615,792 | - |
| Total Business-type Activity Long-term Liabilities | 3,715,902 | 786,787 | (254,643) | 4,248,046 | 405,574 |
| Total Long-Term Liabilities | <u>\$ 9,143,218</u> | <u>\$ 3,249,960</u> | <u>\$ (1,344,722)</u> | <u>\$ 11,048,456</u> | <u>\$ 1,028,993</u> |

Generally, resources from the General fund are used to liquidate net pension/OPEB liabilities and compensated absences for governmental activities.

The City has no unused lines of credit as of June 30, 2023.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 7. Long-Term Liabilities, Continued

The City has no direct borrowings or placements of debt.

The City has entered into six note payable agreements for financed purchases of various equipment. The following is list of notes payable balances as of and for the year ending June 30, 2023:

Notes Payable

Governmental Activities

| | | |
|----------------------------------|----|---|
| Total governmental notes payable | \$ | - |
|----------------------------------|----|---|

Business-Type Activities

| | | |
|--|----|--------|
| Lawn mowers, bearing interest of 4.10%, with monthly principal and interest payments of \$2,281 maturing September 2024. | \$ | 27,252 |
| | | 27,252 |
| Total business-type notes payable | | 27,252 |
| Total notes payable | \$ | 27,252 |

The following is the annual schedule of future payments for the City's notes payable for the fiscal years ending June 30:

| Fiscal Year Ending June 30, | Governmental Activities | | Business-Type Activities | |
|--------------------------------|-------------------------|----------|--------------------------|----------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ - | \$ - | \$ 26,505 | \$ 870 |
| 2025 | - | - | 747 | 39 |
| Thereafter | - | - | - | - |
| Total notes payable | \$ - | \$ - | \$ 27,252 | \$ 909 |

The City has entered into two lease agreements for various equipment for the Golf Fund.

The City entered into a five-year lease agreement as lessee for the acquisition and use of 62 golf carts. The lease had an initial liability of \$185,823. As of June 30, 2023, the value of the lease liability was \$89,256. The City is required to make monthly principal and interest payments of \$3,800. The lease has an interest rate of 10.92%. In addition, the City will not purchase the equipment at the end of the lease term. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$185,823 and had accumulated amortization of \$101,358.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 7. Long-Term Liabilities, Continued

The City entered into a five-year lease agreement as lessee for the acquisition and use of a beverage cart. The lease had an initial liability of \$30,172. As of June 30, 2023, the value of the lease liability was \$11,952. The City is required to make monthly principal and interest payments of \$564. The lease has an interest rate of 3.99%. In addition, the City will not purchase the equipment at the end of the lease term. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$30,172 and had accumulated amortization of \$18,103.

The future principle and interest lease payments are as follows:

| Fiscal Year Ending June 30, | Governmental Activities | | Business-Type Activities | |
|--------------------------------|-------------------------|-------------|--------------------------|-----------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ - | \$ - | \$ 51,605 | \$ 763 |
| 2025 | - | - | 49,604 | 244 |
| 2026 | - | - | - | - |
| 2027 | - | - | - | - |
| Total lease payments | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 101,209</u> | <u>\$ 1,007</u> |

Available Borrowing Capacity:

Prior to fiscal year 2007, under Arizona law, cities could issue general obligation bonds for purposes of water, sewer, artificial light, open space preserves, parks, playgrounds, and recreational facilities, up to an amount not exceeding 20% of a City's Secondary Net Assessed Valuation. In fiscal year 2007, Arizona voters approved an amendment to the Arizona Constitution to allow cities to include debt for the acquisition and development of public safety, law enforcement, fire and emergency facilities, and streets and transportation facilities in the 20% debt limit. General Obligation Bonds for all other purposes may be issued up to an amount not exceeding 6% of Secondary Net Assessed Valuation.

As of June 30, 2023 the City has no debt outstanding applicable to the 20% limit and no outstanding general obligation bonds applicable to the 6% limit. Accordingly at June 30, 2023, the City's legal borrowing capacity is \$37,739,288 for the 20% limit and \$11,321,786 for the general obligation 6% limit.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 8. Interfund Receivables, Payables and Transfers

As of June 30, 2023, interfund receivables and payables that resulted from various interfund transactions were as follows:

| Due To: | Due From: | | | | | Total |
|------------------------------|---------------------|--------------------------|----------------------------|----------------------|-------------------|---------------------|
| | General Fund | Highway User Fund | Horseshoe Bend Fund | Electric Fund | Golf Fund | |
| General | \$ - | \$ 48,065 | \$ 581,240 | \$ 13,986 | \$ 622,647 | \$ 1,265,939 |
| Capital Project Fund | - | - | 774,554 | - | - | 774,554 |
| Non-Major Governmental Funds | 371 | - | - | - | - | 371 |
| Total | \$ 371 | \$ 48,065 | \$ 1,355,794 | \$ 13,986 | \$ 622,647 | \$ 2,040,864 |

The Horseshoe Bend balance of \$774,554 payable to the Capital Projects fund is payable over 5 years at 6% interest with 3 years remaining. The Horseshoe Bend balance of \$581,240 payable to the General fund is payable over 6 years at 6% interest with 4 years remaining.

Interfund transfers for the fiscal year ended June 30, 2023 are as follows:

| Transfers Out: | Transfers In: | | |
|------------------------|----------------------|------------------------------|---------------------|
| | General Fund | Capital Projects Fund | Total |
| General Fund | \$ - | \$ 3,359,480 | \$ 3,359,480 |
| Airport Fund | 213,590 | 62,973 | 276,563 |
| Grants fund | 31,030 | - | 31,030 |
| Non-Major Governmental | 857,102 | - | 857,102 |
| HURF Fund | - | 15,919 | 15,919 |
| Horseshoe Bend Fund | 1,865,554 | 401,658 | 2,267,212 |
| Total Transfers | \$ 2,967,276 | \$ 3,840,030 | \$ 6,807,306 |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits

The City contributes to the Arizona State Retirements System and Public Safety Personnel Retirement System plans described below. The plans are component units of the State of Arizona. At June 30, 2023, the City reported the following aggregate amounts related to pensions and other post-employment benefits (OPEB) for all plans to which it contributes:

| Statement of Net Position and | | | | Governmental | Business-Type |
|--------------------------------------|-------------|--------------|-----------------|-------------------------|-------------------------|
| | | | Combined | | |
| Statement of Activities | ASRS | PSPRS | Total | Activities Total | Activities Total |
| Net OPEB asset | \$ 331,399 | \$ 604,907 | \$ 936,306 | \$ 809,600 | \$ 126,706 |
| Net OPEB liabilities | 5,402 | - | 5,402 | 3,337 | 2,065 |
| Net pension liabilities | 9,457,095 | - | 9,457,095 | 6,647,566 | 3,740,433 |
| Total pension/OPEB liabilities | 9,462,497 | - | 9,462,497 | 6,650,903 | 3,742,498 |
| Deferred outflows of resources | 1,890,493 | 1,068,174 | 2,958,667 | 2,235,863 | 722,804 |
| Deferred inflows of resources | 584,232 | 555,616 | 1,139,848 | 916,475 | 223,373 |
| Pension/OPEB expense | 1,460,089 | 26,315 | 1,486,404 | 1,281,672 | 202,465 |

The City reported \$836,976 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

Arizona State Retirement System (ASRS)

Plan description – City employees not covered by the other pension plans described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

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

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

* With actuarially reduced benefits.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

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

The City's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2023, were \$873,142, \$8,058, and \$10,255 respectively.

Liability – At June 30, 2023, the City reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability.

| | Net pension/OPEB |
|----------------------------------|---------------------------------|
| | <u>(asset) liability</u> |
| Pension | \$ 9,457,095 |
| Health insurance premium benefit | (331,399) |
| Long-term disability | 5,402 |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

The net asset and net liabilities were measured as of June 30, 2022. The total liability used to calculate the net asset and net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2021, to the measurement date of June 30, 2022. The total liabilities as of June 30, 2022, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

The City's proportion of the net asset or net liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The City's proportions measured as of June 30, 2022, and the change from its proportions measured as of June 30, 2021, were:

| | Proportion June 30, 2021 | Proportion June 30, 2022 | Increase (decrease) from June 30, 2021 |
|----------------------------------|-----------------------------|-----------------------------|--|
| Pension | 0.053640% | 0.057940% | 0.004300% |
| Health insurance premium benefit | 0.054650% | 0.059380% | 0.004730% |
| Long-term disability | 0.054210% | 0.058490% | 0.004280% |

Expense – For the year ended June 30, 2023, the City recognized pension OPEB expense:

| | <u>Pension/OPEB Exp</u> |
|----------------------------------|--------------------------------|
| Pension | \$ 1,507,607 |
| Health insurance premium benefit | (49,904) |
| Long-term disability | 2,386 |

Deferred outflows/inflows of resources – At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

| | Pension | | Health Insurance Premium Benefit | | Long-Term Disability | |
|--|--------------------------------|-------------------------------|----------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 80,580 | \$ - | \$ - | \$ 169,127 | \$ 2,812 | \$ 5,034 |
| Changes of assumptions or other inputs | 469,374 | - | 5,379 | 9,038 | 2,942 | 13,185 |
| Net difference between projected and actual earnings on pension plan investments | - | 249,109 | - | 11,163 | - | 168 |
| Changes in proportion and differences between contributions and proportionate share of contributions | 432,955 | 120,058 | 591 | 5,965 | 4,405 | 1,385 |
| Contributions subsequent to the measurement date | 873,142 | - | 8,058 | - | 10,255 | - |
| Total | <u>\$ 1,856,051</u> | <u>\$ 369,167</u> | <u>\$ 14,028</u> | <u>\$ 195,293</u> | <u>\$ 20,414</u> | <u>\$ 19,772</u> |

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

| Year Ended June 30, | Pension | Health Insurance Premium Benefit | Long-term disability |
|------------------------|------------|-------------------------------------|-------------------------|
| 2023 | \$ 555,772 | \$ (51,864) | \$ (610) |
| 2024 | 91,771 | (56,316) | (911) |
| 2025 | (432,512) | (61,528) | (2,177) |
| 2026 | 398,711 | (10,222) | 101 |
| 2027 | - | (9,393) | (2,076) |
| Thereafter | - | - | (3,940) |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

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

| | |
|-----------------------------|--|
| Actuarial valuation date | June 30, 2021 |
| Actuarial roll forward date | June 30, 2022 |
| Actuarial cost method | Entry age normal |
| Investment rate of return | 7.0% |
| Projected salary increases | 2.9-8.4% for pensions/not applicable for OPEB |
| Inflation | 2.3% |
| Permanent benefit increase | Included for pensions/not applicable for OPEB |
| Mortality rates | 2017 SRA Scale U-MP for pension and health insurance premium benefit |
| Recovery rates | 2012 GLTD for long-term disability |
| Healthcare cost trend rate | Not applicable |

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

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

| Asset Class | Target Allocation | Long-Term Expected Geometric Real Rate of Return |
|--|--------------------------|---|
| Equity | 50% | 3.90% |
| Fixed income - credit | 20% | 5.30% |
| Fixed income - interest rate sensitive | 10% | (0.20%) |
| Real estate | 20% | 6.00% |
| Totals | 100% | |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

Discount Rate – At June 30, 2022, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent, with no change from the discount rate used as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Sensitivity of the proportionate share of the net pension/OPEB (asset) liability to changes in the discount rate – The following table presents the City's proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

| | 1% Decrease (6.0%) | Discount Rate (7.0%) | 1% Increase (8.0%) |
|---|-----------------------|-------------------------|-----------------------|
| Proportionate share of: | | | |
| Net pension (asset) / liability | \$ 13,953,662 | \$ 9,457,095 | \$ 5,707,660 |
| Net insurance premium benefit liability (asset) | (238,294) | (331,399) | (410,396) |
| Net long-term disability liability | 8,955 | 5,402 | 1,959 |

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

Public Safety Personnel Retirement System (PSPRS)

Plan description – City police and fire employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool).

The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. The reports are available on the PSPRS website at www.psprs.com.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

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

| | Initial Membership Date: | |
|--|--|--|
| | Before January 1, 2012 | On or After January 1, 2012 and before July 1, 2017 |
| Retirement and Disability | | |
| Years of service and age required to receive benefit | 20 years of service, any age 15 years of service, age 62 | 25 years of service or 15 years of credited of service, age 52.5 |
| Final average salary is based on | Highest 36 consecutive months of last 20 years | Highest 60 consecutive months of last 20 years |
| Benefit percent | | |
| Normal Retirement | 50% less 4.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80% | 1.5% to 2.5% per year of credited service, not to exceed 80% |
| Accidental Disability Retirement | 50% or normal retirement, whichever is greater | |
| Catastrophic Disability Retirement | 90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater | |
| Ordinary Disability Retirement | Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20 | |
| Survivor Benefit | | |
| Retired Members | 80% to 100% of retired member's pension benefit | |
| Active Members | 80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job | |

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

Employees covered by benefit terms – At June 30, 2023, the following employees were covered by the agent plans' benefit terms:

| PSPRS - Police | Pension | Health |
|--|----------------|---------------|
| Inactive employees or beneficiaries currently receiving benefits | 10 | 10 |
| Inactive employees entitled to but not yet receiving benefits | 6 | 0 |
| Active employees | 9 | 9 |
| Total | 25 | 19 |

| PSPRS - Fire | Pension | Health |
|--|----------------|---------------|
| Inactive employees or beneficiaries currently receiving benefits | 3 | 3 |
| Inactive employees entitled to but not yet receiving benefits | 8 | 0 |
| Active employees | 8 | 8 |
| Total | 19 | 11 |

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

| | Active Member | | City-Health |
|-------------------------------|----------------------|-----------------------|--------------------|
| | Pension | City - Pension | Insurance |
| | | | Premium |
| PSPRS Police | 7.65% | 10.28% | 0.00% |
| PSPRS Police Tier 3 risk pool | 9.00% | 9.00% | 0.24% |
| PSPRS Fire | 7.65% | 11.26% | 0.11% |
| PSPRS Fire Tier 3 risk pool | 9.00% | 9.00% | 0.24% |

In addition, statute required the City to contribute at the actuarially determined rate of 0.80% for police and 1.31% for fire of annual covered payroll of retired members who worked for the City in positions that an employee who contributes to the PSPRS would typically fill and employees participating in the PSPRS Tier 3 Risk Pool.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

The City's contributions to the plans for the year ended June 30, 2023, were:

| Pension | PSPRS Police | PSPRS Fire |
|---|---------------------|-------------------|
| Contributions made | \$ 110,733 | \$ 83,412 |
| PSPRS Tier 3 risk pool contributions | 116,209 | 75,792 |
| Health Insurance Premium Benefit | | |
| Annual OPEB cost | \$ - | \$ 1,141 |
| PSPRS Tier 3 risk pool | - | 1,037 |

During fiscal year 2023, the City paid for PSPRS pension and OPEB contributions 100% from the general fund.

Liability – At June 30, 2023, the City reported the following assets and liabilities.

| | Net pension (asset) liability | Net OPEB (asset) liability |
|--------------|--|---------------------------------------|
| PSPRS Police | \$ 44,529 | \$ (486,598) |
| PSPRS Fire | (136,741) | (26,097) |
| Total | \$ (92,212) | \$ (512,695) |

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

Actuarial assumptions – The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

| | |
|----------------------------|--|
| Actuarial valuation date | June 30, 2022 |
| Actuarial cost method | Entry Age Normal |
| Investment rate of return | 7.2% |
| Wage inflation | 3.0 - 6.25% for pensions/not applicable for OPEB |
| Price inflation | 2.5% for pensions/not applicable for OPEB |
| Cost-of-living adjustment | 1.85% for pension/not applicable for OPEB |
| Mortality rates | PubS-2010 tables |
| Healthcare cost trend rate | Not applicable |

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

The long-term expected rate of return on PSPRS plan investments was determined to be 7.2 using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Geometric Real Rate of Return |
|-------------------------------------|------------------------------|---|
| U.S. public equity | 24% | 3.49% |
| International public equity | 16% | 4.47% |
| Global private equity | 20% | 7.18% |
| Other assets (capital appreciation) | 7% | 4.83% |
| Core bonds | 2% | 0.45% |
| Private credit | 20% | 5.10% |
| Diversifying strategies | 10% | 2.68% |
| Cash - Mellon | 1% | -0.35% |
| Total | 100.00% | |

Discount Rate – At June 30, 2022, the discount rate used to measure the PSPRS total pension/OPEB liability was 7.2 percent. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

Changes in the net pension/OPEB liability

| PSPRS Police | Pension | | | Health insurance premium benefit | | |
|---|-----------------------------|---------------------------------|---------------------------------|----------------------------------|---------------------------------|---------------------------------|
| | Increase (decrease) | | | Increase (decrease) | | |
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at June 30, 2022 | \$ 8,427,046 | \$ 9,439,795 | \$ (1,012,749) | \$ 93,223 | \$ 604,879 | \$ (511,656) |
| Adjustment to beginning of year | - | - | - | - | - | - |
| Changes for the year: | | | | | | |
| Service cost | 157,463 | - | 157,463 | 3,615 | - | 3,615 |
| Interest on total pension liability | 607,898 | - | 607,898 | 6,887 | - | 6,887 |
| Changes of benefit terms | - | - | - | - | - | - |
| Difference between expected and actual experience in the measurement of the pension liability | (49,420) | - | (49,420) | (10,117) | - | (10,117) |
| Changes of assumptions | 133,741 | - | 133,741 | 400 | - | 400 |
| Contributions - employer | - | 91,553 | (91,553) | - | - | - |
| Contributions - employee | - | 74,639 | (74,639) | - | - | - |
| Net investment income | - | (367,156) | 367,156 | - | (23,848) | 23,848 |
| Benefit payments, including refunds of employee contributions | (514,291) | (514,291) | - | (4,986) | (4,986) | - |
| Hall/Parker settlement | - | - | - | - | - | - |
| Plan administrative expenses | - | (6,632) | 6,632 | - | (425) | 425 |
| Other changes* | - | - | - | - | - | - |
| Net changes | 335,391 | (721,887) | 1,057,278 | (4,201) | (29,259) | 25,058 |
| Balances at June 30, 2023 | \$ 8,762,437 | \$ 8,717,908 | \$ 44,529 | \$ 89,022 | \$ 575,620 | \$ (486,598) |

* Other changes include adjustments for prior year GASB 68 and reserve transfer to/from employer and employee reserves.

| PSPRS Fire | Pension | | | Health insurance premium benefit | | |
|---|-----------------------------|---------------------------------|---------------------------------|----------------------------------|---------------------------------|---------------------------------|
| | Increase (decrease) | | | Increase (decrease) | | |
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at June 30, 2022 | \$ 3,295,152 | \$ 3,936,455 | \$ (641,303) | \$ 59,125 | \$ 95,936 | \$ (36,811) |
| Adjustment to beginning of year | - | - | - | - | - | - |
| Changes for the year: | | | | | | |
| Service cost | 125,832 | - | 125,832 | 2,178 | - | 2,178 |
| Interest on total pension liability | 245,426 | - | 245,426 | 4,321 | - | 4,321 |
| Changes of benefit terms | - | - | - | - | - | - |
| Difference between expected and actual experience in the measurement of the pension liability | 59,471 | - | 59,471 | 511 | - | 511 |
| Changes of assumptions | 59,340 | - | 59,340 | 1,255 | - | 1,255 |
| Contributions - employer | - | 102,191 | (102,191) | - | 1,246 | (1,246) |
| Contributions - employee | - | 63,512 | (63,512) | - | - | - |
| Net investment income | - | (155,932) | 155,932 | - | (3,630) | 3,630 |
| Benefit payments, including refunds of employee contributions | (117,967) | (117,967) | - | (4,212) | (4,212) | - |
| Hall/Parker settlement | - | - | - | - | - | - |
| Plan administrative expenses | - | (2,811) | 2,811 | - | (65) | 65 |
| Other changes* | - | (21,453) | 21,453 | - | - | - |
| Net changes | 372,102 | (132,460) | 504,562 | 4,053 | (6,661) | 10,714 |
| Balances at June 30, 2023 | \$ 3,667,254 | \$ 3,803,995 | \$ (136,741) | \$ 63,178 | \$ 89,275 | \$ (26,097) |

* Other changes include adjustments for prior year GASB 68 and reserve transfer to/from employer and

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

Sensitivity of the City's net pension/OPEB (asset) liability to changes in the discount rate – The following table presents the City's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.20%, as well as what the City's net pension/OPEB (assets) liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | 1% Decrease (6.20%) | Current Discount Rate (7.20%) | 1% Increase (8.20%) |
|---------------------------------|------------------------|-------------------------------------|------------------------|
| PSPRS Police | | | |
| Net pension (asset) / liability | \$ 1,129,352 | \$ 44,529 | \$ (848,516) |
| Net OPEB (asset) / liability | (476,176) | (486,598) | (495,381) |
| PSPRS Fire | | | |
| Net pension (asset) / liability | \$ 446,899 | \$ (136,741) | \$ (605,219) |
| Net OPEB (asset) / liability | (18,584) | (26,097) | (32,417) |

Plan fiduciary net position – Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report.

Expense – For the year ended June 30, 2023, the City recognized the following pension and OPEB expense:

| | <u>Pension expense</u> | <u>OPEB expense</u> |
|--------------|------------------------|---------------------|
| PSPRS Police | \$ 62,811 | \$ (31,734) |
| PSPRS Fire | (2,694) | (2,068) |

Deferred outflows/inflows of resources – At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

| PSPRS - Police | <u>Pension</u> | | <u>Health Insurance Premium Benefit</u> | |
|--|--------------------------------------|----------------------------------|---|-------------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 77,406 | \$ 135,924 | \$ 20,452 | \$ 15,658 |
| Changes in assumptions | 162,967 | - | 629 | 935 |
| Net difference between projected and actual earnings on pension plan investments | 105,824 | - | 9,010 | - |
| Contributions subsequent to the measurement date | 226,942 | - | - | - |
| Total | <u>\$ 573,139</u> | <u>\$ 135,924</u> | <u>\$ 30,091</u> | <u>\$ 16,593</u> |
| | | | | |
| PSPRS - Fire | <u>Pension</u> | | <u>Health Insurance Premium Benefit</u> | |
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 81,956 | \$ 379,747 | \$ 5,983 | \$ 22,322 |
| Changes in assumptions | 160,591 | - | 1,778 | 1,030 |
| Net difference between projected and actual earnings on pension plan investments | 51,644 | - | 1,609 | - |
| Contributions subsequent to the measurement date | 159,205 | - | 2,178 | - |
| Total | <u>\$ 453,396</u> | <u>\$ 379,747</u> | <u>\$ 11,548</u> | <u>\$ 23,352</u> |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 9. Pensions and Other Postemployment Benefits, Continued

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

| Year Ending June 30, | Deferred Outflows (Inflows) of Resources | | | |
|-------------------------|--|-------------------------------------|-------------|--------------------------------|
| | PSPRS - Police | | PSPRS Fire | |
| | Pension | Health Insurance Premium Benefit | Pension | Health Insurance Premium |
| 2024 | \$ 40,185 | \$ 955 | \$ (47,481) | \$ (1,792) |
| 2025 | 19,334 | (124) | (50,746) | (2,084) |
| 2026 | (53,973) | (4,064) | (82,276) | (3,022) |
| 2027 | 204,727 | 16,731 | 75,145 | (29) |
| 2028 | - | - | 19,802 | (2,134) |
| Thereafter | - | - | - | (4,921) |

Firefighters' Relief and Pension Fund

The City of Page, Arizona Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the City and a board of trustees for the City's volunteer firefighters. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

As established by the Plan document, all volunteer firefighters participate in the pension plan upon hiring for the volunteer service with the department. The volunteers are required to contribute a minimum of 7% of their earned wage to their pension account with the City matching the 7% contribution. The Plan has a vesting schedule beginning at five years of service vesting at 40% of the City's contributions and ending with 100% of the City's contributions at eight years of service.

No pension provision changes occurred during the year that affected the required contributions made by the City or its voluntary firefighters. The Firefighters' Relief and Pension Fund held no securities of the City or other related parties during the fiscal year or as of the close of the fiscal year.

The State of Arizona is required by statute to contribute a portion of the annual tax received on fire insurance premiums. During the fiscal year ended June 30, 2023, the State's contribution was \$21,375.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City's risk management, property and liability insurance was obtained through the brokers, Arizona Municipal Risk Retention Pool (AMRRP), using Southwest Risk for the coverage. The limit for claims general liability is \$2,000,000 per occurrence on a claims made basis. The City's Worker's Compensation program is also through AMRRP for approximately 155 members. The City has had comparable insurance coverage for the past 49 years, and has had no claims exceeding this insurance coverage.

The City purchases commercial insurance for other risks of loss, including airport activities and employee health and accident. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past thirty fiscal years.

Note 11. Contingent Liabilities and Commitments

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of City management, based on the advice of the City Attorney with respect to such litigation, such matters will not have a material adverse effect on the City's financial position at June 30, 2023.

At year end, the City had the following major construction projects/commitments open:

| Project | Estimated Cost | Construction in Progress |
|--|----------------------|-----------------------------|
| Coppermine Road Sidewalk Improv. | \$ 780,000 | \$ 35,560 |
| Elm Street Park Improvements | 20,000 | 16,976 |
| Storm Drain Improvements - Phase 2 | 860,000 | 455,484 |
| Block 17 Revitalization | 1,750,000 | 195,880 |
| Court Security Improvements | 45,121 | 43,967 |
| South Ramp Reconstr Design (AIP 34) | 2,967,545 | 127,541 |
| Bike Trail/Park | 100,000 | 164,614 |
| Vista Ave Rehabilitation | 579,278 | 45,542 |
| Runway Safety Area | 2,441,291 | 293,244 |
| Segmented Circle Relocation | 297,000 | 28,710 |
| Airport Terminal/Elevator Improvements | 1,150,000 | 15,737 |
| | <u>\$ 10,990,235</u> | <u>\$ 1,423,255</u> |

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2023

Note 12. Landfill Post Closure Care Costs

The City leased a landfill site from the Bureau of Reclamation in prior years. State and Federal laws and regulators required the City to place a final cover on the landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City closed the landfill in the year 2000 and thus, all closure costs have been paid in previous years. Post-closure care costs will continue to be paid in future years. The City does not report a portion of these post-closure care costs as an operation expense in each period based on landfill capacity used as of each balance sheet date, since only that portion of the liability that “would normally be liquidated with the expendable available resources” would be reported as an expenditure in the General Fund. The landfill post-closure care liability at year end is \$327,454 which represents the cumulative amount of post-closure costs to date based on the use of the estimated capacity of the landfill. One hundred percent of the landfill capacity has been used by June 30, 2023. The remaining estimated cost of post-closure care is \$293,852. This amount is based on an estimated annual post-closure cost estimate of \$39,291 multiplied by an annual inflation factor of 1.07479% and the number of years remaining, or 7. The figure is based on what it would cost to perform all post-closure care in 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The City has utilized a local government guarantee rather than establishing a trust fund or other financial mechanism to demonstrate financial responsibility for post-closure costs.

Note 13. Impairment Losses

The City of Page completed preliminary work (architecture, etc.) on a new public works building during the year ended June 30, 2022 and in years prior. These amounts were recorded in CIP in these prior years. In the year ended June 30, 2023 the City decided to purchase a public works building instead of continuing to pursue construction of a public works building, therefore the City has removed these preliminary amounts from CIP and recognize as a program expense (impairment loss) for public works. As a governmental fund activity, this appears on the government wide statements. The total impairment loss for the year was 286,162. This amount also includes some small amounts from projects not related to the public works building, but were not large enough to merit further information in this disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2023

ASRS - Pension

| | Reporting Fiscal Year (Measurement Date) | | | | | | | | |
|---|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) | 2017 (2016) | 2016 (2015) | 2015 (2014) |
| Proportion of the net pension liability (asset) | 0.057940% | 0.053640% | 0.056130% | 0.048760% | 0.050710% | 0.493800% | 0.049140% | 0.050540% | 0.049360% |
| Proportionate share of the net pension liability (asset) | \$ 9,457,095 | \$ 7,048,058 | \$ 9,725,376 | \$ 7,095,147 | \$ 7,072,260 | \$ 7,692,441 | \$ 7,931,690 | \$ 7,871,684 | \$ 7,303,554 |
| Covered payroll | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 | \$ 4,927,345 | \$ 4,832,709 | \$ 4,635,081 |
| Proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 136.90% | 113.81% | 155.47% | 133.71% | 137.52% | 156.42% | 160.97% | 162.88% | 157.57% |
| Plan fiduciary net position as a percentage of the total pension liability | 74.26% | 78.58% | 69.33% | 73.24% | 73.40% | 69.92% | 67.06% | 68.35% | 69.49% |

Note: In accordance with GASB 68, employers will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net OPEB Liability
June 30, 2023

| ASRS - Health insurance premium benefit | Reporting Fiscal Year (Measurement Date) | | | | | | |
|---|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) | 2017 (2016) |
| Proportion of the net pension liability (asset) | 0.059380% | 0.054650% | 0.056870% | 0.049180% | 0.051180% | 0.049660% | 0.049658% |
| Proportionate share of the net pension liability (asset) | \$ (331,399) | \$ (266,259) | \$ (40,264) | \$ (13,591) | \$ (18,429) | \$ (27,035) | \$ 14,359 |
| Covered payroll | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 | \$ 4,927,345 |
| Proportionate share of the net pension liability (asset) as a percentage of its covered payroll | -4.80% | -4.30% | -0.64% | -0.26% | -0.36% | -0.55% | 0.29% |
| Plan fiduciary net position as a percentage of the total pension liability | 137.79% | 130.24% | 104.33% | 101.62% | 102.20% | 103.57% | 98.02% |
| | | | | | | | |
| ASRS - Long-term disability | Reporting Fiscal Year (Measurement Date) | | | | | | |
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) | 2017 (2016) |
| Proportion of the net pension liability (asset) | 0.058490% | 0.054210% | 0.056510% | 0.048980% | 0.050780% | 0.049440% | 0.049441% |
| Proportionate share of the net pension liability (asset) | \$ 5,402 | \$ 11,190 | \$ 42,869 | \$ 31,908 | \$ 26,533 | \$ 17,921 | \$ 17,767 |
| Covered payroll | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 | \$ 4,927,345 |
| Proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 0.08% | 0.18% | 0.60% | 0.52% | 0.36% | 0.36% | 0.36% |
| Plan fiduciary net position as a percentage of the total pension liability | 95.4 | 90.38% | 68.01% | 72.85% | 77.83% | 84.44% | 85.17% |

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2023

| Public Safety Personnel Retirement System Police | Reporting Fiscal Year (Measurement Date) | | | | | | | | |
|---|---|------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) | 2017 (2016) | 2016 (2015) | 2015 (2014) |
| Total pension liability | | | | | | | | | |
| Service cost | \$ 157,463 | \$ 173,126 | \$ 187,393 | \$ 231,776 | \$ 214,516 | \$ 255,576 | \$ 175,947 | \$ 178,540 | \$ 220,361 |
| Interest on total pension liability | 607,898 | 592,164 | 560,762 | 540,991 | 520,436 | 495,618 | 482,260 | 502,665 | 440,921 |
| Changes of benefit terms | - | - | - | - | - | 103,919 | (15,644) | - | 173,519 |
| Difference between expected and actual experience of the total net pension liability | (49,420) | (23,618) | 154,810 | (46,488) | (165,484) | (176,315) | 32,693 | (409,785) | (421,490) |
| Changes of assumptions | 133,741 | - | - | 105,455 | - | 211,038 | 261,084 | - | 858,808 |
| Benefit payments, including refunds of employee contributions | (514,291) | (506,667) | (410,404) | (422,346) | (410,062) | (479,215) | (543,491) | (516,607) | (412,722) |
| Net change in total pension liability | <u>335,391</u> | <u>235,005</u> | <u>492,561</u> | <u>409,388</u> | <u>159,406</u> | <u>410,621</u> | <u>392,849</u> | <u>(245,187)</u> | <u>859,397</u> |
| Total pension liability - beginning | <u>8,427,046</u> | <u>8,192,041</u> | <u>7,699,480</u> | <u>7,290,092</u> | <u>7,130,686</u> | <u>6,720,065</u> | <u>6,327,216</u> | <u>6,572,403</u> | <u>5,713,006</u> |
| Total pension liability - ending (a) | <u><u>\$ 8,762,437</u></u> | <u><u>\$ 8,427,046</u></u> | <u><u>\$ 8,192,041</u></u> | <u><u>\$ 7,699,480</u></u> | <u><u>\$ 7,290,092</u></u> | <u><u>\$ 7,130,686</u></u> | <u><u>\$ 6,720,065</u></u> | <u><u>\$ 6,327,216</u></u> | <u><u>\$ 6,572,403</u></u> |
| Plan fiduciary net position | | | | | | | | | |
| Contributions - employer | \$ 91,553 | \$ 275,451 | \$ 1,341,843 | \$ 1,658,508 | \$ 1,307,650 | \$ 353,353 | \$ 336,612 | \$ 201,140 | \$ 212,639 |
| Contributions - employee | 74,639 | 82,424 | 90,447 | 101,240 | 114,737 | 110,537 | 107,532 | 125,347 | 110,427 |
| Net investment income | (367,156) | 2,071,581 | 86,399 | 303,632 | 294,286 | 380,194 | 18,774 | 123,864 | 459,460 |
| Benefit payments, including refunds of employee contributions | (514,291) | (506,667) | (410,404) | (422,346) | (410,062) | (479,215) | (543,491) | (516,607) | (412,722) |
| Hall/Parker settlement | - | - | - | - | (96,358) | - | - | - | - |
| Plan administrative expenses | (6,632) | (9,871) | (7,047) | (6,268) | (5,179) | - | - | - | - |
| Other (net transfer) | - | - | - | (208) | 4,307 | (20,929) | 6,527 | (199,585) | (554,962) |
| Net change in plan fiduciary net position | <u>(721,887)</u> | <u>1,912,918</u> | <u>1,101,238</u> | <u>1,634,558</u> | <u>1,209,381</u> | <u>343,940</u> | <u>(74,046)</u> | <u>(265,841)</u> | <u>(185,158)</u> |
| Plan fiduciary net position - beg | <u>9,439,795</u> | <u>7,526,877</u> | <u>6,425,639</u> | <u>4,791,081</u> | <u>3,581,700</u> | <u>3,237,760</u> | <u>3,311,806</u> | <u>3,577,647</u> | <u>3,762,805</u> |
| Plan fiduciary net position - end (b) | <u><u>\$ 8,717,908</u></u> | <u><u>\$ 9,439,795</u></u> | <u><u>\$ 7,526,877</u></u> | <u><u>\$ 6,425,639</u></u> | <u><u>\$ 4,791,081</u></u> | <u><u>\$ 3,581,700</u></u> | <u><u>\$ 3,237,760</u></u> | <u><u>\$ 3,311,806</u></u> | <u><u>\$ 3,577,647</u></u> |
| Net pension liability - ending (a) - (b) | <u><u>\$ 44,529</u></u> | <u><u>\$ (1,012,749)</u></u> | <u><u>\$ 665,164</u></u> | <u><u>\$ 1,273,841</u></u> | <u><u>\$ 2,499,011</u></u> | <u><u>\$ 3,548,986</u></u> | <u><u>\$ 3,482,305</u></u> | <u><u>\$ 3,015,410</u></u> | <u><u>\$ 2,994,756</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 99.49% | 112.02% | 91.88% | 83.46% | 65.72% | 50.23% | 48.18% | 52.34% | 54.43% |
| Covered payroll | \$ 685,878 | \$ 782,335 | \$ 892,406 | \$ 936,923 | \$ 1,100,649 | \$ 1,170,755 | \$ 947,481 | \$ 858,148 | \$ 908,313 |
| Net pension liability as a percentage of covered payroll | 6.49% | -129.45% | 74.54% | 135.96% | 227.05% | 303.14% | 367.53% | 351.39% | 329.71% |

Note: In accordance with GASB 68, employers will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2023

| Public Safety Personnel Retirement System Fire | Reporting Fiscal Year (Measurement Date) | | | | | | | | |
|--|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) | 2017 (2016) | 2016 (2015) | 2015 (2014) |
| Total pension liability | | | | | | | | | |
| Service cost | \$ 125,832 | \$ 146,582 | \$ 152,678 | \$ 178,178 | \$ 172,306 | \$ 186,973 | \$ 163,277 | \$ 160,587 | \$ 144,197 |
| Interest on total pension liability | 245,426 | 250,420 | 231,873 | 226,814 | 200,929 | 184,687 | 177,931 | 163,937 | 146,905 |
| Changes of benefit terms | - | - | - | - | - | 39,975 | 61,000 | - | 44,094 |
| Difference between expected and actual experience of the total net pension liability | 59,471 | (249,409) | 56,690 | (272,319) | (21,150) | (102,499) | (159,489) | (24,495) | (223,231) |
| Changes of assumptions | 59,340 | - | - | 88,892 | - | 93,531 | 104,754 | - | 212,265 |
| Benefit payments, including refunds of employee contributions | (117,967) | (272,533) | (89,616) | (79,936) | (108,693) | (176,446) | (150,490) | (95,733) | (135,179) |
| Net change in total pension liability | 372,102 | (124,940) | 351,625 | 141,629 | 243,392 | 226,221 | 196,983 | 204,296 | 189,051 |
| Total pension liability - beginning | 3,295,152 | 3,420,092 | 3,068,467 | 2,926,838 | 2,683,446 | 2,457,225 | 2,260,242 | 2,055,946 | 1,866,895 |
| Total pension liability - ending (a) | \$ 3,667,254 | \$ 3,295,152 | \$ 3,420,092 | \$ 3,068,467 | \$ 2,926,838 | \$ 2,683,446 | \$ 2,457,225 | \$ 2,260,242 | \$ 2,055,946 |
| Plan fiduciary net position | | | | | | | | | |
| Contributions - employer | \$ 102,191 | \$ 156,258 | \$ 232,076 | \$ 345,573 | \$ 327,142 | \$ 129,943 | \$ 121,210 | \$ 107,714 | \$ 121,193 |
| Contributions - employee | 63,512 | 64,957 | 68,288 | 66,450 | 84,197 | 101,145 | 102,410 | 99,301 | 88,424 |
| Net investment income | (155,932) | 870,215 | 37,611 | 138,804 | 149,674 | 215,948 | 10,162 | 58,052 | 192,408 |
| Benefit payments, including refunds of employee contributions | (117,967) | (272,533) | (89,616) | (79,936) | (108,693) | (176,446) | (150,490) | (95,733) | (135,179) |
| Hall/Parker settlement | - | - | - | - | (65,480) | - | - | - | - |
| Plan administrative expenses | (2,811) | (4,043) | (3,066) | (3,388) | (2,978) | - | - | - | - |
| Other (net transfer) | (21,453) | - | - | (938) | 24 | (23,091) | (20,575) | (2,962) | (242,261) |
| Net change in plan fiduciary net position | (132,460) | 814,854 | 245,293 | 466,565 | 383,886 | 247,499 | 62,717 | 166,372 | 24,585 |
| Plan fiduciary net position - beg | 3,936,455 | 3,121,601 | 2,876,308 | 2,409,743 | 2,025,857 | 1,778,358 | 1,715,641 | 1,549,269 | 1,524,684 |
| Plan fiduciary net position - end (b) | \$ 3,803,995 | \$ 3,936,455 | \$ 3,121,601 | \$ 2,876,308 | \$ 2,409,743 | \$ 2,025,857 | \$ 1,778,358 | \$ 1,715,641 | \$ 1,549,269 |
| Net pension liability - ending (a) - (b) | \$ (136,741) | \$ (641,303) | \$ 298,491 | \$ 192,159 | \$ 517,095 | \$ 657,589 | \$ 678,867 | \$ 544,601 | \$ 506,677 |
| Plan fiduciary net position as a percentage of the total pension liability | 103.73% | 119.46% | 91.27% | 93.74% | 82.33% | 75.49% | 72.37% | 75.91% | 75.36% |
| Covered payroll | \$ 613,791 | \$ 575,890 | \$ 673,289 | \$ 724,034 | \$ 819,724 | \$ 881,946 | \$ 907,097 | \$ 861,668 | \$ 902,241 |
| Net pension liability as a percentage of covered payroll | -22.28% | -111.36% | 44.33% | 26.54% | 63.08% | 74.56% | 74.84% | 63.20% | 56.16% |

Note: In accordance with GASB 68, employers will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2023

| PSPRS - Police Health Insurance Premium Benefit | Reporting Fiscal Year (Measurement Date) | | | | | |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) |
| Total pension liability | | | | | | |
| Service cost | \$ 3,615 | \$ 4,051 | \$ 4,364 | \$ 3,852 | \$ 3,962 | \$ 4,566 |
| Interest on total pension liability | 6,887 | 4,512 | 4,037 | 4,073 | 4,021 | 4,129 |
| Changes of benefit terms | - | - | - | - | - | 352 |
| Difference between expected and actual experience of the total net pension liability | (10,117) | 29,140 | 1,791 | (9,257) | (9,154) | (4,656) |
| Changes of assumptions | 400 | - | - | 720 | - | (4,793) |
| Benefit payments, including refunds of employee contributions | (4,986) | (4,466) | (786) | - | - | - |
| Net change in total pension liability | (4,201) | 33,237 | 9,406 | (612) | (1,171) | (402) |
| Total pension liability - beginning | 93,223 | 59,986 | 50,580 | 51,192 | 52,363 | 52,765 |
| Total pension liability - ending (a) | <u>\$ 89,022</u> | <u>\$ 93,223</u> | <u>\$ 59,986</u> | <u>\$ 50,580</u> | <u>\$ 51,192</u> | <u>\$ 52,363</u> |
| Plan fiduciary net position | | | | | | |
| Contributions - employer | \$ - | \$ - | \$ - | \$ - | \$ (208) | \$ - |
| Contributions - employee | - | - | - | - | - | - |
| Net investment income | (23,848) | 132,030 | 6,015 | 24,338 | 29,362 | 44,333 |
| Benefit payments, including refunds of employee contributions | (4,986) | (4,466) | (786) | - | - | - |
| Plan administrative expenses | (425) | (543) | (489) | (420) | (447) | |
| Other changes | - | - | - | 209 | - | (392) |
| Net change in plan fiduciary net position | (29,259) | 127,021 | 4,740 | 24,127 | 28,707 | 43,941 |
| Plan fiduciary net position - beg | 604,879 | 477,858 | 473,118 | 448,991 | 420,284 | 376,343 |
| Plan fiduciary net position - end (b) | <u>\$ 575,620</u> | <u>\$ 604,879</u> | <u>\$ 477,858</u> | <u>\$ 473,118</u> | <u>\$ 448,991</u> | <u>\$ 420,284</u> |
| Net pension liability - ending (a) - (b) | <u>\$ (486,598)</u> | <u>\$ (511,656)</u> | <u>\$ (417,872)</u> | <u>\$ (422,538)</u> | <u>\$ (397,799)</u> | <u>\$ (367,921)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 646.60% | 648.85% | 796.62% | 935.39% | 877.07% | 802.64% |
| Covered payroll | \$ 685,878 | \$ 782,335 | \$ 892,406 | \$ 936,923 | \$ 1,100,649 | \$ 1,170,755 |
| Net pension liability as a percentage of covered payroll | -70.95% | -65.40% | -46.83% | -45.10% | -36.14% | -31.43% |

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2023

| PSPRS - Fire Health Insurance Premium Benefit | Reporting Fiscal Year (Measurement Date) | | | | | |
|--|---|--------------------|--------------------|--------------------|-------------------|-------------------|
| | 2023 (2022) | 2022 (2021) | 2021 (2020) | 2020 (2019) | 2019 (2018) | 2018 (2017) |
| Total pension liability | | | | | | |
| Service cost | \$ 2,178 | \$ 2,709 | \$ 3,187 | \$ 2,787 | \$ 2,787 | \$ 2,910 |
| Interest on total pension liability | 4,321 | 4,614 | 3,932 | 4,976 | 4,347 | 4,491 |
| Changes of benefit terms | - | - | - | - | - | 272 |
| Difference between expected and actual experience of the total net pension liability | 511 | (6,582) | 6,653 | (21,552) | 1,174 | (5,723) |
| Changes of assumptions | 1,255 | - | - | 1,017 | - | (1,828) |
| Benefit payments, including refunds of employee contributions | (4,212) | (4,213) | (2,257) | (1,200) | (1,200) | (1,200) |
| Net change in total pension liability | 4,053 | (3,472) | 11,515 | (13,972) | 7,108 | (1,078) |
| Total pension liability - beginning | 59,125 | 62,597 | 51,082 | 65,054 | 57,946 | 59,024 |
| Total pension liability - ending (a) | \$ 63,178 | \$ 59,125 | \$ 62,597 | \$ 51,082 | \$ 65,054 | \$ 57,946 |
| Plan fiduciary net position | | | | | | |
| Contributions - employer | \$ 1,246 | \$ 1,532 | \$ 2,329 | \$ 2,204 | \$ 2,052 | \$ 2,735 |
| Contributions - employee | - | - | - | - | - | - |
| Net investment income | (3,630) | 20,569 | 946 | 3,864 | 4,618 | 6,863 |
| Benefit payments, including refunds of employee contributions | (4,212) | (4,213) | (2,257) | (1,200) | (1,200) | (1,200) |
| Plan administrative expenses | (65) | (85) | (77) | (67) | (70) | |
| Other changes | - | - | - | 938 | - | (61) |
| Net change in plan fiduciary net position | (6,661) | 17,803 | 941 | 5,739 | 5,400 | 8,337 |
| Plan fiduciary net position - beg | 95,936 | 78,133 | 77,192 | 71,453 | 66,053 | 57,716 |
| Plan fiduciary net position - end (b) | \$ 89,275 | \$ 95,936 | \$ 78,133 | \$ 77,192 | \$ 71,453 | \$ 66,053 |
| Net pension liability - ending (a) - (b) | \$ (26,097) | \$ (36,811) | \$ (15,536) | \$ (26,110) | \$ (6,399) | \$ (8,107) |
| Plan fiduciary net position as a percentage of the total pension liability | 141.31% | 162.26% | 124.82% | 151.11% | 109.84% | 113.99% |
| Covered payroll | \$ 613,791 | \$ 575,890 | \$ 673,289 | \$ 724,034 | \$ 819,724 | \$ 881,946 |
| Net pension liability as a percentage of covered payroll | -4.25% | -6.39% | -2.31% | -3.61% | -0.78% | -0.92% |

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2023

ASRS - Pension

| | Reporting Fiscal Year | | | | | | | | |
|--|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution | \$ 873,142 | \$ 828,411 | \$ 702,485 | \$ 702,401 | \$ 574,955 | \$ 549,366 | \$ 519,238 | 499,192 | 506,890 |
| Contributions in relation to the contractually required contribution | (873,142) | (828,411) | (702,485) | (702,401) | (574,955) | (549,366) | (519,238) | (499,192) | (506,890) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 7,481,843 | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 | \$ 4,927,345 | \$ 4,832,709 |
| Contributions as a percentage of covered payroll | 11.67% | 11.99% | 11.34% | 11.23% | 10.83% | 10.68% | 10.56% | 10.13% | 10.49% |

Note: In accordance with GASB 68, employers will need to disclose a 10-year history for the pension schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2023

ASRS - Health insurance premium benefit

| | Reporting Fiscal Year | | | | | | |
|--|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2017 | 2017 |
| Contractually required contribution | \$ 8,058 | \$ 23,373 | \$ 23,686 | \$ 23,285 | \$ 21,967 | \$ 22,218 | \$ 26,735 |
| Contributions in relation to the contractually required contribution | (8,058) | (23,373) | (23,686) | (23,285) | (21,967) | (22,218) | (26,735) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 7,481,843 | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 |
| Contributions as a percentage of covered payroll | 0.11% | 0.34% | 0.38% | 0.37% | 0.41% | 0.43% | 0.54% |

ASRS - Long-term disability

| | Reporting Fiscal Year | | | | | | |
|--|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Contractually required contribution | \$ 10,255 | \$ 10,829 | \$ 10,932 | \$ 8,140 | \$ 8,057 | \$ 8,079 | \$ 6,724 |
| Contributions in relation to the contractually required contribution | (10,255) | (10,829) | (10,932) | (8,140) | (8,057) | (8,079) | (6,724) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 7,481,843 | \$ 6,908,231 | \$ 6,192,706 | \$ 6,255,586 | \$ 5,306,531 | \$ 5,142,759 | \$ 4,917,806 |
| Contributions as a percentage of covered payroll | 0.14% | 0.16% | 0.18% | 0.13% | 0.15% | 0.16% | 0.14% |

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2023

PSPRS - Police Pension

| | Reporting Fiscal Year | | | | | | | | | |
|--|-----------------------|--------------------|--------------------|-----------------------|-----------------------|---------------------|--------------|-------------|-------------|-------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Actuarially determined contribution | \$ 135,378 | \$ 130,961 | \$ 192,440 | \$ 274,760 | \$ 386,166 | \$ 445,030 | \$ 353,353 | \$ 336,612 | \$ 201,140 | \$ 212,639 |
| Contributions in relation to the actuarially determined contribution | (223,327) | (218,910) | (280,389) | (1,341,843) | (1,658,508) | (1,307,650) | (353,353) | (336,612) | (201,140) | (212,639) |
| Contribution deficiency (excess) | <u>\$ (87,949)</u> | <u>\$ (87,949)</u> | <u>\$ (87,949)</u> | <u>\$ (1,067,083)</u> | <u>\$ (1,272,342)</u> | <u>\$ (862,620)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 1,498,150 | \$ 1,305,971 | \$ 782,335 | \$ 892,406 | \$ 936,923 | \$ 1,100,649 | \$ 1,170,755 | \$ 947,481 | \$ 858,148 | \$ 908,313 |
| Contributions as a percentage of covered payroll | 9.04% | 10.03% | 24.60% | 30.79% | 41.22% | 40.43% | 30.18% | 35.53% | 23.44% | 23.41% |

PSPRS - Police

Health Insurance Premium Benefit

| Health Insurance Premium Benefit | Reporting Fiscal Year | | | | | | |
|--|-----------------------|--------------|-------------|-------------|-------------|--------------|--------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Actuarially determined contribution | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (208) | \$ - |
| Contributions in relation to the actuarially determined contribution | - | - | - | - | - | 208 | - |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 1,498,150 | \$ 1,305,971 | \$ 782,335 | \$ 892,406 | \$ 936,923 | \$ 1,100,649 | \$ 1,170,755 |
| Contributions as a percentage of covered payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.02% | 0.00% |

Note: In accordance with GASB 68 and GASB 75, employers will need to disclose a 10-year history for the pension and OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2023

PSPRS - Fire Pension

| | Reporting Fiscal Year | | | | | | | | | |
|--|-----------------------|--------------------|--------------------|---------------------|---------------------|---------------------|-------------|-------------|-------------|-------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Actuarially determined contribution | \$ 125,722 | \$ 146,145 | \$ 143,091 | \$ 178,245 | \$ 173,287 | \$ 167,968 | \$ 129,943 | \$ 121,210 | \$ 107,714 | \$ 121,193 |
| Contributions in relation to the actuarially determined contribution | (159,205) | (205,249) | (202,195) | (419,025) | (386,287) | (327,142) | (129,943) | (121,210) | (107,714) | (121,193) |
| Contribution deficiency (excess) | <u>\$ (33,482)</u> | <u>\$ (59,104)</u> | <u>\$ (59,104)</u> | <u>\$ (240,780)</u> | <u>\$ (213,000)</u> | <u>\$ (159,174)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 1,322,576 | \$ 613,791 | \$ 575,890 | \$ 673,289 | \$ 724,034 | \$ 819,724 | \$ 881,946 | \$ 907,097 | \$ 861,668 | \$ 902,241 |
| Contributions as a percentage of covered payroll | 9.51% | 23.81% | 24.85% | 26.47% | 23.93% | 20.49% | 14.73% | 13.36% | 12.50% | 13.43% |

PSPRS - Fire
Health Insurance Premium Benefit

| | Reporting Fiscal Year | | | | | | |
|--|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Actuarially determined contribution | \$ 2,178 | \$ 2,709 | \$ 3,187 | \$ 2,329 | \$ 2,204 | \$ 2,052 | \$ 2,735 |
| Contributions in relation to the actuarially determined contribution | (2,178) | (2,709) | (3,187) | (2,329) | (2,204) | (2,052) | (2,735) |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 1,322,576 | \$ 613,791 | \$ 575,890 | \$ 673,289 | \$ 724,034 | \$ 819,724 | \$ 881,946 |
| Contributions as a percentage of covered payroll | 0.16% | 0.44% | 0.55% | 0.35% | 0.30% | 0.25% # | 0.31% |

Note: In accordance with GASB 68 and GASB 75, employers will need to disclose a 10-year history for the pension and OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

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CITY OF PAGE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedule
June 30, 2023

Note 1. Actuarially Determined Contribution Rates

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

| | |
|---|---|
| Actuarial cost method | Entry age normal |
| Amortization Method | Level percent of pay, closed |
| Remaining Amortization Period As of the 2021 actuarial valuation | 18 years for underfunded liabilities; 20 years for overfunded |
| Asset valuation method | 7-Year smoothed market; 80%/120% market corridor |
| Actuarial assumptions: | |
| Investment rate of return | In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return decreased from 8.0% to 7.85%. |
| Projected salary increases | In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%-8.0% to 3.5%-7.5%. In the 2014 actuarial valuation, the projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0%. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5%. |
| Wage growth | In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5%. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%. |
| Retirement age | Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011. |
| Mortality | In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females) |

CITY OF PAGE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedule
June 30, 2023

NOTE 2. Factors that Affect Trends

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

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FOLLOWING MAJOR FUNDS:

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

The **Highway User Special Revenue Fund** accounts for revenue sources that are legally restricted for road construction and maintenance.

The **Grants Fund** is used to account for grants received by the City which are restricted for specific purposes.

The **Airport Fund** is used to account for activities related to the operation of the City's airport.

Basis of Budgeting:

The City budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|------------------------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| REVENUES: | | | | |
| Taxes: | | | | |
| City sales tax | \$ 13,000,000 | \$ 13,000,000 | \$ 15,118,831 | \$ 2,118,831 |
| Franchise taxes | 242,000 | 242,000 | 245,078 | 3,078 |
| Total Taxes | 13,242,000 | 13,242,000 | 15,363,909 | 2,121,909 |
| Licenses, Permits and Fees: | | | | |
| Planning and zoning fees | 36,500 | 36,500 | 5,050 | (31,450) |
| Dog licenses | 500 | 500 | 94 | (406) |
| Business registration fees | 12,000 | 12,000 | 11,350 | (650) |
| Building permits | 130,000 | 130,000 | 138,487 | 8,487 |
| Other | 73,500 | 73,500 | 74,129 | 629 |
| Total Licenses, Permits and Fees | 252,500 | 252,500 | 229,110 | (23,390) |
| Intergovernmental: | | | | |
| State revenue sharing | 1,435,985 | 1,435,985 | 1,399,049 | (36,936) |
| Auto lieu taxes | 453,193 | 453,193 | 414,889 | (38,304) |
| State sales taxes | 1,064,924 | 1,064,924 | 1,090,180 | 25,256 |
| County library district | 336,846 | 336,846 | 336,846 | - |
| Other | 55,200 | 55,200 | 122,754 | 67,554 |
| Total Intergovernmental | 3,346,148 | 3,346,148 | 3,363,718 | 17,570 |
| Charges for Services: | | | | |
| Recreation | 50,000 | 50,000 | 40,348 | (9,652) |
| Rescue services | 826,000 | 826,000 | 622,121 | (203,879) |
| Library services | 25,000 | 25,000 | 22,175 | (2,825) |
| Public safety | 28,000 | 28,000 | 30,580 | 2,580 |
| Rents | 60,000 | 60,000 | 118,157 | 58,157 |
| Other | 38,500 | 38,500 | 79,658 | 41,158 |
| Total Charges for Services | 1,027,500 | 1,027,500 | 913,039 | (114,461) |
| Fines and Forfeitures: | | | | |
| Fines & forfeitures | 240,000 | 240,000 | 186,021 | (53,979) |
| Total Fines and Forfeitures | 240,000 | 240,000 | 186,021 | (53,979) |
| Investment earnings (loss) | 160,000 | 160,000 | 683,451 | 523,451 |
| Other Revenues: | | | | |
| Land and asset sales | 1,004,000 | 1,004,000 | 102,948 | (901,052) |
| Miscellaneous | 37,000 | 37,000 | 1,051,468 | 1,014,468 |
| Total Other Revenues | 1,041,000 | 1,041,000 | 1,154,416 | 113,416 |
| TOTAL REVENUES | 19,309,148 | 19,309,148 | 21,893,664 | 2,584,516 |

(continued)

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Continued)
For the Year Ended June 30, 2023

| EXPENDITURES: | Budgeted Amounts | | Actual | Variance with Final Budget |
|--------------------------------|------------------|-----------|-----------|-------------------------------|
| | Original | Final | | |
| General Government: | | | | |
| City Council | 105,573 | 105,573 | 95,859 | 9,714 |
| City Administration | 351,273 | 351,273 | 345,167 | 6,106 |
| City Clerk | 268,811 | 268,811 | 218,836 | 49,975 |
| City Attorney | 458,942 | 458,942 | 354,630 | 104,312 |
| Finance | 526,672 | 565,519 | 565,327 | 192 |
| Human Resources | 1,075,367 | 1,075,367 | 640,345 | 435,022 |
| General Services | 1,574,989 | 1,530,123 | 991,531 | 538,592 |
| Information Technology | 741,544 | 741,544 | 681,371 | 60,173 |
| Total General Government | 5,103,171 | 5,097,152 | 3,893,066 | 1,204,086 |
| Public Safety: | | | | |
| Administration | 805,077 | 830,381 | 830,136 | 245 |
| Patrol | 2,372,392 | 2,338,736 | 2,001,556 | 337,180 |
| Communications | 696,033 | 696,033 | 591,394 | 104,639 |
| Investigations | 308,478 | 317,230 | 317,020 | 210 |
| Fire | 2,602,277 | 2,602,277 | 2,267,228 | 335,049 |
| Magistrate | 586,592 | 586,592 | 567,164 | 19,428 |
| Building and Safety | 113,388 | 113,388 | 109,064 | 4,324 |
| Total Public Safety | 7,484,237 | 7,484,637 | 6,683,562 | 801,075 |
| Public Works | | | | |
| Administration | 583,371 | 583,471 | 511,064 | 72,407 |
| Planning and Zoning | 398,745 | 398,745 | 297,948 | 100,797 |
| Central Garage | 459,909 | 459,909 | 454,926 | 4,983 |
| Buildings Maintenance | 421,507 | 421,407 | 329,730 | 91,677 |
| Total Public Works | 1,863,532 | 1,863,532 | 1,593,668 | 269,864 |
| Culture and Recreation: | | | | |
| Library | 698,400 | 698,400 | 665,900 | 32,500 |
| Parks & Trails Maintenance | 540,316 | 540,316 | 507,086 | 33,230 |
| Recreation | 284,285 | 272,783 | 256,682 | 16,101 |
| Total Culture and Recreation | 1,523,001 | 1,511,499 | 1,429,668 | 81,831 |
| | | | | (continued) |

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Continued)
For the Year Ended June 30, 2023

| | Original | Final | Actual | Variance with Final Budget |
|--------------------------------------|--------------------------|--------------------------|--------------------------|-------------------------------|
| Community Development | | | | |
| Community Center | 283,935 | 283,935 | 245,126 | 38,809 |
| Community Development | 444,183 | 448,451 | 448,356 | 95 |
| | <u>728,118</u> | <u>732,386</u> | <u>693,482</u> | <u>38,904</u> |
| TOTAL EXPENDITURES | <u>16,702,059</u> | <u>16,689,206</u> | <u>14,293,446</u> | <u>2,395,760</u> |
| Excess of Revenues Over (Under) | | | | |
| Expenditures | <u>2,607,089</u> | <u>2,619,942</u> | <u>7,600,218</u> | <u>4,980,276</u> |
| Other Financing Sources (Uses): | | | | |
| Transfers in | 3,082,917 | 3,082,917 | 2,967,277 | (115,640) |
| Transfers out | (4,183,000) | (4,183,000) | (3,359,480) | 823,520 |
| Total Other Financing Sources (Uses) | <u>(1,100,083)</u> | <u>(1,100,083)</u> | <u>(392,203)</u> | <u>707,880</u> |
| Net change in fund balance | 1,507,006 | 1,519,859 | 7,208,015 | 5,688,156 |
| Fund balance, beginning of year | <u>26,150,137</u> | <u>26,150,137</u> | <u>26,150,137</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 27,657,143</u> | <u>\$ 27,669,996</u> | <u>\$ 33,358,152</u> | <u>\$ 5,688,156</u> |

CITY OF PAGE, ARIZONA
HIGHWAY USER REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | Original | Final | Amounts | Final Budget |
| Revenues | | | | |
| Intergovernmental Revenue: | | | | |
| Highway user revenue | \$ 1,023,781 | \$ 1,023,781 | \$ 916,086 | \$ (107,695) |
| Investment earnings | 250 | 250 | 21,704 | 21,454 |
| Other revenues | 500 | 500 | - | (500) |
| | | | | |
| Total revenues | 1,024,531 | 1,024,531 | 937,790 | (86,741) |
| Expenditures | | | | |
| Streets and Highways | | | | |
| Current: | | | | |
| Salaries, wages and benefits | 46 | 46 | 38 | 8 |
| Service, supplies and other | 1,021,220 | 1,021,220 | 221,211 | 800,009 |
| | | | | |
| Total expenditures | 1,021,266 | 1,021,266 | 221,249 | 800,017 |
| Excess of revenues | | | | |
| over (under) expenditures | 3,265 | 3,265 | 716,541 | 713,276 |
| Other financing sources (uses) | | | | |
| Transfers to other funds | (26,000) | (26,000) | (15,919) | 10,081 |
| | | | | |
| Total other financing sources (uses) | (26,000) | (26,000) | (15,919) | 10,081 |
| Net change in fund balance | (22,735) | (22,735) | 700,622 | 723,357 |
| Fund balance, beginning of year | 192,358 | 192,358 | 192,358 | - |
| Fund balance, end of year | \$ 169,623 | \$ 169,623 | \$ 892,980 | \$ 723,357 |

CITY OF PAGE, ARIZONA
GRANTS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budgeted Amounts | | | Variance with |
|---|---------------------|---------------------|-------------------|---------------------|
| | Original | Final | Actual | Final Budget |
| Revenues | | | | |
| Intergovernmental revenue | \$ 9,973,143 | \$ 9,973,143 | \$ 6,705,721 | \$ (3,267,422) |
| Total revenues | 9,973,143 | 9,973,143 | 6,705,721 | (3,267,422) |
| Expenditures | | | | |
| Public safety | 498,000 | 344,950 | 161,929 | 183,021 |
| Public works | 2,501,375 | 2,412,075 | 150,953 | 2,261,122 |
| Culture and recreation | 1,158,000 | 898,550 | 429,530 | 469,020 |
| Community support | 6,456,500 | 6,990,300 | 6,079,712 | 910,588 |
| Total expenditures | 10,613,875 | 10,645,875 | 6,822,124 | 3,823,751 |
| Excess of revenues over (under) expenditures | (640,732) | (672,732) | (116,403) | 556,329 |
| Other financing sources (uses) | | | | |
| Transfers: | | | | |
| Transfers out | (602,000) | (602,000) | (31,030) | 570,970 |
| Total other financing sources (uses) | (602,000) | (602,000) | (31,030) | 570,970 |
| Net change in fund balance | (1,242,732) | (1,274,732) | (147,433) | 1,127,299 |
| Fund balance, beginning of year | 498,908 | 498,908 | 498,908 | - |
| Fund balance, end of year | <u>\$ (743,824)</u> | <u>\$ (775,824)</u> | <u>\$ 351,475</u> | <u>\$ 1,127,299</u> |

CITY OF PAGE, ARIZONA
AIRPORT FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budgeted Amounts | | | Variance with |
|--|---------------------|---------------------|---------------------|--------------------|
| | Original | Final | Actual | Final Budget |
| Revenues | | | | |
| Intergovernmental | \$ 1,954,734 | \$ 1,954,734 | \$ 301,378 | \$ (1,653,356) |
| Charges for services | 63,000 | 63,000 | 94,177 | 31,177 |
| Rents and royalties | 407,500 | 407,500 | 409,172 | 1,672 |
| Miscellaneous | 128,200 | 128,200 | 140,305 | 12,105 |
| Total revenues | <u>2,553,434</u> | <u>2,553,434</u> | <u>945,032</u> | <u>(1,608,402)</u> |
| Expenditures | | | | |
| Public works | <u>1,413,090</u> | <u>1,404,590</u> | <u>386,706</u> | <u>1,017,884</u> |
| Total expenditures | <u>1,413,090</u> | <u>1,404,590</u> | <u>386,706</u> | <u>1,017,884</u> |
| Excess of revenues over (under) expenditures | <u>1,140,344</u> | <u>1,148,844</u> | <u>558,326</u> | <u>(590,518)</u> |
| Other Financing Sources (uses) | | | | |
| Transfers out | <u>(1,355,191)</u> | <u>(1,355,191)</u> | <u>(276,563)</u> | <u>1,078,628</u> |
| Total other financing sources (uses) | <u>(1,355,191)</u> | <u>(1,355,191)</u> | <u>(276,563)</u> | <u>1,078,628</u> |
| Net change in fund balance | (214,847) | (206,347) | 281,763 | 488,110 |
| Fund balance, beginning of year | <u>2,438,814</u> | <u>2,438,814</u> | <u>2,438,814</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 2,223,967</u> | <u>\$ 2,232,467</u> | <u>\$ 2,720,577</u> | <u>\$ 488,110</u> |

SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FOLLOWING MAJOR FUNDS:

The **Capital Projects Fund** accounts for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds.

CITY OF PAGE, ARIZONA
CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget</u> |
|---|----------------------------|----------------------------|---------------------------------|
| Revenues | | | |
| Intergovernmental revenue | \$ 6,399,000 | \$ 216,359 | \$ (6,182,641) |
| Investment earnings | <u>-</u> | <u>70,449</u> | <u>70,449</u> |
| Total revenues | <u>6,399,000</u> | <u>286,808</u> | <u>(6,112,192)</u> |
| Expenditures | | | |
| Capital outlay | 16,209,486 | 4,680,088 | 11,529,398 |
| Debt service | <u>438,000</u> | <u>431,808</u> | <u>6,192</u> |
| Total expenditures | <u>16,647,486</u> | <u>5,111,896</u> | <u>11,535,590</u> |
| Excess of revenues over (under) expenditures | <u>(10,248,486)</u> | <u>(4,825,088)</u> | <u>5,423,398</u> |
| Other Financing Sources (Uses) | | | |
| Transfer in | <u>5,646,167</u> | <u>3,840,030</u> | <u>(1,806,137)</u> |
| Total other financing sources (uses) | <u>5,646,167</u> | <u>3,840,030</u> | <u>(1,806,137)</u> |
| Net change in fund balances | (4,602,319) | (985,058) | 3,617,261 |
| Fund balance, beginning of year | <u>8,096,901</u> | <u>8,096,901</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ 3,494,582</u></u> | <u><u>\$ 7,111,843</u></u> | <u><u>\$ 3,617,261</u></u> |

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SUPPLEMENTARY INFORMATION
COMBINING STATEMENTS
AND BUDGETARY COMPARISON SCHEDULES
NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

- The **Substance Abuse Fund** is used to account for the activity of the City's substance abuse funds.
- The **Miscellaneous Donations Fund** is used to account for donations received by the City which are restricted for specific purposes.
- The **Judicial Collection Enhancement Fund** is used to account for activities associated with the Magistrate Court.
- The **Perpetual Care Fund** is used to account for resources held by the City for the perpetual care of the cemetery.
- The **Magistrate Court Improvement Fund** is used to account for resources held by the City for the Improvement of the Magistrate Court.
- The **GAP Fund** is used to account for resources obtained from the ACJC to improve the processing of criminal cases.
- The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of current and future debt service requirements of governmental debt.

CITY OF PAGE, ARIZONA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

| | Substance Abuse | Miscellaneous Donations | Judicial Collection Enhancement | Perpetual Care | Magistrate Court Improvements | GAP | Debt Service | Total Nonmajor Governmental Funds |
|---|----------------------------|------------------------------------|--|---------------------------|--|-----------------|-------------------------|--|
| Assets | | | | | | | | |
| Cash and cash equivalents | \$ 35,887 | \$ 20,111 | \$ 10,120 | \$ 391,221 | \$ 2,138 | \$ 1,191 | \$ - | \$ 460,668 |
| Receivables: | | | | | | | | |
| Other | - | - | - | 10,420 | - | - | - | 10,420 |
| Due from other funds | - | - | 371 | - | - | - | - | 371 |
| Due from other governments | - | - | - | - | - | 486 | - | 486 |
| Total assets | <u>\$ 35,887</u> | <u>\$ 20,111</u> | <u>\$ 10,491</u> | <u>\$ 401,641</u> | <u>\$ 2,138</u> | <u>\$ 1,677</u> | <u>\$ -</u> | <u>\$ 471,945</u> |
| Liabilities | | | | | | | | |
| Accounts payable | \$ - | \$ 440 | \$ - | \$ 2,609 | \$ - | \$ - | \$ - | \$ 3,049 |
| Accrued liabilities | - | - | - | 1,555 | - | - | - | 1,555 |
| Total liabilities | <u>-</u> | <u>440</u> | <u>-</u> | <u>4,164</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,604</u> |
| Deferred inflows of resources | | | | | | | | |
| Deferred inflows related to leases | - | - | - | - | - | - | - | - |
| Total dererred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | | | | | | |
| Restricted for: | | | | | | | | |
| Perpetual care | - | - | - | 397,477 | - | - | - | 397,477 |
| Public safety | 35,887 | - | - | - | 2,138 | 1,677 | - | 39,702 |
| Community support | - | 19,671 | - | - | - | - | - | 19,671 |
| Committed for: | | | | | | | | |
| Judicial | - | - | 10,491 | - | - | - | - | 10,491 |
| Total fund balances | <u>35,887</u> | <u>19,671</u> | <u>10,491</u> | <u>397,477</u> | <u>2,138</u> | <u>1,677</u> | <u>-</u> | <u>467,341</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 35,887</u> | <u>\$ 20,111</u> | <u>\$ 10,491</u> | <u>\$ 401,641</u> | <u>\$ 2,138</u> | <u>\$ 1,677</u> | <u>\$ -</u> | <u>\$ 471,945</u> |

CITY OF PAGE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

| | Special Revenue | | | | | Debt Service | | Total Nonmajor Governmental Funds |
|--|--------------------|----------------------------|---------------------------------------|-------------------|------------------------------------|--------------|-----------------|--|
| | Substance Abuse | Miscellaneous Donations | Judicial Collection Enhancement | Perpetual Care | Magistrate Court Improvement | GAP | Debt Service | |
| Revenues | | | | | | | | |
| Intergovernmental revenue | \$ 2,882 | \$ - | \$ 2,933 | \$ - | \$ - | \$ 1,677 | \$ - | \$ 7,492 |
| Charges for services | - | - | - | 36,276 | 2,138 | - | - | 38,414 |
| Investment earnings | - | - | 7 | - | - | - | - | 7 |
| Other revenues | - | 18,651 | - | 37,017 | - | - | - | 55,668 |
| Total revenues | 2,882 | 18,651 | 2,940 | 73,293 | 2,138 | 1,677 | - | 101,581 |
| Expenditures | | | | | | | | |
| Current: | | | | | | | | |
| Public safety | - | 5,941 | - | - | - | - | - | 5,941 |
| Judicial | - | - | 6,936 | - | - | - | - | 6,936 |
| Culture and recreation | - | 11,867 | - | - | - | - | - | 11,867 |
| Community support | - | 8,307 | - | 73,436 | - | - | - | 81,743 |
| Total expenditures | - | 26,115 | 6,936 | 73,436 | - | - | - | 106,487 |
| Excess (deficiency) of revenues over (under) expenditures | 2,882 | (7,464) | (3,996) | (143) | 2,138 | 1,677 | - | (4,906) |
| Other Financing Sources (Uses) | | | | | | | | |
| Transfers out | - | - | - | - | - | - | (857,102) | (857,102) |
| Total other financing sources and uses | - | - | - | - | - | - | (857,102) | (857,102) |
| Net change in fund balances | 2,882 | (7,464) | (3,996) | (143) | 2,138 | 1,677 | (857,102) | (862,008) |
| Fund balances, beginning of year | 33,005 | 27,135 | 14,487 | 397,620 | - | - | 857,102 | 1,329,349 |
| Fund balances, end of year | \$ 35,887 | \$ 19,671 | \$ 10,491 | \$ 397,477 | \$ 2,138 | \$ 1,677 | \$ - | \$ 467,341 |

CITY OF PAGE, ARIZONA
SUBSTANCE ABUSE
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget</u> |
|--|------------------------|-------------------------|---------------------------------|
| Revenues | | | |
| Substance abuse revenue | <u>\$ 2,500</u> | <u>\$ 2,882</u> | <u>\$ 382</u> |
| Expenditures | | | |
| Public safety: | | | |
| Substance abuse expenditures | <u>32,500</u> | <u>-</u> | <u>32,500</u> |
| Excess of revenue over(under) expenditures | (30,000) | 2,882 | 32,882 |
| Fund balance, beginning of year | <u>33,005</u> | <u>33,005</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ 3,005</u></u> | <u><u>\$ 35,887</u></u> | <u><u>\$ 32,882</u></u> |

CITY OF PAGE, ARIZONA
MISCELLANEOUS DONATIONS
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget</u> |
|--|------------------------|-------------------------|---------------------------------|
| Revenues | | | |
| Other revenues | <u>\$ 14,600</u> | <u>18,651</u> | <u>\$ 4,051</u> |
| Total revenues | <u>14,600</u> | <u>18,651</u> | <u>4,051</u> |
| Expenditures | | | |
| Public safety | 7,000 | 5,941 | 1,059 |
| Culture and recreation | 12,300 | 11,867 | 433 |
| Community support | <u>16,500</u> | <u>8,307</u> | <u>8,193</u> |
| Total expenditures | <u>35,800</u> | <u>26,115</u> | <u>9,685</u> |
| Excess of revenues over (under) expenditures | (21,200) | (7,464) | 13,736 |
| Fund balance, beginning of year | <u>27,135</u> | <u>27,135</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ 5,935</u></u> | <u><u>\$ 19,671</u></u> | <u><u>\$ 13,736</u></u> |

CITY OF PAGE, ARIZONA
JUDICIAL COLLECTION ENHANCEMENT
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget</u> |
|--|------------------------|-------------------------|---------------------------------|
| Revenues | | | |
| Intergovernmental revenue | \$ 4,000 | \$ 2,933 | \$ (1,067) |
| Investment earnings | <u>50</u> | <u>7</u> | <u>(43)</u> |
| Total revenues | <u>4,050</u> | <u>2,940</u> | <u>(1,110)</u> |
| Expenditures | | | |
| Public safety: | | | |
| Magistrate | <u>11,200</u> | <u>6,936</u> | <u>4,264</u> |
| Total expenditures | <u>11,200</u> | <u>6,936</u> | <u>4,264</u> |
| Excess of revenues over (under) expenditures | (7,150) | (3,996) | 3,154 |
| Fund balance, beginning of year | <u>14,487</u> | <u>14,487</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ 7,337</u></u> | <u><u>\$ 10,491</u></u> | <u><u>\$ 3,154</u></u> |

CITY OF PAGE, ARIZONA
PERPETUAL CARE
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance with Budget |
|--|-------------------|-------------------|-------------------------|
| Revenues | | | |
| Charges for services | \$ 25,000 | \$ 36,276 | \$ 11,276 |
| Other revenues | 30,000 | 37,017 | 7,017 |
| Total revenues | 55,000 | 73,293 | 18,293 |
| Expenditures | | | |
| Current: | | | |
| Community support | 14,500 | 9,299 | 5,201 |
| Benefits | 23,548 | 22,939 | 609 |
| Salaries and Wages | 42,913 | 41,198 | 1,715 |
| Total expenditures | 80,961 | 73,436 | 7,525 |
| Excess of revenues over (under) expenditures | (25,961) | (143) | 25,818 |
| Other financing sources (uses) | | | |
| Transfers out | (55,000) | - | 55,000 |
| Total other financing sources (uses) | (55,000) | - | 55,000 |
| Net change in fund balances | (80,961) | (143) | 80,818 |
| Fund balance, beginning of year | 397,620 | 397,620 | - |
| Fund balance, end of year | \$ 316,659 | \$ 397,477 | \$ 80,818 |

CITY OF PAGE, ARIZONA
MAGISTRATE COURT IMPROVEMENT
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | <u>Budget</u> | <u>Actual</u> | <u>Variance with Budget</u> |
|---|--------------------|------------------------|---------------------------------|
| Revenues | | | |
| Charges for Services | \$ - | \$ 2,138 | \$ 2,138 |
| Total revenues | <u>-</u> | <u>2,138</u> | <u>2,138</u> |
| Expenditures | | | |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>2,138</u> | <u>2,138</u> |
| Other financing sources (uses) | | | |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | - | 2,138 | 2,138 |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u><u>\$ -</u></u> | <u><u>\$ 2,138</u></u> | <u><u>\$ 2,138</u></u> |

CITY OF PAGE, ARIZONA
GAP
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance with Budget |
|---|-------------|-----------------|-------------------------|
| Revenues | | | |
| Intergovernmental Revenues | \$ - | \$ 1,677 | \$ 1,677 |
| Total revenues | - | 1,677 | 1,677 |
| Expenditures | | | |
| Total expenditures | - | - | - |
| Excess of revenues over (under) expenditures | - | 1,677 | 1,677 |
| Other financing sources (uses) | | | |
| Total other financing sources (uses) | - | - | - |
| Net change in fund balances | - | 1,677 | 1,677 |
| Fund balance, beginning of year | - | - | - |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ 1,677</u> | <u>\$ 1,677</u> |

CITY OF PAGE, ARIZONA
DEBT SERVICE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2023

| | Budget | Actual | Variance with Budget |
|---|-------------------|-------------|-------------------------|
| Revenues | | | |
| Investment earnings | \$ - | \$ - | \$ - |
| Total revenues | - | - | - |
| Expenditures | | | |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total expenditures | - | - | - |
| Excess of revenues over (under) expenditures | - | - | - |
| Other financing sources (uses) | | | |
| Transfers in | 200,000 | - | (200,000) |
| Transfers out | (200,000) | (857,102) | (657,102) |
| Total other financing sources (uses) | - | (857,102) | (857,102) |
| Net change in fund balances | - | (857,102) | (857,102) |
| Fund balance, beginning of year | 857,102 | 857,102 | - |
| Fund balance, end of year | \$ 857,102 | \$ - | \$ (857,102) |

STATISTICAL SECTION

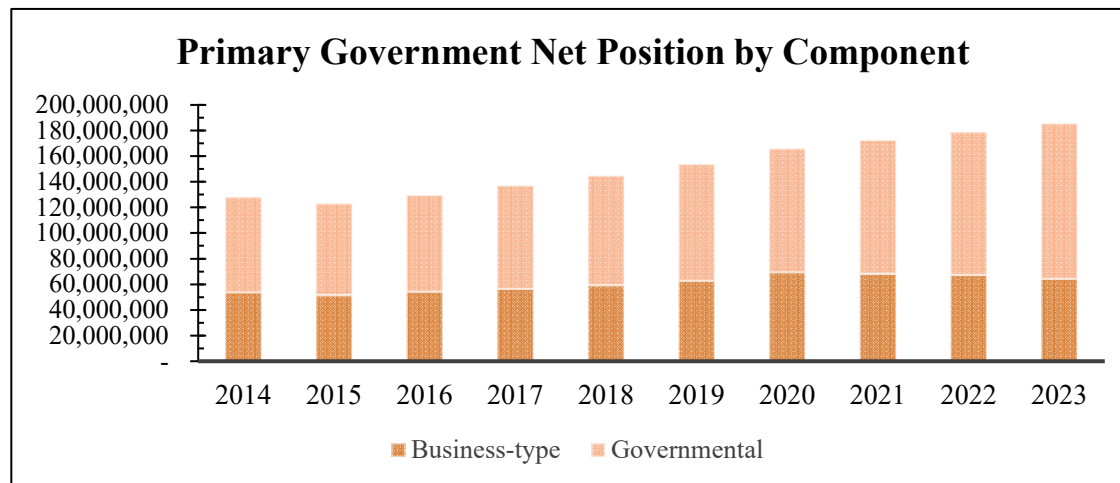
This part of the City of Page's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the government's overall financial health.

| Contents | Page |
|---|------|
| Financial Trends | 104 |
| <i>These schedules contain trend information to help the reader understand how the government's financial performance and well being have changed over time.</i> | |
| Revenue Capacity | 112 |
| <i>These schedules contain information to help the reader assess the government's property taxes and the most significant local revenues source, the sales tax.</i> | |
| Debt Capacity | 114 |
| <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i> | |
| Demographic and Economic Information..... | 120 |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i> | |
| Operating Information | 122 |
| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i> | |

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| | Fiscal Year Ended June 30 | | | | | | | | | |
|--|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities: | | | | | | | | | | |
| Net investment capital assets | \$ 65,625,222 | \$ 66,846,433 | \$ 66,219,507 | \$ 66,200,813 | \$ 68,395,001 | \$ 69,659,085 | \$ 69,889,750 | \$ 71,621,631 | \$ 76,771,123 | \$ 80,901,011 |
| Restricted | 2,677,622 | 3,636,384 | 5,517,158 | 10,106,948 | 11,338,638 | 9,682,423 | 11,944,783 | 13,299,224 | 10,103,029 | 9,619,411 |
| Unrestricted | 5,940,046 | 813,828 | 3,607,697 | 3,936,599 | 5,831,771 | 11,684,949 | 14,692,191 | 19,553,927 | 24,491,197 | 30,608,198 |
| Total governmental activities net position | 74,242,890 | 71,296,645 | 75,344,362 | 80,244,360 | 85,565,410 | 91,026,457 | 96,526,724 | 104,474,782 | 111,365,349 | 121,128,620 |
| Business-type activities: | | | | | | | | | | |
| Net investment capital assets | 31,503,885 | 32,419,796 | 32,210,341 | 32,807,741 | 32,628,302 | 35,838,822 | 34,947,403 | 38,764,682 | 38,305,688 | 37,643,355 |
| Restricted | - | - | - | - | - | - | - | - | - | 124,639 |
| Unrestricted | 22,449,818 | 19,339,087 | 22,086,197 | 23,938,589 | 26,699,050 | 27,041,775 | 34,595,396 | 29,514,239 | 29,201,794 | 26,575,044 |
| Total business-type activities net position | 53,953,703 | 51,758,883 | 54,296,538 | 56,746,330 | 59,327,352 | 62,880,597 | 69,542,799 | 68,278,921 | 67,507,482 | 64,343,038 |
| Primary government | | | | | | | | | | |
| Net investment capital assets | 97,129,107 | 99,266,229 | 98,429,848 | 99,008,554 | 101,023,303 | 105,497,907 | 104,837,153 | 110,386,313 | 115,076,811 | 118,544,366 |
| Restricted | 2,677,622 | 3,636,384 | 5,517,158 | 10,106,948 | 11,338,638 | 9,682,423 | 11,944,783 | 13,299,224 | 10,103,029 | 9,744,050 |
| Unrestricted | 28,389,864 | 20,152,915 | 25,693,894 | 27,875,188 | 32,530,821 | 38,726,724 | 49,287,587 | 49,068,166 | 53,692,991 | 57,183,242 |
| Total primary government net position | 128,196,593 | 123,055,528 | 129,640,900 | 136,990,690 | 144,892,762 | 153,907,054 | 166,069,523 | 172,753,703 | 178,872,831 | 185,471,658 |

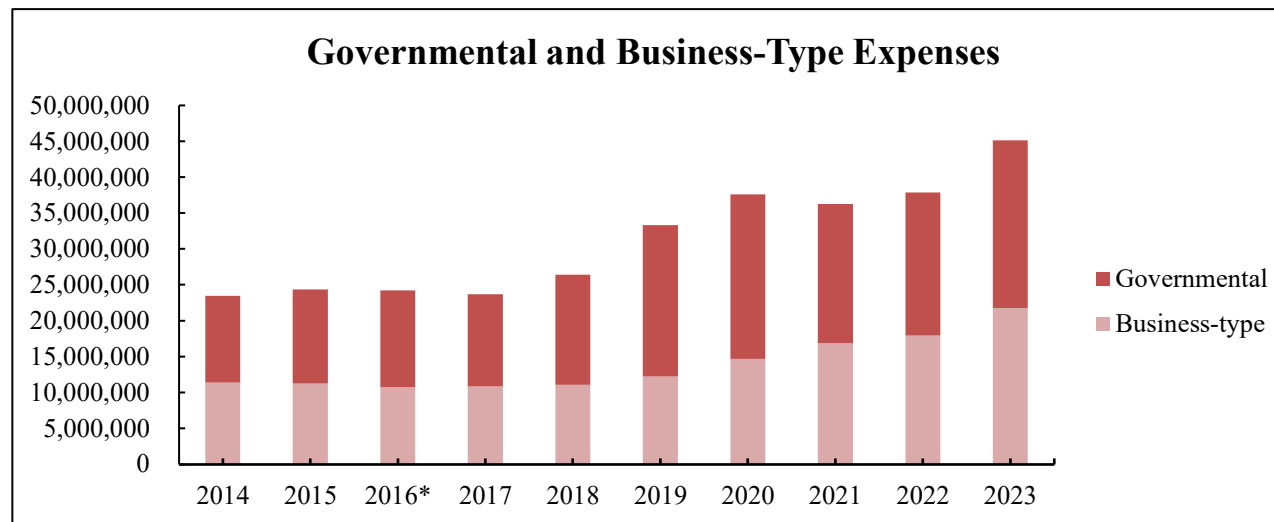
Source: Statement of Net Position



| | Fiscal Year Ended June 30 | | | | | | | | | |
|--|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Expenses | 2014 | 2015 | 2016* | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 2,524,762 | \$ 2,689,305 | \$ 2,384,107 | \$ 2,517,770 | \$ 3,282,422 | \$ 4,644,028 | \$ 3,831,163 | \$ 3,253,282 | \$ 3,164,721 | \$ 4,084,224 |
| Public safety | 4,548,431 | 5,088,415 | 5,277,461 | 5,300,648 | 6,048,643 | 3,998,934 | 5,346,184 | 6,023,874 | 5,824,832 | 6,458,600 |
| Judicial | 272,341 | 331,636 | 3,312,763 | 13,245 | 8,457 | 5,497,750 | 3,648,509 | 7,886 | 9,649 | 7,114 |
| Public works | 2,298,994 | 2,515,340 | 8,348 | 2,642,246 | 3,362,138 | 16,142 | 9,936 | 4,175,997 | 4,264,878 | 3,945,218 |
| Culture and recreation | 1,277,349 | 1,400,709 | 1,259,145 | 1,368,639 | 1,601,945 | 1,544,092 | 4,774,238 | 1,024,384 | 1,333,513 | 1,717,817 |
| Community Support | 614,650 | 569,090 | 774,053 | 567,743 | 618,843 | 4,970,310 | 4,905,730 | 4,583,515 | 5,309,658 | 7,156,603 |
| Interest on long-term debt | 511,285 | 489,762 | 467,237 | 448,474 | 427,529 | 407,326 | 383,336 | 297,258 | 14,779 | 4,961 |
| Total governmental activities | 12,047,812 | 13,084,257 | 13,483,114 | 12,858,765 | 15,349,977 | 21,078,582 | 22,899,096 | 19,366,196 | 19,922,030 | 23,374,537 |
| Business-type activities: | | | | | | | | | | |
| Water | 1,676,973 | 1,570,517 | 1,422,969 | 1,621,247 | 1,639,605 | 1,727,545 | 1,588,783 | 1,743,042 | 1,853,181 | 1,789,388 |
| Sewer | 1,295,142 | 1,358,747 | 1,322,480 | 1,438,193 | 1,396,058 | 1,520,319 | 1,616,752 | 1,563,422 | 1,620,118 | 1,666,189 |
| Electric | 7,804,901 | 7,697,548 | 7,351,933 | 7,100,576 | 7,320,987 | 717,310 | 6,922,860 | 10,160,062 | 10,929,498 | 14,623,431 |
| Sanitation | 616,463 | 633,182 | 642,385 | 665,396 | 689,077 | 8,013,267 | 749,644 | 772,221 | 812,728 | 898,646 |
| Horseshoe Bend | - | - | - | - | - | 263,265 | 2,400,164 | 1,212,255 | 1,268,940 | 1,177,987 |
| Golf | - | - | - | - | - | - | 1,398,663 | 1,429,749 | 1,439,084 | 1,592,497 |
| Total business-type activities | 11,393,479 | 11,259,994 | 10,739,767 | 10,825,412 | 11,045,727 | 12,241,706 | 14,676,866 | 16,880,751 | 17,923,549 | 21,748,138 |
| Total Primary Governmental Expenses | 23,441,291 | 24,344,251 | 24,222,881 | 23,684,177 | 26,395,704 | 33,320,288 | 37,575,962 | 36,246,947 | 37,845,579 | 45,122,675 |

Source: Statement of Activities

2016 Restated: Electric and Sanitation numbers in incorrect row.



City of Page, Arizona

Change in Net Position - continued (unaudited)

Last Ten Fiscal Years

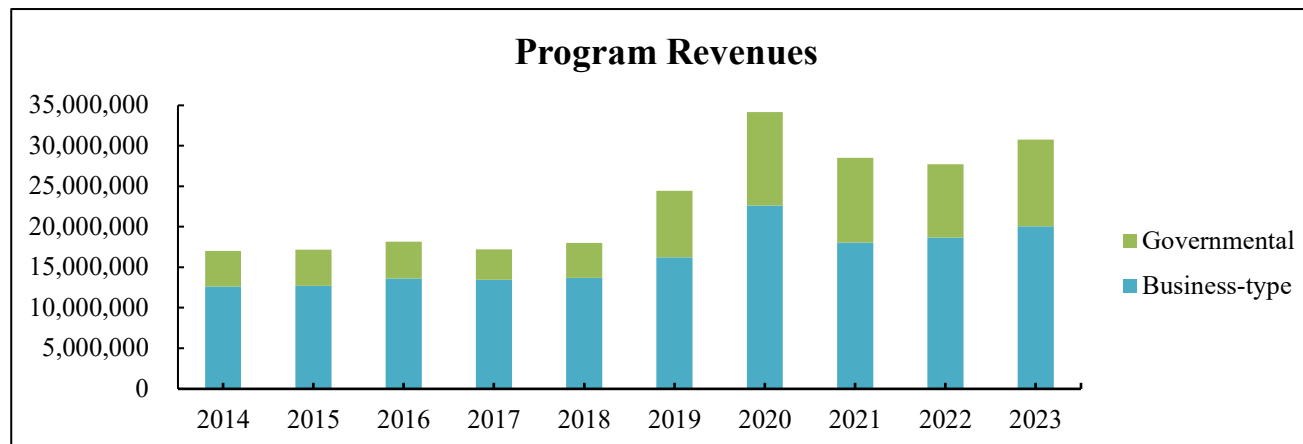
Statistical Section

Financial Trends

(Accrual basis of accounting)

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---------------------------------------|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Program Revenues | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | \$ 105,700 | \$ 110,537 | \$ 119,155 | \$ 140,530 | \$ 108,321 | \$ 96,461 | \$ 86,163 | \$ 88,033 | \$ 108,245 | \$ 157,248 |
| Public safety | 594,231 | 780,392 | 1,230,660 | 1,197,174 | 1,234,686 | 1,170,052 | 1,069,039 | 1,071,775 | 938,410 | 922,454 |
| Judicial | 326,320 | 285,196 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public works | 653,229 | 675,223 | 750,676 | 716,320 | 614,337 | 679,565 | 804,126 | 731,628 | 831,508 | 841,688 |
| Culture and recreation | 140,516 | 137,129 | 99,874 | 94,299 | 102,395 | 87,525 | 52,048 | 20,495 | 59,239 | 77,717 |
| Community support | 39,470 | 37,786 | 32,555 | 20,251 | 12,438 | 13,119 | 14,916 | 13,763 | 3,639 | 11,625 |
| Operating grants and contributions | 1,369,623 | 1,248,559 | 1,433,449 | 1,350,225 | 1,356,363 | 5,641,026 | 5,928,375 | 6,766,527 | 6,671,846 | 8,256,833 |
| Capital grants and contributions | 1,139,188 | 1,184,230 | 872,703 | 232,075 | 898,224 | 530,262 | 3,554,737 | 1,774,556 | 440,459 | 411,148 |
| Total governmental activities | 4,368,277 | 4,459,052 | 4,539,072 | 3,750,874 | 4,326,764 | 8,218,010 | 11,509,404 | 10,466,777 | 9,053,346 | 10,678,713 |
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Water | 1,727,920 | 1,897,152 | 1,870,895 | 1,902,113 | 2,028,813 | 1,906,558 | 2,087,440 | 2,082,946 | 1,947,131 | 1,845,664 |
| Sewer | 1,561,479 | 1,469,034 | 1,583,968 | 1,845,445 | 1,950,676 | 1,923,262 | 1,891,245 | 1,837,331 | 1,909,382 | 1,866,191 |
| Electric | 8,489,555 | 8,475,019 | 9,287,791 | 8,798,034 | 8,765,309 | 964,834 | 9,488,096 | 9,204,592 | 9,233,328 | 9,672,489 |
| Sanitation | 845,130 | 861,008 | 872,859 | 902,969 | 932,174 | 9,245,198 | 951,109 | 878,003 | 915,384 | 1,012,653 |
| Horseshoe Bend | - | - | - | - | - | 1,646,549 | 4,024,228 | 2,984,258 | 3,553,877 | 4,463,103 |
| Golf | - | - | - | - | - | - | 596,210 | 1,035,038 | 1,113,809 | 1,151,595 |
| Capital grants and contributions | - | - | - | - | - | 528,738 | 3,597,898 | 3,565 | - | 54,324 |
| Total business-type activities | 12,624,084 | 12,702,213 | 13,615,513 | 13,448,561 | 13,676,972 | 16,215,139 | 22,636,226 | 18,025,733 | 18,672,911 | 20,066,019 |
| Total Program Revenues | 16,992,361 | 17,161,265 | 18,154,585 | 17,199,435 | 18,003,736 | 24,433,149 | 34,145,630 | 28,492,510 | 27,726,257 | 30,744,732 |

Source: Statement of Activities



City of Page, Arizona

Change in Net Position - continued (unaudited)

Last Ten Fiscal Years

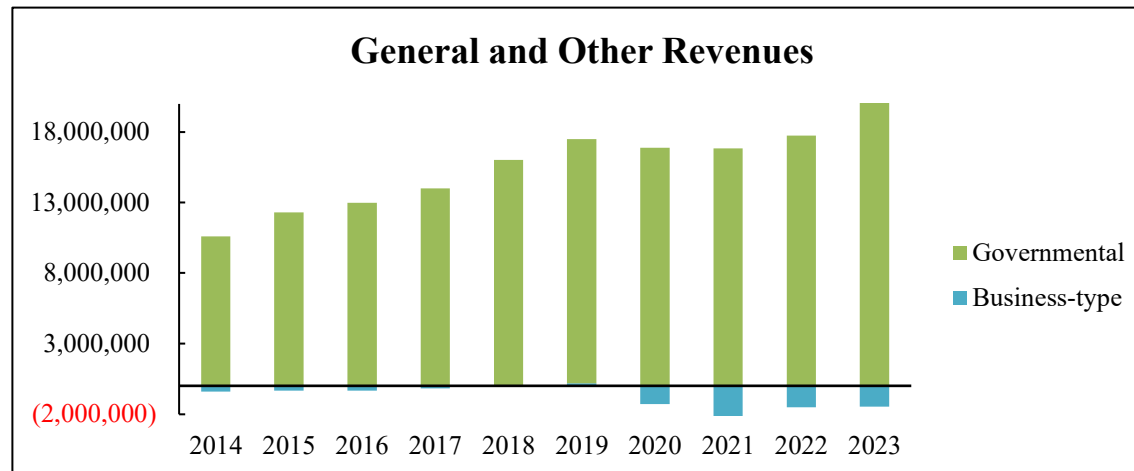
Statistical Section

Financial Trends

(Accrual basis of accounting)

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| General and Other Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| City Sales taxes | \$ 7,854,872 | \$ 9,014,013 | \$ 10,286,279 | \$ 11,336,994 | \$ 13,194,212 | \$ 14,166,152 | \$ 12,100,877 | \$ 11,187,498 | \$ 13,609,436 | \$ 15,118,831 |
| State Sales taxes | 630,799 | 658,664 | 685,284 | 686,412 | 729,558 | 759,827 | 781,163 | 893,189 | 1,049,592 | 1,090,180 |
| Property taxes | - | - | - | - | - | - | - | - | - | - |
| Franchise taxes | 268,405 | 241,159 | 244,342 | 237,920 | 233,788 | 250,360 | 233,405 | 227,848 | 209,977 | 245,078 |
| Auto lieu tax | 285,107 | 295,945 | 319,311 | 329,229 | 351,107 | 358,939 | 352,987 | 421,154 | 414,004 | 414,889 |
| Unrestricted state shared revenue | 807,770 | 877,294 | 872,538 | 916,348 | 941,208 | 914,667 | 978,393 | 1,075,999 | 981,403 | 1,399,049 |
| Land Sales | 229,597 | 729,101 | - | - | - | - | - | - | - | - |
| Investment earnings (losses) | 4,639 | 7,198 | 61,888 | 136,796 | 287,136 | 509,076 | 771,305 | 559,284 | (146,481) | 775,611 |
| Miscellaneous | 157,453 | 136,509 | 157,195 | 132,094 | 141,340 | 221,452 | 141,458 | 61,921 | 90,417 | 1,045,297 |
| Gain/(loss) on disposal of asset | - | - | - | - | - | - | - | - | - | 102,948 |
| Transfers | 351,101 | 346,838 | 364,922 | 232,096 | 140,108 | 141,147 | 1,530,371 | 2,420,584 | 1,550,903 | 2,267,212 |
| Total Governmental Activities | 10,589,743 | 12,306,721 | 12,991,759 | 14,007,889 | 16,018,457 | 17,321,620 | 16,889,959 | 16,847,477 | 17,759,251 | 22,459,095 |
| Business-type activities | | | | | | | | | | |
| Investment earnings/(losses) | (64,657) | 8,824 | 26,831 | 58,739 | 150,517 | 276,715 | 233,213 | 9,219 | 32,616 | 746,966 |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Gain/(loss) on disposal of asset | - | 1,133 | - | - | (61,163) | 40,284 | - | 2,505 | 1,800 | 37,921 |
| Transfers | (352,226) | (346,838) | (364,922) | (232,096) | (140,108) | (141,147) | (1,530,371) | (2,420,584) | (1,550,903) | (2,267,212) |
| Total business-type activities | (416,883) | (336,881) | (338,091) | (173,357) | (50,754) | 175,852 | (1,297,158) | (2,408,860) | (1,516,487) | (1,482,325) |
| Total General and Other Revenues | 10,172,860 | 11,969,840 | 12,653,668 | 13,834,532 | 15,967,703 | 17,497,472 | 15,592,801 | 14,438,617 | 16,242,764 | 20,976,770 |

Source: Statement of Activities



City of Page, Arizona

Change in Net Position - continued (unaudited)

Last Ten Fiscal Years

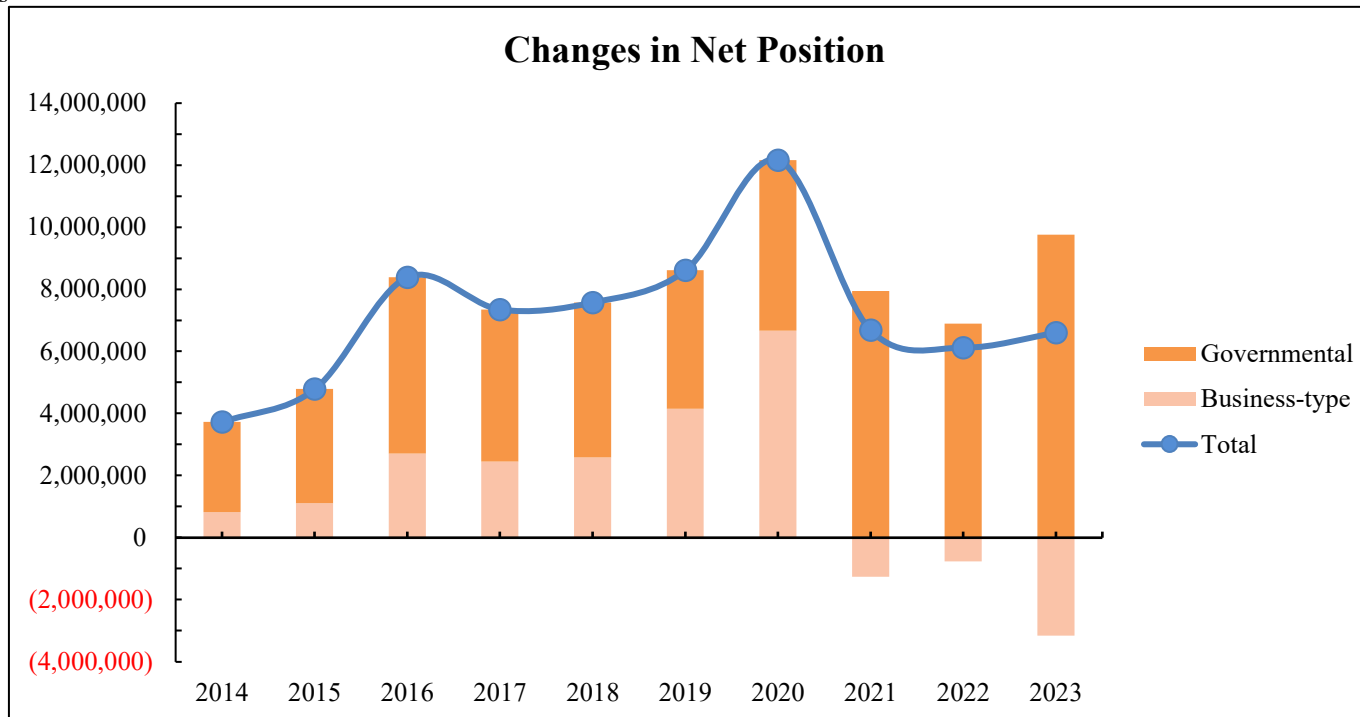
Statistical Section

Financial Trends

(Accrual basis of accounting)

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|--------------------|------------------|--------------------|
| Summary | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental Activities | | | | | | | | | | |
| Expenses | \$ (12,047,812) | \$ (13,084,257) | \$ (12,858,765) | \$ (12,858,765) | \$ (15,349,977) | \$ (21,078,582) | \$ (22,899,906) | \$ (19,366,196) | \$ (19,922,030) | \$ (23,374,537) |
| Program Revenue | 4,368,277 | 4,459,052 | 4,539,072 | 3,750,874 | 4,326,764 | 8,218,010 | 11,509,404 | 10,466,777 | 9,053,346 | 10,678,713 |
| Net (Expense) Revenue | (7,679,535) | (8,625,205) | (8,319,693) | (9,107,891) | (11,023,213) | (12,860,572) | (11,389,692) | (8,899,419) | (10,868,684) | (12,695,824) |
| General Revenues and Other | 10,589,743 | 12,306,721 | 14,007,889 | 14,007,889 | 16,018,457 | 17,321,620 | 16,889,959 | 16,847,477 | 17,759,251 | 22,459,095 |
| Total governmental activities | 2,910,208 | 3,681,516 | 5,688,196 | 4,899,998 | 4,995,244 | 4,461,048 | 5,500,267 | 7,948,058 | 6,890,567 | 9,763,271 |
| Business-type Activities | | | | | | | | | | |
| Expenses | 11,393,479 | 11,259,994 | 10,739,767 | 10,825,412 | 11,045,727 | 12,241,706 | 14,676,866 | 16,880,751 | 17,923,549 | 21,748,138 |
| Program Revenue | 12,624,084 | 12,702,213 | 13,615,513 | 13,448,561 | 13,676,972 | 16,215,139 | 22,636,226 | 18,025,733 | 18,672,911 | 20,066,019 |
| General Revenues and Other | (416,883) | (336,881) | (173,357) | (173,357) | (50,754) | 175,852 | (1,297,158) | (2,408,860) | (1,516,487) | (1,482,325) |
| Total business-type activities | 813,722 | 1,105,338 | 2,702,389 | 2,449,792 | 2,580,491 | 4,149,285 | 6,662,202 | (1,263,878) | (767,125) | (3,164,444) |
| Total Primary Government | 3,723,930 | 4,786,854 | 8,390,585 | 7,349,790 | 7,575,735 | 8,610,333 | 12,162,469 | 6,684,180 | 6,123,442 | 6,598,827 |

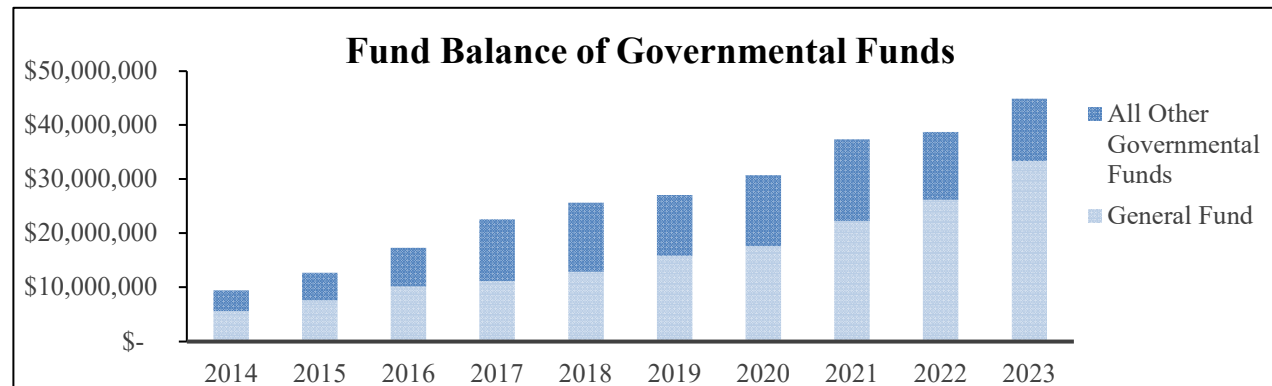
Source: Statement of Activities



City of Page, Arizona
Fund Balances of Governmental Funds
Last Ten Fiscal Years

Statistical Section
Financial Trends
(Modified accrual basis of accounting)

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| General Fund: | | | | | | | | | | |
| Reserved | - | - | - | - | - | - | - | - | - | - |
| Unreserved | - | - | - | - | - | - | - | - | - | - |
| Nonspendable | 50,099 | 62,976 | 73,698 | - | - | - | 260 | - | - | - |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | 5,503,593 | 7,541,520 | 10,066,148 | 11,148,425 | 12,869,809 | 15,810,863 | 17,577,602 | 22,288,564 | 26,150,137 | 33,358,152 |
| Total General Fund | \$ 5,553,692 | \$ 7,604,496 | \$ 10,139,846 | \$ 11,148,425 | \$ 12,869,809 | \$ 15,810,863 | \$ 17,577,862 | \$ 22,288,564 | \$ 26,150,137 | \$ 33,358,152 |
| All Other Governmental Funds: | | | | | | | | | | |
| Reserved | - | - | - | - | - | - | - | - | - | - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | - | - | - | - | - | - | - | - | - | - |
| Capital projects funds | - | - | - | - | - | - | - | - | - | - |
| Debt service fund | - | - | - | - | - | - | - | - | - | - |
| Nonspendable | - | - | - | - | - | - | - | - | - | - |
| Restricted | 2,677,622 | 3,636,384 | 5,517,158 | 10,106,948 | 11,338,638 | 509,529 | 590,873 | 666,653 | \$ 1,149,026 | \$ 1,701,305 |
| Committed | 1,166,739 | 1,419,991 | 1,653,804 | 1,282,845 | 1,454,239 | 1,552,535 | 1,183,735 | 1,797,112 | 2,453,301 | 2,731,068 |
| Assigned | - | - | - | - | - | 9,172,894 | 11,353,910 | 12,632,571 | 8,954,003 | 7,111,843 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total all other governmental funds | \$ 3,844,361 | \$ 5,056,375 | \$ 7,170,962 | \$ 11,389,793 | \$ 12,792,877 | \$ 11,234,958 | \$ 13,128,518 | \$ 15,096,336 | \$ 12,556,330 | \$ 11,544,216 |
| Total Government Funds | \$ 9,398,053 | \$ 12,660,871 | \$ 17,310,808 | \$ 22,538,218 | \$ 25,662,686 | \$ 27,045,821 | \$ 30,706,380 | \$ 37,384,900 | \$ 38,706,467 | \$ 44,902,368 |



Source - Balance Sheet

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

| | Fiscal Year Ended June 30 | | | | | | | | | |
|--------------------------------------|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Revenues: | | | | | | | | | | |
| Taxes | \$ 8,123,277 | \$ 9,255,172 | \$ 10,530,621 | \$ 11,574,914 | \$ 13,428,000 | \$ 14,416,512 | \$ 12,334,282 | \$ 11,415,346 | \$ 13,819,413 | \$ 15,363,909 |
| Licenses and permits | 127,525 | 186,044 | 294,055 | 294,515 | 169,436 | 244,088 | 307,155 | 179,633 | 241,793 | 229,110 |
| Intergovernmental | 3,225,006 | 4,325,745 | 4,284,524 | 3,482,449 | 4,189,230 | 8,178,358 | 11,559,466 | 10,553,660 | 9,575,246 | 11,510,754 |
| Charges for services | 869,669 | 1,025,308 | 1,154,090 | 1,145,367 | 1,202,810 | 1,106,542 | 968,678 | 1,018,625 | 953,463 | 1,045,630 |
| Fines and forfeitures | 352,606 | 313,388 | 286,430 | 252,557 | 222,594 | 246,499 | 236,453 | 198,693 | 190,332 | 186,021 |
| Rents and royalties | 390,504 | 383,710 | 382,473 | 368,224 | 363,312 | 336,270 | 386,317 | 372,809 | 408,132 | 409,172 |
| Investment income | 4,640 | 6,892 | 56,656 | 136,766 | 287,106 | 509,056 | 771,289 | 559,284 | (146,482) | 775,611 |
| Land sales | 246,275 | 357,700 | 144,300 | 293,004 | - | 53,456 | 1,295 | 540,516 | 20,104 | 102,948 |
| Miscellaneous | 239,400 | 193,573 | 177,059 | 267,475 | 342,646 | 307,728 | 304,057 | 263,292 | 200,031 | 1,247,441 |
| Total revenues | 13,578,902 | 16,047,532 | 17,310,208 | 17,815,271 | 20,205,134 | 25,398,509 | 26,868,992 | 25,101,858 | 25,262,032 | 30,870,596 |
| Expenditures: | | | | | | | | | | |
| Current - | | | | | | | | | | |
| General government | \$ 2,344,342 | \$ 2,412,666 | \$ 2,484,086 | \$ 2,493,096 | \$ 3,722,547 | \$ 4,349,976 | \$ 3,986,115 | \$ 3,059,489 | \$ 3,153,949 | \$ 3,893,066 |
| Public safety | 4,161,909 | 4,288,079 | 4,709,304 | 4,981,725 | 5,461,311 | 5,380,344 | 5,505,020 | 5,454,344 | 5,829,001 | 6,851,432 |
| Judicial | 272,341 | 331,636 | 1,320,767 | 13,216 | 8,447 | 16,280 | 10,889 | 7,650 | 9,594 | 6,936 |
| Public works | 1,077,785 | 1,296,595 | 8,062 | 1,354,570 | 2,090,641 | 4,364,007 | 2,566,547 | 2,790,643 | 2,862,852 | 2,352,576 |
| Culture and recreation | 929,787 | 1,018,995 | 900,986 | 1,035,250 | 1,276,693 | 1,227,325 | 813,605 | 857,489 | 1,180,274 | 1,871,065 |
| Community support | 561,816 | 546,129 | 506,816 | 509,616 | 560,471 | 4,961,023 | 5,138,799 | 4,260,757 | 5,228,657 | 6,854,937 |
| Capital outlay | 143,081 | 1,754,289 | 1,708,821 | 1,107,036 | 2,707,997 | 2,481,663 | 5,654,824 | 3,268,956 | 1,868,866 | 4,680,088 |
| Debt service - | | | | | | | | | | |
| Principal | 873,963 | 1,013,504 | 939,171 | 959,329 | 984,997 | 1,011,399 | 1,045,302 | 1,241,071 | 5,343,395 | 426,847 |
| Interest and fiscal charges | 491,106 | 469,660 | 447,180 | 428,565 | 407,670 | 385,184 | 359,736 | 327,422 | 14,779 | 4,961 |
| Refunding bond issuance costs | | | | | | | | | | |
| Total expenditures | \$ 10,856,130 | \$ 13,131,553 | \$ 13,025,193 | \$ 12,882,403 | \$ 17,220,774 | \$ 24,177,201 | \$ 25,080,837 | \$ 21,267,821 | \$ 25,491,367 | \$ 26,941,908 |
| Revenues over Expenditures | \$ 2,722,772 | \$ 2,915,979 | \$ 4,285,015 | \$ 4,932,868 | \$ 2,984,360 | \$ 1,221,308 | \$ 1,788,155 | \$ 3,834,037 | \$ (229,335) | \$ 3,928,688 |
| Other Funding Sources | | | | | | | | | | |
| Issuance of long-term debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Premium on long-term debt issuance | - | - | - | - | - | - | - | - | - | - |
| Payment to refunded bond | - | - | - | - | - | - | - | - | - | - |
| Proceeds from leases | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 1,901,044 | 3,097,016 | 4,176,746 | 6,428,900 | 4,597,346 | 6,570,523 | 7,658,860 | 6,111,025 | 5,587,769 | 6,807,307 |
| Transfers out | (1,548,818) | (2,750,178) | (3,811,824) | (6,196,804) | (4,457,238) | (6,429,376) | (6,128,489) | (3,690,441) | (4,036,867) | (4,540,094) |
| Debt proceeds | - | - | - | 62,446 | - | - | - | - | - | - |
| Issuance of Debt | - | - | - | - | - | 20,681 | 342,033 | 423,899 | - | - |
| Total other financing sources | 352,226 | 346,838 | 364,922 | 294,542 | 140,108 | 161,828 | 1,872,404 | 2,844,483 | 1,550,902 | 2,267,213 |
| Net Change in Fund Balance | \$ 3,074,998 | \$ 3,262,817 | \$ 4,649,937 | \$ 5,227,410 | \$ 3,124,468 | \$ 1,383,136 | \$3,660,559 | \$6,678,520 | \$1,321,567 | \$6,195,901 |

Changes in Fund Balances of Governmental Funds-Continued
Last Ten Fiscal Years

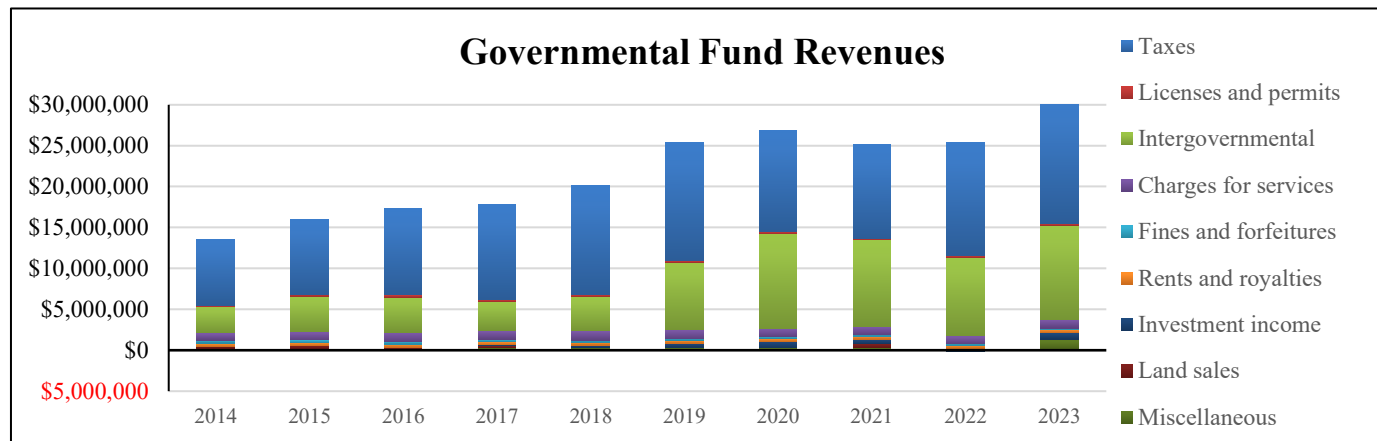
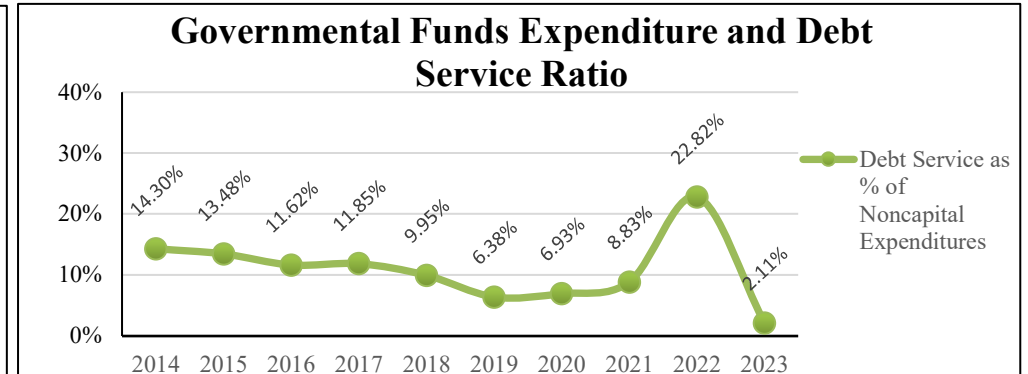
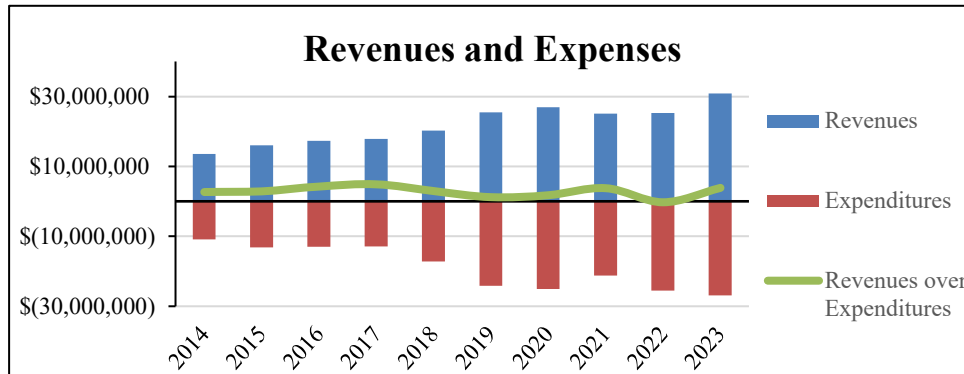
Financial Trends
(Accrual basis of accounting)

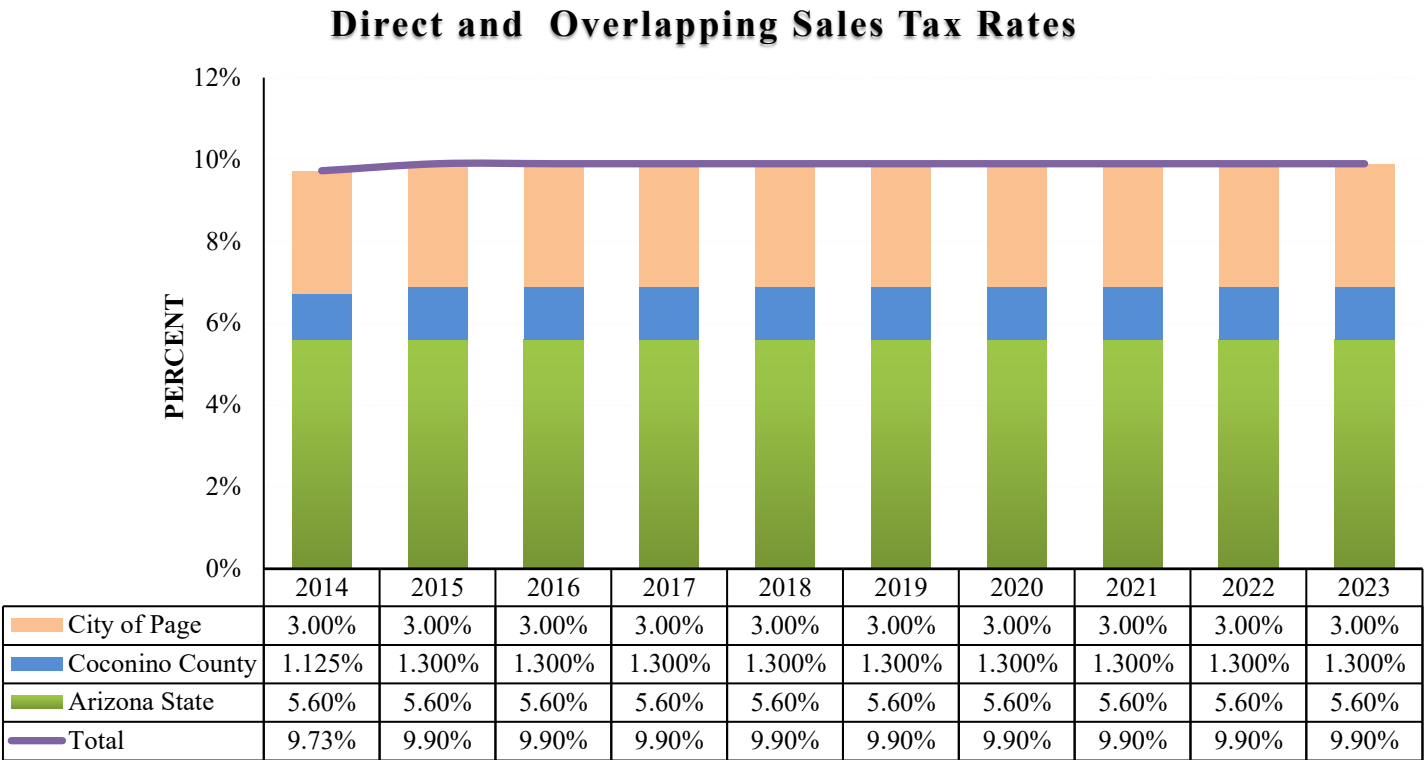
| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Capital Outlay (1) | 1,306,959 | 2,125,001 | 1,095,959 | 1,171,699 | 3,224,914 | 2,293,400 | 4,800,668 | 3,514,423 | 2,014,449 | 6,481,682 |
| Debt Ratio | | | | | | | | | | |
| Total Debt Service | \$ 1,365,069 | \$ 1,483,164 | \$ 1,386,351 | \$ 1,387,894 | \$ 1,392,667 | \$ 1,396,583 | \$ 1,405,038 | \$ 1,568,493 | \$ 5,358,174 | \$ 431,808 |
| Total Noncapital Expenditure (2) | 9,549,171 | 11,006,552 | 11,929,234 | 11,710,704 | 13,995,860 | 21,883,801 | 20,280,169 | 17,753,398 | 23,476,918 | 20,460,226 |
| Debt Service as a percentage of noncapital expenditures | 14.30% | 13.48% | 11.62% | 11.85% | 9.95% | 6.38% | 6.93% | 8.83% | 22.82% | 2.11% |

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds

Note (1): Capital outlay amount from Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds.

Note (2): Noncapital Expenditure is total expenditures less capital outlay.





Source: Arizona Department of Revenue Transaction Privilege and Tax Rate Table

City of Page, Arizona

Taxable Sales by Category

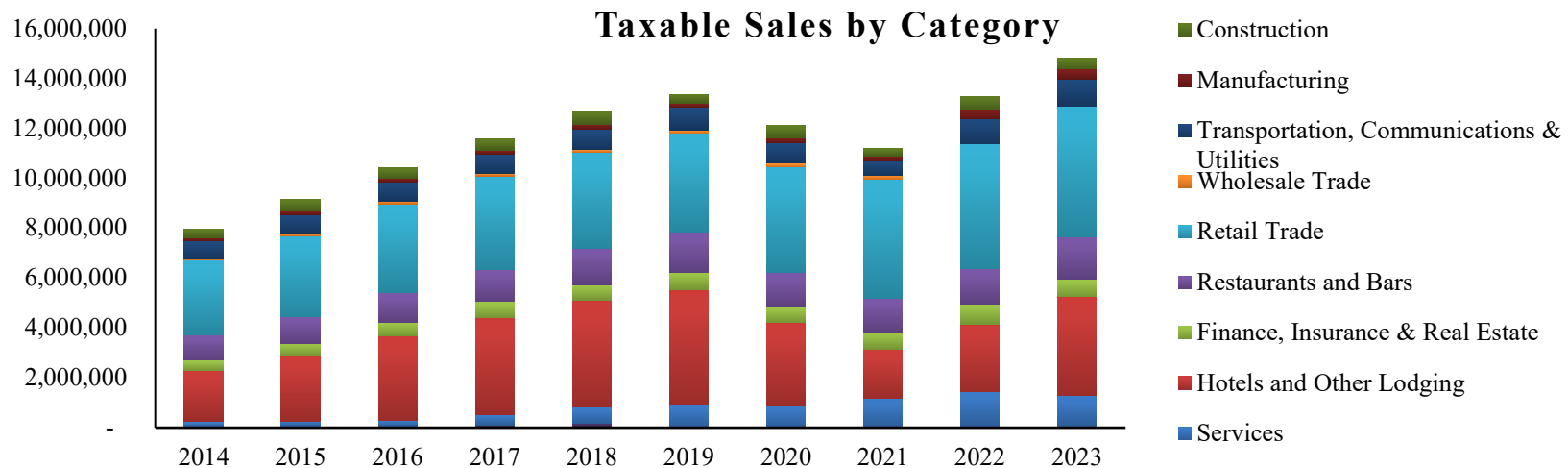
Last Ten Fiscal Years

Statistical Section

Revenue Capacity

(Accrual basis of accounting)

| | Fiscal Year Ended June 30 | | | | | | | | | |
|--|---------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Categories | | | | | | | | | | |
| Construction | \$ 327,841 | \$ 452,763 | \$ 409,185 | \$ 429,858 | \$ 487,537 | \$ 344,929 | \$ 475,299 | \$ 284,191 | \$ 522,186 | \$ 433,822 |
| Manufacturing | 137,727 | 142,410 | 145,331 | 172,444 | 187,977 | 179,667 | 209,963 | 202,290 | 393,670 | 388,699 |
| Transportation, Communications & Utilities | 685,400 | 749,131 | 779,169 | 757,718 | 815,827 | 905,392 | 811,780 | 561,716 | 986,509 | 1,091,608 |
| Wholesale Trade | 89,162 | 95,188 | 106,697 | 126,063 | 143,049 | 120,021 | 152,700 | 176,380 | 316,137 | 311,638 |
| Retail Trade | 3,004,568 | 3,242,532 | 3,571,896 | 3,740,548 | 3,834,007 | 3,984,088 | 4,241,485 | 4,755,410 | 5,007,765 | 5,238,525 |
| Restaurants and Bars | 992,213 | 1,073,044 | 1,177,615 | 1,288,074 | 1,453,554 | 1,603,891 | 1,356,159 | 1,382,077 | 1,423,517 | 1,709,597 |
| Finance, Insurance & Real Estate | 420,751 | 478,540 | 537,463 | 632,185 | 624,175 | 668,962 | 638,480 | 672,965 | 815,115 | 699,015 |
| Hotels and Other Lodging | 2,051,502 | 2,630,073 | 3,379,315 | 3,902,505 | 4,289,017 | 4,616,283 | 3,320,223 | 1,995,275 | 2,701,161 | 3,969,453 |
| Services | 184,030 | 221,786 | 258,716 | 404,210 | 671,542 | 914,912 | 872,146 | 1,143,656 | 1,398,228 | 1,233,247 |
| All Others Not Specified | 56,667 | 51,755 | 50,509 | 111,894 | 152,545 | 20,305 | 22,644 | 13,538 | 45,147 | 43,227 |
| | <u>7,949,863</u> | <u>9,137,222</u> | <u>10,415,895</u> | <u>11,565,499</u> | <u>12,659,231</u> | <u>13,358,451</u> | <u>12,100,877</u> | <u>11,187,498</u> | <u>13,609,436</u> | <u>15,118,831</u> |
| Total | <u>\$7,949,863</u> | <u>\$9,137,222</u> | <u>\$10,415,895</u> | <u>\$11,565,499</u> | <u>\$12,659,231</u> | <u>\$13,358,451</u> | <u>\$12,100,877</u> | <u>\$11,187,498</u> | <u>\$ 13,609,436</u> | <u>\$15,118,831</u> |



Source: The source of this information is the City's financial records-Standard Industry (NAICS) Summary for Page, Arizona July 2018 - June 2019 from Monthly Tax Report.

Modified in FY2020 to reflect month tax was reported versus month received.

City of Page, Arizona

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Statistical Section

Debt Capacity

(Accrual basis of accounting)

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---------------------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|
| Governmental Activities | | | | | | | | | | |
| General Obligation Bonds (1) | 1,309,609 | 1,127,691 | 943,520 | 759,190 | 574,193 | 387,794 | 197,492 | - | - | - |
| Leases | 344,412 | 223,284 | 148,078 | 128,968 | 41,683 | 49,049 | 365,107 | 630,679 | 432,344 | - |
| Notes Payable | - | - | - | - | - | - | - | - | - | - |
| Revenue Obligation Bonds (1) | 11,347,891 | 10,568,864 | 9,764,837 | 8,940,810 | 8,091,783 | 7,217,756 | 6,313,729 | 5,374,702 | - | - |
| Total Governmental Activities | 13,001,912 | 11,919,839 | 10,856,435 | 9,828,968 | 8,707,659 | 7,654,599 | 6,876,328 | 6,005,381 | 432,344 | - |
| Business Activities | | | | | | | | | | |
| Bonds | - | - | - | - | - | - | - | - | - | - |
| Leases | - | - | - | - | - | - | 106,597 | 104,946 | 145,224 | 101,209 |
| Total Business Activities | - | - | - | - | - | - | 106,597 | 104,946 | 145,224 | 101,209 |
| Total Primary Government | <u>13,001,912</u> | <u>11,919,839</u> | <u>10,856,435</u> | <u>9,828,968</u> | <u>8,707,659</u> | <u>7,654,599</u> | <u>6,982,925</u> | <u>6,110,327</u> | <u>577,568</u> | <u>101,209</u> |
| % of Assessed Value (2) | 20.10% | 17.74% | 15.62% | 13.70% | 10.71% | 9.41% | 8.12% | 6.63% | 0.63% | 0.10% |
| % of Personal Income (3) | 6.57% | 7.05% | 5.92% | 4.90% | 5.60% | 4.92% | 4.39% | 3.61% | 0.37% | 0.07% |
| Per Capita (4) | \$ 1,734 | \$ 1,581 | \$ 1,442 | \$ 1,293 | \$ 1,151 | \$ 1,012 | \$ 927 | \$ 811 | \$ 78 | \$ 14 |

Source: Notes to the Financial Statements Long-Term Debt

Note (1): Presented net of original issuance discounts and premiums

Note (2): Percentage is Total Primary Government divided by Net Assessed Value provided by Coconino County disclosed in Legal Debt Margin Information page.

Note (3): Personal income is disclosed in Demographic and Economic Information page

Note (4): Population disclosed in Demographic and Economic Information page

City of Page, Arizona

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Statistical Section

**Debt Capacity
(Accrual basis of accounting)**

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|-------------|
| Governmental Activities | | | | | | | | | | |
| General Obligation Bonds (1) | 1,309,609 | 1,127,691 | 943,520 | 759,190 | 574,193 | 387,794 | 197,492 | - | - | - |
| Less: Amounts Available in Debt Service Fund (5) | <u>(139,994)</u> | <u>(121,953)</u> | <u>(94,339)</u> | <u>(75,939)</u> | <u>(58,130)</u> | <u>(50,046)</u> | <u>(32,557)</u> | <u>(3,089)</u> | <u>-</u> | <u>-</u> |
| Total Primary Government | <u>\$1,169,615</u> | <u>\$1,005,738</u> | <u>\$ 849,181</u> | <u>\$ 683,251</u> | <u>\$ 516,063</u> | <u>\$ 337,748</u> | <u>\$ 164,935</u> | <u>\$ (3,089)</u> | <u>\$ -</u> | <u>\$ -</u> |
| % of Assessed Value (2) | 1.81% | 1.50% | 1.26% | 0.95% | 0.68% | 0.42% | 0.19% | 0.00% | 0.00% | 0.00% |
| % of Personal Income (3) | 0.42% | 0.34% | 0.28% | 0.34% | 0.33% | 0.22% | 0.10% | 0.00% | 0.00% | 0.00% |
| Per Capita (4) | \$ 158 | \$ 133 | \$ 113 | \$ 90 | \$ 68 | \$ 45 | \$ 22 | \$ (0) | \$ - | \$ - |

Source: Notes to the Financial Statements Long-Term Liabilities

Note (1): Presented net of original issuance discounts and premiums (Airport Lease Purchase, Series 2004 Bond).

Note (2): Percentage is Total Primary Government divided by Net Assessed Value provided by Coconino County disclosed in Legal Debt Margin Information page.

Note (3): Percentage is Total Primary Government divided by Personal Income disclosed in Demographic and Economic Information page

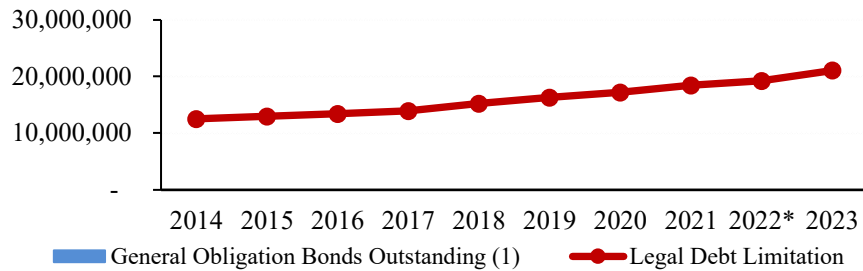
Note (4): Amount is Total Primary Government divided by population disclosed in Demographic and Economic Information page

Note (5): Amount from Balance Sheet Government Funds - Restricted cash and cash equivalents in Debt Service Fund .

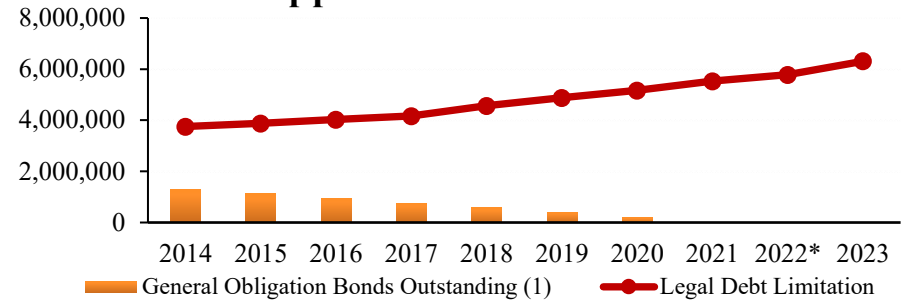
The City of Page is autonomous from any county, town, or other political subdivisions of the State of Arizona. There is no overlapping general obligation debt or taxing powers.

| | Fiscal Year Ended June 30 | | | | | | | | | |
|---|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022* | 2023 |
| Assessed Value of Real Property (2)* reinstated | \$ 64,679,910 | \$ 67,174,588 | \$ 69,491,903 | \$ 71,737,815 | \$ 76,071,757 | \$ 81,314,653 | \$ 86,048,461 | \$ 92,189,515 | \$ 99,506,455 | \$ 105,291,111 |
| 20% Limitation | | | | | | | | | | |
| Legal Debt Limitation | \$ 12,517,026 | \$ 12,935,982 | \$ 13,434,918 | \$ 13,898,381 | \$ 15,214,351 | \$ 16,262,931 | \$ 17,209,692 | \$ 18,437,903 | \$ 19,250,996 | \$ 21,058,222 |
| General Obligation Bonds Outstanding (1) | - | - | - | - | - | - | - | - | - | - |
| Debt Margin Available | \$ 12,517,026 | \$ 12,935,982 | \$ 13,434,918 | \$ 13,898,381 | \$ 15,214,351 | \$ 16,262,931 | \$ 17,209,692 | \$ 18,437,903 | \$ 19,250,996 | \$ 21,058,222 |
| Total Net Debt applicable to the 20 % | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 6 % Limitation | | | | | | | | | | |
| Legal Debt Limitation | 3,755,108 | 3,880,795 | 4,030,475 | 4,169,514 | 4,564,305 | 4,878,879 | 5,162,908 | 5,531,371 | 5,775,299 | 6,317,467 |
| General Obligation Bonds Outstanding (1) | 1,309,609 | 1,127,691 | 943,520 | 759,190 | 574,193 | 387,794 | 197,492 | - | - | - |
| Debt Margin Available | \$ 2,445,499 | \$ 2,753,104 | \$ 3,086,955 | \$ 3,410,324 | \$ 3,410,324 | \$ 4,491,085 | \$ 4,965,416 | \$ 5,531,371 | \$ 5,775,299 | \$ 6,317,467 |
| Total Net Debt applicable to the 20 % * reinstated | 2.02% | 1.68% | 1.36% | 1.06% | 0.75% | 0.48% | 0.23% | 0.00% | 0.00% | 0.00% |

Debt Applicable to 20% Limit



Debt Applicable to 6% Limit



Source: Notes to the Financial Statements Long-Term Liabilities

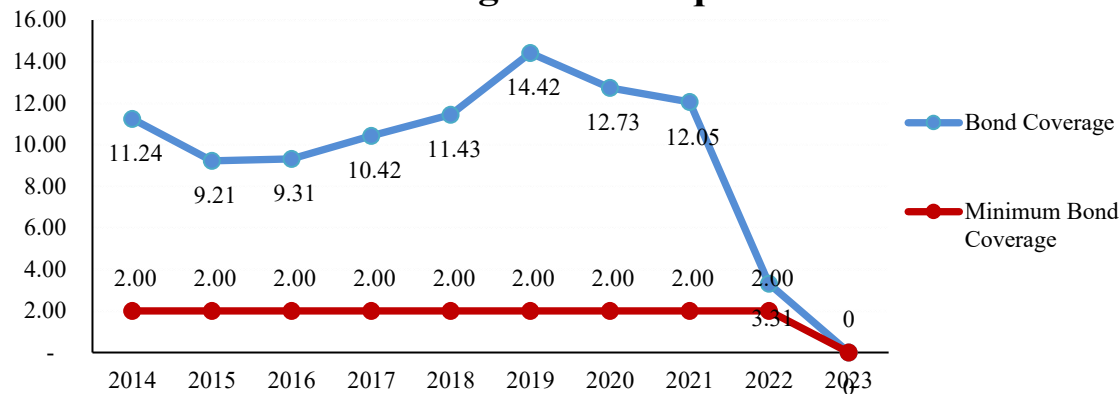
Note (1): Prior to fiscal year 2007, under Arizona law, cities could issue general obligation bonds for purposes of water, sewer, artificial light, open space preserves, parks, playgrounds, and recreational facilities, up to an amount not exceeding 20% of a City's Secondary Net Assessed Valuation. In fiscal year 2007, Arizona voters approved an amendment to the Arizona Constitution to allow cities to include debt for the acquisition and development of public safety, law enforcement, fire and emergency facilities, and streets and transportation facilities in the 20% debt limit. General Obligation Bonds for all other purposes may be issued up to an amount not exceeding 6% of Secondary Net Assessed Valuation.

*Reinstated - prior years Assessed Value of Real Property one year behind.

Note (2): Assessed value of real property based on Secondary Net Assessed Valuation

| Fiscal Year | Excise Tax, Revenues and State Shared Revenues (2 & 2a) As restated | Debt Service Requirements | | | | | | | Minimum |
|----------------|---|---|------------------------------|--------------------------|------------------------------|-----------------------------|-----------------------|-----------------------|---------|
| | | Series 2011 Bond | | | Series 1999A Bond | | Total Debt Service | Coverage Ratio (3) | |
| | | Debt Service Obligation Being Refunded | Debt Service Principal | Debt Service Interest | Debt Service Principal | Debt Service Interest | | | |
| 2014 | 9,895,806 | - | 350,000 | 480,938 | | | 830,938 | 11.24 | 2.00 |
| 2015 | 11,069,485 | - | 600,000 | 473,938 | | | 1,073,938 | 9.21 | 2.00 |
| 2016 | 12,419,490 | - | 730,000 | 458,938 | | | 1,188,938 | 9.31 | 2.00 |
| 2017 | 13,598,619 | - | 755,000 | 437,038 | | | 1,192,038 | 10.42 | 2.00 |
| 2018 | 15,705,839 | - | 775,000 | 414,388 | | | 1,189,388 | 11.43 | 2.00 |
| 2019 | 17,170,607 | - | 800,000 | 391,138 | | | 1,191,138 | 14.42 | 2.00 |
| 2020 | 15,163,641 | - | 855,000 | 336,200 | | | 1,191,200 | 12.73 | 2.00 |
| 2021 | 14,364,956 | - | 890,000 | 302,000 | | | 1,192,000 | 12.05 | 2.00 |
| 2022 | 17,060,668 | - | 5,150,000 | - | | | 5,150,000 | 3.31 | 2.00 |
| 2023 | 21,246,543 | \$ - | \$ - | \$ - | | | \$ - | NA | NA |

Bond Coverage and Requirements



Source: Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund and bond debt service schedule.

Note (1): In Fiscal Year 2012, Series 1999A Bond was restructured.

Note (2): General Fund Revenue less Golf, Rescue, Transfers, Grants, Donations, Land Sales, Interest Income, and Attorney Fees Reimbursement.

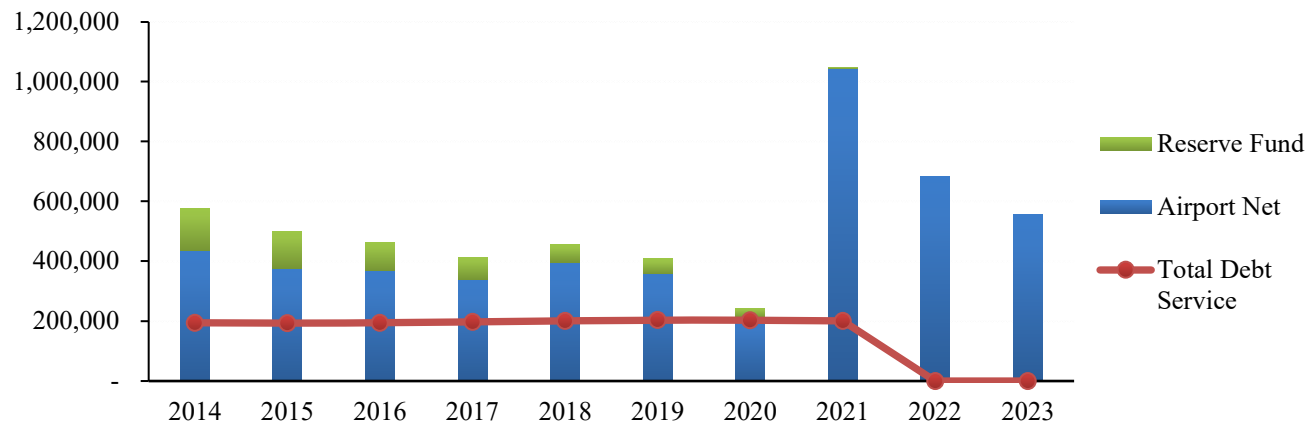
Note (2a): Starting in 2022 Source: Schedule of Revenues, Expenditures and Changes in Fund Balance less Rescue & Attorney Fee Reimbursement.

Note (3): 1999A Bond Series - Revenues at least 1.25 times Total Debt Service / 2011 Bond Series - Revenues at least 2.00 Total Debt Service

Schedule of Debt Service Requirements and Coverage-Continued
Last Ten Fiscal Years

| Fiscal Year | Airport Net Position (Revenue less Expenses) | Debt Service Requirements | | | | | |
|-------------|--|---------------------------|-------------------|-----------------------|--------------------|-------------------------|-------------------------------|
| | | Series 2004 Airport Bond | | | | Coverage Ratio from Net | Reserve Fund for Debt Service |
| | | Debt Service Principal | Interest Rate (1) | Debt Service Interest | Total Debt Service | | |
| 2014 | 436,636 | 176,724 | 0.960% | 17,168 | 193,892 | 2.25 | 140,004 |
| 2015 | 377,256 | 181,919 | 0.763% | 10,723 | 192,642 | 1.96 | 121,953 |
| 2016 | 369,299 | 184,171 | 1.072% | 10,143 | 194,314 | 1.90 | 94,398 |
| 2017 | 337,931 | 184,330 | 1.703% | 12,814 | 197,144 | 1.71 | 75,939 |
| 2018 | 397,115 | 184,997 | 2.435% | 15,049 | 200,046 | 1.99 | 58,130 |
| 2019 | 358,852 | 186,399 | 3.868% | 16,963 | 203,362 | 1.76 | 50,046 |
| 2020 | 210,585 | 190,302 | 3.050% | 12,390 | 202,692 | 1.04 | 32,557 |
| 2021 | 1,044,523 | 197,492 | 0.764% | 3,017 | 200,509 | 5.21 | 3,089 |
| 2022 | 684,553 | - | 0.000% | - | - | - | - |
| 2023 | \$ 558,326 | \$ - | 0.000% | \$ - | \$ - | - | \$ - |

Airport Bond Coverage and Requirements



Source: Bond debt service schedule; City's financial records - Airport Reserve Fund Balance; Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds.

Note (1): Interest Rate changes annually at restart of each fiscal year on July 1.

Note (2): Bond requires amount of Total Debt Service to be available from net revenues and Airport Fund Balances.

Note (3): Bond requires Reserve to be at least 10% of unpaid Principal Component

Note (4): Shortage of coverage from Net Revenues funded by other Airport Funds

City of Page, Arizona
Demographic and Economic Statistics
Last Ten Fiscal Years

Statistical Section
Demographic and Economic
(Accrual basis of accounting)

| General | Calendar | Population (1) | **Personal Income | Per Capita Income (1) | School Enrollment (3) | Unemployment Rate (2) | | |
|-----------------------------|-----------------|-----------------------|------------------------------|----------------------------------|----------------------------------|------------------------------|------------------------|---------------------|
| | Year | | | | | Arizona | Coconino County | City of Page |
| Acres 24,532.6 | 2013 | 7,492 | 197,833,752 | 26,406 | 2,613 | 7.7% | 8.1% | 10.8% |
| Median Income \$65,321* | 2014 | 7,521 | 168,673,467 | 22,427 | 2,621 | 6.8% | 7.1% | 8.6% |
| Below Poverty Level 17.2%* | 2015 | 7,517 | 182,948,746 | 24,338 | 2,594 | 6.1% | 6.5% | 7.9% |
| Housing Units 2,992* | 2016 | 7,565 | 185,380,325 | 24,505 | 2,621 | 5.4% | 6.0% | 7.4% |
| Occupied - 2,580* | 2017 | 7,568 | 156,604,624 | 20,693 | 2,754 | 4.9% | 5.5% | 6.8% |
| Vacant - 412* | 2018 | 7,547 | 155,623,859 | 21,246 | 2,689 | 4.8% | 5.5% | 6.9% |
| | 2019 | 7,529 | 159,001,367 | 22,595 | 2,559 | 4.7% | 5.5% | 7.0% |
| U.S. Census Bureau American | 2020 | 7,440 | 162,675,600 | 21,865 | 2,606 | 7.9% | 9.7% | 9.6% |
| Fact Finder | 2021 | 7,375 | \$157,654,630 | \$ 21,377 + | 2,300 | 4.1% | 4.8% | 5.7% |
| 2015-2019* | 2022 | 7,357 | \$153,809,909 | \$ 20,907 + | 2,459 | 4.3% | 4.8% | 5.6% |

+Per Capita Income estimate based on historical data. **Population multiplied by Per Capita Income

Current Year and Five Years Ago

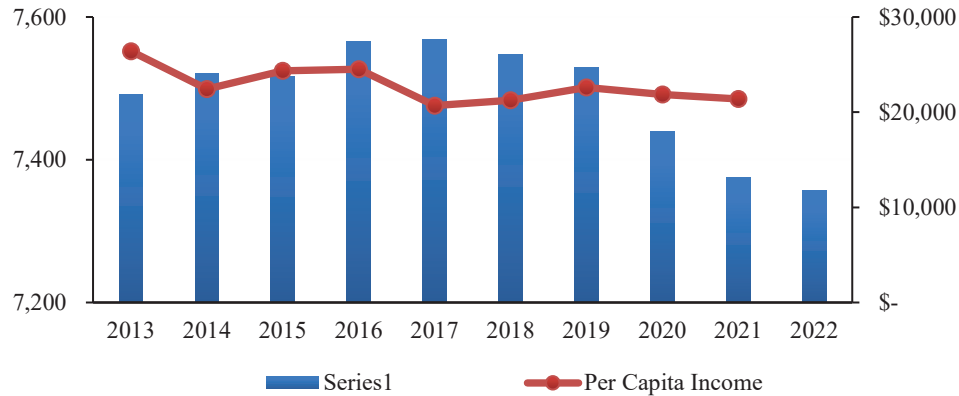
| 2023 | | | 2018 | | |
|--|----------------------------------|----------------------------------|------------------------------------|-------------------|----------------------------------|
| Employer | Employees | % of Total Employment | Employer | Employees | % of Total Employment |
| Canyonlands Community Health Care Inc | 77 | 2.0% | Page Steel/ Page Lumber | 93 | 3.0% |
| Page Steel Inc | 87 | 2.0% | City of Page | 147 | 4.0% |
| GSM Outdoors | 122 | 3.0% | Gary Yamamoto Custom Baits | 150 | 4.0% |
| City of Page (Includes Page Utility Enterprises) | 181 | 5.0% | Page Hospital | 146 | 4.0% |
| Banner Health | 135 | 4.0% | Infinity of Page Home Health Care | 170 | 5.0% |
| Infinity of Page Home Health Services LLC | 150 | 4.0% | Glen Canyon National Park Service | 193 | 6.0% |
| Glen Canyon National Park Service | 200 | 6.0% | Antelope Point Holdings, LLC | 428 | 12.0% |
| Walmart | 222 | 6.0% | Page Unified School District No. 8 | 451 | 13.0% |
| Page Unified School District 8 | 532 | 15.0% | Navajo Generating Station | 463 | 13.0% |
| Aramark Corp | 1,100 | 31.0% | Aramark Lake Powell | 785 | 23.0% |
| Total | 2,806 | 79.5% | Total | 3,026 | 87.0% |
| Other | 724 | 20.5% | Other | 451 | 13.0% |
| | Labor Force | 3,738 | | Labor Force | 3,905 |
| | Total employment | 3,530 | | Total employment | 3,477 |
| | Unemployment | 208 | | Unemployment | 428 |
| | Unemployment Rate to Labor Force | 5.6% | | Unemployment Rate | 11.0% |

Note (1): Local data 2013- 2019 from U.S. Census Bureau.

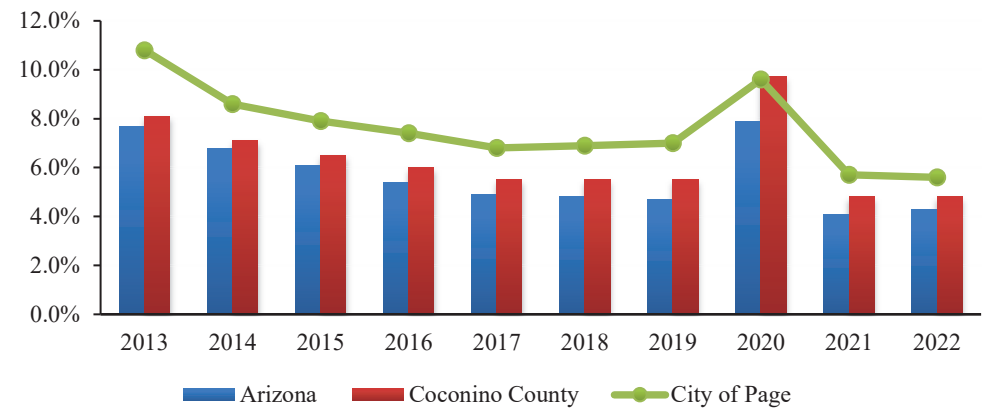
Note (2):Source - Arizona Department of Administration, Office of Employment Statistics. Not seasonally adjusted.

Note (3): Source - Arizona Department of Education. Updated in FY17 to include Resident and Non-Resident students.

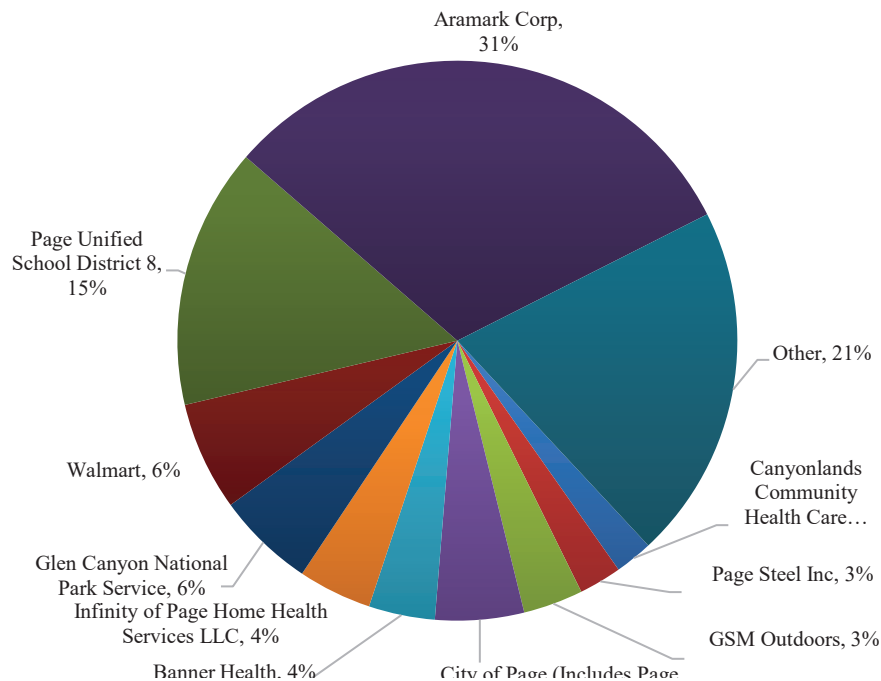
Population vs Per Capita Income



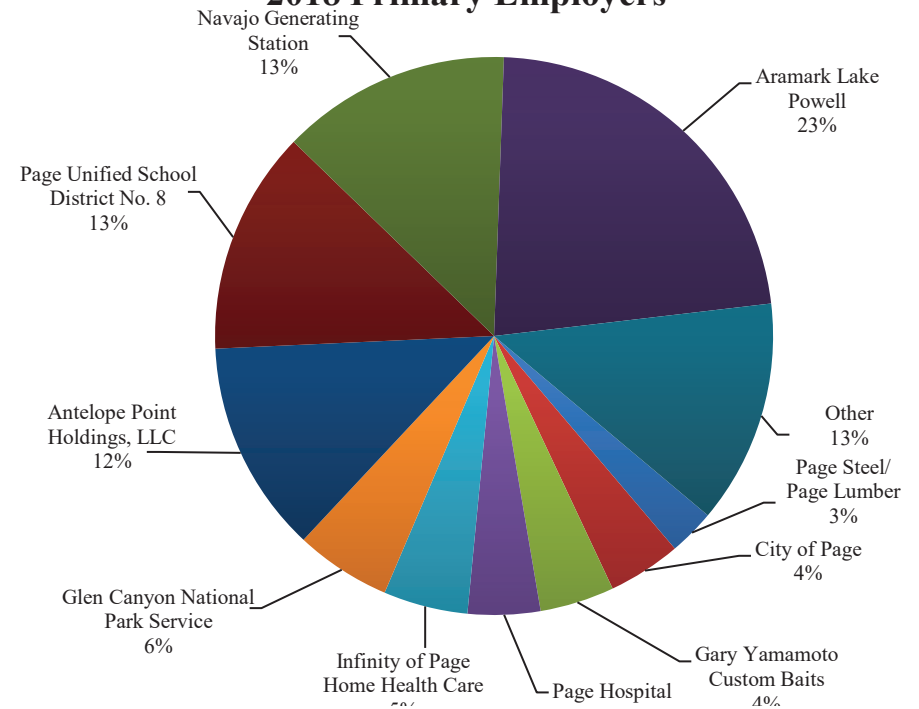
Unemployment Rate



2022 Primary Employers

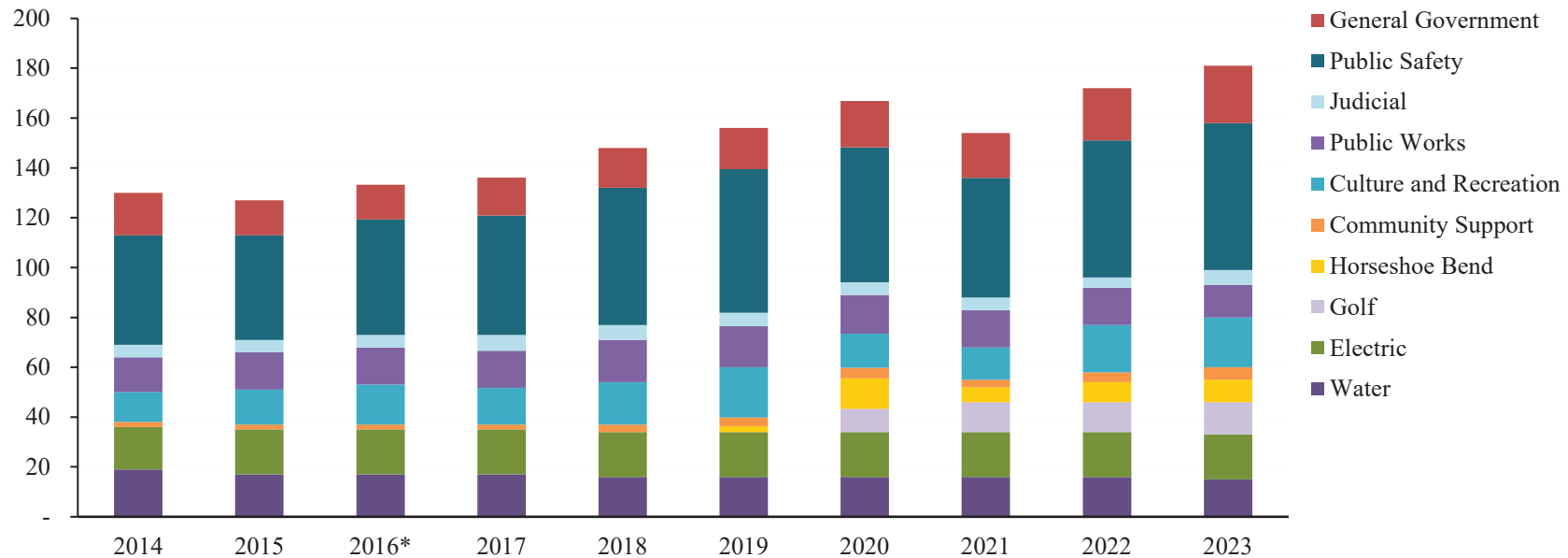


2018 Primary Employers



| Full-time Equivalent Employees as of June 30 | | | | | | | | | | |
|--|------|------|-------|------|------|------|------|------|------|------|
| Function | 2014 | 2015 | 2016* | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| General Government | 17 | 14 | 14 | 15 | 16 | 17 | 19 | 18 | 21 | 23 |
| Public Safety | 44 | 42 | 46 | 48 | 55 | 58 | 54 | 48 | 55 | 59 |
| Judicial | 5 | 5 | 5 | 6 | 6 | 5 | 5 | 5 | 4 | 6 |
| Public Works | 14 | 15 | 15 | 15 | 17 | 17 | 16 | 15 | 15 | 13 |
| Culture and Recreation | 12 | 14 | 16 | 15 | 17 | 20 | 14 | 13 | 19 | 20 |
| Community Support | 2 | 2 | 2 | 2 | 3 | 4 | 4 | 3 | 4 | 5 |
| Horseshoe Bend | - | - | - | - | - | 2 | 12 | 6 | 8 | 9 |
| Golf | - | - | - | - | - | - | 9 | 12 | 12 | 13 |
| Electric | 17 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Water | 19 | 17 | 17 | 17 | 16 | 16 | 16 | 16 | 16 | 15 |
| Total | 130 | 127 | 133 | 136 | 147 | 154 | 167 | 154 | 172 | 181 |

Full-Time-Equivalent City Government Employees by Function/Program



Source: The source of this information is the City's facilities records.

*Restated - Corrected FTE for Firefighters

City of Page, Arizona
Operating Indicators by Functions
Last Ten Fiscal Years

Statistical Section
Operating Information
(Accrual basis of accounting)

| | Fiscal Years Ended June 30 | | | | | | | | | |
|---|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
| Planning and Building Safety | | | | | | | | | | |
| Building permits issued (new single family homes) | 3 | 3 | 8 | 12 | 11 | 15 | 15 | 16 | 8 | 11 |
| Highway and Streets | | | | | | | | | | |
| Street resurfacing (miles) | 0.0 | 1.0 | 0.0 | 0.2 | 3.2 | 17.6 | 2.6 | 3.3 | 1.7 | 0.3 |
| Streets striped (miles) | 9.3 | 7.6 | 0.0 | 20.4 | 12.9 | 10.0 | 5.2 | 3.3 | 0.1 | 1.5 |
| Culture and Recreation | | | | | | | | | | |
| Summer recreation camps | 0 | 0 | 0 | 5 | 4 | 0 | 0 | 0 | 0 | 0 |

Source: The source of this information is the City's facilities records.

City of Page, Arizona
Capital Assets Statistics by Function
Last Ten Fiscal Years

Statistical Section
Operating Information
(Accrual basis of accounting)

| Function | Fiscal Year Ended June 30 | | | | | | | | | |
|--|----------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
| Highways and Streets | | | | | | | | | | |
| Streets (miles) | 47.2 | 47.2 | 47.2 | 47.2 | 47.2 | 47.2 | 47.2 | 47.2 | 47.2 | 47.4 |
| Streetlights | 817 | 817 | 817 | 817 | 817 | 817 | 817 | 817 | 817 | 822 |
| Traffic Signals | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| Culture and recreation | | | | | | | | | | |
| Parks acreage* | 17.73 | 17.73 | 17.73 | 17.73 | 17.73 | 17.73 | 17.73 | 501.59 | 501.59 | 645.59 |
| Parks | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 9 | 9 | 10 |
| Community centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Sewer | | | | | | | | | | |
| Sanitary sewers (miles) | 39 | 39 | 49 | 49.26 | 49.26 | 49.26 | 49.26 | 49.26 | 49.26 | 49.78 |
| Storm sewers (miles) | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 | 8.8 |
| Maximum daily design capacity (gallons)* | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Average daily treatment (gallons) | 908,005 | 875,000 | 889,000 | 882,000 | 918,194 | 918,194 | 918,194 | 768,945 | 818,500 | 820,240 |
| Water | | | | | | | | | | |
| Water lines (miles) | 60 | 60 | 59.94 | 60.19 | 60.19 | 60.19 | 60.19 | 60.19 | 61.19 | 62.29 |
| Raw water lines (miles) | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Maximum daily design capacity (gallons)* | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 3,300,000 | 3,300,000 | 3,300,000 |
| Average daily treatment (gallons) | 1,751,756 | 1,618,500 | 1,940,000 | 1,890,000 | 1,872,540 | 1,872,540 | 1,872,540 | 1,918,961 | 1,833,000 | 1,677,450 |

Source: The source of this information is the City's facilities records.

Note: N/A indicates that the information is not available

OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS

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**Independent Auditors' Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable Mayor and
City Council
Page, Arizona

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Page, Arizona as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Page, Arizona's basic financial statements, and have issued our report thereon dated December 8, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Page, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Page, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the City Page, Arizona's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Page, Arizona's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

HintonBurdick PLLC

Gilbert, Arizona
December 8, 2023



Independent Auditors' Report on State Legal Compliance

The Honorable Mayor and
City Council
Page, Arizona

We have audited the basic financial statements of the City of Page, Arizona for the year ended June 30, 2023, and have issued our report thereon dated December 8, 2023. Our audit also included test work on the City of Page's compliance with selected requirements identified in the State of Arizona Revised Statutes and the Arizona State Constitution including, but not limited to, Title 28, Chapter 18, Article 2.

The management of the City of Page is responsible for the City's compliance with all requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit; accordingly, we make the following statements:

The City of Page has established separate funds to account for Highway User Revenue funds and Local Transportation Assistance funds. Highway user revenue fund monies received by the City of Page pursuant to Title 28, Chapter 18, Article 2 and other dedicated state transportation revenues received during the current fiscal year appear to have been used solely for authorized purposes. The funds are administered in accordance with Generally Accepted Accounting Principles. Sources of revenues available and fund balances are reflected in the individual fund financial statements.

Our opinion regarding the City's compliance with annual expenditure limitations has been issued separately with the City's Annual Expenditure Limitation Report.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, The City of Page, Arizona complied, in all material respects, with the requirements identified above for the year ended June 30, 2023.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Arizona Revised Statutes as noted above and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.

HintonBurdick, PLLC

Gilbert, Arizona
December 8, 2023

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