Town of Camp Verde Vision Statement
"Camp Verde is welcoming, a safe community, a vibrant economy, thoughtfully growing, and offering an exceptional quality of life."

AGENDA
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, JUNE 3, 2026 at 5:00 P.M.

ZOOM MEETING LINK:

https://us02web.zoom.us/j/85013588410?pwd=UACqxYLzYUcrNqmRwAgMUpXODJdLF1.1

one Tap Mobile: 1-253-215-8782 or 1-346-248-7799

Meeting ID: 850 1358 8410

Passcode: 283167

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. **Call to Order**

2. **Roll Call.** Council Members Brian Bolton, Robert Foreman, Robin Godwin, Jessie Murdock, Patricia Seybold, Vice Mayor Wendy Escoffier, and Mayor Marie Moore.

3. **Pledge of Allegiance**

4. **Discussion and presentation of the FY25 financial audit.** Staff Resource: Finance Director Michael Showers. Pg. 3

5. **Adjournment**

Note: Upon a public majority vote of a quorum of the Town Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the purpose of discussion or consultation for legal advice with the Town Attorney as permitted by A.R.S. § 38-431.03(A)(3). Any other executive sessions will be separately included on the agenda above if an executive session will be held at the meeting.

Pursuant to A.R.S. §38-431.01 Meetings shall be open to the public - All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting. Pursuant to Town Code, Section 2-3-7.1 the Mayor shall call for a vote of the Council to allow the meeting to continue past the deadline of 10:00 p.m. The Town of Camp Verde Council Chambers is accessible to persons with disabilities. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk at 928-554-0021.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the Town of Camp Verde and Bashas on May 28, 2026 at 4:00 p.m. in accordance with the statement filed by the Camp Verde Town Council with the Town Clerk

__Leah Rhodes_______

Leah Rhodes, Town Clerk

Town Council
Agenda Information Memorandum

Meeting Date: June 3, 2026

Agenda Item Type:

☐ Consent Agenda ☒ Informational Presentation ☐ Discussion Item
☐ Action/Decision Item ☐ Executive Session Request ☐ Other:

Requesting Department: Finance **Staff Resource:** Finance Director Mike Showers

Agenda Title: Discussion and presentation of the FY25 financial audit.

Attached Documents:

- FY25 Annual Comprehensive Financial Report
- FY25 Governance Report
- FY25 HURF Report
- FY25 Corrective Action Report

Estimated Presentation Time: 20 minutes **Estimated Discussion Time:** 10 minutes

Reviewed By:

☒ Town Manager ☒ Legal ☐ Risk Management ☒ Finance ☐ Other:

Financial Review (if applicable)**:**

- Funding Source / GL Account Number: The audit is budgeted annually within the Finance Department.
- Approved in the FY26 Budget? **X** Yes ☐ No ☐ N/A ☐ Other:
- Is this an approved CIP Project? **X** Yes ☐ No ☐ N/A ☐ Other:

Background Information:

Presentations from CLA (CliftonLarsonAllen LLP) will present the FY25 audit along with Finance Director Mike Showers.

Connection to the [FY27 Strategic Plan]

The annual ACFR relates to the financial stability of the Town.

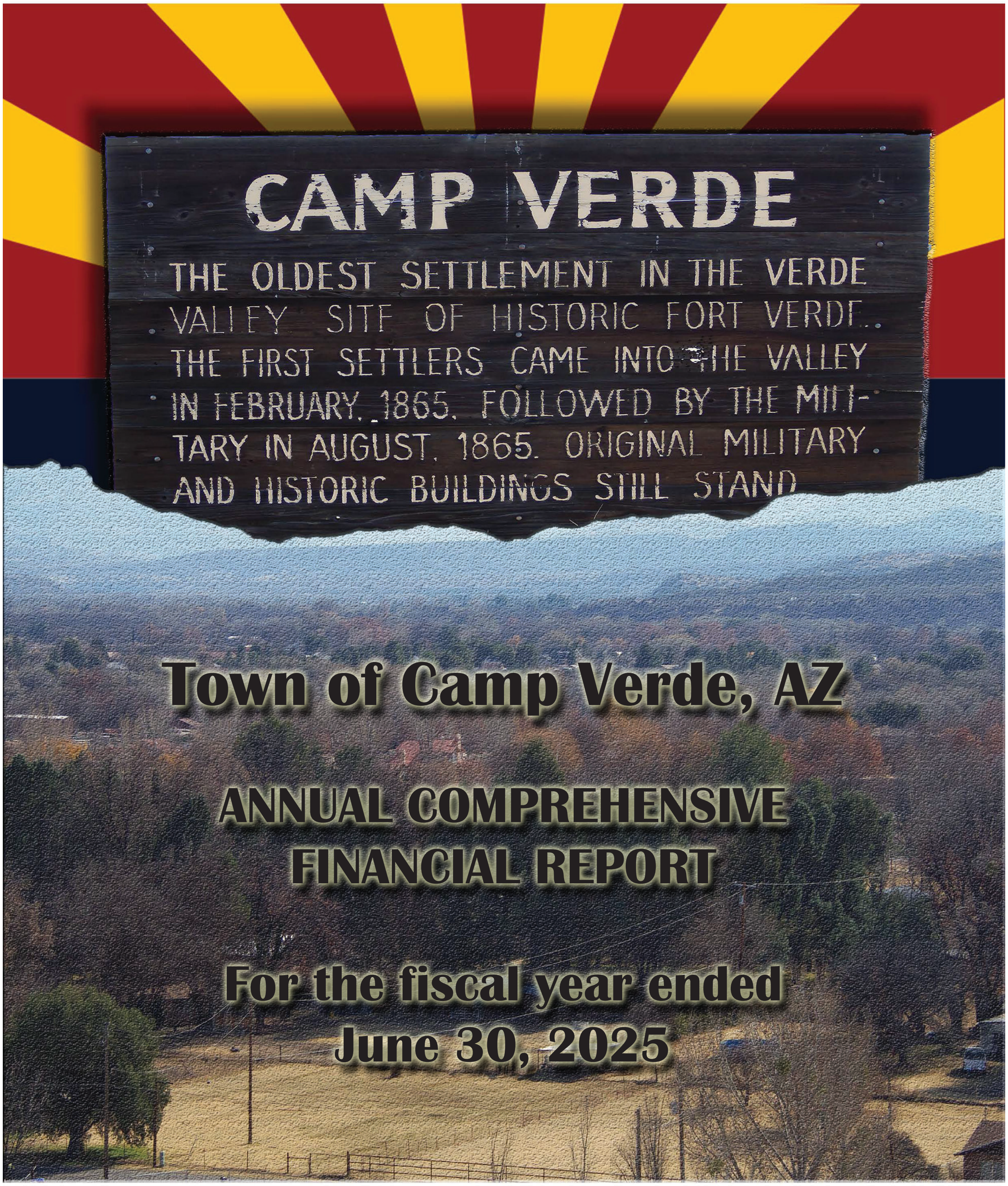
Question(s) before the Council:

- Does Council have any questions for staff or auditors in regards to the annual audit process or documents?

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Town of Camp Verde, Arizona



Town of Camp Verde, AZ

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended June 30, 2025

Prepared by:
The Finance Department

TOWN OF CAMP VERDE

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2025

TOWN OF CAMP VERDE
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025

TOWN OF CAMP VERDE
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025

INTRODUCTORY SECTION

Town of Camp Verde

Gateway to the Verde Valley

♦ 473 S. Main Street ♦ Camp Verde, Arizona 86322 ♦
♦ Telephone: 928.554.0000 ♦ Fax: 928.554.0002 ♦
♦ www.campverde.az.gov ♦

February 27, 2026

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Camp Verde:

We are pleased to submit the Town of Camp Verde Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025. The Town of Camp Verde (Town) annually publishes audited financial statements after the close of each fiscal year which includes a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) that are audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS).

Town 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, Town management has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town'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. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is designed to fairly represent the financial position of the operations of the various funds of the Town.

CliftonLarsonAllen, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Camp Verde's financial statements for the fiscal year ended June 30, 2025. The independent auditors' report is located at the front of the financial section of this report.

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 Town operates. Part of this perspective is Management's Discussion and Analysis (MD&A) report which can be found immediately following the independent auditor's report, provides a narrative introduction, overview and analysis of the basic financial statements of the Town. The MD&A should be reviewed in conjunction with this letter of transmittal.

PROFILE OF THE GOVERNMENT

The Town of Camp Verde, Arizona, incorporated in 1986, is located in the Verde River Valley of Yavapai County and is recognized as the 2012 Centennial Center of Arizona. The Town's land size is 47 square miles and serves an estimated population of just under 13,000 people. Camp Verde is located on I-17, in-between Flagstaff and Phoenix and enjoys a mild climate at an elevation of 3,147 feet.

The Town operates under the council-manager form of government. The Town Council, which has policy-making and legislative authority, consists of a Mayor and a six-member Council. The Council is responsible for, among other things, passing ordinances and resolutions and adopting the annual budget. The members of the Town Council also appoint the membership of various Town boards and commissions and hire the Town Manager, Town Attorney and Magistrate. The Town Manager is responsible for carrying out the policies, ordinances, and resolutions of the Council and for overseeing the day-to-day operations of the Town. The Town 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 mayor is elected for a two-year term.

The Town provides a full range of services including police, animal control, magistrate court, planning and zoning, building code enforcement, the construction and maintenance of streets and other infrastructure, water, wastewater, recreational activities, cultural events and a public library. The Town also operates and maintains a community swimming pool as well as community parks and sports fields. It is important to note that Fire and EMS services in the Town of Camp Verde are provided by the Copper Canyon Fire and Medical District (CCFMD). CCFMD is an independent taxing authority that is not under the Town's control but does work closely with the Town to provide services.

The annual budget serves as the foundation for the Town's financial planning and control. All departments construct their programs and services based on the needs of the community and, no less importantly, the priorities of the Town Council. The Town Manager reviews departmental budget requests and may recommend changes to a department's budget priorities and/or projects. The Town Manager then presents a balanced, proposed budget to the Town Council for review. The proposed budget becomes the focal point of the community conversation with respect to the allocation of financial resources. At the conclusion of the process, the proposed budget, including any additions or deletions thereto, becomes the tentative budget which is presented for adoption by the Town Council in early June. A public hearing is scheduled on the tentative budget generally during June or July each year. Subsequent to the close of that hearing, the Town's final budget is adopted by the Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

In its early years, the Town's economy was based primarily upon agriculture and tourism. In later years, the Town experienced an increase in manufacturing activities as well as retail trade. Currently, the majority of the Town's revenue base is comprised of tax revenues generated both from local sales taxes and State shared tax revenues which include allocations of state income tax, sales tax, fuel tax and motor vehicle-in-lieu tax. Camp Verde is located at the center of Arizona and within one hour of four dramatically different climates and cities, Phoenix to the South, Flagstaff to the North, Prescott to the West and Payson to East. This puts our Town in a great location to take advantage of travel and tourism within our area.

Local sales tax revenues represent 51% of total general fund revenues and have grown 83% in the 5-year period since FY20; an average annual growth rate of 12.8% per year. A significant growth period during these 5 years was in FY21 which realized a 41% increase in local sales tax revenues from FY20. Factoring out that $1.9 million growth in FY21, the remaining four years would be showing a 6.7% annual growth rate. The Retail segment is still the frontrunner of the various sales tax categories at $4.32 million, which is nearly four times greater than the next highest category being, Construction, sitting at just under $1.2 million in FY25. The Town continues to maintain a very positive economic position with an unassigned general fund balance of $4.1 million. While this is down from last year's $4.75 million, the entire drop comes from listing the uncompensated absence balance of $675 thousand to the Committed section of the Fund Balance. Otherwise, ending unassigned Fund Balance remains the same from FY24.

Our three main general fund tax revenues from the State (income tax, sales tax and vehicle license tax) dropped 8% from FY24 to FY25 due to the drop in State income tax sharing which reduced the Town's portion by $632 thousand from FY24. Currently, these three revenue lines make up 35% of the Town's total annual revenues in the General Fund.

Population
The expectation for population in our area (Yavapai County) over the next several years is still a moderate growth scenario. However, with strong economic growth and large housing projects in the planning stages, we expect to see a jump in local population over the next several years. The Town anticipates approximately 1,480 housing units coming online over the next couple of years, which will further contribute to population growth and increased demand for infrastructure and municipal services. In 2020, Camp Verde's population per US Census data was 12,147. Current estimates for 2025 put that number at about 12,700 (World Population Review).

Long-Term Financial Planning
In January of 2024, The Town Council and Staff participated in a two-day event to create the Town's FY25-30 Strategic Plan and related Action Plan. The Strategic Plan and Action Plan were updated in February 2025 and both full documents can be found on our website. The strategic plan focused on developing vision, mission and core values as well as establishing focus areas for future resources.

Our vision is as follows: Camp Verde is welcoming; a safe community, a vibrant economy, thoughtfully growing, and offering an exceptional quality of life. Our mission: we serve by honoring our past and embracing our future.

The Town established 8 core values and arranged them under the PACE acronym. The core values are:

Professionalism through Respect and Leadership
Accountability though Accountability and Integrity
Community though Collaboration, Diversity and Sustainability
Excellence

Our strategic plan focus areas are:

1) **Resilient Economy:** A diversified economy that supports the community's ability to grow, thrive, and adapt.
2) **Recreation & Activities:** Enhancing our unique location and historic culture through building, maintaining, and marketing amenities and events while engaging the community.
3) **Community Infrastructure:** The public structures and facilities that support community and economic development. Infrastructure and maintenance is planned through fiscally responsible policies.
4) **Effective Government:** An awareness of citizen needs and providing necessary services through fiscal responsibility, transparency, innovative business practices, use of new technology, investing in employees, and leveraging Town partnerships.

Major Initiatives for FY26

1) Completion of the new Camp Verde Sports Complex.
    a. The Town has four major projects left for phase I with a budget of $2.9 million. The projects include the entrance walkway and lighting, installing a wastewater lift station, installing all irrigation infrastructure and completing the concession stand/restroom building. All four projects are currently underway in FY25.
2) Main Street reconstruction
    a. A $20.0 million grant funded project is budgeted to begin in FY26 and run through FY27 which would re-align the Northmost section of Main Street.

3) Curb and Gutter project
    a. A $7.7 million grant funded project is budgeted to begin in FY26 and run through FY27 which would construct curb, gutter and sidewalk infrastructure from the Northernmost part of Main Street down to the Town Library.
4) Addition to the Town's Courtroom
    a. This project started in FY25 and will be completed in FY26.
5) Chipseal maintenance
    a. Continued chipseal maintenance for Town roadway maintenance budgeted at $750 thousand.
6) Capital improvement projects for the Town's wastewater system.
    a. Repairs to secure the sewer line at Dickison Circle will be completed in FY26 budgeted at $900 thousand.
    b. Completion of the sludge drying beds at the wastewater treatment plant budgeted at $800,000.
7) Capital improvement projects for the Town's clean water system.
    a. Replacement well and increased storage for our main Mongini Well site - $3.6 million.
    b. Construction of two separate arsenic treatment facilities at current well sites - $2.0 million.
    c. The water main reconstruction project and meter replacement, a $3.1 million project which includes a $2.3 million federal grant, has been underway since FY24 and will be completed at the end of FY26.
    d. Construction of additional storage capacity for drinking water - $800,000.

AWARDS & ACKNOWLEDGEMENTS

Awards

Camp Verde has received the Government Finance Officers Association (GFOA) award for excellence in financial reporting for the last twelve years and the GFOA award for distinguished budget presentation for the last ten years.

Acknowledgements

The preparation of this report would not have been possible without the dedicated support and cooperation of the Town Manager and Town employees from all departments. Credit must also be given to the Mayor and members of the Town Council for their desire and determination to maintain the highest standards of professionalism in the management of the Town of Camp Verde's finances. Finally, a special thank you to the auditors of CliftonLarsonAllen for their time and attention to completing this audit.

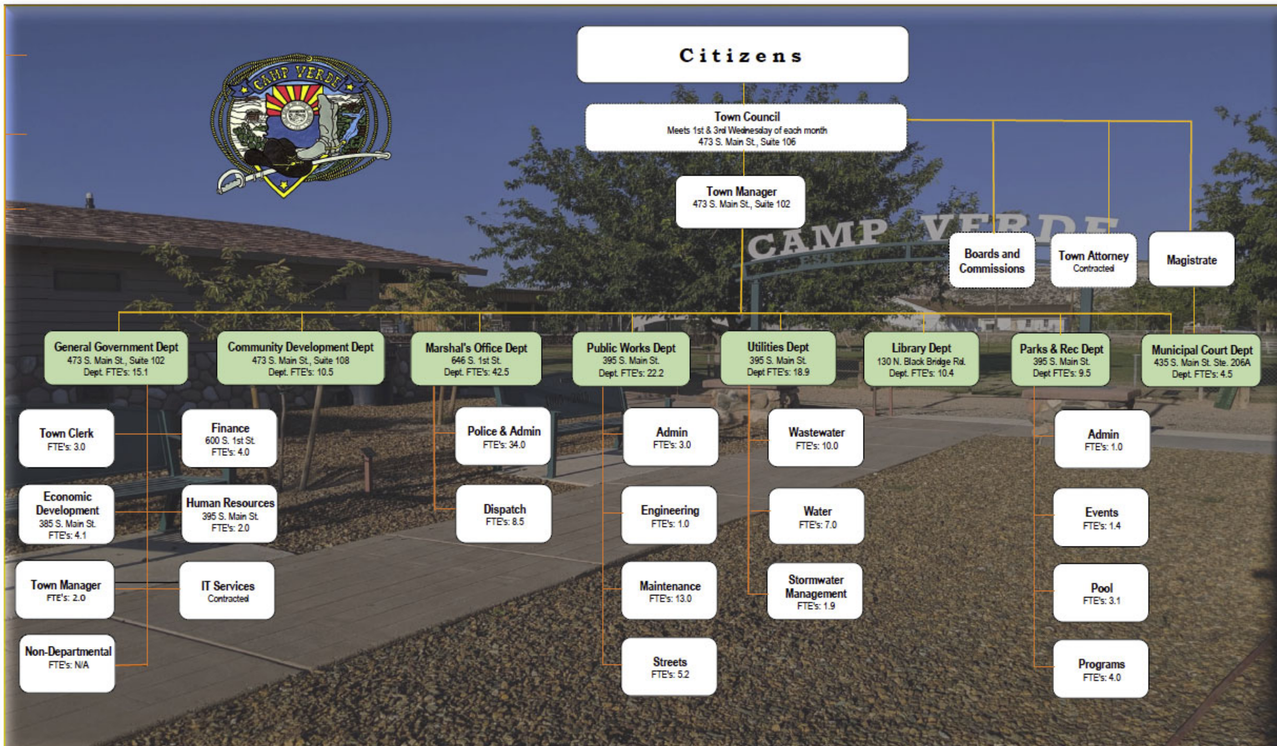
Respectfully submitted,

Miranda Fisher

Miranda Fisher
Town Manager

Michael E. Showers
Finance Director

Town of Camp Verde, Arizona
Town Budgetary Organization Chart



Town of Camp Verde
Key Officials and Staff

Mayor and Council Members

Mayor Marie Moore
Councilor Jessie Murdock
Councilor Robert Foreman
Councilor Patricia Seybold
Vice-Mayor Wendy Escoffier
Councilor Robin Godwin
Councilor Brian Bolton

Staff

Miranda Fisher, *Town Manager*
Leah Rhodes, *Town Clerk*
Mike Showers, *Finance Director*
Julia Kaiser, *Human Resources Director*
Christian Green, *Development Director*
Carson Ralston, *Acting Library Manager*
Ken Krebbs, *Public Works Director*
Dan Jacobs, *Acting Marshal*
Lisa Vaughn, *Utilities Director*
Veronica Pineda, *Court Supervisor*
Shawn Figy, *Parks & Rec Manager*
Gary Horton, *Presiding Magistrate - Contracted*

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Camp Verde Arizona

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Town Council
Town of Camp Verde
Camp Verde, 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 Town of Camp Verde (Town), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2025, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information for the Town's pension plans, and the budgetary comparison information for the general fund 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and 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 GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **February 27, 2026**February 27, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
February 27, 2026

REQUIRED SUPPLEMENTARY INFORMATION

As management of the Town of Camp Verde, Arizona (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2025 (FY25). Please read it in conjunction with the Town's basic financial statements, which begin on page 23.

FINANCIAL HIGHLIGHTS

- The Town spent $1.67M on the Sports Park in FY25. The potable main water line installation was completed early in the year while work continued on the concession & restroom building, the lift station, the irrigation supply and park lighting.

- The Town had $5.1 million of capital expenditures in FY25 with $3.3 million coming from Governmental Funds and another $1.8 million coming from Enterprise Funds. $9.3 million of Construction in Progress was placed into service in FY25 with $8.8 million coming from the Sport Park.

- The Town was awarded $5.6 million in combined debt and grant funding from the Water Infrastructure Finance Authority of Arizona (WIFA) for two Water Utility projects. $3.6 million, which includes $2.0 million of grant funding and $1.6 million of debt funding, is for a new well and arsenic treatment while the remaining $2.0 million of grant funding is for water storage tanks to increase the Town's capacity for accessible water supply.

- The Town invested $561 thousand into annual chip seal maintenance on its roadways.

- Total debt service expenditures from the Debt Service Fund was just under $1.67 million for FY25. This was completely covered from General Fund operating transfers.

- Wastewater and Water Master Plans were completed in FY25. Both a Facilities Master Plan and Parks & Rec Mater Plan were started as well in FY25.

- The Town continued working on its General Plan throughout FY25 and expects to complete work in FY26.

- Total wages and related expenses were $11.6 million across all funds. This includes $1.55 million for healthcare and $877 thousand for retirement. General Fund total wages & related dropped to $9.88 million from last year's $10.1 million as a few positions were eliminated or not immediately replaced during the year.

- Among major governmental funds:
  - The General Fund had $16.5 million in revenues, which primarily consisted of taxes, intergovernmental revenues, licenses and permits, charges for services, fines and forfeitures. Total expenditures in the General Fund were just under $13.0 million leaving a $3.5 million excess from operations. With net transfers out of $2.8 million (most of which went to the Debt Service Fund), the General Fund net fund balance increased $731 thousand in FY25 to just over $5.9 million.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide financial statements.

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the Town's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

In the government-wide financial statements, the Town's activities are presented in the following categories:

Governmental activities – The Town's basic services are included here, such as general government, public safety, public works and streets, health and welfare, culture and recreation, and community development. Sales taxes, intergovernmental, licenses and permits, charges for services, and fines and forfeits revenue finance most of these activities.

Business-type activities – The Town's business-type activities includes both the wastewater and water enterprise funds. The Town took over the Camp Verde Sanitary District wastewater operations on July 1, 2013, and created the Wastewater Fund to house those operations. The Town purchased the Camp Verde Water Company in June of 2022 and created the Water Fund to house those operations. Operations in both of those funds are included here and include fee-for-service billing of residential and commercial accounts as well as all expenses for operating and maintaining the infrastructure of each.

Fund financial statements.

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

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Governmental funds – Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains thirteen (13) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances starting on page 25 for the General Fund which is the Town's lone major fund. Data from the other twelve (12) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the combining and individual fund financial statements and schedules which can be found on pages 79-93.

Proprietary funds – The Town maintains two separate proprietary funds; an enterprise fund for clean water activities and an enterprise fund for wastewater activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The basic proprietary fund financial statements for both Water and Wastewater can be found on pages 29-32 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The Town maintains two separate fiduciary funds. Information on these funds can be found in the Other Financial Statements section of this report on page 33.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements on pages 35-68.

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budget process. The Town adopts an annual budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund as required supplementary information, which can be found starting on page 69. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, net position as of June 30, 2025, was just over $47.6 million which is an increase of just under $5.1 million compared to the previous year. The following table presents a summary of the Town's net position for the fiscal years ended June 30, 2025 and 2024:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current Assets	$ 13,167,674	$ 12,580,281	$ 4,090,917	$ 2,179,777	$ 17,258,591	$ 14,760,058
Capital Assets, Net	33,682,852	32,421,411	29,428,525	28,838,984	63,111,377	61,260,395
Other Noncurrent Assets	-	-	-	-	-	-
Total Assets	46,850,526	45,001,692	33,519,442	31,018,761	80,369,968	76,020,453
Deferred Outflows of Resources						
Deferred Outflows Related to Pensions	1,923,906	1,428,839	222,913	126,653	2,146,819	1,555,492
Liabilities						
Current and Other Liabilities	2,503,770	2,702,018	2,359,903	930,519	4,863,673	3,632,537
Long-Term Liabilities	17,998,431	18,766,430	11,488,941	11,924,207	29,487,372	30,690,637
Total Liabilities	20,502,201	21,468,448	13,848,844	12,854,726	34,351,045	34,323,174
Deferred Inflows of Resources						
Deferred Inflows Related to Pensions	544,672	679,028	63,177	31,416	607,849	710,444
Net Position						
Net Investment in Capital Assets	22,684,972	20,886,805	16,751,541	17,339,362	39,436,513	38,226,167
Restricted	3,402,512	5,134,377	29,789	19,871	3,432,301	5,154,248
Unrestricted (Deficit)	1,640,075	(1,738,127)	3,092,317	900,039	4,732,392	(838,088)
Total Net Position	$ 27,727,559	$ 24,283,055	$ 19,873,647	$ 18,259,272	$ 47,601,206	$ 42,542,327

Governmental Activities. The Town's net position from governmental activities grew $3.4 million (14%) in FY25 to just over $27.7 million. The total asset increase of $1.8 million was driven by the Town's investment of $3.3 million in capital asset purchases which was partly funded through the use of current asset resources. Total liabilities drop nearly $1.0 million during the year with the most significant portion of this decrease coming from a $768 thousand drop in Noncurrent Liabilities. Principal payments against debt of $1.8 million, netted against the increase in the net pension liability of $308 thousand and a $760 thousand increase in Compensated Absences due to changes in estimation tied to GASB 101, account for the remaining significant factors impacting net position.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-Type Activities. Business-type activities total net position increases $1.6 million to $19.87 million. The jump in cash within current assets of $1.9 million and the $1.4 million jump in current liabilities from increases in the current portion of noncurrent liabilities, most significantly due to the increase in compensated absences, accounted for roughly $500 thousand of the increase. The increase in net capital assets from various capital projects accounts for nearly $600 thousand of the net position increase while principal payments against debt are the most significant factor in the $435 drop in long-term liabilities.

Statement of Activities

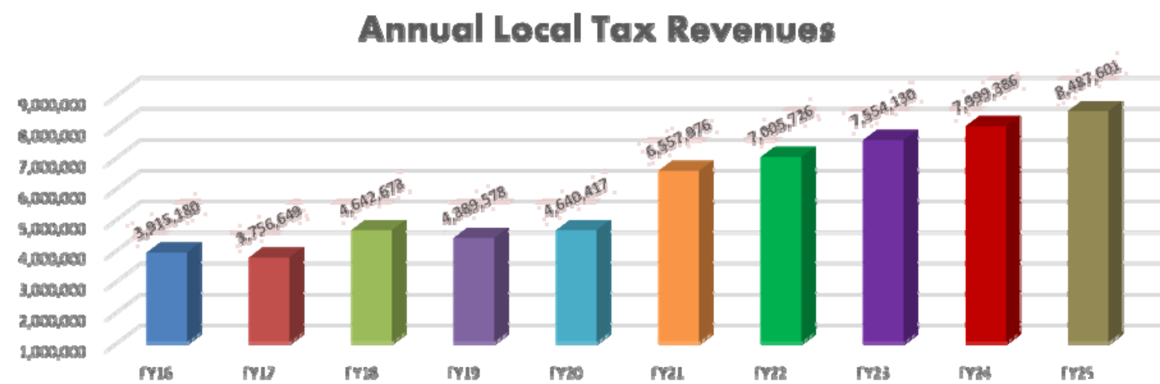
The following tables present a summary of the changes in net position for the fiscal years ended June 30, 2025 and 2024:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues:						
Charges for Services	$ 1,402,489	$ 1,329,272	$ 4,879,140	$ 3,718,397	$ 6,281,629	$ 5,047,669
Operating Grants and Contributions	216,596	1,700,231	-	-	216,596	1,700,231
Capital Grants and Contributions	1,250,570	966,930	880,401	-	2,130,971	966,930
General Revenues:						
Town Sales Taxes	8,487,601	7,999,386	-	-	8,487,601	7,999,386
Franchise Taxes	402,928	378,150	-	-	-	378,150
State Shared Revenue	7,102,648	6,194,277	-	-	7,102,648	6,194,277
Investment Income	386,934	374,899	22,180	2,081	409,114	376,980
Miscellaneous	321,060	24,565	231,995	-	553,055	24,565
Total Revenues	$ 19,570,826	$ 18,967,710	$ 6,013,716	$ 3,720,478	$ 25,584,542	$ 22,688,188

Governmental Activities - Revenues. Total revenues from governmental activities increased by $603 thousand (3%) from last year to just under $19.6 million. The State's adjustment to income tax collection cost the Town $630 thousand in State Shared revenues. However, while increases in Vehicle license and State sales taxes amounted to $116 thousand within State Shared revenues, the majority of the increase in State shared revenues comes from moving the Town's Highway User Revenue Funds (HURF) from operating grants revenue into State Shared revenues in FY25. In both FY24 and FY25, HURF revenues were just under $1.3 million. Plan review fees, within the Charges for services line, jumped $110 thousand in FY25 with increased development activity in the Community Development department. The Town also saw a jump in capital grant support, increasing $284 thousand from FY24. This is predominantly from the Az State Parks grant revenue for the Sports Complex of over $1.0 million.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)
Statement of Activities (Continued)

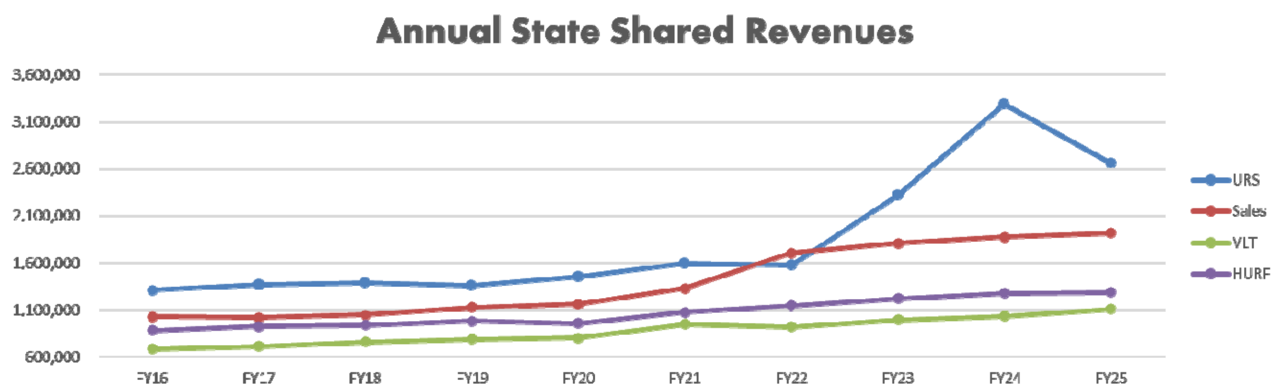
Local sales taxes are the largest source of revenue for the Town at just under $8.5 million in FY25 with shared state income tax funds (URS) a somewhat distant second place at just over $2.6 million. Local sales taxes and state shared revenues (which include URS funds) together make up 71% of the governmental activities revenues. The graph below highlights the varied growth of Local sales tax for the Town for the last 10 years and the upcoming year's budget. In FY18, sales tax revenues jumped 24% due to a significant state road project impacting our sales tax for that year. While fiscal year's 19 and 20 slowed down, local Town sales tax jumped 41% in FY21 after COVID. The segments impacting this growth were retail (40.1% increase), accommodation (65.8% increase) and construction (97.4% increase). While this initial surge is believed to be from the pent-up need to get out of the isolation from COVID, the Town did not lose any of that ground and has actually seen a new baseline established in the post-COVID era. Since that time, local tax revenue has grown 6.7% year over year through FY25. While FY25 came in stronger than expected late in the year, the budget for FY26 had already been set at a lower amount, seemingly showing an expected slowdown in FY26, but actually is just under-budgeted for the year.



The main driver for local sales tax is the retail sales segment. In FY25 it climbed only $69 thousand to $4.32 million. While the growth has slowed down just a bit in this category, it is still nearly 4 times the amount of construction ($1.2 million) and restaurant sales ($1.1 million), which are the next largest segments of the Town's tax revenues. After jumping 71% in FY24, the construction segment jumped another 72% in FY25, surpassing restaurant sales as the Town's second leading tax segment.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)
Statement of Activities (Continued)

State shared revenues are comprised of four main sources: 1) State sales taxes (Sales) - $1.9 million, 2) State income taxes (URS) - $2.6 million, 3) Vehicle license taxes (VLT) - $1.1 million and Highway User Revenues (HURF) - $1.3 million.



As seen in the chart above, the 4 sources together have grown at a slow but steady average annual growth rate of 4% from FY16 to FY21. While HURF revenues have continued at a steady slight upward trend, State sales taxes grew by 28% in FY22 before returning to a more normalized steady upward trend throughout FY25. URS increased sharply in both FY23 and FY24 but declines in FY25 to a more normalized $2.6 million as the State revenue distributions are impacted by the new flat income tax rates.

Governmental Activities - Expenses. Expenses, meanwhile, dropped $1.7 million in FY25 (10%) with the most impactful drops coming from the Public Works ($475 thousand) and General Government divisions ($463 thousand). At roughly $900 thousand, the most significant factor in this drop was a favorable adjustment due to changes in the actuarial assumptions of the retirement plans.

Business-Type Activities. Utility revenues increased $1.16 million (31%) for FY25 as 16% rate increases went into effect in January of 2025 for both Water and Wastewater user fees. The increase is part of a 5-year plan that started in January of 2024 from a 2023 rate study to help support required growth and updates in the Water and Wastewater systems. Furthermore, newly established Capacity fees went into effect in FY25 bringing in $267 thousand. Grant revenues from three separate grants brought in $744 thousand and a lawsuit settlement of $202 thousand make up the rest of the most impactful changes to revenues.

Wastewater expenses increased 15% in FY25 but were heavily impacted by the FY24 GASB 68 & 75 adjustment which lowered retirement costs in FY24 by $207 thousand. Otherwise, normal operational costs amount for the rest of the increase.

Water division expenses increased just 7% in FY25 from normal operational cost increases.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)
Statement of Activities (Continued)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Expenses						
General Government	$ 4,302,781	$ 4,765,586	$ -	$ -	$ 4,302,781	$ 4,765,586
Public Safety	4,730,949	4,906,523	-	-	4,730,949	4,906,523
Public Works	3,163,216	3,638,101	-	-	3,163,216	3,638,101
Health and Welfare	50,000	168,331	-	-	50,000	168,331
Culture and Recreation	2,287,812	2,519,596	-	-	2,287,812	2,519,596
Community Development	882,184	1,105,520	-	-	882,184	1,105,520
Interest on Long-Term Debt	522,728	512,488	-	-	522,728	512,488
Water	-	-	1,689,646	1,579,833	1,689,646	1,579,833
Wastewater	-	-	2,896,347	2,529,312	2,896,347	2,529,312
Total Expenses	15,939,670	17,616,145	4,585,993	4,109,145	20,525,663	21,725,290
Excess (Deficiency) Before Net Transfers	3,631,156	1,351,565	1,427,723	(388,667)	5,058,879	962,898
Net Transfers In/(Out)	(186,652)	(613,206)	186,652	613,206	-	-
Excess (Deficiency) in Net Position	3,444,504	738,359	1,614,375	224,539	5,058,879	962,898
Net Position (Restated) - Beginning	24,283,055	23,544,696	18,259,272	18,034,733	42,542,327	41,579,429
Net Position - Ending	$ 27,727,559	$ 24,283,055	$ 19,873,647	$ 18,259,272	$ 47,601,206	$ 42,542,327

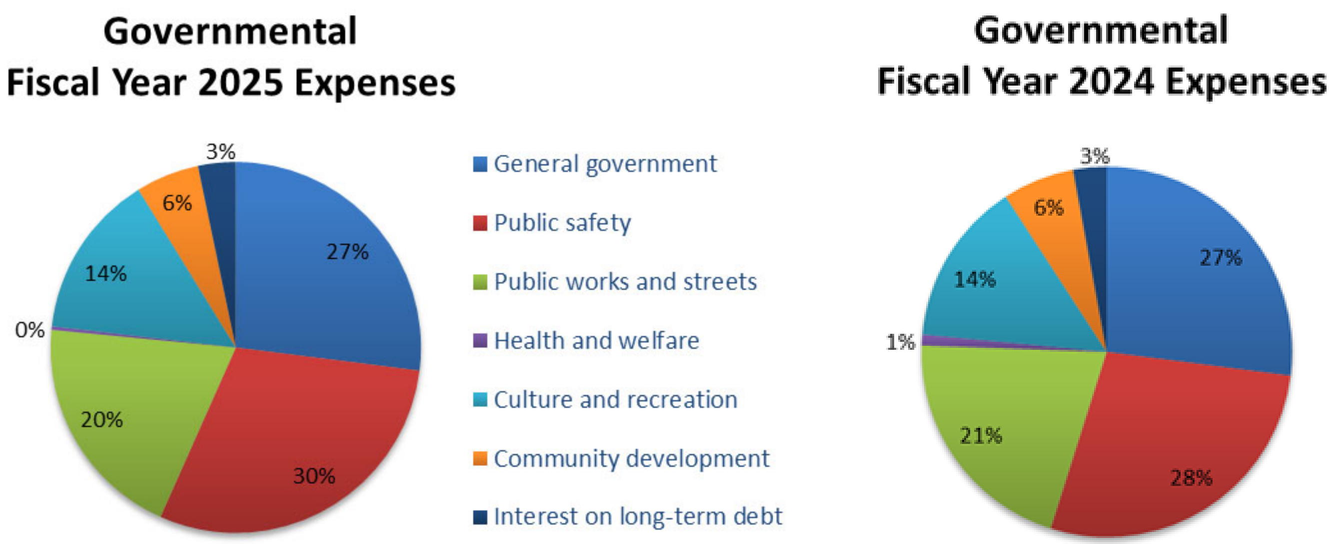
Functional Net Governmental Activities

The following table presents the cost of the major Town functional activities. The table also shows each function's net cost (total cost, less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State's and Town's taxpayers by each of these functions.

	Year Ended June 30, 2025		Year Ended June 30, 2024	
	Total Expenses	Net Expenses (Revenues)	Total Expenses	Net Expenses (Revenues)
Governmental Activities:				
General Government	$ 4,302,781	$ 3,877,336	$ 4,765,586	$ 4,486,091
Public Safety	4,730,949	4,525,529	4,906,523	4,542,328
Public Works and Streets	3,163,216	2,759,771	3,638,101	2,198,375
Health and Welfare	50,000	50,000	168,331	146,754
Culture and Recreation	2,287,812	1,191,729	2,519,596	1,373,648
Community Development	882,184	142,922	1,105,520	360,028
Interest on Long-Term Debt	522,728	522,728	512,488	512,488
Net	$ 15,939,670	$ 13,070,015	$ 17,616,145	$ 13,619,712
Business-Type Activities:				
Water	$ 1,689,646	$ (1,120,911)	$ 1,579,833	$ (151,515)
Wastewater	2,896,347	(52,637)	2,529,312	542,263
Net	4,585,993	(1,173,548)	4,109,145	390,748
Total	$ 20,525,663	$ 11,896,467	$ 21,725,290	$ 14,010,460

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)
Functional Net Governmental Activities (Continued)

The table below shows how expenses are distributed within the Town governmental funds with changes from FY24 to FY25.



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

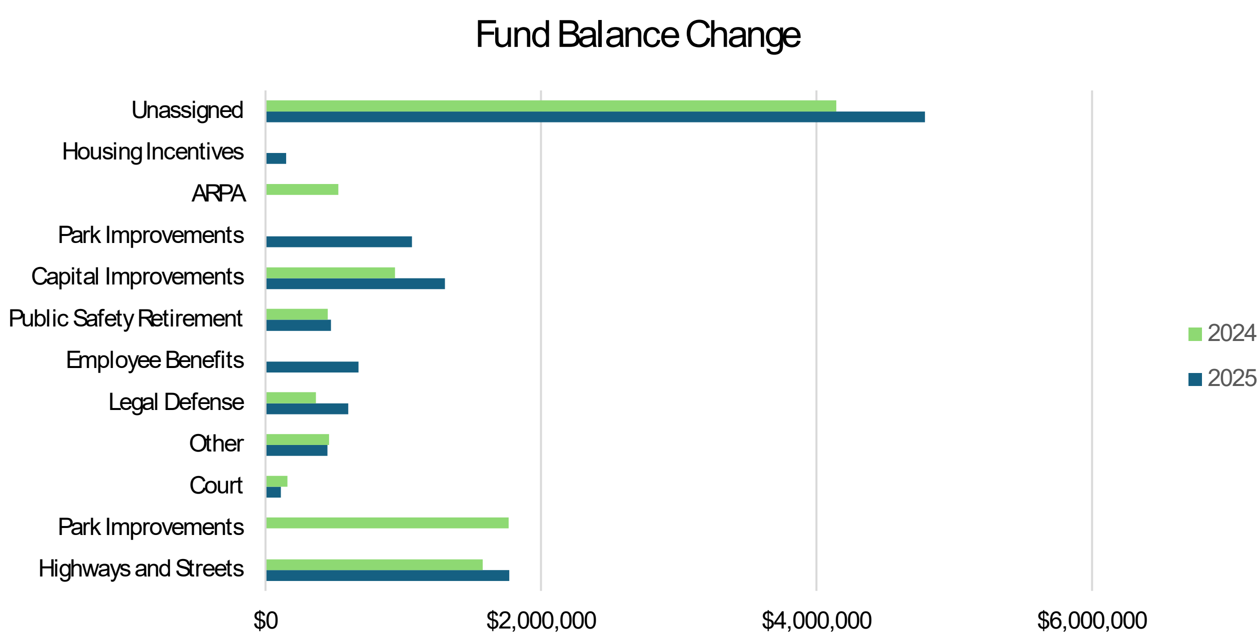
As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the Town's fiscal year, its governmental funds reported combined ending fund balances of $11.38 million, a $541 thousand decrease from the previous year. *Unassigned fund balance* constitutes 42% of the ending governmental funds balance. Unassigned fund balance is the amount available for spending at the government's discretion. The remainder of FY25 total fund balance is restricted, committed or assigned to indicate that it is not available for new spending because it has already been assigned, committed or restricted as seen in the following charts:

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (CONTINUED)
Governmental funds (Continued)

	Governmental Funds	
	2025	2024
Ending Fund Balances - June 30,		
Restricted		
Highways and Streets	$ 1,769,901	$ 1,575,908
Park Improvements	-	1,764,050
Court	113,003	158,501
Other	448,554	460,285
Committed		
Legal Defense	599,663	365,646
Employee Benefits	675,764	-
Public Safety Retirement	474,049	452,675
Assigned		
Capital Improvements	1,302,585	939,841
Park Improvements	1,062,639	-
ARPA	-	529,096
Housing Incentives	150,000	-
Unassigned	4,786,787	4,143,120
Ending Fund Balances	$ 11,382,945	$ 10,389,122



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (CONTINUED)

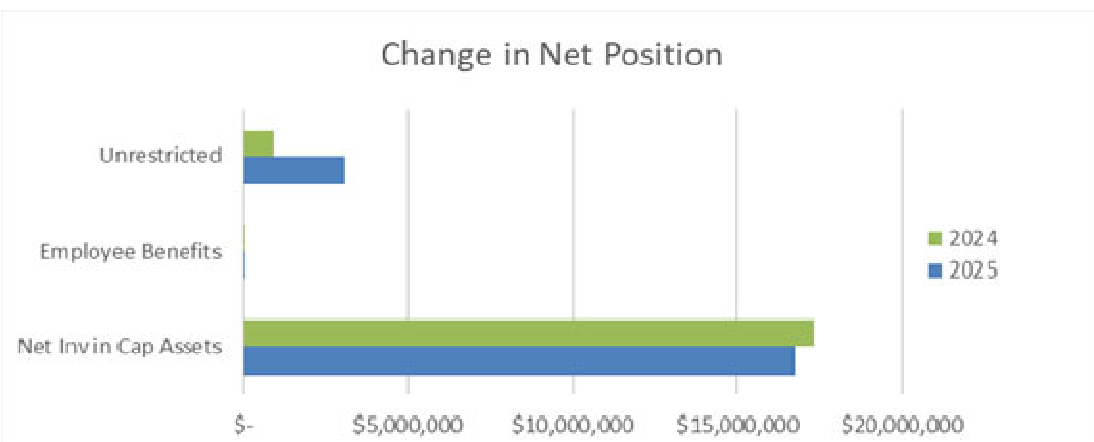
General Fund

The General Fund is the principal operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was just over $5.9 million. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to fund expenditures. For FY25, fund balance in the General Fund is 46% of total General Fund expenditures.

Proprietary funds. The proprietary fund financial statements are prepared on the same accounting basis and measurement as the government-wide financial statements but provide additional detail of the Town's enterprise funds.

As of the end of the Town's fiscal year, its proprietary funds reported combined ending fund balances of $19.87 million, a $1.6 million increase from the previous year. Net investment in capital assets holds the lion's share of the Net Position total though the Unrestricted balance increases over $1.2 million in FY25 as seen in the following charts:

	Proprietary Funds	
	2025	2024
Ending Net Position, June 30th		
Net Investment in Capital Assets	$ 16,751,541	$ 17,339,362
Employee Benefits	29,789	19,871
Unrestricted	3,092,317	900,039
Ending Net Position, June 30th	$ 19,873,647	$ 18,259,272

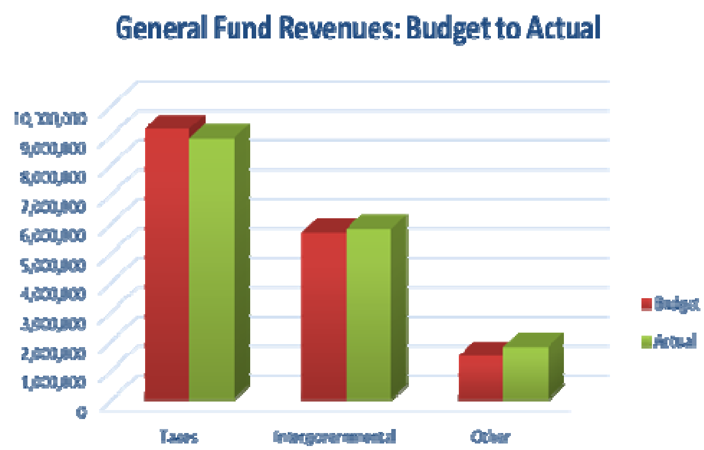


BUDGETARY HIGHLIGHTS

A schedule comparing budget to actual financial activity for the General Fund is provided in this report as required supplementary information. Revenues of $16.5 million for the year were over budget by just under 1% ($102 thousand) while expenses were 9% under budget ($1.2 million). Budgetary highlights for the General Fund are as follows:

Revenues

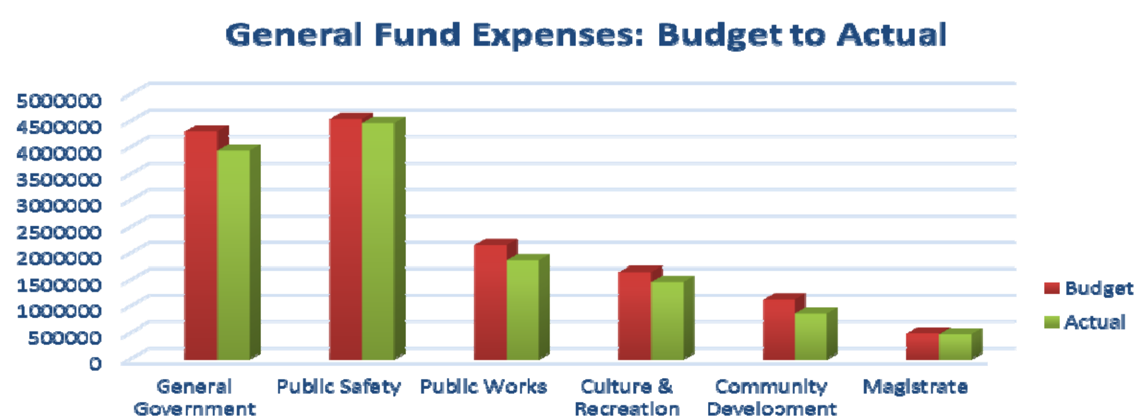
- Total Revenues were $102 thousand over budget in FY25.
- Local tax revenues were $350 thousand under budget (4%) in FY25. A significant portion of this was the shortage in our retail sales segment which was $354 thousand under budget. While local tax revenue comes in under budget for FY25, it is still an increase over FY24 of 6% which is pretty typical of the last 4 years.
- Intergovernmental revenues were $120 thousand over budget as nearly all revenue streams came in over budget just slightly. Vehicle License taxes had the largest impact coming in $87 thousand over budget.



- Other revenues were $311 thousand over budget. The specific highlights in this section are interest income which came in $149 thousand over budget from higher than anticipated interest rates and Building plan review fees which were over budget by $111 thousand from progress on larger developments.

Expenses

- Total General Fund expenses come in $1.2 million under budget.
- Savings in Wages & ERE accounts for the majority of the savings across all departments at $832 thousand under budget. While several departments were between$90 thousand and $120 thousand under budget, the Community Development ($232 thousand under) and the Town Manager ($131 thousand) departments contributed the most to the savings. In FY25, several significant positions were eliminated including the Assistant Town Manager, on Town Engineer and the Library Director. Hiring of the Community Development Director was postponed for the entire year. Those key positions along with normal turnover and delayed hiring helped create the savings.



CAPITAL ASSETS

As of June 30, 2025, the Town had invested $48.6 million in governmental capital assets and $44.6 million in business-type assets (both before depreciation) including land, buildings, facilities, vehicles, computers, equipment, and infrastructure assets. In FY25, the Town invested nearly $5.2 million into capital assets and placed $9.78 million into service from construction in progress. The Sports Complex accounted for nearly $8.8 million of the amount placed into service as work is nearly completion on the park. Total depreciation expense for the year in governmental and business-type activities was just over $2.0 million and $1.2 million respectively. During FY25, $89 thousand of assets and depreciation was removed from inventory as sold or demolished. More information on capital assets can be found in the Notes to the Financial Statements under Note 5 – Capital Assets.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal years ended June 30, 2025 and 2024:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 6,601,879	$ 6,601,879	$ 1,416,640	$ 1,416,640	$ 8,018,519	$ 8,018,519
Construction in Progress	2,316,797	9,387,545	5,234,090	4,176,861	7,550,887	13,564,406
Buildings and Improvements	9,779,176	9,746,892	928,182	928,182	10,707,358	10,675,074
Infrastructure	15,741,646	9,072,421	-	-	15,741,646	9,072,421
Wastewater Infrastructure Systems	-	-	23,989,392	23,739,632	23,989,392	23,739,632
Water Infrastructure Systems	-	-	10,191,485	9,977,595	10,191,485	9,977,595
Vehicles and Equipment	7,310,438	6,931,282	2,477,817	2,342,907	9,788,255	9,274,189
Improvements Other than Buildings	4,828,190	1,616,441	-	-	4,828,190	1,616,441
Intangibles (Lease Assets)	2,051,372	2,051,372	334,727	137,768	2,386,099	2,189,140
Accumulated Depreciation	(14,946,646)	(12,986,421)	(15,143,808)	(13,880,601)	(30,090,454)	(26,867,022)
Total	$ 33,682,852	$ 32,421,411	$ 29,428,525	$ 28,838,984	$ 63,111,377	$ 61,260,395

Governmental funds

Key factors for capital assets during the current fiscal year include the following:

Vehicles, Equipment & Intangibles

- Replaced a park playset structure for $143 thousand.
- Purchased a 22ft cradle boom mower for $84 thousand.

Construction in Progress

- Further construction at the Town's Sports Complex cost $1.7 million including expenses for the new concession and restroom building of $681 thousand.
- A new sidewalk was installed in the Town-center down 7th Street for $304 thousand.
- Placed $9.3 million of construction in progress into service in FY25.

Vehicles, Equipment & Intangibles

- Chipseal maintenance on roadways cost $561 thousand.

Proprietary funds.

Key factors for capital assets during the current fiscal year include the following:

Vehicles, Equipment & Intangibles

- The Water department purchased a new F450 work truck and Vac truck for $197 thousand.

Construction in Progress

- Work securing erosion around water and sewer lines at the Dickison Circle wash cost $544 thousand.
- The Water division spent $720 thousand on continuing work for the water main replacement project. This project includes replacing most water meters with new smart meters.

LONG-TERM LIABILITIES

As of June 30, 2025, the Town had $32.8 million in long-term debt and long-term liabilities; $19.6 million for governmental activities and $13.2 million for business-type activities. The following table presents a summary of the Town's outstanding long-term debt and long-term liabilities for the fiscal years ended June 30, 2025 and 2024. More information on debt and long-term liabilities can be found in the Notes to the Financial Statements under Note 6 – Long-Term Liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
2022 Revenue Bonds	$ 2,485,000	$ 2,675,000	$ -	$ -	$ 2,485,000	$ 2,675,000
2020 Revenue Bonds	2,822,000	2,842,000	-	-	2,822,000	2,842,000
2017 Revenue Bonds	5,640,000	5,830,000	-	-	5,640,000	5,830,000
unamortized premium	145,753	153,041	-	-	145,753	153,041
2014 Revenue Bonds	1,579,000	1,979,000	-	-	1,579,000	1,979,000
2025 Revenue Bonds	-	-	709,000	-	709,000	-
Financed Purchases	-	202	72,500	-	72,500	202
Leases Payable	635,079	887,835	161,075	102,891	796,154	990,726
Notes Payable	-	-	11,111,422	11,396,731	11,111,422	11,396,731
Net Pension Liability	5,700,735	5,392,690	792,130	591,209	6,492,865	5,983,899
Contractor Reimbursable	-	-	243,691	256,914	243,691	256,914
Compensated Absences	592,959	660,926	122,235	96,121	715,194	757,047
Total	$ 19,600,526	$ 20,420,694	$ 13,212,053	$ 12,443,866	$ 32,812,579	$ 32,864,560

Governmental funds.

Key factors for long-term liabilities during the current fiscal year include the following:

- Principal payments on outstanding revenue bonds accounted for $800 thousand of the reduction in long-term liabilities.
- Principal payments on outstanding auto leases dropped the outstanding liability in Leases by $253 thousand.
- Net pension liability increased by $308 thousand for the year.

Proprietary funds.

Key factors for long-term liabilities during the current fiscal year include the following:

- The Water division bonded for $709 thousand as the matching portion of the water main replacement grant specifically to purchase new smart water meters.
- The Water division picked up two new equipment leases totaling $172 thousand.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town has seen a consistent 6% growth in local sales tax revenues over the last 4 years. With the dramatic increase in construction sales tax revenues (which has been expected from previous permitting activities) and the tremendous movement of new permitting activities, the Town is expecting a more dramatic increase in the overall local sales tax revenues in the future. As the Town looks to FY26, it is with the expectation for construction to remain strong as both commercial and residential projects come off paper and begin to take shape. Local businesses, especially restaurants, seem to be doing well in general, but there are still some areas that are struggling a bit. Getting our Main Street business area supported and developed is an important part of the Town's current strategic plan.

Camp Verde is a very rural town located on the I-17 freeway between Phoenix and Sky Harbor Airport to the south and Sedona and the Grand Canyon to the North. This is a major thoroughfare for traffic heading to those destinations. Camp Verde has been growing steadily and with its designation as an Opportunity Zone area, has been reaping the benefits of both our location and available land use.

FY26 will include several large capital projects for our Utility divisions. The projects for new well, arsenic treatment processes and storage capacity will be the focus for our Water division while closing out the tail end of the Water Main replacement project. Wastewater is also expected to close out extremely important updates to its sludge drying beds. The extension of sewer lines Northward along Highway 260 is still of critical importance for the Town for future economic development. The Town is working with various entities to adjust current legislation that would enable the Town to more easily develop and Improvement District to help facilitate part of that sewer line expansion.

Construction on Phase I of the Sports Complex is expected to come to an end in FY26 as work on the final pieces is nearly done. The potable water main is completely installed. The remaining projects include the concession-restroom building, irrigation supply, wastewater lift station, lighting, parking and the main entryway. All of these projects are underway and on-track for completion soon.

While FY26 does not look to be a break-out year for revenues, the Town has come through a period of difficult cuts in revenue from the State imposed legislation and is still showing a strong resiliency to grow. Changes in staffing has reduced the Town's overall salary costs and has strengthened the team leadership. The Town's employee retention is over 90% showing high employee satisfaction.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Town Finance Department at:

Town of Camp Verde
Finance Department
395 South Main Street
Camp Verde, Arizona 86322

BASIC FINANCIAL STATEMENTS

TOWN OF CAMP VERDE
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 10,170,575	$ 2,187,064	$ 12,357,639
Cash Held by Trustee	1,435,161	-	1,435,161
Cash - Restricted	-	402,695	402,695
Accounts Receivable - Net	105,402	969,696	1,075,098
Due from Other Governments	537,929	465,960	1,003,889
Inventory	-	35,713	35,713
Net Other Postemployment Benefits Asset	918,607	29,789	948,396
Capital Assets, not Being Depreciated	8,918,676	6,650,730	15,569,406
Capital Assets, Being Depreciated, Net	24,764,176	22,777,795	47,541,971
Total Assets	46,850,526	33,519,442	80,369,968
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions and Other Postemployment Benefits	1,923,906	222,913	2,146,819
LIABILITIES			
Accounts Payable	600,096	379,296	979,392
Accrued Expenses	75,020	88,886	163,906
Interest Payable	188,000	-	188,000
Court Bonds Payable	38,559	-	38,559
Refundable Deposits	-	22,611	22,611
Unearned Revenue	-	102,685	102,685
Noncurrent Liabilities			
Due Within One year	1,602,095	1,723,112	3,325,207
Due in More than One Year	17,998,431	11,488,941	29,487,372
Total Liabilities	20,502,201	13,805,531	34,307,732
DEFERRED INFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions and Other Postemployment Benefits	544,672	63,177	607,849
NET POSITION			
Net Investment in Capital Assets	22,684,972	16,751,541	39,436,513
Restricted for:			
Postemployment Benefits	918,607	29,789	948,396
Highways and Streets	1,769,901	-	1,769,901
Housing Redevelopment	123,639	-	123,639
Special Programs	590,365	-	590,365
Unrestricted	1,640,075	3,092,317	4,732,392
Total Net Position	$ 27,727,559	$ 19,873,647	$ 47,601,206

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

		Program Revenue			Net Revenue (Expense) and Changes in Net Position		
					Primary Government		
Program Services	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	$ 4,302,781	$ 354,645	$ 70,800	$ -	$ (3,877,336)	$ -	$ (3,877,336)
Public Safety	4,730,949	139,382	51,166	14,872	(4,525,529)	-	(4,525,529)
Public Works	3,163,216	50,903	-	352,542	(2,759,771)	-	(2,759,771)
Health and Welfare	50,000	-	-	-	(50,000)	-	(50,000)
Culture and Recreation	2,287,812	118,297	94,630	883,156	(1,191,729)	-	(1,191,729)
Community Development	882,184	739,262	-	-	(142,922)	-	(142,922)
Interest on Long-Term Debt	522,728	-	-	-	(522,728)	-	(522,728)
Total Governmental Activities	15,939,670	1,402,489	216,596	1,250,570	(13,070,015)	-	(13,070,015)
Business-Type Activities							
Water	1,689,646	2,400,760	-	409,797	-	1,120,911	1,120,911
Wastewater	2,896,347	2,478,380	-	470,604	-	52,637	52,637
Total Business-Type Activities	4,585,993	4,879,140	-	880,401	-	1,173,548	1,173,548
Total Primary Government	$ 20,525,663	$ 6,281,629	$ 216,596	$ 2,130,971	(13,070,015)	1,173,548	(11,896,467)
General Revenue:							
Taxes:							
Sales Taxes					8,487,601	-	8,487,601
Franchise Tax					402,928	-	402,928
State-Shared Revenue					7,102,648	-	7,102,648
Investment Income					386,934	22,180	409,114
Miscellaneous Income (Expense)					321,060	231,995	553,055
Transfers In (Out)					(186,652)	186,652	-
Total General Revenues and Transfers					16,514,519	440,827	16,955,346
CHANGE IN NET POSITION					3,444,504	1,614,375	5,058,879
Net Position - Beginning of Year					24,283,055	18,259,272	42,542,327
NET POSITION - END OF YEAR					$ 27,727,559	$ 19,873,647	$ 47,601,206

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 4,553,303	$ 5,617,272	$ 10,170,575
Cash Held by Trustee	1,435,161	-	1,435,161
Accounts Receivable, Net	101,030	4,372	105,402
Due from Other Governments	220,406	317,523	537,929
Total Assets	6,309,900	5,939,167	12,249,067
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	259,721	340,375	600,096
Accrued Liabilities	75,020	-	75,020
Court Bonds Payable	38,559	-	38,559
Total Liabilities	373,300	340,375	713,675
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	152,447	152,447
FUND BALANCES			
Restricted	-	2,331,458	2,331,458
Committed	1,149,813	599,663	1,749,476
Assigned	-	2,515,224	2,515,224
Unassigned	4,786,787	-	4,786,787
Total Fund Balances	5,936,600	5,446,345	11,382,945
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,309,900	$ 5,939,167	$ 12,249,067

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2025

Fund Balances-Total Governmental Funds		$ 11,382,945
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources. Therefore, they were not reported in Governmental Funds Balance Sheet.		
Capital Assets	$ 48,629,498	
Less: Accumulated Depreciation	(14,946,646)	
		33,682,852
Some receivables are not available to pay for current period expenditures and, therefore, are unavailable in the funds.		
Due from other governments		152,447
Net pension assets held in trust for future benefits are not available for operations and, therefore, are not reported in the funds.		918,607
Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods		
Pension Related Deferred Outflows	1,923,906	
Pension Related Deferred Inflows	(544,672)	
		1,379,234
Some liabilities, including bonds payable and net pension liabilities are not due and payable in the current period and therefore, are not reported in the funds.		
Compensated Absences	(592,959)	
Net Pension Liability OPEB	(5,700,735)	
Revenue Bonds Payable	(12,671,753)	
Interest Payable	(188,000)	
Leases Payable	(635,079)	
		(19,788,526)
Net Position of Governmental Activities		$ 27,727,559

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUE			
Taxes	$ 8,890,530	$ -	$ 8,890,530
Intergovernmental	5,814,914	2,979,090	8,794,004
Licenses and Permits	475,179	44,809	519,988
Fines and Forfeitures	130,426	-	130,426
Other Revenue	113,975	439,924	553,899
Charges for Services	740,075	12,000	752,075
Investment Income	338,823	48,111	386,934
Total Revenue	16,503,922	3,523,934	20,027,856
EXPENDITURES			
Current:			
General Government	4,333,488	27,265	4,360,753
Public Safety	4,433,661	41,854	4,475,515
Public Works and Streets	1,844,712	758,761	2,603,473
Health and Welfare	50,000	-	50,000
Culture and Recreations	1,446,761	48,975	1,495,736
Community Development	840,906	32,308	873,214
Capital Outlay	17,216	3,305,686	3,322,902
Debt Service			
Principal	-	1,143,060	1,143,060
Interest	-	522,728	522,728
Total Expenditures	12,966,744	5,880,637	18,847,381
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,537,178	(2,356,703)	1,180,475
OTHER FINANCING SOURCES			
Transfers In (Out)	(2,806,203)	2,619,551	(186,652)
Total Other Financing Sources	(2,806,203)	2,619,551	(186,652)
NET CHANGE IN FUND BALANCES	730,975	262,848	993,823
Fund Balances - Beginning of Year	5,205,625	5,183,497	10,389,122
FUND BALANCES - END OF YEAR	$ 5,936,600	$ 5,446,345	$ 11,382,945

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds		$ 993,823
Governmental activities in the Statement of Activities were reported differently because:		
Governmental funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital outlay	$ 3,322,902	
Depreciation expense	(2,048,676)	1,274,226
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the statement of activities.		
Bond premium	7,288	
Principal payments and amortized premiums on debt	1,143,060	
		1,150,348
Accrued interest payable related to long-term debt is recognized as an expense in the Statement of Activities, however is not recognized in the governmental funds because it is not payable from current financial resources.		4,977
Some expense 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. These items include:		
Compensated absences	67,967	
Pension/OPEB related items	410,193	
		478,160
Certain revenues in governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period. However, the other revenues that are unavailable in the governmental funds because they do not provide current financial resources due to unavailability are recognized in the Statement of Activities.		(457,030)
Change in Net Position of Governmental Activities		$ 3,444,504

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-Type Activities -Enterprise Funds		
	Water Fund	Wastewater Funds	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 826,455	$ 1,360,609	$ 2,187,064
Accounts Receivable - Net	534,041	435,655	969,696
Due From Other Governments	-	465,960	465,960
Inventory	35,713	-	35,713
Total Current Assets	1,396,209	2,262,224	3,658,433
Noncurrent Assets:			
Restricted Cash	134,243	268,452	402,695
Net Other Postemployment Benefits Asset	11,442	18,347	29,789
Capital Assets, Not Being Depreciated	1,068,415	5,582,315	6,650,730
Capital Assets, Being Depreciated, Net	9,836,106	12,941,689	22,777,795
Total Noncurrent Assets	11,050,206	18,810,803	29,861,009
Total Assets	12,446,415	21,073,027	33,519,442
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions and Other Postemployment Benefits	85,624	137,289	222,913
LIABILITIES			
Current Liabilities:			
Accounts Payable	140,105	239,191	379,296
Accrued Expenses	64,950	23,936	88,886
Refundable Deposits	22,611	-	22,611
Unearned Revenue	67,145	35,540	102,685
Compensated Absences, Current	33,541	88,694	122,235
Lease and Finance Purchases Payable - Current	39,191	7,262	46,453
Notes Payable, Current	322,740	1,167,684	1,490,424
Bonds Payable, Current	64,000	-	64,000
Total Current Liabilities	754,283	1,562,307	2,316,590
Noncurrent Liabilities:			
Contractor Reimbursable	243,691	-	243,691
Lease and Finance Purchases Payable	182,339	4,783	187,122
Notes Payable	8,012,299	1,608,699	9,620,998
Bonds Payable	645,000	-	645,000
Net Pension and Other Postemployment Liability	304,269	487,861	792,130
Total Noncurrent Liabilities	9,387,598	2,101,343	11,488,941
Total Liabilities	10,141,881	3,663,650	13,805,531
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions and Other Postemployment Benefits	24,267	38,910	63,177
NET POSITION			
Net Investment in Capital Assets	1,315,611	15,435,930	16,751,541
Restricted - Postemployment Benefits	11,442	18,347	29,789
Unrestricted	1,038,838	2,053,479	3,092,317
Total Net Position	$ 2,365,891	$ 17,507,756	$ 19,873,647

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities -Enterprise Funds		
	Water Fund	Wastewater Funds	Total
OPERATING REVENUE			
Charges for Services, Net of Bad Debts of $97,500 for Wastewater	$ 2,400,760	$ 2,478,380	$ 4,879,140
Miscellaneous	29,717	169	29,886
Total Operating Revenue	2,430,477	2,478,549	4,909,026
OPERATING EXPENSES			
Depreciation and Amortization	354,249	901,292	1,255,541
Personnel	645,577	890,247	1,535,824
Repairs and maintenance	136,058	447,947	584,005
Other	65,884	57,396	123,280
Materials and Supplies	42,442	189,280	231,722
Utilities	107,128	159,363	266,491
Professional Services	130,620	144,637	275,257
Insurance	11,489	40,210	51,699
Total Operating Expenses	1,493,447	2,830,372	4,323,819
OPERATING INCOME (LOSS)	937,030	(351,823)	585,207
NONOPERATING REVENUE			
Intergovernmental Revenue	409,797	470,604	880,401
Settlement Income	-	202,109	202,109
Debt Issuance Costs	(34,000)	(17,500)	(51,500)
Interest Income	18,605	3,575	22,180
Interest Expenses	(162,199)	(48,475)	(210,674)
Total Nonoperating Revenue	232,203	610,313	842,516
INCOME BEFORE CONTRIBUTIONS	1,169,233	258,490	1,427,723
TRANSFERS IN	-	186,652	186,652
CHANGE IN NET POSITION	1,169,233	445,142	1,614,375
Net Position - Beginning of Year	1,196,658	17,062,614	18,259,272
NET POSITION - END OF YEAR	$ 2,365,891	$ 17,507,756	$ 19,873,647

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities -Enterprise Funds		
	Water Fund	Wastewater Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	$ 2,244,701	$ 2,422,528	$ 4,667,229
Payments to Suppliers and Providers of Goods and Services	(642,793)	(886,033)	(1,528,826)
Payments to Employees	(554,658)	(828,548)	(1,383,206)
Net Cash Provided by Operating Activities	1,047,250	707,947	1,755,197
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Interfund Transfers	-	186,652	186,652
Net Cash Provided (Used) by Noncapital and Related Financing Activities	-	186,652	186,652
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from Note Payable	122,737	-	122,737
Proceeds from Bonds Payable	709,000	-	709,000
Proceeds from Finance Purchases and Leases Payable	18,049	48,987	67,036
Proceeds from Settlement Income	-	-	-
Grants from Other Governments	439,514	465,040	904,554
Purchase of Capital Assets	(1,023,996)	(1,002,188)	(2,026,184)
Principal Payments on Finance Purchases and Leases Payable	(35,246)	(7,080)	(42,326)
Principal Payments on Notes Payable	(317,984)	(90,062)	(408,046)
Debt Issuance Costs	(34,000)	(17,500)	(51,500)
Interest Paid	(162,199)	(48,475)	(210,674)
Net Cash Used by Capital and Related Financing Activities	(284,125)	(651,278)	(935,403)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	18,605	3,575	22,180
NET INCREASE IN CASH AND CASH EQUIVALENTS	781,730	246,896	1,028,626
Cash and Cash Equivalents - Beginning of Year	178,968	1,382,165	1,561,133
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 960,698	$ 1,629,061	$ 2,589,759
COMPONENTS OF CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents	$ 826,455	$ 1,360,609	$ 2,187,064
Cash and Cash Equivalents, Restricted	134,243	268,452	402,695
Total Cash and Cash Equivalents	$ 960,698	$ 1,629,061	$ 2,589,759

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

	Business-Type Activities -Enterprise Funds		
	Water Fund	Wastewater Funds	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ 937,030	$ (351,823)	$ 585,207
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	354,249	901,292	1,255,541
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:			
Accounts Receivable	(370,176)	(56,013)	(426,189)
Due from Other Governments	-	4,235	4,235
Inventory	18,633	-	18,633
Net Other Postemployment Benefits Asset	(5,481)	(4,437)	(9,918)
Deferred Outflows of Resources Related to Pensions and Other Postemployment Benefits	(47,628)	(48,632)	(96,260)
Accounts Payable	(42,804)	112,658	69,854
Accrued Expenses	6,776	359	7,135
Refundable Deposits	(1,299)	-	(1,299)
Unearned Revenue	67,145	35,540	102,685
Compensated Absences	2,280	23,834	26,114
Contractor Reimbursable	(13,223)	-	(13,223)
Net Pension and Other Postemployment Liability	126,906	74,015	200,921
Deferred Inflows of of Resources Related to Pensions and Other Postemployment Benefits	14,842	16,919	31,761
Net Cash Provided by Operating Activities	$ 1,047,250	$ 707,947	$ 1,755,197

Noncash Capital Financing Activities

Noncash capital financing activities in the Water Fund include the purchase of a vehicle and other equipment through a finance purchase for $79,580 and lease of $93,430, respectively. Other noncash financing activities include the accrual of interest payable totaling $64,950 for Water Fund and $23,936 for the Wastewater Fund. There was $243,691 of capital asset purchases made with accounts payable in the Water Fund.

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Custodial Other
ASSETS	
Cash and Cash Equivalents	$ 563,923
Property Tax Receivable	49,030
Total Assets	$ 612,953
NET POSITION	
Restricted for:	
Individual, Organizations, and Other Governments	$ 612,953
Total Net Position	$ 612,953

See accompanying Notes to Basic Financial Statements.

TOWN OF CAMP VERDE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2025

	Custodial Other
ADDITIONS:	
Property Tax Collections from Other Governments	$ 841,141
Contributions from Other Governments	118,283
Contributions from Employees	3,550
Interest Income	39,120
Total Additions	1,002,094
DEDUCTIONS:	
Distributions for District Debt Service	957,991
Total Deductions	957,991
CHANGE IN NET POSITION	44,103
Net Position - Beginning of Year	568,850
NET POSITION - END OF YEAR	$ 612,953

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Camp Verde, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The Town is a municipal entity governed by an elected Mayor and six-member council. The accompanying financial statements present the activities of the Town (the primary government). The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Town. The Town has no component units.

B. Basis of Reporting

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the Town as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements provide information about the primary government (the Town). The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities and each segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include charges to customers for goods or services, operating grants, capital grants and contributions. Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Basis of Reporting (Continued)

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. Charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements provide information about the Town's funds. Separate statements are presented for the governmental and proprietary fund categories. 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.

Proprietary fund operating revenues, such as charges for services, result from transactions associated with the fund's principal activity in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, results from transactions in which the parties do not exchange equal values. Revenues generated by ancillary activities are also reported as nonoperating revenues. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense, are considered to be nonoperating expenses.

The Town reports on the following major governmental funds:

General Fund

This fund accounts for all financial resources of the Town, except those required to be accounted for in other funds.

The Town reports on the following major enterprise funds:

Water Fund

This fund is used to account for the provision of clean water services to residents of the Town. All activities necessary to provide such service are accounted for in this fund.

Wastewater Fund

This fund is used to account for the provision of wastewater services to residents of the Town. All activities necessary to provide such service are accounted for in this fund.

Additionally, the Town reports the following fund types:

Fiduciary Funds

These funds are used to account for assets held by the Town in a custodial capacity for the following purposes:

- Employee assistance for funds contributed by employees who have run out of sick and safe time benefit time.
- Camp Verde Sanitary District property tax collection and debt service remittance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the Town funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. The Town applies grant resources to such programs before using general revenues.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The Town's major revenue sources that are susceptible to accrual are intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.
When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

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

Cash and investments are generally pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona or any of its counties, cities, towns, school districts, and special districts as specified by statute. The State Board of Deposit provides oversight for the State Treasurer's pool, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts receivable are estimated by the Town. The amount recorded at June 30, 2025 for uncollectible Water Fund and Wastewater Fund receivables are $-0- and $193,482, respectively.

F. Capital Assets

Capital assets are reported at actual cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life (Years)
Land	$ 5,000	N/A	-
Construction in Progress	5,000	N/A	-
Buildings	5,000	Straight-line	25 to 30
Improvements	5,000	Straight-line	18 to 86
Infrastructure	5,000	Straight-line	20 to 30
Furniture, Machinery, and Equipment	5,000	Straight-line	5 to 10
Vehicles	5,000	Straight-line	6 to 10
Right-of-Use Assets			
Leases	20,000	Straight-line	-
Subscription-Based Technology	20,000	Straight-line	-

G. Inventories

Inventories in the government-wide and proprietary funds' financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the first-in first-out method (FIFO).

H. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

I. Allowance for Uncollectible Accounts

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to future periods and will be recognized as a revenue in future periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Compensated Absences

Vacation, compensatory time and sick leave benefits are accrued as liabilities as employees earn the benefits to the extent that they meet both of the following criteria: 1) the Town's obligation is attributable to employees' services already rendered; and 2) it is more likely than not that the City will compensate the employees for the benefits through paid time off or some other means, such as cash.

For Governmental Funds a liability for vacation, compensatory time and sick leave are reported only if they have matured, for example, as a result of employee resignations and retirements. The entire amount of accumulated unpaid vested vacation pay, compensatory time and an estimated amount for sick leave related to the Proprietary Funds is included as a liability in the fund financial statements. The remaining long-term balances related to Governmental Activities are included in the Government-Wide Financial Statement.

Employees may accumulate up to 320 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused each January 1 are forfeited. Upon termination of employment, all unused and unforfeited vacation benefits are paid to employees.

Employees may accumulate up to 480 hours of sick leave hours. Any sick leave hours in excess of the maximum must be converted at a rate of 50% to vacation time or cash value each December 15. Upon termination of employment, unused sick leave benefits are paid to employees at rates of 10 to 50% depending upon years of service.

K. Fund Balance Reporting

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

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

K. Fund Balance Reporting (Continued)

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the Town Council has approved, which is the highest level of decision-making authority within the Town. Only the Town Council can remove or change the constraints placed on committed fund balances.

Assigned fund balances are resources constrained by the Town's intent to be used for specific purposes, but that are neither restricted nor committed. The Town Council has authorized the Town Manager to assign resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

The Town's policy for committed fund balances is through formal Town resolutions passed through the elected town council. The process of rescinding a committed fund balance requires the same process.

The Town's policy for assigned fund balances is through motions passed by the elected town council. Assigned fund balances do not require a formal resolution.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it is the Town's policy to use (the Town will use) restricted fund balance first. It is the Town's policy to use (the Town will use) committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

L. Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

M. 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 pension plans fiduciary net position and additions to/deductions from the plans fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end. The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

Expenditures may not legally exceed budgeted appropriations at the division level. The individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual reports as listed in the table of contents present all departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2025, if any.

O. Leases

As lessee, the Town recognizes lease liabilities with an initial, individual value of $20,000 or more. The Town uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The Town's estimated incremental borrowing rate is based on the Town's borrowing rate for unsecured debt for a comparable amount and time period, and then decreased the based on full collateral.

As lessor, the Town recognizes lease receivables with an initial, individual value of $20,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the Town charges the lessee) and the implicit rate cannot be determined, the Town uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The Town's estimated incremental borrowing rate is calculated as described above.

NOTE 2 DEPOSITS AND INVESTMENTS

Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds, notes, and other evidences of indebtedness; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper issued by corporations organized and doing business in the United States; specified bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the Town Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk - The Town's investment policy allows for investments in obligations guaranteed by the full faith and credit of the United States of America, government sponsored enterprises, government bonds with minimum credit ratings of Aa or AA, commercial paper with a minimum short-term rating of P1 or A1, negotiable certificates of deposit, corporate bonds carrying a minimum credit rating of A, and the Local Government Investment Pool. The Towns investment in U.S. Agencies and Money Market Funds were rated no lower than AAA by Standard & Poors.

Custodial Credit Risk - The Town's policy requires collateral for deposits at 102% of all deposits federal depository insurance does not cover.

Concentration of Credit Risk - The Town's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the Town's total investments. Securities issued by the United States of America or its agencies are exempt from this provision.

Interest Rate Risk - In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the maturities of its investment portfolio according to the needs of the Town. Investments are structured so that they mature concurrent with anticipated cash requirements for ongoing operations of the Town.

Foreign Currency Risk - Statutes do not allow foreign investments unless the investment is denominated in United States dollars.

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the Town held. The fair value of the participant's position in the pools approximates the value of that participant's pool shares. The State Board of Investment provides oversight for the State Treasurer's investment pools.

Fair Value Measurements. The Town categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments categorized as Level 2 are valued using other significant observable inputs.

Investment Valuation Techniques. U.S. treasuries, agencies, money market, and equity securities in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities. Governmental bonds, corporate bonds, and other fixed income instruments, classified in Level 2 of the fair value hierarchy are valued based on significant other observable inputs, which may include, but are not limited to, quoted prices for similar or identical assets or liabilities in markets that are active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits: At June 30, 2025, the carrying amount of the Town's total cash in bank was $4,534,654, and the bank balance was $4,923,711. Of the bank balance, $615,909 was covered by federal depository insurance and the remaining balance was covered by collateral held by the pledging financial institution in the Town's name. As of June 30, 2025, the Fiduciary Fund had $563,923 on deposit with the County Treasurer.

Restricted cash: Restricted cash in the Water and Wastewater Fund consisted of debt service reserves totaling $134,243 and $268,452, respectively.

Investments: At June 30, 2025, the investments consisted of the following:

Investment	Rating Organization	Credit Rating	Reported Amount	Fair Value
Arizona LGIP Pool 5	S&P	AAA	$ 8,224,208	$ 8,224,208

Deposits and investments at June 30, 2025 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Deposits:			
Cash on Hand	$ 1,122	$ 350	$ 1,472
Cash Held by Trustee	1,435,161	-	1,435,161
Amount of Deposits	1,945,245	2,589,409	4,534,654
Investments:			
State Treasurer's Investment Pool 5	8,224,208	-	8,224,208
Total	$ 11,605,736	$ 2,589,759	$ 14,195,495

NOTE 3 DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2025 consisted of the following:

	General Fund	Nonmajor Governmental Funds	Wastewater Fund
State of Arizona			
State and City Sales Tax Revenues	$ 173,832	$ -	$ -
Vehicle Licensing Tax Revenues	46,574	-	-
Arizona State Parks and Trails	-	152,447	-
Yavapai County Opioid Settlement	-	4,487	-
State DEA Grant	-	2,537	-
NACOG Grant	-	30,000	-
Highway User Revenues	-	128,052	-
Arizona Department of Transportation	-	-	465,960
Total	$ 220,406	$ 317,523	$ 465,960

NOTE 4 ACCOUNTS RECEIVABLE

In connection with receivables, governmental funds reported unavailable revenue for amounts not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2025, the Town's receivables for individual major governmental funds and nonmajor governmental funds in the aggregate, consisted of $105,402 in various miscellaneous receivables. The Town considers these accounts to be 100% collectible.

As of June 30, 2025, the Town's receivables for individual major proprietary funds consisted of wastewater fees billed to customers totaling $533,155 and water fees billed to customers totaling $534,041. In anticipation of uncollectible amounts, the Town has an allowance for doubtful accounts of $97,500 for wastewater and $-0- for water.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance Beginning of Year	Increase	Decreases/ Reclassifications	Balance End of Year
Governmental Activities:				
Capital Assets not being Depreciated/ Amortized				
Land	$ 6,601,879	$ -	$ -	$ 6,601,879
Construction in Progress	9,387,545	2,257,016	(9,327,764)	2,316,797
Total Capital Assets not Being Depreciated	15,989,424	2,257,016	(9,327,764)	8,918,676
Capital Assets being Depreciated/ Amortized:				
Buildings and Improvements	9,746,892	44,565	(12,281)	9,779,176
Infrastructure	9,072,421	612,903	6,056,322	15,741,646
Machinery and Equipment	6,931,282	408,418	(29,262)	7,310,438
Improvements Other than Buildings	1,616,441	-	3,211,749	4,828,190
Intangibles:				
Right-to-Use Lease Assets				
Machinery and equipment	2,051,372	-	-	2,051,372
Total	29,418,408	1,065,886	9,226,528	39,710,822
Less: Accumulated Depreciation/ Amortization for:				
Buildings and Improvements	(3,102,213)	(325,853)	17,144	(3,410,922)
Infrastructure	(3,822,463)	(767,632)	(4,379)	(4,594,474)
Machinery and Equipment	(4,293,796)	(801,000)	75,686	(5,019,110)
Improvements Other than Buildings	(728,308)	(112,084)	-	(840,392)
Intangibles:				
Right-to-Use Lease Assets				
Machinery and equipment	(1,039,641)	(42,107)	-	(1,081,748)
Total	(12,986,421)	(2,048,676)	88,451	(14,946,646)
Total Capital Assets being Depreciated and Amortized, Net	16,431,987	(982,790)	9,314,979	24,764,176
Governmental Activities Capital Assets, Net	$ 32,421,411	$ 1,274,226	$ (12,785)	$ 33,682,852

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Balance Beginning of Year	Increase	Decreases/ Reclassifications	Balance End of Year
Business-Type Activities:				
Capital Assets not being Depreciated/ Amortized				
Land	$ 1,416,640	$ -	$ -	$ 1,416,640
Construction in Progress	4,176,861	1,532,419	(475,190)	5,234,090
Total Capital Assets not Being Depreciated	5,593,501	1,532,419	(475,190)	6,650,730
Capital Assets being Depreciated/ Amortized:				
Buildings and Improvements	928,182	-	-	928,182
Sewer Infrastructure	23,739,632	-	249,760	23,989,392
Machinery and Equipment	2,342,907	79,452	55,458	2,477,817
Water Infrastructure	9,977,595	30,702	183,188	10,191,485
Intangibles:				
Right-to-Use Lease Assets				
Machinery and equipment	137,768	196,959	-	334,727
Total	37,126,084	307,113	488,406	37,921,603
Less: Accumulated Depreciation/ Amortization for:				
Buildings and Improvements	(317,932)	(35,976)	-	(353,908)
Sewer Infrastructure	(11,538,851)	(753,209)	-	(12,292,060)
Machinery and Equipment	(1,477,196)	(135,965)	(7,666)	(1,620,827)
Water Infrastructure	(519,691)	(268,420)	-	(788,111)
Intangibles:				
Right-to-Use Lease Assets				
Machinery and equipment	(26,931)	(61,971)	-	(88,902)
Total	(13,880,601)	(1,255,541)	(7,666)	(15,143,808)
Total Capital Assets being Depreciated and Amortized, Net	23,245,483	(948,428)	480,740	22,777,795
Governmental Activities Capital Assets, Net	$ 28,838,984	$ 583,991	$ 5,550	$ 29,428,525

Depreciation /amortization expense was charged to each function as follows:

Governmental Activities:	
Public Works and Streets	$ 708,506
Public Safety	473,695
Culture and Recreation	792,076
General Government	65,429
Community Development	8,970
Total Governmental Activities, Depreciation/Amortization Expense	$ 2,048,676
Business-type Activities	
Water Fund	$ 354,249
Wastewater Fund	901,292
Total Business-Type, Depreciation/Amortization Expense	$ 1,255,541

NOTE 6 LONG-TERM LIABILITIES

The following schedule details the Town's long-term liability and obligation activity for the year ended June 30, 2025.

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within Onr Year
Governmental Activities:					
Compensated Absences	$ 660,926	$ 759,809	$ 827,776	$ 592,959	$ 533,633
Finance Purchases	202	-	202	-	-
Leases Payable	887,835	-	252,756	635,079	235,174
Net Pension and Other Postemployment Benefits Liability	5,392,690	308,045	-	5,700,735	-
Bonds Payable					
Revenue Bonds	13,326,000	-	800,000	12,526,000	826,000
Unamortized Premium	153,041	-	7,288	145,753	7,288
Governmental Activities Long-Term Liabilities	$ 20,420,694	$ 1,067,854	$ 1,888,022	$ 19,600,526	$ 1,602,095
Business-Type Activities					
Compensated Absences	$ 96,121	$ 146,109	$ 119,995	$ 122,235	$ 122,235
Finance Purchases	-	79,580	7,080	72,500	7,262
Leases Payable	102,891	93,430	35,246	161,075	39,191
Contractor Reimbursable	256,914	-	13,223	243,691	-
Bonds Payable	-	709,000	-	709,000	64,000
Loans Payable from Direct Borrowings and Direct Placements	11,396,731	122,737	408,046	11,111,422	1,490,424
Net Pension and Other Postemployment Benefits Liability	591,209	200,921	-	792,130	-
Business-Type Activities Long-Term Liabilities	$ 12,443,866	$ 1,351,777	$ 583,590	$ 13,212,053	$ 1,723,112

Long-term compensated absences, other postemployment benefits, and the net pension liability of governmental activities are expected to be liquidated by the operating funds (primarily the General Fund) as they become due.

Bonds Payable

Governmental Activities - In October 2014, the Town issued bonds totaling $4,904,000 to provide for an advance refunding of the 2005 revenue bond debt service payments for $1,372,950 with the remaining funds for the building of a new library. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

Governmental Activities - In December 2017, the Town issued bonds totaling $6,835,000 to finance the building of a park. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

Governmental Activities - In July 2020, the Town issued bonds totaling $2,897,000 to provide for an advance refunding of the 2011 revenue bond debt. The bond proceeds were used to defease $298,178 of the 2011 revenue bond with the remainder of the bond proceeds to be used to finance the building of a park. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Bonds Payable

Governmental Activities - In February 2022, the Town issued bonds totaling $3,015,000 to pay down the Town's Public Safety Retirement System pension liability with the remaining balance restricted to cover any future unfunded pension balances. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2025
Revenue Refunding Bonds, Series 2014	$ 4,904,000	2016-2031	2.84%	$ 1,579,000
Revenue Bonds, Series 2017	6,835,000	2019-2045	2.00%-4.00%	5,640,000
Revenue Refunding Bonds, Series 2020	2,897,000	2021-2035	2.96%	2,822,000
Revenue Bonds, Series 2022	3,015,000	2023-2036	2.77%	2,485,000
Totals	$ 17,651,000			$ 12,526,000

The following schedule details debt service requirements to maturity for the Town's bonds payable at June 30, 2025.

	Governmental Activities							
Year Ending	2014 Bond Payable		2017 Bond Payable		2020 Bond Payable		2022 Bond Payable	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 245,000	$ 41,365	$ 195,000	$ 186,400	$ 191,000	$ 80,704	$ 195,000	$ 66,134
2027	252,000	34,307	205,000	178,400	194,000	75,006	200,000	60,663
2028	259,000	27,051	210,000	170,100	201,000	69,160	205,000	55,054
2029	267,000	19,582	220,000	161,500	207,000	63,122	215,000	49,237
2030	274,000	11,900	230,000	150,750	213,000	56,906	220,000	43,212
2031-2035	282,000	4,004	750,000	515,100	1,475,000	167,284	1,190,000	120,218
2036-2040	-	-	1,430,000	441,256	341,000	5,047	260,000	3,601
2041-2045	-	-	2,400,000	202,032	-	-	-	-
Total	$ 1,579,000	$ 138,209	$ 5,640,000	$ 2,005,538	$ 2,822,000	$ 517,229	$ 2,485,000	$ 398,119

Business-Type Activities - In October 2024, the Town issued bonds totaling $709,000 to finance its water main project. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2025
Revenue Bonds, Series 2024	$ 709,000	2024-2034	3.98%	$ 709,000

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Bonds Payable (Continued)

The following schedule details debt service requirements to maturity for the Town's bonds payable at June 30, 2025.

	Business-Type Activities	
	2024 Bond Payable	
Year Ending June 30,	Principal	Interest
2026	$ 64,000	$ 26,945
2027	61,000	24,457
2028	64,000	21,969
2029	66,000	19,382
2030	69,000	16,696
2031-2035	385,000	39,501
2036-2040	-	-
2041-2045	-	-
Total	$ 709,000	$ 148,950

Loans Payable from Direct Borrowings and Direct Placements

	Business-Type Activities	
Description	Water Fund	Wastewater Fund
Water Infrastructure Finance Authority (WIFA) loan issued on April 20, 2018, for $3,487,210 with a $1,000,000 forgivable principal portion. The note bears interest at 2.183%. Due in annual principal and semi-annual intrest installments. Matures July 1, 2042. As of June 30, 2024, the Town had $280,865 available to draw down. Proceeds were used for wastewater improvement projects. The town has pledged future utility revenues to repay the loan.	$ -	$ 1,699,707
Water Infrastructure Finance Authority (WIFA) loan issued on January 29, 2021, for $1,200,000. The note bears interest at 1.00%. Due in annual principal and semi-annual interest installments. Matures July 1, 2025. As of June 30, 2024, the Town had $121,324 available to draw down. Proceeds were used for wastewater improvement projects. The Town has pledged future utility revenues to repay the loan.	-	1,076,676
Water Infrastructure Finance Authority (WIFA) loan issued on December 10, 2021 for $10,175,000 with a $900,000 forgivable principal portion. The note bears interest at 3.128% Due in annual principal and semi-annual interest installments. Matures July 1, 2044. Proceeds were used for the purchase of the water utility. The Town has pledged future utility revenues to repay the loan.	8,335,039	-
Total	$ 8,335,039	$ 2,776,383

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Loans Payable from Direct Borrowings and Direct Placements

The following schedule details debt service requirements to maturity for the Town's loan payable from direct borrowings and direct placements at June 30, 2025.

	Business-Type Activities					
	Loans Payable from Direct Borrowings and Direct Placements					
Year Ending	Wastewater Fund WIFA		Wastewater Fund WIFA		Water Fund WIFA	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 1,076,676	$ 5,383	$ 91,008	$ 42,242	$ 322,740	$ 122,265
2027	-	-	92,994	40,234	327,568	117,401
2028	-	-	95,024	38,181	332,468	112,465
2029	-	-	97,099	36,085	337,441	107,454
2030	-	-	99,218	33,942	342,489	102,369
2031-2035	-	-	529,542	135,895	1,790,840	432,862
2036-2040	-	-	577,317	74,857	1,928,848	293,822
2041-2045	-	-	117,505	12,753	2,077,491	144,067
2046-Thereafter	-	-	-	-	875,154	13,139
Total	$ 1,076,676	$ 5,383	$ 1,699,707	$ 414,189	$ 8,335,039	$ 1,445,844

Finance Purchases

The Town has acquired machinery equipment under contract agreements at a total purchase price of $78,981 with accumulated depreciation of $11,847 for a carrying value of $67,134. The following schedule details debt service requirements to maturity for the Town's finance purchases at June 30, 2025:

	Finance Purchases		
	Business-Type Activities		
Year Ending June 30,	Principal	Interest	Total
2026	$ 7,262	$ 1,864	$ 9,126
2027	7,448	1,678	9,126
2028	7,640	1,486	9,126
2029	7,837	1,289	9,126
2030	8,038	1,088	9,126
2031-2035	34,275	4,275	38,550
Total	$ 72,500	$ 11,680	$ 84,180

Leases Payable

The Town has acquired the right-to-use of equipment under the provisions of various lease agreements. The total amount of leased right-to-use assets and the related accumulated amortization are as follows:

	Governmental Activities	Business-Type Activities
Vehicles and Equipment	$ 2,051,372	$ 255,747
Less: Accumulated Amortization	(1,243,604)	(72,181)
Carrying Value	$ 807,768	$ 183,566

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Leases Payable (Continued)

The following schedule details debt service requirements to maturity for the Town's leases payable at June 30, 2025:

	Leases Payable					
Year Ending	Governmental Activites			Business-Tyoe Activies		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2026	$ 235,174	$ 42,818	$ 277,992	$ 39,191	$ 10,700	$ 28,466
2027	214,175	25,005	239,180	41,613	8,279	28,466
2028	143,686	11,088	154,774	39,858	5,658	24,090
2029	42,044	1,706	44,565	40,413	3,598	1,261
Total	$ 635,079	$ 80,617	$ 716,511	$ 161,075	$ 28,235	$ 82,283

Contractor Reimbursable

The Town has contracted with various contractors for the build of water delivery systems that extend to new development. Under agreements made with contractors, the cost of the delivery systems are paid by the contractor with the provision that the Town reimburse the contractor for costs over a period of ten years with annual repayment terms based on 10% of collections received from those using the portion of the delivery system installed by the contractor. Unpaid balances after ten years under such terms will be forgiven. The Town expects that all the contractor reimbursable will be due and payable within the ten-year term. Total contractor reimbursable at June 30, 2025 totaled $243,691.

NOTE 7 PLEDGED REVENUES

The Town has pledged, as security for a lease-purchase agreement entered into by the Camp Verde Sanitary District, a portion of the Town's sales tax. The lease-purchase agreement, executed by the Sanitary District in FY 2007, was amended during FY 2010. Per the amendment, the agreement is in the amount of $2.04 million to provide financing for construction of a new wastewater treatment plant, outfall, and collector sewer lines, and is payable through 2032. The Town has committed to appropriate up to $135,000 each year from sales tax revenues and state-shared revenues, to cover the principal and interest requirements on the Sanitary District's debt.

The Camp Verde Sanitary District has pledged, as the sole security for the lease-purchase agreement, the annual appropriations from the Town. Total principal remaining on the District's debt is $828,894. For the current year, principal and interest paid by the Sanitary District totaled $118,234. Total sales tax and state-shared revenues recognized by the Town totaled $16 million.

NOTE 8 INTERFUND BALANCES AND ACTIVITY

Interfund Loans

During the year ended June 30, 2025, the Town's CDBG Grants Fund borrowed $60,396 from the Town's General Fund to provide for grant expenditures that will be paid back from grant reimbursements received in the subsequent year.

NOTE 8 INTERFUND BALANCES AND ACTIVITY (CONTINUED)

Interfund Loans (Continued)

The Water Fund borrowed $4,243 from the Wastewater Fund to meet current financial needs for Water Fund expenditures. The Town expects the balance to be paid back in the subsequent year.

Interfund Transfers

During the year ended June 30, 2025, the Town's General Fund transferred funds to the Housing Fund, Parks Fund, Debt Service Fund, Capital Improvement Fund, and the Non-Federal Grants fund. Transfers were made to facilitate debt service payments, capital asset purchases, and to provide for various housing and grant expenditures. The ARPA fund transferred funds to the Parks Fund to provide funding for park improvements. The Federal and Non-Federal Grants Fund, Donations Fund, Water Fund and Wastewater Fund transferred funds to the General Fund for shared costs paid for by the General Fund.

During the year ended June 30, 2025, the Town transferred funds as follows:

	Transfers to								
Transfers from	General Fund	CDBG Grants Fund (Nonmajor)	Parks Fund (Nonmajor)	Debt Service Fund (Nonmajor)	Capital Improvement Fund (Nonmajor)	Donations Fund (Nonmajor)	Federal Grants Fund (Nonmajor)	Wastewater Fund	Total
General Fund	$ -	$ -	$ 200,000	$ 1,665,788	$ 856,455	$ 91,913	$ 2,213	$ -	$ 2,816,369
ARPA Fund (Nonmajor)	-	-	-	-	187,266	-	-	186,652	373,918
HURF Fund (Nonmajor)	-	-	-	-	250,000	-	-	-	250,000
Capital Improvments Fund	-	1,665	-	-	-	-	-	-	1,665
Federal Grants Fund (Nonmajor)	6,166	-	1,281,103	-	-	-	-	-	1,287,269
Nonfederal Grants Fund (Nonmajor)	-	-	-	-	-	20,000	-	-	20,000
Donations Fund (Nonmajor)	4,000	-	-	-	-	-	-	-	4,000
Court Special Revenue (Nonmajor)	-	-	-	-	60,000	-	-	-	60,000
Totals	$ 10,166	$ 1,665	$ 1,481,103	$ 1,665,788	$ 1,353,721	$ 111,913	$ 2,213	$ 186,652	$ 4,813,221

NOTE 9 TAX ABATEMENTS

The Town enters into various agreements with local businesses under Arizona Revised Statute 9-500.05 and 9-500.11. Under the Revised Statute, the Town is empowered to appropriate public funds to further employment opportunities and economic enhancement of the Town. These agreements may be granted to any business located within or promising to relocate to the Town. The Town has determined it is in the best interest of the citizens of the Town to rebate a portion of the sales taxes generated and collected from certain business retail sales.

For the fiscal year ended June 30, 2025, the Town has the following active tax abatement agreements:

- Agreement with business owner that provides a sales tax rebate equal to 50% of retail sales tax and 100% of lease or rental sales tax of real property located on the business premises. During the fiscal year, $187,077 was paid as a rebate.

NOTE 9 TAX ABATEMENTS (CONTINUED)

- Agreement with business owner that stipulates that the business owner provides funds for the design, construction and installation of certain public roadway improvements. The sales tax rebate is limited to the full reimbursement of the funds received from that business as it relates to the public roadway improvements. The Town will reimburse the owner 50% of construction sales taxes generated and collected by the business up to the total roadway improvements, not to exceed $600,000. During the fiscal year, $-0- was paid as a rebate.

NOTE 10 GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS

The Town's restrictions on net position in the government-wide statement of net position are as follows:

	Governmental Activities
Restricted Net Position:	
Postemployment Benefits	$ 918,607
Highway User Revenues	1,769,901
Housing Redevelopment	123,639
Court Special Revenue:	
Court Enhancement	57,909
Fill the Gap	27,363
Local JCEF	27,731
Nonfederal Grants:	
Spay/Neuter	60,037
Federal Grants:	
RDBG Grant	17,355
9-1-1	1,361
Donations:	
Camp Verde Marshal's Office	81,842
Library	49,625
Parks and Recreation	160,738
Safety Fund	57,105
Economic Development	49,299
Total Restricted Net Position	$ 3,402,512

	Business-Type Activities
Restricted Net Position:	
Postemployment Benefits	$ 29,789

NOTE 10 GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS (CONTINUED)

The components of governmental fund balances are as follows

	General Fund	Governmental Funds	Total Governmental Funds
Ending Fund Balances - June 30, 2025			
Restricted for:			
Highways and Streets	$ -	$ 1,769,901	$ 1,769,901
Housing Redevelopment	-	123,639	123,639
Court Special Revenue:			
Court Enhancement	-	57,909	57,909
Fill the Gap	-	27,363	27,363
Local JCEF	-	27,731	27,731
Nonfederal Grants:			
Spay and Neuter	-	60,037	60,037
Federal Grants:			
RDBG Grant	-	17,355	17,355
9-1-1	-	1,361	1,361
Donations			
Camp Verde Marshal's Office	-	81,842	81,842
Library	-	49,625	49,625
Parks and Recreation	-	8,291	8,291
Safety Fund	-	57,105	57,105
Economic Development	-	49,299	49,299
Total Restricted	-	2,331,458	2,331,458
Committed for:			
Employee Benefits	675,764	-	675,764
PSPRS	474,049	-	474,049
Legal Defense	-	599,663	599,663
	1,149,813	599,663	1,749,476
Assigned for:			
Capital Improvements	-	1,302,585	1,302,585
Park Improvements	-	1,062,639	1,062,639
Housing Incentives	-	150,000	150,000
Total Assigned	-	2,515,224	2,515,224
Unassigned	4,786,787	-	4,786,787
Ending Fund Balances	$ 5,936,600	$ 5,446,345	$ 11,382,945

NOTE 11 CONTINGENT LIABILITIES

Federal and State Grants and Loans **–** The Town has received a number of grants from both the Federal and State governments. Amounts received or receivable from grantor agencies are subject to audit and adjustment; however, the Town expects no material disallowance of expenditures.

Lawsuits **–** At times, the Town is a defendant in various lawsuits, although the outcome of these lawsuits is not always determinable, in the opinion of the Town's legal counsel, any resolution of these matters will not have a material adverse effect on the financial condition of the Town.

NOTE 12 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The Town contributes to the pension plans described below. The plans are component units of the state of Arizona.

At June 30, 2025, the Town reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

	Statement of Net Position and Statement of Activities		
	Governmental Activities	Business-Type Activities	Total
Net Pension and OPEB Assets	$ (918,607)	$ (29,789)	$ (948,396)
Net Pension and OPEB Liabilities	5,700,735	792,130	6,492,865
Deferred Outflows of Resources Related to Pension and OPEB	1,923,906	222,913	2,146,819
Deferred Inflows of Resources Related to Pension and OPEB	544,672	63,177	607,849
Pension Expense and OPEB	676,989	128,151	805,140

The Town reported $676,989 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System

Plan Description – Town 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 multiemployer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiemployer 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 benefits 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	On or After July 1, 2011
Years of Service and Age Required to Receive Benefits	Sum of Years and Age, Equals 80	30 Years, Age 66
	10 Years, Age 62	25 Years, Age 60
	5 Years, Age 50*	10 Years, Age 62
	Any Years, Age 65	5 Years, Age 50* Any Years, Age 65
Final Average Salary is Based on	Highest 36 Months of Last 120 Months	Highest 60 Months of Last 120 Months
Benefit Percent Per Year of Service	2.1% to 2.3%	2.1% to 2.3%

*With Actuarially Reduced Benefits

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

Health insurance premium benefits are available to retired or disabled members with five years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with ten 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 five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System (Continued)

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, 2025, Statute required active ASRS members to contribute at the actuarially determined rate of 12.27% (12.12% for retirement and 0.15% for long-term disability) of the members annual covered payroll, and the Town was required by Statute to contribute at the actuarially determined rate of 12.27% (12.05% for retirement, 0.07% for health insurance premium benefit, and 0.15% for long-term disability) of the active members annual covered payroll. In addition, the Town was required by statute to contribute at the actuarially determined rate of 10.19% (10.14%, 0.05% for long-term disability) of annual covered payroll of retired members who worked for the Town in positions that an employee who contributes to the ASRS would typically fill. The Town’s contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2025, were $884,670, $8,025, and $11,095, respectively.

During fiscal year 2025, the Town paid for ASRS pension and OPEB contributions as follows: 19.90% from the General Fund, 16.46% from the HURF Fund (nonmajor), 4.69% from the Water Fund and 7.51% from the Wastewater Fund.

Liability - At June 30, 2025, the Town reported the following asset and liabilities for its proportionate share of the ASRS net pension/OPEB asset or liability.

	Pension/OPEB (Asset) Liability
Pension	$ 6,491,811
Health Insurance Premium Benefit	(244,169)
Long-Term Disability	1,054

The net asset and net liabilities were measured as of June 30, 2024. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System (Continued)

The Town's proportion of the net asset or net liability was based on the Town's actual contributions to the plan relative to the total of all participating employer's contributions for the year ended June 30, 2024. The Town's proportions measured as of June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

	Proportion June 30, 2024	Increase (Decrease) from June 30, 2023
Pension	0.04057%	0.00362%
Health Insurance Premium Benefit	0.04041%	0.00316%
Long-Term Disability	0.04042%	0.00337%

Expense For the year ended June 30, 2025, the Town recognized the following pension and OPEB expense.

	Pension/OPEB (Income) Expense
Pension	$ 1,083,943
Health Insurance Premium Benefit	(38,747)
Long-Term Disability	5,220

Deferred Outflows/Inflows of Resources At June 30, 2025, the deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources were:

	Pension		Health Insurance Pension		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	$ 362,367	$ -	$ 7,066	$ 58,957	$ 3,874	$ 2,806
Changes of Assumptions or Other Inputs	-	-	-	2,533	762	6,308
Net Difference between Projected and Actual Earnings on Pension Plan	-	414,573	-	16,784	-	1,151
Changes in Proportion and Differences Between Town Contributions and Proportionate Share of Contributions	546,886	-	2	14,582	2,409	148
Town Contributions Subsequent to the Measurement Date	884,670	-	8,025	-	11,095	-
Total	$ 1,793,923	$ 414,573	$ 15,093	$ 92,856	$ 18,140	$ 10,413

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System (Continued)

Deferred Outflows/Inflows of Resources (Continued) The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ended June 30, 2025. 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,	Pension	Health Insurance Premium Benefit	Long-Term Debt
2026	$ 174,332	$ (49,219)	$ (1,379)
2027	501,369	(14,260)	166
2028	(104,942)	(13,813)	(1,398)
2029	(76,079)	(6,891)	(1,268)
Thereafter	-	(1,605)	511

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

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
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 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023 valuations were based on the results of an actuarial experience study for the five-year period ended June 30, 2020.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System (Continued)

Actuarial Assumptions (Continued) The long-term expected rate of return on ASRS plan investments was determined to be 7.0% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 and by adding expected inflation. 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 Asset Allocation	Long-Term Expected Geometric Real Rate of Return
Public Equity	44 %	4.48 %
Credit	23	4.40
Real Estate	17	6.05
Private Equity	10	6.11
Interest Rate Sensitive	6	(0.45)
Total	100 %	

Discount Rate At June 30, 2023, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0%. 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 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.

Sensitivity of the Town’s Proportionate Share of the ASRS Net Pension/OPEB (Asset) Liability to Changes in the Discount Rate The following table presents the Town’s proportionate share of the net pension/OPEB liability calculated using the discount rate of 7.0%, as well as what the Town’s proportionate share of the net pension/OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Town's Proportionate Share of the Net Pension Liability	$ 9,940,290	$ 6,491,811	$ 3,617,805
Net Insurance Premium Benefit Liability (Asset)	(177,509)	(244,169)	(300,843)
Net Long-Term Disability Liability	3,625	1,054	(1,476)

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Arizona State Retirement System (Continued)

Plan Fiduciary Net Position Detailed information about the plans fiduciary net position is available in the separately issued ASRS financial report.

B. Public Safety Personnel Retirement System

Plan Descriptions – Town police employees participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiemployer defined benefit pension plans and agent and cost-sharing multiemployer 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) which are not further disclosed because of their relative insignificance to the Town's financial statements.

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

Benefits Provided - The PSPRS provide retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

Benefits Provided (Continued) Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Initial Membership Date	
Retirement and Disability	Before January 1, 2012	On or After January 1, 2012 and Before July 1, 2017
Years of Service and Age Required to Receive Benefit	20 Years of Service any age 15 Years of Service, age 62	25 Years of Service or 15 Years of Credited Service, Age 52.5
Final Average Salary is Based on	Highest 36 Consecutive Months of Last 20 Years	Highest Consecutive Months of Last 20 Years
Benefit Percentage		
Normal Retirement	50% Less 2% for each Year of Credited Service Less than 20 Years OR Plus 2% 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 First	
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 Result of Injuries Received on the Job	

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

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

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

Employees Covered by Benefit Terms - At June 30, 2025, the following employees were covered by the agent plans benefit terms:

	PSPRS Police	
	Pension	Health
Inactive Employees or Beneficiaries Currently Receiving Benefits	9	9
Inactive Employees Entitled to but Not Yet Receiving Benefits	8	-
Active Employees	6	6
Total	23	15

Contributions - State Statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2025, are indicated below. Rates are a percentage of active members annual covered payroll.

	Active Member	Town Pension	Town Health Insurance Premium Benefit
PSPRS Police	8.75 %	8.41 %	0.11 %

The Town's contributions to the plans for the year ended June 30, 2025, were:

	Pension	Health Insurance Premium Benefit
PSPRS Police	$ 215,443	$ 2,818

During fiscal year 2025, the Town paid for 100% of PSPRS pension and OPEB contributions from the General Fund.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

Liability - At June 30, 2025, the Town reported the following asset and liability:

	Net Pension (Asset) Liability	Net OPEB (Asset) Liability
PSPRS Police	$ (586,095)	$ (118,132)

The net assets and net liabilities were measured as of June 30, 2024, 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, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.20%
Wage inflation	3.0 - 6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2021.

The long-term expected rate of return on PSPRS 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.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

Actuarial Assumptions (Continued) - 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	Experienced Geometric Real Rate of Return
U.S. Public Equity	24.00 %	3.62 %
International Public Equity	16.00	4.47
Global Private Equity	27.00	7.05
Core Bonds	6.00	2.44
Private Credit	20.00	6.24
Diversifying Strategies	5.00	3.15
Cash - Mellon	2.00	0.89
Total	100.00 %	

Discount Rates - At June 30, 2024, the discount rate used to measure the PSPRS total pension/OPEB liabilities was 7.2%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

<u>Changes in the Net Pension/OPEB Liability (Asset)</u>

	Pension Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)- (b)
Balances - Beginning of Year	$ 8,133,972	$ 8,587,370	$ (453,398)
Changes for the Year	-	-	-
Service Cost	88,573	-	88,573
Interest on the Total Pension Liability	578,631	-	578,631
Differences Between Expected and Actual Experience in the Measurement of the Pension Liability	146,150	-	146,150
Changes of Assumptions or Other Inputs	-	-	-
Contributions-Employer	-	61,173	(61,173)
Contributions-Employee	-	38,142	(38,142)
Net Investment Income	-	855,035	(855,035)
Benefit Payments, Including Refunds of Employee Contributions	(372,018)	(372,018)	-
Administrative Expense	-	(8,299)	8,299
Net Changes	441,336	574,033	(132,697)
Balances - End of Year	$ 8,575,308	$ 9,161,403	$ (586,095)

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

Changes in the Net Pension/OPEB Liability (Asset) (Continued)

	Health Insurance Premium Benefit		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)- (b)
Balances - Beginning of Year	$ 133,667	$ 221,975	$ (88,308)
Changes for the Year	-	-	-
Service Cost	2,222	-	2,222
Interest on the Total OPEB Liability	9,412	-	9,412
Changes of Assumptions or Other Inputs	(20,039)	-	(20,039)
Differences Between Expected and Actual Experience in the Measurement of the OPEB Liability	-	-	-
Contributions-Employer	-	-	-
Net Investment Income	-	21,606	(21,606)
Benefit Payments, Including Refunds of Employee Contributions	(10,331)	(10,331)	-
Administrative Expense	-	(187)	187
Net Changes	(18,736)	11,088	(29,824)
Balances - End of Year	$ 114,931	$ 233,063	$ (118,132)

Sensitivity of the Towns Net Pension/OPEB Liability to Changes in the Discount Rate - The following table presents the Town's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2%, as well as what the Town's net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS Police			
Net Pension (Asset) Liability	$ 525,193	$ (586,095)	$ (1,497,691)
Net OPEB (Asset) Liability	(106,279)	(118,132)	(128,175)

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

Expense - For the year ended June 30, 2025, the Town recognized the following pension and OPEB expense:

	Pension (Income) Expense	OPEB (Income) Expense
PSPRS Police	$ (223,210)	$ (22,066)

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Public Safety Personnel Retirement System (Continued)

Changes in the Net Pension/OPEB Liability (Asset) (Continued)

Deferred Outflows/Inflows of Resources - At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 97,434	$ -	$ 3,633	$ -
Changes of Assumptions	-	-	335	-
Difference between Projected and Actual Investment Earnings on Pension Plan	-	87,534	-	2,473
Contributions Subsequent to the Measurement Date	215,443	-	2,818	-
Total	$ 312,877	$ 87,534	$ 6,786	$ 2,473

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from Town 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 ended June 30, 2025. 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:

	PSPRS Police	
Year Ending June 30,	Pension	Health
2026	$ (33,849)	$ (15,454)
2027	149,678	(3,778)
2028	(56,557)	(6,351)
2029	(49,372)	(1,200)

NOTE 14 NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 101 *Compensated Absences*. This Statement establishes standards of accounting and financial reporting for (a) compensated absences and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits (OPEB). The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The Town implemented this Statement in fiscal year 2025 with no significant impact on these financial statements

GASB Statement No. 102 *Certain Risk Disclosures*. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The Town implemented this Statement in fiscal year 2025 with no significant impact on these financial statements.

GASB Statement No. 103 *Financial Reporting Model Improvements*. This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Town will implement this Standard in fiscal year 2026.

GASB Statement No. 104 *Disclosure of Certain Capital Assets*. This Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Town will implement this Standard in fiscal year 2026.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CAMP VERDE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUE				
Taxes	$ 9,220,100	$ 9,220,100	$ 8,890,530	$ (329,570)
Intergovernmental	5,694,750	5,694,750	5,814,914	120,164
Fines And Forfeitures	132,100	132,100	130,426	(1,674)
Licenses And Permits	486,450	486,450	475,179	(11,271)
Charges For Services	617,350	617,350	740,075	122,725
Investment Income	190,000	190,000	338,823	148,823
Other Revenue	61,500	61,500	113,975	52,475
Total Revenue	16,402,250	16,402,250	16,503,922	101,672
EXPENDITURES				
Marshal	4,467,585	4,524,685	4,446,876	(77,809)
Magistrate	476,315	481,085	464,105	(16,980)
Community Development	1,094,705	1,112,555	840,909	(271,646)
Library	823,315	853,325	739,403	(113,922)
General Government	4,442,935	4,287,945	3,919,382	(368,563)
Parks And Recreation	779,640	780,070	707,357	(72,713)
Public Works	2,124,095	2,139,975	1,848,712	(291,263)
Total Expenditures	14,208,590	14,179,640	12,966,744	(1,212,896)
EXCESS OF REVENUES OVER EXPENDITURES	2,193,660	2,222,610	3,537,178	1,314,568
OTHER FINANCING SOURCES				
Transfers In (Out)	(2,692,715)	(2,692,715)	(2,806,203)	(113,488)
NET CHANGE IN FUND BALANCES	(499,055)	(470,105)	730,975	1,201,080
Fund Balances - Beginning of Year	4,515,714	4,515,714	5,205,625	689,911
FUND BALANCES - END OF YEAR	$ 4,016,659	$ 4,045,609	$ 5,936,600	$ 1,890,991

See accompanying Notes to Required Supplementary Information- Budgetary Comparison Schedule..

NOTE 1 BUDGETING AND BUDGETARY CONTROL

Arizona Revised Statutes (A.R.S.) require the Town to prepare and adopt a balanced budget annually for each governmental fund. The Town Council must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations in individual funds. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Town Council's approval. However, the Town Manager may approve budget reallocations within functional departments without the Town Council's approval.

NOTE 2 BUDGETARY BASIS OF ACCOUNTING

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

TOWN OF CAMP VERDE
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION/OPEB LIABILITY COST-SHARING PLANS
YEAR ENDED JUNE 30, 2025

ASRS Pension
Reporting Fiscal Year
(Measurement Date)

	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Town's Proportion of the Net Pension Liability	0.040570%	0.036950%	0.033430%	0.031280%	0.030770%	0.031430%	0.031890%	0.030200%	0.029430%	0.029330%
Town's Proportionate Share of the Net Pension Liability	$ 6,491,811	$ 5,979,044	$ 5,456,518	$ 4,110,053	$ 5,331,370	$ 4,573,431	$ 4,447,533	$ 4,704,571	$ 4,750,298	$ 4,568,105
Town's Covered Payroll	$ 7,763,195	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	$ 2,702,700	$ 2,675,211
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	83.62%	125.91%	137.14%	116.74%	158.47%	137.96%	145.28%	159.71%	175.76%	170.76%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

ASRS - Health Insurance Premium Benefit
Reporting Fiscal Year
(Measurement Date)

	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Town's Proportion of the Net OPEB (Asset)	0.040410%	0.037250%	0.034170%	0.032070%	0.031490%	0.032210%	0.032500%	0.030640%	Information Not Available	
Town's Proportionate Share of the Net OPEB (Asset)	$ (244,169)	$ (201,123)	$ (190,702)	$ (156,248)	$ (22,295)	$ (8,901)	$ (11,703)	$ (16,680)	Information Not Available	
Town's Covered Payroll	$ 7,763,195	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	Information Not Available	
Town's Proportionate Share of the Net OPEB (Asset) as a Percentage of its Covered Payroll	-3.15%	-4.24%	-4.79%	-4.44%	-0.66%	0.27%	-0.38%	-0.57%	Information Not Available	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	137.51%	134.37%	134.37%	130.24%	104.33%	101.62%	102.20%	103.57%	Information Not Available	

ASRS - Long-Term Disability
Reporting Fiscal Year
(Measurement Date)

	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Town's Proportion of the Net OPEB (Asset)	0.040420%	0.037050%	0.033710%	0.031690%	0.031190%	0.031920%	0.031970%	0.030320%	Information Not Available	
Town's Proportionate Share of the Net OPEB (Asset)	$ 1,054	$ 4,855	$ 3,113	$ 6,542	$ 23,661	$ 20,794	$ 16,704	$ 10,990	Information Not Available	
Town's Covered Payroll	$ 7,763,195	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	Information Not Available	
Town's Proportionate Share of the Net OPEB (Asset) as a Percentage of its Covered Payroll	0.01%	0.10%	0.08%	0.19%	0.70%	0.63%	0.55%	0.37%	Information Not Available	
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	98.77%	95.40%	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	Information Not Available	

See accompanying Notes to Pension/OPEB Plan Schedules.

TOWN OF CAMP VERDE
SCHEDULE OF CHANGES IN THE TOWN'S
NET PENSION/OPEB LIABILITY (ASSET) AND RELATED RATIOS
AGENT PENSION PLANS
YEAR ENDED JUNE 30, 2025

PSPRS Health Insurance Premium Benefit

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Total OPEB Liability										
Service Cost	$ 2,222	$ 2,535	$ 3,543	$ 4,653	$ 4,616	$ 3,688	$ 3,842	$ 4,851	Information not Available	
Interest on the Total OPEB Liability	9,412	10,026	10,768	12,222	10,465	11,648	12,826	13,808		
Changes of Benefit Terms	-	-	-	-	-	-	-	5,646		
Differences Between Expected and Actual Experience in the Measurement of the OPEB Liability	-	(10,367)	(12,311)	(24,929)	21,798	(25,518)	(27,735)	(20,723)		
Changes of Assumptions or Other Inputs	(20,039)	-	1,341	-	-	2,418	-	(6,818)		
Benefit Payments	(10,331)	(10,485)	(10,691)	(10,822)	(10,988)	(7,330)	(5,892)	(8,205)		
Net Change in Total OPEB Liability	(18,736)	(8,291)	(7,350)	(18,876)	25,891	(15,094)	(16,959)	(11,441)		
Total OPEB Liability - Beginning	133,667	141,958	149,308	168,184	142,293	157,387	174,346	185,787		
Total OPEB Liability - Ending (a)	$ 114,931	$ 133,667	$ 141,958	$ 149,308	$ 168,184	$ 142,293	$ 157,387	$ 174,346		
Plan Fiduciary Net Position										
Contributions - Employer	$ -	$ -	$ 1,507	$ 1,255	$ 1,306	$ 3,703	$ 2,175	$ 3,796		
Net Investment Income	21,606	15,924	(9,007)	51,646	2,470	10,275	12,614	19,613		
Benefit Payments	(10,331)	(10,485)	(10,691)	(10,822)	(10,988)	(7,330)	(5,892)	(8,205)		
Administrative Expense	(187)	(168)	(160)	(212)	(201)	(177)	(192)	(175)		
Other Changes	-	-	-	-	-	2,761	-	-		
Net Change in Plan Fiduciary Net Position	11,088	5,271	(18,351)	41,867	(7,413)	9,232	8,705	15,029		
Plan Fiduciary Net Position - Beginning	221,975	216,704	235,055	193,188	200,601	191,365	182,664	167,635		
Plan Fiduciary Net Position - Ending (b)	233,063	221,975	216,704	235,055	193,188	200,597	191,369	182,664		
Town's Net OPEB (Asset) Liability - Ending (a) - (b)	$ (118,132)	$ (88,308)	$ (74,746)	$ (85,747)	$ (25,004)	$ (58,304)	$ (33,982)	$ (8,318)		
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	202.79%	166.07%	152.65%	157.43%	114.87%	140.98%	121.59%	104.77%		
Covered Payroll	$ 535,749	$ 476,138	$ 516	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338		
Town's Net OPEB (Asset) Liability as a Percentage of Covered Payroll	-22.05%	-18.55%	-14.47%	12.96%	-3.12%	-7.81%	-4.42%	-0.93%		

See accompanying Notes to Pension/OPEB Plan Schedules.

TOWN OF CAMP VERDE
SCHEDULE OF TOWN PENSION/OPEB CONTRIBUTIONS
YEAR ENDED JUNE 30, 2025

ASRS Pension
Reporting Fiscal Year
(Measurement Date)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contributions	$ 682,370	$ 656,865	$ 574,932	$ 420,687	$ 410,151	$ 385,113	$ 370,616	$ 333,697	$ 317,545	$ 293,243
Town's Contributions in Relation to the Statutorily Required Contribution	(682,370)	(656,865)	(574,932)	(420,687)	(410,151)	(385,113)	(370,616)	(333,697)	(317,545)	(293,243)
Town's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's Covered Payroll	$ 7,763,195	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686
Town's Contributions as a Percentage of Covered Payroll	8.79%	11.95%	11.92%	11.83%	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%

ASRS - Health Insurance Premium Benefit
Reporting Fiscal Year
(Measurement Date)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	$ 6,057	$ 5,807	$ 5,221	$ 15,517	$ 13,730	$ 16,462	$ 15,249	$ 13,470	$ 16,496	Information Not Available
Town's Contributions in Relation to the Statutorily Required Contribution	(6,057)	(5,807)	(5,221)	(15,517)	(13,730)	(16,462)	(15,249)	(13,470)	(16,496)	
Town's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's Covered Payroll	$ 7,763,195	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	
Town's Contributions as a Percentage of Covered Payroll	0.08%	0.11%	0.11%	0.39%	0.39%	0.49%	0.46%	0.44%	0.56%	

ASRS - Long-Term Disability
Reporting Fiscal Year
(Measurement Date)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily Required Contribution	$ 8,359	$ 8,028	$ 6,703	$ 7,560	$ 6,337	$ 5,717	$ 5,304	$ 4,898	$ 4,123	Information Not Available
Town's Contributions in Relation to the Statutorily Required Contribution	(8,359)	(8,028)	(6,703)	(7,560)	(6,337)	(5,717)	(5,304)	(4,898)	(4,123)	Information Not Available
Town's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's Covered Payroll	$ 7,763,195	$ 5,498,377	$ 4,748,563	$ 3,978,756	$ 3,520,608	$ 3,364,321	$ 3,314,991	$ 3,061,440	$ 2,945,686	Information Not Available
Town's Contributions as a Percentage of Covered Payroll	0.11%	0.15%	0.14%	0.19%	0.18%	0.17%	0.16%	0.16%	0.14%	

See accompanying Notes to Pension/OPEB Plan Schedules.

TOWN OF CAMP VERDE
SCHEDULE OF TOWN PENSION/OPEB CONTRIBUTIONS (CONTINUED)
YEAR ENDED JUNE 30, 2025

PSPRS Pension
Reporting Fiscal Year
(Measurement Date)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 61,173	$ 41,928	$ 78,224	$ 379,445	$ 380,135	$ 387,583	$ 336,486	$ 440,207	$ 251,099	$ 293,243
Town's Contributions in Relation to the Actuarially Determined Contribution	(61,173)	(41,928)	(78,224)	(379,445)	(380,135)	(387,583)	(336,486)	(440,207)	(251,099)	(293,243)
Town's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's Covered Payroll	$ 535,749	$ 444,202	$ 476,138	$ 516,416	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338	$ 845,274
Town's Contributions as a Percentage of Covered Payroll	11.42%	9.44%	16.43%	73.48%	57.43%	48.37%	45.07%	57.29%	27.95%	31.69%

PSPRS - Health Insurance Premium Benefit
Reporting Fiscal Year
(Measurement Date)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ -	$ -	$ -	$ 1,507	$ 1,255	$ 1,306	$ 3,703	$ 2,175	$ 3,796	Information Not Available
Town's Contributions in Relation to the Actuarially Determined Contribution	-	-	-	(1,507)	(1,255)	(1,306)	(3,703)	(2,175)	(3,796)	Information Not Available
Town's Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Town's Covered Payroll	$ 535,749	$ 444,202	$ 476,138	$ 516,416	$ 661,880	$ 801,280	$ 746,654	$ 768,379	$ 898,338	Information Not Available
Town's Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.29%	0.19%	0.16%	0.50%	0.28%	0.42%	

See accompanying Notes to Pension/OPEB Plan Schedules.

NOTE 1 ACTUARIALLY DETERMINED CONTRIBUTION RATES

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

Actuarial Assumptions	
Investment Rate of Return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In 2013 actuarial valuation, the investment rate of return was decreased from 8.00% to 7.85%.
Projected Salary Increases	In 2017 actuarial valuation, projected salary increases were decreased from 4.0% - 8.0% to 3.5% - 7.5% for PSPRS. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% for PSPRS. In 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5% for PSPRS.
Wage Growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0 - 6.25 %. In 2017 actuarial valuation, wage growth was decreased from 4.0% to 3.5%. In 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth 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.

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 will increase the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the Town refunded excess employee contributions to PSPRS members. PSPRS allowed the Town to reduce its actual employer contributions for the refund amounts. As a result, the Town's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

OTHER FINANCIAL STATEMENTS

TOWN OF CAMP VERDE
COMBINING BALANCE SHEET
ALL NONMAJOR GOVERNMENTAL FUNDS BY FUND TYPE
JUNE 30, 2025

	Special Revenue Fund	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 3,008,581	$ 2,608,691	$ -	$ 5,617,272
Accounts Receivable, Net	4,372	-	-	4,372
Due from Other Governments	165,076	152,447	-	317,523
Total Assets	$ 3,178,029	$ 2,761,138	$ -	$ 5,939,167
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 96,908	$ 243,467	$ -	$ 340,375
Total Liabilities	96,908	243,467	-	340,375
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	152,447	-	152,447
FUND BALANCES				
Restricted	2,331,458	-	-	2,331,458
Committed	599,663	-	-	599,663
Assigned	150,000	2,365,224	-	2,515,224
Total Fund Balances	3,081,121	2,365,224	-	5,446,345
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,178,029	$ 2,761,138	$ -	$ 5,939,167

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL NONMAJOR GOVERNMENTAL FUNDS BY FUND TYPE
YEAR ENDED JUNE 30, 2025

	Special Revenue Fund	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
REVENUE				
Intergovernmental	$ 2,979,090	$ -	$ -	$ 2,979,090
Fines and Forfeitures	44,809	-	-	44,809
Charges for Services	12,000	-	-	12,000
Contributions	201,307	-	-	201,307
Investment Income	21,451	26,660	-	48,111
Other Revenue	224,617	14,000	-	238,617
Total Revenue	3,483,274	40,660	-	3,523,934
EXPENDITURES				
Current:				
General Government	27,265	-	-	27,265
Public Safety	40,132	1,722	-	41,854
Public Works and Streets	758,761	-	-	758,761
Culture and Recreation	22,305	26,670	-	48,975
Community Development	-	32,308	-	32,308
Capital Outlay	704,301	2,601,385	-	3,305,686
Debt Service:				
Principal	-	-	1,143,060	1,143,060
Interest	-	-	522,728	522,728
Total Expenditures	1,552,764	2,662,085	1,665,788	5,880,637
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,930,510	(2,621,425)	(1,665,788)	(2,356,703)
OTHER FINANCING SOURCES				
Transfers In (Out)	(1,879,393)	2,833,156	1,665,788	2,619,551
Total Other Financing Sources	(1,879,393)	2,833,156	1,665,788	2,619,551
NET CHANGE IN FUND BALANCES	51,117	211,731	-	262,848
Fund Balances - Beginning of Year	3,030,004	2,153,493	-	5,183,497
FUND BALANCES - END OF YEAR	$ 3,081,121	$ 2,365,224	$ -	$ 5,446,345

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes (other than major capital projects). The funds are usually required by statute, ordinance, or federal grant regulation to finance specified activities of the Town. The Town maintains the following non-major Special Revenue funds.

Housing Fund Accounts for revolving loan funds as well as the revenues and expenditures related to the HOME Grant.

HURF Fund This fund accounts for specific revenue received from the State of Arizona Highway User Revenue Fund, which is legally restricted to expenditures for authorized transportation purposes.

Court Special Revenue Fund Accounts for Local JCEF, Fill the Gap and Court Enhancement revenues.

Nonfederal Grants Fund- Accounts for all nonfederal grants received by the Town.

Federal Grants Fund- Accounts for the activity related to the Town’s Federal grants.

CDBG Grants Fund- Accounts for the activity related to the Town’s Community Development Block grants.

9-1-1 Fund Accounts for 9-1-1 distributions.

Donations Fund Accounts for gifts, donations, bequests and private grants made to the Town.

ARPA Fund Accounts for the spending of resources received from the federal government as it relates to the American Rescue Plan Act (ARPA) specifically for expenditures related to the impact of COVID-19..

TOWN OF CAMP VERDE
COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	Housing Fund	HURF Funds	Court Special Revenue Funds	Nonfederal Grants Fund	Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	ARPA Fund	Total Nonmajor Special Revenue Fund
ASSETS										
Cash and Cash Equivalents	$ 273,639	$ 1,731,669	$ 110,900	$ 25,554	$ 17,755	$ -	$ 1,361	$ 847,703	$ -	$ 3,008,581
Accounts Receivable, Net	-	-	2,103	-	-	-	-	2,269	-	4,372
Due From Other Governments	-	128,052	-	37,024	-	-	-	-	-	165,076
Total Assets	$ 273,639	$ 1,859,721	$ 113,003	$ 62,578	$ 17,755	$ -	$ 1,361	$ 849,972	$ -	$ 3,178,029
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts Payable	$ -	$ 89,820	$ -	$ 2,541	$ 400	$ -	$ -	$ 4,147	$ -	$ 96,908
Total Liabilities	-	89,820	-	2,541	400	-	-	4,147	-	96,908
FUND BALANCES										
Restricted	123,639	1,769,901	113,003	60,037	17,355	-	1,361	246,162	-	2,331,458
Committed	-	-	-	-	-	-	-	599,663	-	599,663
Assigned	150,000	-	-	-	-	-	-	-	-	150,000
Total Fund Balances	273,639	1,769,901	113,003	60,037	17,355	-	1,361	845,825	-	3,081,121
Total Liabilities and Fund Balances	$ 273,639	$ 1,859,721	$ 113,003	$ 62,578	$ 17,755	$ -	$ 1,361	$ 849,972	$ -	$ 3,178,029

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2025

	Housing Fund	HURF Funds	Court Special Revenue Funds	Nonfederal Grants Fund	Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	ARPA Fund	Total Nonmajor Special Revenue Fund
REVENUE										
Intergovernmental	$ -	$ 1,287,734	$ -	$ 40,182	$ 1,289,553	$ 361,621	$ -	$ -	$ -	$ 2,979,090
Fines and Forfeitures	-	-	21,929	-	-	-	-	22,880	-	44,809
Charges for Services	-	-	-	-	-	-	-	12,000	-	12,000
Contributions	-	-	-	121,414	-	-	-	79,893	-	201,307
Investment Income	23	-	-	-	-	-	-	21,428	-	21,451
Other Revenue	-	971	-	-	-	-	-	223,646	-	224,617
Total Revenue	23	1,288,705	21,929	161,596	1,289,553	361,621	-	359,847	-	3,483,274
EXPENDITURES										
Current										
General Government	-	-	7,427	-	-	-	-	19,286	552	27,265
Public Safety	-	-	-	34,793	-	-	-	5,339	-	40,132
Public Works and Streets	-	758,761	-	-	-	-	-	-	-	758,761
Culture and Recreation	-	-	-	-	2,517	-	-	19,788	-	22,305
Capital Outlay	-	85,951	-	110,060	-	304,207	-	49,457	154,626	704,301
Total Expenditures	-	844,712	7,427	144,853	2,517	304,207	-	93,870	155,178	1,552,764
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	23	443,993	14,502	16,743	1,287,036	57,414	-	265,977	(155,178)	1,930,510
OTHER FINANCING SOURCES										
Transfers In (Out)	-	(250,000)	(60,000)	(20,000)	(1,285,053)	1,665	-	107,913	(373,918)	(1,879,393)
NET CHANGE IN FUND BALANCES	23	193,993	(45,498)	(3,257)	1,983	59,079	-	373,890	(529,096)	51,117
Fund Balances - Beginning of Year	273,616	1,575,908	158,501	63,294	15,372	(59,079)	1,361	471,935	529,096	3,030,004
FUND BALANCES - END OF YEAR	$ 273,639	$ 1,769,901	$ 113,003	$ 60,037	$ 17,355	$ -	$ 1,361	$ 845,825	$ -	$ 3,081,121

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2025

	Housing Fund			HURF Fund			Court Special Revenue Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUE									
Intergovernmental	$ -	$ -	$ -	$ 1,269,035	$ 1,287,734	$ 18,699	$ -	$ -	$ -
Fines and Forfeitures	-	-	-	-	-	-	24,000	21,929	(2,071)
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-
Investment Income	50	23	(27)	-	-	-	-	-	-
Other Revenue	-	-	-	-	971	(971)	-	-	-
Total Revenue	50	23	(27)	1,269,035	1,288,705	17,728	24,000	21,929	(2,071)
EXPENDITURES									
Current:									
General Government	123,610	-	123,610	-	-	-	105,030	7,427	97,603
Public Safety	-	-	-	-	-	-	-	-	-
Public Works and Streets	-	-	-	943,645	758,761	184,884	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	85,000	85,951	(951)	-	-	-
Total Expenditures	123,610	-	123,610	1,028,645	844,712	183,933	105,030	7,427	97,603
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(123,560)	23	123,583	240,390	443,993	203,603	(81,030)	14,502	95,532
OTHER FINANCING SOURCES									
Transfers (Out)	-	-	-	(250,000)	(250,000)	-	(60,000)	(60,000)	-
NET CHANGE IN FUND BALANCES	(123,560)	23	123,583	(9,610)	193,993	203,603	(141,030)	(45,498)	95,532
Fund Balances - Beginning of Year	273,616	273,616	-	1,575,908	1,575,908	-	158,501	158,501	-
FUND BALANCES - END OF YEAR	$ 150,056	$ 273,639	$ 123,583	$ 1,566,298	$ 1,769,901	$ 203,603	$ 17,471	$ 113,003	$ 95,532

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2025

	Nonfederal Grants Fund			Federal Grants Fund			CDBG Grants Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUE									
Intergovernmental	$ 1,728,700	$ 40,182	$ (1,688,518)	$ 19,086,110	$ 1,289,553	$ (17,796,557)	$ 376,000	$ 361,621	$ (14,379)
Fines and Forfeitures	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions	6,000	121,414	115,414	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	1,734,700	161,596	(1,573,104)	19,086,110	1,289,553	(17,796,557)	376,000	361,621	(14,379)
EXPENDITURES									
Current:									
General Government	988,689	-	988,689	2,587,950	-	2,587,950	-	-	-
Public Safety	21,128	34,793	(13,665)	25,000	-	25,000	-	-	-
Public Works and Streets	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	50,000	2,517	47,483	-	-	-
Capital Outlay	180,000	110,060	69,940	926,500	-	926,500	491,000	304,207	186,793
Total Expenditures	1,189,817	144,853	1,044,964	3,589,450	2,517	3,586,933	491,000	304,207	186,793
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	544,883	16,743	(528,140)	15,496,660	1,287,036	(14,209,624)	(115,000)	57,414	172,414
OTHER FINANCING SOURCES									
Transfers (Out)	(448,700)	(20,000)	428,700	(15,500,610)	(1,285,053)	14,215,557	169,000	1,665	(167,335)
NET CHANGE IN FUND BALANCES	96,183	(3,257)	(99,440)	(3,950)	1,983	5,933	54,000	59,079	5,079
Fund Balances - Beginning of Year	63,294	63,294	-	15,372	15,372	-	(59,079)	(59,079)	-
FUND BALANCES - END OF YEAR	$ 159,477	$ 60,037	$ (99,440)	$ 11,422	$ 17,355	$ 5,933	$ (5,079)	$ -	$ 5,079

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2025

	9-1-1 Fund			Donations Fund			ARPA Fund		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUE									
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fines and Forfeitures	-	-	-	4,505	22,880	(18,375)	-	-	-
Charges for Services	-	-	-	3,500	12,000	(8,500)	-	-	-
Contributions	-	-	-	140,350	79,893	60,457	-	-	-
Investment Income	-	-	-	-	21,428	(21,428)	-	-	-
Other Revenue	-	-	-	137,755	223,646	(85,891)	-	-	-
Total Revenue	-	-	-	286,110	359,847	(73,737)	-	-	-
EXPENDITURES									
Current:									
General Government	-	-	-	467,700	19,286	448,414	-	552	(552)
Public Safety	1,361	-	1,361	62,425	5,339	57,086	-	-	-
Public Works and Streets	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	149,000	19,788	129,212	-	-	-
Capital Outlay	-	-	-	112,086	49,457	62,629	217,645	154,626	63,019
Total Expenditures	1,361	-	1,361	791,211	93,870	697,341	217,645	155,178	62,467
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,361)	-	1,361	(505,101)	265,977	771,078	(217,645)	(155,178)	62,467
OTHER FINANCING SOURCES									
Transfers In (Out)	-	-	-	143,386	107,913	(35,472)	(884,480)	(373,918)	510,562
NET CHANGE IN FUND BALANCES	(1,361)	-	1,361	(361,715)	373,890	735,605	(1,102,125)	(529,096)	573,029
Fund Balances - Beginning of Year	1,361	1,361	-	471,935	471,935	-	529,096	529,096	-
FUND BALANCES - END OF YEAR	$ -	$ 1,361	$ 1,361	$ 110,220	$ 845,825	$ 735,605	$ (573,029)	$ -	$ 573,029

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
BUDGET AND ACTUAL - NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2025

	Totals		
	Budget	Actual	Variance Positive (Negative)
REVENUE			
Intergovernmental	$ 22,459,845	$ 2,979,090	$ 19,480,755
Fines and Forfeitures	28,505	44,809	(16,304)
Charges for Services	3,500	12,000	(8,500)
Contributions	146,350	201,307	(54,957)
Investment Income	50	21,451	(21,401)
Other Revenue	137,755	224,617	(86,862)
Total Revenue	22,776,005	3,483,274	19,292,731
EXPENDITURES			
Current:			
General Government	4,272,979	27,265	4,245,714
Public Safety	109,914	40,132	69,782
Public Works and Streets	943,645	758,761	184,884
Culture and Recreation	199,000	22,305	176,695
Capital Outlay	2,012,231	704,301	1,307,930
Total Expenditures	7,537,769	1,552,764	5,985,005
EXCESS OF REVENUE OVER EXPENDITURES	15,238,236	1,930,510	13,307,726
OTHER FINANCING SOURCES			
Transfers (Out)	(16,831,404)	(1,879,393)	(14,952,012)
NET CHANGE IN FUND BALANCES	(1,593,168)	51,117	(1,644,285)
Fund Balances - Beginning of Year	3,030,004	3,030,004	-
FUND BALANCES - END OF YEAR	$ 1,436,836	$ 3,081,121	$ (1,644,285)

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Improvement Fund Accounts for all financial resources of the Town related to purchasing assets that meet the appropriate threshold for capitalization and take more than one year to make ready for use by the Town.

Parks Fund Accounts for the capital spending of resources via debt proceeds for the construction of the Town's parks.

TOWN OF CAMP VERDE
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2025

	Capital Improvement Fund		Parks Fund		Total Nonmajor Capital Projects Funds	
ASSETS						
Cash and Cash Equivalents	$	1,423,050	$	1,185,641	$	2,608,691
Due from Other Governments		-		152,447		152,447
Total Assets	$	1,423,050	$	1,338,088	$	2,761,138
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	$	120,465	$	123,002	$	243,467
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue		-		152,447		152,447
FUND BALANCES						
Assigned		1,302,585		1,062,639		2,365,224
Total Fund Balances		1,302,585		1,062,639		2,365,224
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$	1,423,050	$	1,338,088	$	2,761,138

TOWN OF CAMP VERDE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2025

	Capital Improvement Fund	Parks Fund	Total Nonmajor Capital Projects Funds
REVENUE			
Contributions	$ -	$ -	$ -
Investment Income	-	26,660	26,660
Other Income	-	14,000	14,000
Total Revenue	-	40,660	40,660
EXPENDITURES			
Current:			
Public Safety	1,722	-	1,722
Public Works and Streets	-	-	-
Culture and Recreation	26,670	-	26,670
Community Development	32,308	-	32,308
Capital Outlay	928,612	1,672,773	2,601,385
Total Expenditures	989,312	1,672,773	2,662,085
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(989,312)	(1,632,113)	(2,621,425)
OTHER FINANCING SOURCES			
Transfers In	1,353,721	1,481,100	2,834,821
Transfers (Out)	(1,665)	-	(1,665)
Total Other Financing Sources	1,352,056	1,481,100	2,833,156
NET CHANGE IN FUND BALANCES	362,744	(151,013)	211,731
Fund Balances - Beginng of Year	939,841	1,213,652	2,153,493
FUND BALANCES - END OF YEAR	$ 1,302,585	$ 1,062,639	$ 2,365,224

TOWN OF CAMP VERDE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2025

	Capital Improvement Fund			Parks Fund			Total		
	Budget	Actual	Variance Positive (Negative	Budget	Actual	Variance Positive (Negative	Budget	Actual	Variance Positive (Negative
REVENUE									
Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investment Income	-	-	-	47,000	26,660	(20,340)	47,000	26,660	(20,340)
Other Income	50,000	-	(50,000)	-	14,000	14,000	-	14,000	14,000
Total Revenue	50,000	-	-	47,000	40,660	(20,340)	97,000	40,660	(6,340)
EXPENDITURES									
Current:									
General Government	400,000	-	400,000	-	-	-	400,000	-	400,000
Public Safety	-	-	-	-	-	-	-	-	-
Public Works and Streets	-	-	-	-	-	-	-	-	-
Culture and Recreation	33,000	26,670	6,330	-	-	-	33,000	26,670	6,330
Community Development	-	32,308	(32,308)	-	-	-	-	32,308	(32,308)
Capital Outlay	1,547,550	930,334	617,216	2,901,845	1,672,773	1,229,072	4,449,395	2,603,107	1,846,288
Total Expenditures	1,980,550	989,312	991,238	2,901,845	1,672,773	1,229,072	5,026,395	2,662,085	2,220,310
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,930,550)	(989,312)	941,238	(2,854,845)	(1,632,113)	1,222,732	(4,785,395)	(2,621,425)	2,163,970
OTHER FINANCING SOURCES									
Transfers In (Out)	1,046,845	1,352,056	305,211	1,471,660	1,481,100	9,440	2,518,505	2,833,156	314,651
Total Other Financing Sources	1,046,845	1,352,056	305,211	1,471,660	1,481,100	9,440	2,518,505	2,833,156	314,651
NET CHANGE IN FUND BALANCES	163,140	362,744	1,246,449	88,475	(151,013)	1,232,172	251,615	211,731	2,478,621
Fund Balances - Beginning of Year	939,841	939,841	-	1,213,652	1,213,652	-	2,153,493	2,153,493	-
							-		
FUND BALANCES - END OF YEAR	$ 1,102,981	$ 1,302,585	$ 1,246,449	$ 1,302,127	$ 1,062,639	$ 1,232,172	$ 2,405,108	$ 2,365,224	$ 2,478,621

NONMAJOR DEBT SERVICE FUND

Debt Service Fund- accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

TOWN OF CAMP VERDE
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Positive (Negative)
EXPENDITURES			
Current:			
Miscellaneous Fees	$ 5,000	$ 4,775	$ (225)
Debt Service:			
Principal	1,143,070	1,143,061	(9)
Interest	517,965	517,952	(13)
Total Expenditures	1,666,035	1,665,788	(247)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES			
Transfers In	1,665,790	1,665,788	(2)
NET CHANGE IN FUND BALANCES	1,665,790	-	(2)
Fund Balances - Beginng of Year	-	-	-
FUND BALANCES - END OF YEAR	$ 1,665,790	$ -	$ (2)

ENTERPRISE FUNDS

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

Water Fund - accounts for the costs to operate, construct, and finance the Town's clean water delivery system.

Wastewater Fund - accounts for the costs to operate, construct, and finance the Town's wastewater treatment system.

TOWN OF CAMP VERDE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL – WATER FUND
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Sewer Charges	$ 2,204,300	$ 2,400,760	$ 196,460
Miscellaneous	5,760,000	184,400	(5,575,600)
Total Operating Revenues	7,964,300	2,585,160	(5,379,140)
OPERATING EXPENSES			
Depreciation and Amortization	300,000	354,249	(54,249)
Personnel	608,380	645,577	(37,197)
Repairs and Maintenance	155,000	136,058	18,942
Other	13,052,250	65,884	12,986,366
Materials and Supplies	95,820	42,442	53,378
Utilities	100,000	107,128	(7,128)
Professional Services	56,500	130,620	(74,120)
Insurance	9,680	11,489	(1,809)
Total Operating Expenses	14,377,630	1,493,447	12,884,183
OPERATING INCOME (LOSS)	(6,413,330)	1,091,713	7,505,043
NONOPERATING REVENUE (EXPENSES)			
Principal Expense	(707,520)	-	707,520
Intergovernmental Revenue	-	273,719	273,719
Debt Issuance Costs	-	(34,000)	(34,000)
Interest Expense	(130,485)	(162,199)	(31,714)
Total Nonoperating Revenue (Expenses)	(838,005)	77,520	915,525
INCOME (LOSS) BEFORE CONTRIBUTIONS	(7,251,335)	1,169,233	8,420,568
TRANSFERS IN	7,225,000	-	(7,225,000)
CHANGE IN NET POSITION	(26,335)	1,169,233	1,195,568
Net Position - Beginning of Year	1,196,658	1,196,658	-
NET POSITION - END OF YEAR	$ 1,170,323	$ 2,365,891	$ 1,195,568

TOWN OF CAMP VERDE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL – WASTEWATER FUND
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES			
Sewer Charges	$ 2,352,500	$ 2,478,380	$ 125,880
Miscellaneous	3,265,886	169	(3,265,717)
Total Operating Revenues	5,618,386	2,478,549	(3,139,837)
OPERATING EXPENSES			
Depreciation and Amortization	1,100,000	901,292	198,708
Personnel	887,105	890,247	(3,142)
Repairs and Maintenance	375,300	447,947	(72,647)
Other	11,500,370	57,396	11,442,974
Materials and Supplies	199,920	189,280	10,640
Utilities	146,260	159,363	(13,103)
Professional Services	54,500	144,637	(90,137)
Insurance	37,500	40,210	(2,710)
Total Operating Expenses	14,300,955	2,830,372	11,470,583
OPERATING INCOME (LOSS)	(8,682,569)	(351,823)	8,330,746
NONOPERATING REVENUE			
Interest Income	1,500	3,575	2,075
Settlement Income	-	202,109	202,109
Debt Issuance Costs	-	(17,500)	(17,500)
Intergovernmental Revenue	470,604	470,604	-
Interest Expense	(56,485)	(48,475)	8,010
Total Nonoperating Revenue	415,619	610,313	194,694
INCOME (LOSS) BEFORE CONTRIBUTIONS	(8,266,950)	258,490	8,525,440
TRANSFERS IN	8,283,790	186,652	(8,097,138)
CHANGE IN NET POSITION	16,840	445,142	428,302
Net Position - Beginning of Year	17,062,614	17,062,614	-
NET POSITION - END OF YEAR	$ 17,079,454	$ 17,507,756	$ 428,302

FIDUCIARY FUNDS

Custodial Funds to account for assets held by the Town in a fiduciary capacity.

Employee Assistance Fund Accounts for monies received from employees for providing other employees monetary assistance when a special need exists.

Camp Verde Sanitary District Fund Accounts for monies received from Sanitary District property tax revenues for the purpose of meeting the District's debt service requirements.

TOWN OF CAMP VERDE
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2025

	Other		
	Employee Assistance Fund	Camp Verde Sewer District Fund	Total Other
ASSETS			
Cash and Cash Equivalents	$ 47,423	516,500	$ 563,923
Property Tax Receivable	-	49,030	49,030
Total Assets	$ 47,423	$ 565,530	$ 612,953
NET POSITION			
Restricted for:			
Individual, Organizations, and Other Governments	$ 47,423	$ 565,530	$ 612,953
Total Net Position	$ 47,423	$ 565,530	$ 612,953

TOWN OF CAMP VERDE
COMBINING STATEMENT OF CHANGES TO FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2025

	Other		
	Employee Assistance Fund	Camp Verde Sewer District Fund	Total Other
ADDITIONS			
Property Tax Collections from Other Governments	$ -	$ 841,141	$ 841,141
Contributions from Other Governments	-	118,283	118,283
Contributions from Employees	3,550	-	3,550
Interest Income	-	39,120	39,120
Total Additions	3,550	998,544	1,002,094
DEDUCTIONS			
Distributions for District Debt Service	-	957,991	957,991
Total Deductions	-	957,991	957,991
CHANGE IN NET POSITION	3,550	40,553	44,103
Net Position - Beginning of Year	43,873	524,977	568,850
NET POSITION - END OF YEAR	$ 47,423	$ 565,530	$ 612,953

STATISTICAL SECTION

STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends
These schedules contain information on financial trends to help the reader understand how the Town's financial position and financial activities have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the Town's ability to generate revenue.

Debt Capacity
These schedules present information to help the reader evaluate the Town's current levels of outstanding debt as well as assess the Town's s ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information
These schedules present various demographic and economic indicators to help the reader understand the environment in which the Town's financial activities take place and to help make comparisons with other municipalities.

Operating Information
These schedules contain information about the Town's operations and various resources to help the reader draw conclusions as to how the Town's financial information relates to the services provided by the Town.

TOWN OF CAMP VERDE
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Net Investment in Capital Asset	$ 22,684,972	$ 20,886,805	$ 20,611,250	$ 18,801,038	$ 19,542,531	$ 17,026,024	$ 16,203,561	$ 15,032,500	$ 13,845,131	$ 12,264,826
Restrictions	3,402,512	5,134,377	2,973,971	3,407,667	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478
Unrestricted	1,640,075	(1,738,127)	(40,525)	(2,777,808)	(7,494,436)	(5,330,970)	(4,360,071)	(4,245,869)	(3,096,115)	(2,973,565)
Total Governmental Activities Net Position	$ 27,727,559	$ 24,283,055	$ 23,544,696	$ 19,430,897	$ 15,802,690	$ 12,671,395	$ 12,603,998	$ 12,006,294	$ 12,053,991	$ 12,238,739
Business-Type Activities										
Net Investment in Capital Asset	$ 16,751,541	$ 17,339,362	$ 16,994,454	$ 17,232,224	$ 17,235,904	$ 17,957,105	$ 17,657,237	$ 16,848,035	$ 17,001,697	$ 17,609,349
Restrictions	29,789	19,871	22,407	-	-	-	-	-	-	-
Unrestricted	3,092,317	900,039	1,017,872	783,728	(469,349)	(855,278)	(496,445)	45,271	332,351	529,976
Total Business-Type Activities Net Position	$ 19,873,647	$ 18,259,272	$ 18,034,733	$ 18,015,952	$ 16,766,555	$ 17,101,827	$ 17,160,792	$ 16,893,306	$ 17,334,048	$ 18,139,325
Primary Government										
Net Investment in Capital Asset	$ 39,436,513	$ 38,226,167	$ 37,605,704	$ 36,033,262	$ 36,778,435	$ 34,983,129	$ 33,860,798	$ 31,880,535	$ 30,846,828	$ 29,874,175
Restrictions	3,432,301	5,154,248	2,996,378	3,407,667	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478
Unrestricted	4,732,392	(838,088)	977,347	(1,994,080)	(7,963,785)	(6,186,248)	(4,856,516)	(4,200,598)	(2,763,764)	(2,443,589)
Total Net Position	$ 47,601,206	$ 42,542,327	$ 41,579,429	$ 37,446,849	$ 32,569,245	$ 29,773,222	$ 29,764,790	$ 28,899,600	$ 29,388,039	$ 30,378,064

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013 and classifies them above as business-type activities.
The Town purchased the Camp Verde Water Company on May 31, 2022 and classifies them above as business-type activities.

TOWN OF CAMP VERDE
EXPENSES, PROGRAM REVENUES, AND NET EXPENSES
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental Activities:										
General Government	$ 4,302,781	$ 4,765,586	$ 3,952,950	$ 4,099,606	$ 3,674,054	$ 3,334,238	$ 3,076,810	$ 3,224,281	$ 3,076,473	$ 2,780,681
Public Safety	4,730,949	4,906,523	4,260,267	4,019,027	3,903,672	3,554,285	3,060,944	3,178,404	3,156,111	2,786,970
Public Works	3,163,216	3,638,101	2,674,071	1,559,995	1,533,711	1,504,521	1,483,664	1,357,338	1,378,204	1,566,914
Health and Welfare	50,000	168,331	178,377	138,422	145,965	134,008	126,049	123,589	123,627	123,664
Culture and Recreation	2,287,812	2,519,596	2,096,504	1,527,445	1,505,036	1,392,080	1,232,178	1,418,639	1,075,309	817,187
Community Development	882,184	1,105,520	904,552	656,610	571,455	536,787	514,618	521,685	550,246	473,270
Interest on Long-Term Debt	522,728	512,488	505,277	464,591	419,220	386,287	364,722	271,290	169,556	108,958
Total Governmental Activities	15,939,670	17,616,145	14,571,998	12,465,696	11,753,113	10,842,206	9,858,985	10,095,226	9,529,526	8,657,644
Business-Type Activities:										
Water	1,689,646	1,579,833	1,222,083	323,258	-	-	-	-	-	-
Wastewater	2,896,347	2,529,312	2,590,032	2,286,478	2,242,647	2,131,644	2,034,991	2,019,766	1,964,571	1,727,706
Total Business-Type Activities	4,585,993	4,109,145	3,812,115	2,609,736	2,242,647	2,131,644	2,034,991	2,019,766	1,964,571	1,727,706
Total Expenses	20,525,663	21,725,290	18,384,113	15,075,432	13,995,760	12,973,850	11,893,976	12,114,992	11,494,097	10,385,350
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	354,645	175,101	24,587	43,779	34,945	35,781	95,309	32,261	34,813	33,045
Public Safety	139,382	263,693	224,100	240,906	373,591	392,807	402,866	358,508	441,567	481,762
Public Works	50,903	13,550	25,732	15,895	25,944	36,348	2,005	7,755	7,348	13,905
Culture and Recreation	118,297	131,436	134,092	67,654	48,145	53,812	70,304	58,029	57,730	48,260
Community Development	739,262	745,492	538,050	422,238	374,935	293,755	255,234	227,727	189,053	226,745
Operating Grants and Contributions	216,596	1,700,231	3,635,239	3,648,147	2,641,493	1,526,156	1214867	1,061,122	1,084,810	1,145,358
Capital Grants and Contributions	1,250,570	966,930	889,230	123,296	595,216	108,449	359,275	119,670	307,300	891,401
Total Governmental Activities	2,869,655	3,996,433	5,471,030	4,561,915	4,094,269	2,447,108	2,399,860	1,865,072	2,122,621	2,840,476
Business-Type Activities:										
Charges for Services	4,879,140	3,718,397	3,634,236	2,201,643	1,940,715	1,964,175	1,477,127	1,152,934	1,135,373	1,085,853
Capital Grants and Contributions	880,401	-	-	1,564,366	-	177,757	822,243	-	-	316,450
Total Business-Type Activities	5,759,541	3,718,397	3,634,236	3,766,009	1,940,715	2,141,932	2,299,370	1,152,934	1,135,373	1,402,303
Total Program Revenues	8,629,196	7,714,830	9,105,266	8,327,924	6,034,984	4,589,040	4,699,230	3,018,006	3,257,994	4,242,779
Net Expense	$ (11,896,467)	$ (14,010,460)	$ (9,278,847)	$ (6,747,508)	$ (7,960,776)	$ (8,384,810)	$ (7,194,746)	$ (9,096,986)	$ (8,236,103)	$ (6,142,571)

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013.
The Town purchased the Camp Verde Water System May 31, 2022.

TOWN OF CAMP VERDE
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
NET EXPENSES	$ (11,896,467)	$ (14,010,460)	$ (9,278,847)	$ (6,747,508)	$ (7,960,776)	$ (8,384,810)	$ (7,194,746)	$ (9,096,986)	$ (8,236,103)	$ (6,142,571)
General Revenues:										
Governmental Activities:										
Taxes										
Sales Taxes	8,487,601	7,999,386	7,554,130	7,005,726	6,557,976	4,640,417	4,389,578	4,642,673	3,756,648	3,915,180
Franchise Taxes	402,928	378,150	360,234	329,139	297,149	274,961	287,034	286,341	270,925	285,834
State Shared Revenues	7,102,648	6,194,277	5,129,723	4,200,788	3,874,792	3,411,861	3,273,230	3,233,989	3,099,871	3,020,345
Investment Earnings	386,934	374,899	288,362	17,078	5,106	30,368	76,691	17,889	27,872	29,593
Miscellaneous	321,060	24,565	51,743	72,218	21,515	34,540	30,296	13,379	91,581	80,456
Loss on Sale of Assets	-	-	-	-	-	-	-	-	-	(262,368)
Transfers	(186,652)	(613,206)	(169,425)	(92,961)	33,601	70,348	-	-	(24,740)	(33,462)
Total Governmental Activities	16,514,519	14,358,071	13,214,767	11,531,988	10,790,139	8,462,495	8,056,829	8,194,271	7,222,157	7,035,578
Business-Type Activities:										
Investment Earnings	22,180	2,081	1,477	163	261	1,095	3,107	2,769	1,181	1,042
Miscellaneous/Special Item*	231,995	-	25,758	-	-	-	-	425,000	-	-
Loss on Disposal of Assets	-	-	-	-	-	-	-	-	(2,000)	-
Transfers In (Out)	186,652	613,206	169,425	92,961	(33,601)	(70,348)	-	-	24,740	33,462
Total Business-Type Activities	440,827	615,287	196,660	93,124	(33,340)	(69,253)	3,107	427,769	23,921	34,504
CHANGES IN NET POSITION	$ 5,058,879	$ 962,898	$ 4,132,580	$ 4,877,604	$ 2,796,023	$ 8,432	$ 865,190	$ (474,946)	$ (990,025)	$ 927,511

Source: The Town's financial records.

Note: * - The Town took over the Camp Verde Sanitary District (CVSD) Operations July 1, 2013. In doing so, just over $20 million in assets were transferred to the Town. All debt, however, remains with CVSD and is not a part of the Town's liabilities.
In 2018, a settlement was finally reached in a lawsuit which had begun prior to 7/1/13 in which the Wastewater Fund received $425,000.

TOWN OF CAMP VERDE
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	-	452,675	429,872	416,139	-	-	-	-	-	-
Committed	1,149,813	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	4,786,787	4,752,950	5,593,451	4,234,347	4,686,184	2,216,094	2,460,711	2,819,665	2,388,992	2,917,783
Total General Fund	$ 5,936,600	$ 5,205,625	$ 6,023,323	$ 4,650,486	$ 4,686,184	$ 2,216,094	$ 2,460,711	$ 2,819,665	$ 2,388,992	$ 2,917,783
All Other Governmental Funds:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	2,331,458	3,958,744	2,178,091	2,991,528	3,754,595	3,300,894	3,822,120	6,816,399	1,227,680	2,852,211
Committed	-	365,646	367,189	282,193	182,325	187,216	77,146	25,743	25,347	30,181
Assigned	2,515,224	1,468,937	3,083,362	2,065,199	201,459	184,427	135,707	474,100	215,085	551,200
Unassigned	-	(609,830)	(13,644)	-	-	-	-	-	-	(29,569)
Total all Other Governmental Funds	$ 4,846,682	$ 5,183,497	$ 5,614,998	$ 5,338,920	$ 4,138,379	$ 3,672,537	$ 4,034,973	$ 7,316,242	$ 1,468,112	$ 3,404,023

Source: The Town's financial records.

TOWN OF CAMP VERDE
GOVERNMENTAL FUNDS EXCISE TAX AND OTHER REVENUES
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Pledged Excise Tax and State Shared Revenues										
Town Sales Tax	$ 8,487,601	$ 7,999,386	$ 7,554,130	$ 7,005,726	$ 6,557,977	$ 4,640,417	$ 4,389,578	$ 4,642,673	$ 3,756,648	$ 3,915,180
Franchise Fees	402,929	378,150	360,234	329,139	297,149	274,961	287,034	286,341	270,925	285,834
State-shared Sales Taxes	1,917,149	1,875,381	1,809,920	1,703,650	1,327,149	1,160,413	1,126,974	1,079,184	1,021,663	1,027,544
State-Shared Income Taxes	2,656,800	3,288,280	2,322,706	1,578,263	1,598,779	1,453,365	1,356,440	1,391,933	1,364,734	1,309,108
Licenses and Permits	519,988	558,715	387,656	349,278	315,361	244,194	278,387	204,715	184,215	198,155
Fines and Forfeitures	130,426	161,837	138,015	124,666	169,401	185,431	218,620	167,992	199,528	297,865
Net	14,114,893	14,261,749	12,572,661	11,090,722	10,265,816	7,958,781	7,657,033	7,772,838	6,797,713	7,033,686
Other Revenues										
Intergovernmental	4,220,055	2,887,523	5,555,711	4,410,253	4,295,046	2,417,216	2,437,966	2,057,676	2,185,513	2,483,338
Charges for Services	752,075	421,247	379,982	196,886	173,612	157,973	81,166	115,919	169,610	122,360
Contributions and Donations	-	281,907	99,044	63,254	99,712	103,251	54,076	35,333	96,139	426,638
Investment Income	386,934	374,899	288,362	17,078	5,106	30,368	76,692	17,888	27,871	29,594
Other	553,899	149,909	206,759	182,729	91,880	229,107	166,216	51,042	121,278	201,094
Net	5,912,963	4,115,485	6,529,858	4,870,200	4,665,356	2,937,915	2,816,116	2,277,858	2,600,411	3,263,024
Total Revenues	$ 20,027,856	$ 18,377,234	$ 19,102,519	$ 15,960,922	$ 14,931,172	$ 10,896,696	$ 10,473,149	$ 10,050,696	$ 9,398,124	$ 10,296,710

TOWN OF CAMP VERDE
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXPENDITURES										
Current:										
General Government	$ 4,360,753	$ 4,396,526	$ 3,843,667	$ 4,067,692	$ 3,545,317	$ 3,191,448	$ 3,068,302	$ 3,132,285	$ 2,790,435	$ 2,550,697
Public Safety	4,475,515	4,492,113	3,872,935	6,230,330	3,381,764	3,129,841	2,901,210	2,623,034	2,797,062	2,560,276
Public Works	2,603,473	2,861,787	2,091,231	1,048,019	1,003,906	940,297	994,488	883,136	869,501	1,056,558
Health and Welfare	50,000	168,331	178,377	138,422	145,965	134,008	126,049	123,589	123,627	123,664
Culture and Recreation	1,495,736	1,963,511	1,668,198	1,267,723	1,152,884	1,101,713	1,009,237	903,356	877,693	720,032
Community Development	873,214	1,017,389	877,134	661,235	549,397	507,400	533,273	493,695	497,966	415,069
Capital Outlay	3,322,902	2,760,512	3,552,255	3,280,869	3,773,981	1,216,567	5,188,461	1,746,897	3,047,920	4,254,033
Debt Service:										
Principal Retirement	1,143,060	1,155,348	1,040,935	810,714	1,173,741	966,653	845,031	776,788	658,242	375,191
Interest and Fiscal Charges	522,728	531,324	514,640	450,989	428,741	401,814	382,986	159,746	175,640	209,419
Bond Issuance Costs	-	-	-	99,300	80,902	-	-	257,580	-	-
Total Expenditures	$ 18,847,381	$ 19,346,841	$ 17,639,372	$ 18,055,293	$ 15,236,598	$ 11,589,741	$ 15,049,037	$ 11,100,106	$ 11,838,086	$ 12,264,939
Expenditures for Capitalized Assets	$ 3,322,902	$ 2,760,512	$ 3,552,255	$ 3,280,869	$ 3,773,981	$ 1,216,567	$ 5,188,461	$ 1,746,897	$ 3,047,920	$ 4,254,033
Debt Service as a Percentage of Noncapital Expenditures	11%	10%	11%	9%	15%	13%	12%	13%	9%	7%

Source: The Town' s financial records

TOWN OF CAMP VERDE
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	$ 1,180,475	$ (969,607)	$ 1,463,147	$ (2,094,371)	$ (305,426)	$ (693,045)	$ (4,575,878)	$ (1,049,410)	$ (2,439,962)	$ (1,968,229)
OTHER FINANCING SOURCES (USES)										
Capital Lease Agreements	-	333,614	355,192	337,175	310,757	15,644	935,655	296,445	-	530,000
Proceeds of Long-Term Debt Issuance	-	-	-	3,015,000	2,897,000	-	-	7,031,769	-	-
Transfers In	4,630,547	4,274,003	1,688,295	3,552,224	3,222,438	2,055,772	2,417,431	1,825,724	2,264,518	1,618,470
Transfers Out	(4,817,199)	(4,887,209)	(1,857,719)	(3,645,185)	(3,188,837)	(1,985,424)	(2,417,431)	(1,825,724)	(2,289,258)	(1,651,932)
Total Other Financing Sources (Uses)	(186,652)	(279,592)	185,768	3,259,214	3,241,358	85,992	935,655	7,328,214	(24,740)	496,538
CHANGE IN FUND BALANCES	$ 993,823	$ (1,249,199)	$ 1,648,915	$ 1,164,843	$ 2,935,932	$ (607,053)	$ (3,640,223)	$ 6,278,804	$ (2,464,702)	$ (1,471,691)

TOWN OF CAMP VERDE
TAX REVENUE BY CATEGORY
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Retail Trade	$ 4,319,105	$ 4,250,542	$ 4,081,747	$ 3,737,385	$ 3,090,788	$ 2,205,958	$ 1,843,283	$ 1,805,886	$ 1,596,344	$ 1,569,254
Restaurants and Bars	1,061,863	1,072,047	1,085,287	1,030,485	1,004,271	758,279	737,234	713,275	659,258	708,520
Communications and Utilities	415,148	393,627	391,653	394,819	363,495	366,405	369,908	373,162	358,356	394,159
Construction	1,165,994	679,519	397,930	323,234	729,200	369,451	494,937	882,868	320,451	366,968
Real Estate, Rental and Leasing	545,485	546,044	493,397	430,321	373,318	313,079	283,482	252,516	235,245	215,991
Accommodation	483,645	552,816	608,683	606,186	440,814	265,804	277,882	291,544	294,627	239,218
Arts and Entertainment	-	146,602	155,189	193,605	198,681	123,887	146,909	156,189	146,780	167,769
Manufacturing	-	9,363	10,292	12,273	9,615	10,960	10,992	14,000	14,663	15,015
Use Tax	301,015	315,782	302,092	253,092	310,283	208,474	207,262	134,415	116,350	151,626
Other	195,346	33,044	27,860	24,326	37,511	18,120	17,689	18,818	14,575	86,660
Total	$ 8,487,601	$ 7,999,386	$ 7,554,130	$ 7,005,726	$ 6,557,976	$ 4,640,417	$ 4,389,578	$ 4,642,673	$ 3,756,649	$ 3,915,180
Total Revenue Percent Growth by Year	6.1%	5.9%	7.8%	6.8%	41.3%	5.7%	-5.5%	23.6%	4.0%	36.7%

Source: The Town's financial records and the Arizona Dept. of Revenue.

Note: See tax rate changes on the following page.
Use Tax was separated out as a new category in FY16. Prior to FY16, most Use Tax Revenues were included in Retail Trade.

TOWN OF CAMP VERDE
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Overlapping Rates: Town of Camp Verde					
	Sales Tax	Hospitality	Real Property Rentals	Construction	Yavapal County	Arizona State
2025	3.65	6.65	2.00	3.65	0.75	5.60
2024	3.65	6.65	2.00	3.65	0.75	5.60
2023	3.65	6.65	2.00	3.65	0.75	5.60
2022	3.65	6.65	2.00	3.65	0.75	5.60
2021	3.65	6.65	2.00	3.65	0.75	5.60
2020	3.65	6.65	2.00	3.65	0.75	5.60
2019	3.65	6.65	2.00	3.65	0.75	5.60
2018	3.65	6.65	2.00	3.65	0.75	5.60
2017	3.65	6.65	2.00	3.65	0.75	5.60
2016	3.65	6.65	2.00	3.65	0.75	5.60

Source: Arizona Department of Revenue

TOWN OF CAMP VERDE
TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	City Sales Tax	Franchise Tax	Accomodation Bed Tax	Total
2025	$ 8,003,956	$ 402,928	$ 483,645	$ 8,890,529
2024	7,446,570	378,150	552,816	8,377,536
2023	6,945,447	360,234	608,683	7,914,364
2022	6,399,540	329,139	606,186	7,334,865
2021	6,117,163	297,149	440,814	6,855,126
2020	4,374,613	274,961	265,804	4,915,378
2019	4,111,696	287,034	277,882	4,676,612
2018	4,351,129	286,341	291,544	4,929,014
2017	3,462,021	270,925	294,627	4,027,573
2016	3,675,962	285,834	239,218	4,201,014

Source: The Town's financial records and the Arizona Dept of Revenue.

TOWN OF CAMP VERDE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Govermental Activities			Business-Type Activities			Total Outstanding Debt		
Fiscal Year Ended June 30,	Revenue Bonds	Leases Payable	Finance Purchases	Leases Payable	Loans Payable	Finance Purchases	Total Debt	Percentage of Personal Income	Per Capita
2025	$ 12,671,753	$ 635,079	$ -	$ 161,075	$ 11,820,422	$ 72,500	$ 25,360,829	N/A	2,011
2024	13,479,041	887,835	202	102,891	11,396,731	-	25,866,700	N/A	2,053
2023	14,263,329	875,939	56,832	42,210	11,584,835	-	26,823,145	0.19	2,147
2022	14,998,616	724,473	164,240	-	11,479,282	-	27,366,611	0.21	2,202
2021	12,545,905	806,769	-	56,125	1,376,950	-	14,785,749	0.12	1,210
2020	10,570,111	779,432	-	167,084	840,002	-	12,356,629	0.12	1,017
2019	11,171,658	1,136,182	-	276,342	-	-	12,584,182	0.13	1,125
2018	11,755,884	469,090	-	383,926	60,175	-	12,669,075	0.14	1,140
2017	5,134,856	535,903	-	489,862	-	-	6,160,621	0.07	556
2016	5,533,522	795,481	-	-	-	-	6,329,003	0.08	577

Source: The Town's financial records.
Note: FY25 and FY24 personal income information was not available at the time the audit was completed.

TOWN OF CAMP VERDE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Revenue Bonds	Total Bonds	Per Capita
2025	$ 12,671,753	$ 12,671,753	998
2024	13,479,041	13,479,041	1,070
2023	14,263,329	14,263,329	1,142
2022	14,998,616	14,998,616	1,207
2021	12,545,905	12,545,905	1,207
2020	10,570,111	10,570,111	870
2019	11,171,658	11,171,658	999
2018	11,755,884	11,755,884	1,058
2017	5,134,856	5,134,856	463
2016	5,533,522	5,533,522	505

Source: The Town's financial records.

TOWN OF CAMP VERDE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
LAST TEN FISCAL YEARS

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to Town		Estimated Amount Applicable to Town
Overlapping:				
Yavapai County Community College	$ 2,360,000	2.8 %	(1)	$ 70,514
Camp Verde Unified School District	610,779	93.7	(1)	571,427
Copper Canyon Fire	10,425,846	50.0	(2)	5,212,923
Camp Verde Sanitary District	5,521,298	100.0	(1)	5,521,298
Total Overlapping Debt				$ 11,376,162
Direct:				
Town of Camp Verde	$ 25,360,828	100.0 %		$ 25,360,828
Total Direct and Overlapping Debt				$ 36,736,990

Sources: Arizona Dept of Revenue (asdor.gov) Bonded Indebtedness report.
Yavapai County Assessor's Office final NAV report.

Notes: 1) The estimated percentage applicable to Town is determined by Dividing the Town's secondary net assessed value by the jurisdiction's secondary net assessed value.
2) The estimated percentage applicable to Town is estimated by Copper Canyon Fire's estimated operations coverage, 50% in Camp Verde and 50% in Rimrock/Lake Montezuma.

TOWN OF CAMP VERDE
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
6% Debt Limit										
Debt Limit	$ 6,347,080	$ 5,808,735	$ 5,448,177	$ 5,109,484	$ 4,811,611	$ 4,543,761	$ 4,321,124	$ 4,079,704	$ 3,918,861	$ 3,757,240
Total Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	$ 6,347,080	$ 5,808,735	$ 5,448,177	$ 5,109,484	$ 4,811,611	$ 4,543,761	$ 4,321,124	$ 4,079,704	$ 3,918,861	$ 3,757,240
Total Net Debt Applicable to the Limit as of Percentage of the Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
20% Debt Limit										
Debt Limit	$ 21,156,933	$ 19,362,451	$ 18,160,591	$ 17,031,614	$ 16,038,704	$ 15,145,871	$ 14,403,746	$ 13,599,013	$ 13,062,869	$ 12,524,135
Total Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	$ 21,156,933	$ 19,362,451	$ 18,160,591	$ 17,031,614	$ 16,038,704	$ 15,145,871	$ 14,403,746	$ 13,599,013	$ 13,062,869	$ 12,524,135
Total Net Debt Applicable to the Limit as of Percentage of the Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: The Town's financial records and the Yavapai County Assessor's Office.

TOWN OF CAMP VERDE
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

	Revenue Bonds			
	Excise	Debt Service		Excise Tax
Fiscal Year Ended June 30,	Tax Revenue	Principal	Interest	Coverage
2025	$ 15,993,177	$ 800,000	$ 399,917	13.3
2024	14,571,813	777,000	424,349	12.1
2023	13,044,087	573,000	365,440	13.9
2022	11,535,653	555,000	381,755	12.3
2021	10,729,917	913,919	366,051	8.4
2020	8,327,239	594,259	340,999	8.9
2019	7,949,842	576,938	359,734	8.5
2018	8,163,003	410,741	146,450	14.7
2017	7,127,444	398,666	158,801	12.8
2016	7,221,359	168,706	197,473	19.7

Source: The Town's financial records.

TOWN OF CAMP VERDE
DEMOGRAPHIC AND ECONOMIC STATISTICS – YAVAPAI COUNTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Town of Camp Verde Population	Yavapai County Population	County Personal Income (1)	County Per Capita Income	County Unemployment Rate
2025	12,608	254,527	N/A	N/A	4.4 %
2024	12,600	251,932	N/A	N/A	3.6
2023	12,495	249,081	13,926,821	55,913	4.0
2022	12,430	246,191	12,739,608	51,747	4.0
2021	12,216	241,173	11,884,929	49,060	5.1
2020	12,147	237,073	10,547,378	44,490	8.9
2019	11,187	235,099	9,731,391	41,393	4.6
2018	11,113	228,970	9,352,066	40,844	4.3
2017	11,083	225,364	8,753,027	37,398	4.5
2016	10,968	221,496	8,200,091	37,021	5.0

Source: Bureau of Economic analysis (bea.gov).
Arizona Office of Employment and Population Statistics (azstats.gov) for FY20 and prior .
WorldPopulationReview - Current year population estimates.
Ycharts.com

Note: (1) - In thousand of dollars.
2024 and 2025 County personal and per capita income were not available from BEA at the time of printing.

TOWN OF CAMP VERDE
PRINCIPAL EMPLOYERS – YAVAPAI COUNTY
CURRENT, PRIOR, AND NINE YEARS AGO FISCAL YEARS

	2025		2016
Employer	Employees	Percentage of Total Employment	Employees
Cliff Castle Casino and Hotel	400	7.8 %	395
Yavapai County	290	5.7	277
Yavapai-Apache Nation	273	5.4	212
Camp Verde School District	233	4.6	216
Town of Camp Verde	162	3.2	120
Rainbow Acres	108	2.1	70
Bashas	103	2.0	110
Goettles High Desert Mechanical	82	1.6	32
Haven Health of Camp Verde	80	1.6	68
McDonalds	68	1.3	36
Total	1,799	35.3 %	1,536
Total Estimated Employment	5,100		2,872

Source: The Town's financial records.

TOWN OF CAMP VERDE
FULL-TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Management Services	7.0	7.2	6.0	5.7	4.8	5.2	5.2	5.1	4.6	4.6
Finance	4.0	4.0	4.0	3.3	3.0	3.0	3.0	3.0	3.0	3.1
Economic Development	4.1	3.8	4.1	4.1	3.1	3.1	2.9	3.2	2.8	2.0
Municipal Court	4.5	4.3	4.5	6.2	6.2	6.2	5.7	4.7	4.7	5.7
Total General Government	19.6	19.3	18.6	19.3	17.1	17.5	16.8	16.0	15.1	15.4
Public Safety										
Marshall's Department	-	-	-	-	33.0	33.8	34.0	31.0	31.4	33.1
Animal Control	-	-	-	-	1.0	1.0	1.0	0.5	1.0	1.0
Sworn Officers	25.0	24.0	24.0	24.7	-	-	-	-	-	-
Dispatch	8.0	7.5	7.0	8.0	-	-	-	-	-	-
Admin	9.0	9.2	10.4	6.0	-	-	-	-	-	-
Total Public Safety	42.0	40.7	41.4	38.7	34.0	34.8	35.0	31.5	32.4	34.1
Public Works										
Admin	5.0	4.9	5.0	2.4	2.3	2.2	2.2	2.5	2.6	2.8
Streets	5.0	5.3	6.0	5.3	5.2	5.2	5.0	4.9	4.7	6.1
Maintenance	13.0	11.1	11.0	11.0	11.0	10.0	9.6	9.1	8.1	8.0
Total Public Works	23.0	21.3	22.0	18.7	18.5	17.4	16.8	16.5	15.4	16.9
Library	10.5	10.2	8.9	8.9	8.9	9.4	8.3	7.5	6.4	6.2
Parks and Recreation	9.5	8.6	8.4	6.5	6.5	6.7	6.1	5.6	5.6	4.6
Community Development	11.0	10.0	11.0	8.8	6.8	6.8	6.8	6.2	8.0	6.0
Utilities										
Wastewater	9.5	9.9	8.5	8.6	8.5	8.5	8.6	8.4	8.4	8.1
Water	6.5	5.8	5.5	5.0	N/A	N/A	N/A	N/A	N/A	N/A
Stormwater	1.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Utilities	17.0	15.7	14.0	13.6	8.5	8.5	8.6	8.4	8.4	8.1
Total	132.6	125.8	124.3	114.5	100.3	101.1	98.4	91.7	91.3	91.3

Source: The Town's financial records.

TOWN OF CAMP VERDE
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
FUNCTION	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Works										
Streets (Miles)	131	130	130	130	113	113	112	110	110	110
Streetlights	127	127	127	127	122	122	122	122	110	110
Traffic Signals	7	7	7	7	7	7	7	5	6	6
Public Safety										
Police Patrol Vehicles	31	34	32	26	28	23	19	24	25	23
Police Stations	1	1	1	1	1	1	1	1	1	1
Recreation and Culture										
Parks Developed	9	9	9	9	7	6	6	6	6	6
Parks Acreage	239	239	239	239	201	24	24	24	24	24
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Baseball/Softball Fields	3	3	3	1	1	1	1	1	1	1
Soccer/Football Fields	4	4	4	4	2	2	2	2	2	2
Water										
Wells	3	3	3	3	N/A	N/A	N/A	N/A	N/A	N/A
Storage Tanks	4	4	4	4						
Total Capacity (In millions of gals)	4.39	4.39	4.39	4.39						
Pipeline (Miles)	61	60	60	60						
Connections	2,052	2,048	2,048	2,013						
Wastewater										
Pipeline (Miles)	24	24	24	24	24	24	21	21	18	18
Treatment Capacity (mgd)	0.65	0.65	0.65	0.65	0.52	0.52	0.52	0.52	0.52	0.52
Connections	1,232	1,217	1,188	1,146	1,125	1,040	1,043	989	964	964

Source: The Town's facilities records.

Note: The Town purchased a local water company in May of 2022.
Wastewater Pipeline (Miles) was completely recalculated in FY23 using our GIS software.

TOWN OF CAMP VERDE
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
FUNCTION	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Business Licenses	957	843	803	706	781	807	801	820	833	823
Public Works										
Street Maintenance (Miles)	9.0	8.0	0.0	19.0	0.0	0.0	17.0	0.0	18.0	0.0
Community Development										
Building Permits Applied for	522	553	701	771	689	384	386	425	387	351
Building Permits Issued	484	557	636	752	659	432	408	428	N/A	N/A
Public Safety										
Reports Taken	10,795	9,254	8,132	7,063	8,092	8,350	9,914	9,829	10,853	15,762
Arrests	618	423	399	258	480	486	458	422	357	309
Traffic Citations	805	1,045	674	635	417	503	956	567	702	635
Library										
Circulation	164,369	248,348	115,705	116,088	103,873	120,532	130,713	133,135	123,127	63,976
Traffic Citations	84,727	92,656	86,910	78,247	59,797	81,829	101,854	95,490	87,357	67,978
Water										
Annual Water Usage (in Millions of Gals)	204	254	262	209	N/A	N/A	N/A	N/A	N/A	N/A
Average Daily Consumption (Gallons in Thousands)	560	695	718	N/A						
Peak Daily Consumption (Gallons in Thousands)	896	860	875	N/A						
Wastewater										
Annual Processed Sewage (in Millions of Gallons)	94	94	95	88	87	86	94	96	86	86

Source: The Town's records.

Honorable Mayor and Members of the Town Council
Town of Camp Verde
Camp Verde, Arizona

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 Town of Camp Verde (Town) as of and for the year ended June 30, 2025, and have issued our report thereon dated February 27, 2026. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement agreement dated July 22, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Camp Verde are described in Note 1 to the financial statements.

As described in Note 1, the Town adopted Statement of Governmental Accounting Standards Board (GASB Statement) No. 101, *Compensated Absences*, in 2025.

We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the allowance for doubtful accounts is based on historical water and sewer revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the methods, assumptions, and data used to develop the allowance and related disclosures in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated February 27, 2026.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the nonmajor combining statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated February 27, 2026.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. 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. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the Town Council and management of the Town of Camp Verde and is not intended to be and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
February 27, 2026

INDEPENDENT ACCOUNTANTS' REPORT

Town of Camp Verde
Camp Verde, Arizona

We have examined the Town of Camp Verde's (Town) compliance as to whether expenditures made during the fiscal year ended June 30, 2025, from Highway User Revenue Fund monies received by the Town pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the Town were used solely for the authorized transportation purposes prescribed in Article IX, §14, of the Arizona Constitution. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town of Camp Verde complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2025.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
March 30, 2026

Town of Camp Verde
Gateway to the Verde Valley
Finance Department

♦ 600 S. 1st Street ♦ Camp Verde, Arizona 86322 ♦
♦ Telephone: 928.554.0814 ♦ Fax: 928.554.0812 ♦
♦ www.campverde.az.gov ♦

TOWN OF CAMP VERDE
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30TH, 2025

Department of the Interior

The Town of Camp Verde respectfully submits the following corrective action plan for the year ended June 30th, 2025.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT
There were no Financial Statement findings in the current year that require a corrective action plan.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS
Department of the Interior
2025-001 Outdoor Recreational Acquisition, Development and Planning
Assistance Listing No. 15.916
Recommendation: We recommend that the Town of Camp Verde establish and implement formal procedures to ensure full compliance with federal suspension and debarment requirements. Specifically, the Town should verify all vendors and contractors against the System for Award Management (SAM.gov) exclusion list prior to awarding any contracts funded by the Outdoor Recreational Acquisition, Development and Planning grant. Documentation of this verification should be retained in the procurement files to support compliance during future audits.
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.
Action taken in response to finding: We have included the vendor debarment review into our vendor purchasing process and expect to have it within our formal RFP/Bidding processes shortly.
Name(s) of the contact person(s) responsible for corrective action: Mike Showers
Planned completion date for corrective action plan: 3/30/26

Department of the Interior
2025-002 Outdoor Recreational Acquisition, Development and Planning
Assistance Listing No. 15.916
Recommendation: We recommend that the Town of Camp Verde establish and implement formal controls and procedures to review reporting.
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Operational reports will be reviewed by either the Public Works Director or the Utilities Director for accuracy and compliance. Any financial reports will be reviewed within the Finance Department for accuracy and compliance.
Name(s) of the contact person(s) responsible for corrective action: Mike Showers
Planned completion date for corrective action plan: 3/30/26

If the Department of the Interior has questions regarding this plan, please call Mike Showers at 928-544-0811.