



GOLDER RANCH FIRE DISTRICT

Proudly serving the Arizona communities of Oro Valley, Catalina and SaddleBrooke



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2013

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For the fiscal year ended June 30, 2013

Golder Ranch Fire District
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Prepared by the Finance Department of Golder Ranch Fire District

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Carol Fierling, Volunteer

GOLDER RANCH FIRE DISTRICT

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INTRODUCTORY SECTION

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GOLDER RANCH FIRE DISTRICT

Meeting the emerging needs of the community through teamwork, dedication, and professionalism

October 24, 2013

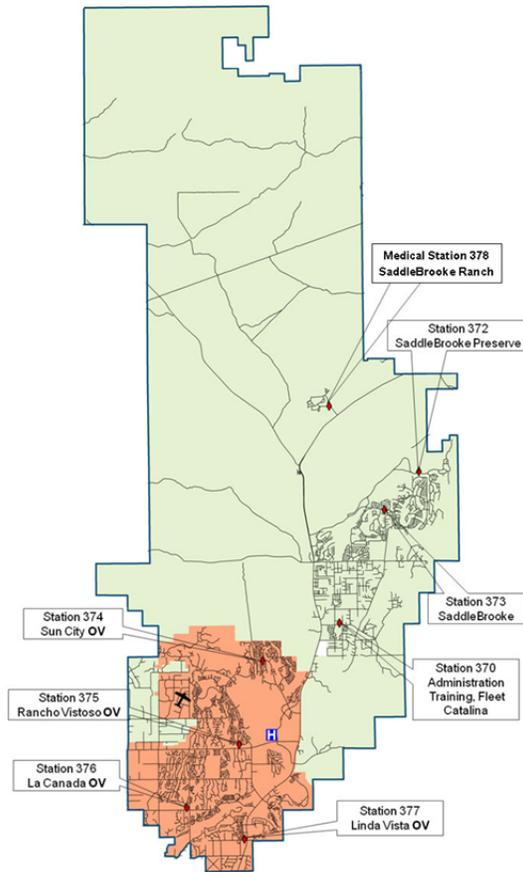
To: Golder Ranch Fire District Board of Directors and Citizens:

The following is the Comprehensive Annual Financial Report (CAFR) of the Golder Ranch Fire District for the fiscal year ending June 30, 2013. This CAFR report is intended to meet and/or exceed all legal reporting requirements that are borne by this jurisdiction. Furthermore, the responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse; and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Arizona Revised Statutes (ARS) 48-253 and 48-805(9) require an annual audit to be performed in accordance to the statutory requirements and in conformance to generally accepted government auditing standards. As such, this fiscal year audit has been performed by independent Certified Public Accountants (CPA) with the Heinfeld, Meech & Co., PC firm.

The independent auditor's opinion has been included at the front of the financial section of this report. The Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

District Profile



Golder Ranch Fire District was created in 1977 under the provisions set forth in Arizona Revised Statute (ARS) 48-261 and maintained in accordance to ARS 48-805. Additionally, the Fire District possesses a Certificate of Necessity (CON) #56 from the Arizona Department of Health Services and subsequently operates an ambulance transport service under the provisions set forth in Title 36, Chapter 21.1 of the Arizona Revised Statutes. The District is governed by a five-person Board of Directors that serves staggered four-year terms. The Fire Chief manages the daily operations of the District and is appointed by the Governing Board.

Since its inception, the geographical boundaries of the District have expanded through annexations and a joint merger with the Catalina Fire District and Oracle Junction Fire District. The most recent annexation was proposed within a

contiguous area of the Catalina Foothills and was comprised of mixed-use property that included residential, vacant, commercial, private and Government-owned parcels. This annexation proposal did not result in active circulation of petitions and was ultimately extinguished by the Governing Body in October, 2012. A revised annexation has since been approved and is progressing.

The current district fire boundaries are approximately 221 square miles and the ambulance transport boundaries are approximately 374 square miles. These boundaries are geographically located in Northern Pima and Southern Pinal County. The District is predominantly comprised of residential properties and a limited urban/commercial corridor. The 2010 Census data estimates 60,000 residents within the District and this is supported by a land-ownership report that estimates nearly 82% of the 31,000 parcels are for residential use.

The District currently own and / or operates seven (7) fire stations, one (1) part time medical station, one (1) fleet services facility, one (1) training facility and one (1) administration building. Services are rendered by a full-time staff of approximately one-hundred fifty-one (151) employees and a Fire Corp group comprised of approximately twenty-one (21) volunteers.

Medical emergencies account for the majority of reported incidents within the District. Accordingly, all first-line fire and medical response vehicles are staffed with firefighters that are trained as paramedics and/or emergency medical technicians. This staffing model affords a daily paramedic to resident staffing ratio of approximately 1:500 residents. The population of the District is primarily spread out between the three communities of Oro Valley, Catalina and Saddlebrooke. This area is a very disparate, having only an average population density of 268 per square mile.

The District is focused on providing the taxpayers with the highest level of services through an efficient and effective all-hazards response model. Services include fire, medical, rescue, wildfire suppression, hazardous material, fire inspection, fire investigation, code enforcement, public education, life-safety classes, desert creature removal, smoke alarm assistance, lockout assistance, and much more. The District continues to implement operational improvements in order to accomplish strategic goals and exceed community expectations.

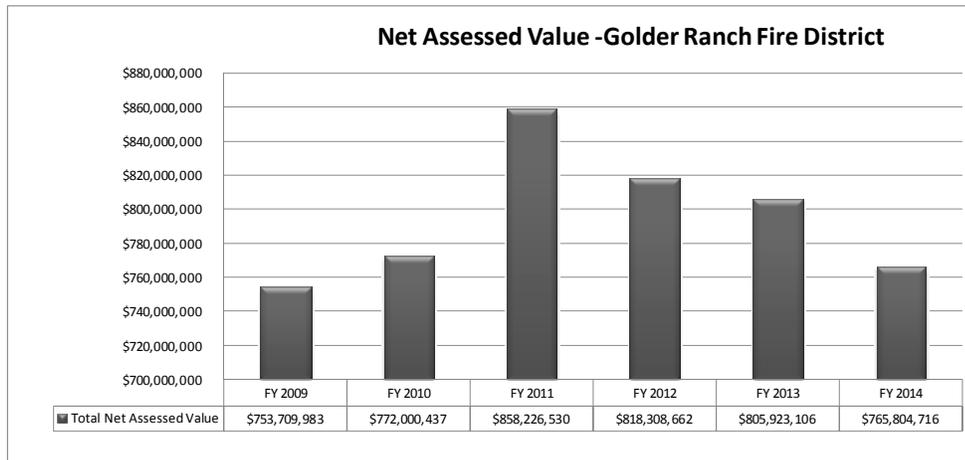
District Budget

Golder Ranch Fire District is considered a political subdivision of the State and is authorized to charge a secondary assessed property tax for fire protection services. This tax is assessed on all non-exempt properties that are located within the geographical boundaries of the District and serves as its primary funding source.

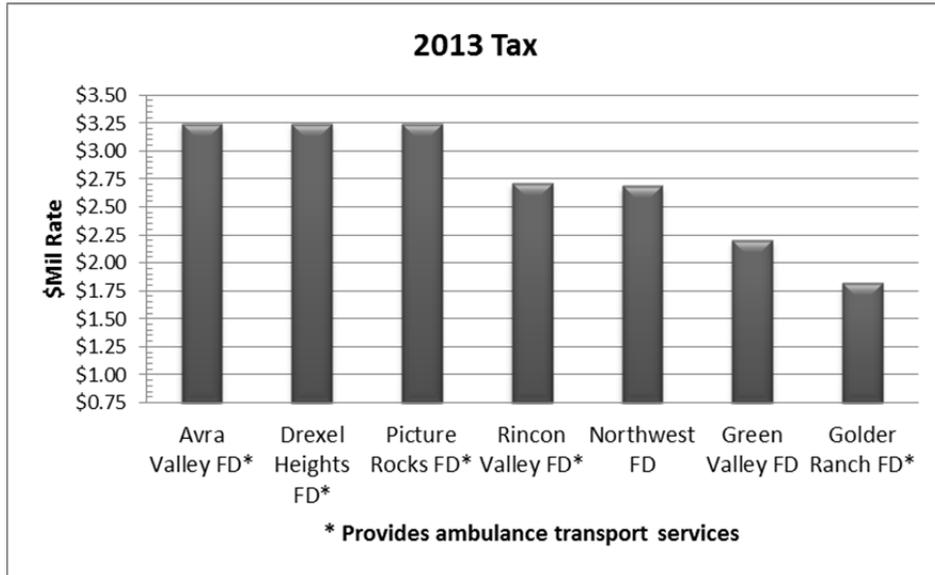
For the fiscal year ended June 30, 2013 the District O&M tax rate was \$1.61 per \$100 of assessed value and is lower than all other comparable southern Arizona fire districts and well below the State imposed ceiling limit of \$3.25. The District also levy's ¢14 per \$100 of assessed value to service its general obligation bonds.

Ambulance transport services provide the second largest revenue stream for the District. The revenue generated is predominantly through billing of patients and their insurance companies for rendered services. The District believes that its ambulance transport services provide tangible and intangible value that transcends the stated value within the financial report. Commencing in September 2012, the District began inter-facility ambulance transports for all medical facilities within the District's Certificate of Need. Inter-facility transports in Oro Valley had been previously contracted to Southwest Ambulance. During the fiscal year of 2013, GRFD Finance department added medical billing to its scope of service. The medical billing staff invoice not only for GRFD medical transports, but neighboring agencies as well.

For the 2014 fiscal year the District will face the third straight year of net assessed valuation declines. Collectively, the Net Assessed value of all property within the Fire District currently stands at \$765.8 million. This amount represents an 11% aggregate decline year over year since fiscal 2011. To provide for a \$15 million levy, a mil rate of \$1.82/\$100 General Fund and ¢.14/\$100 Debt Service Fund will be required.



Nevertheless, even with a slight increase in the mil rate, the District's levy is still a remarkably good value for the level of services provided. The District has historically been at or near the lowest for the Tucson Metropolitan area. For the 2014 fiscal year, GRFD has the lowest tax rate of the region's largest full service fire districts and by far the lowest tax rate among districts offering ambulance transports.



<u>DISTRICT</u>	<u>2013 Tax Year Rate</u>
Avra Valley FD*	3.25
Drexel Heights FD*	3.25
Picture Rocks FD*	3.25
Rincon Valley FD*	2.72
Northwest FD	2.69
Green Valley FD	2.21
Golder Ranch FD*	1.82

Local Economy and Outlook

Arizona job growth has outpaced the U.S. since hitting bottom in the fall of 2010. As of April 2013, Arizona has replaced 39.2% of the jobs lost during the Great Recession. The Phoenix MSA has replaced 43.6% of the jobs lost, while the Tucson MSA has replaced 36.1%. So, while District secondary property valuation declines have been the biggest fiscal challenge faced by the District, due in large part to the lag effect of market valuation and the slow economic recovery, we expect fiscal 2015 to be a return to

pre-2011 assessed values. The attached MSA forecast show most all indicators of economic health have been improving and will continue to do so for the foreseeable future.

Tucson MSA Forecast	2012	2013	2014	2015	2016	2017
Personal Income (\$ mill)	35,734	37,192	39,284	41,461	43,954	46,651
%Chg from Year Ago	3.29%	4.08%	5.62%	5.54%	6.01%	6.14%
Retail Sales (\$ mill)	11,986	12,467	12,844	13,223	13,851	14,485
%Chg from Year Ago	4.73%	4.01%	3.02%	2.95%	4.75%	4.58%
Nonfarm Employment (000s)	356.7	361.7	369.1	378.1	388.5	398.5
%Chg from Year Ago	0.59%	1.4%	2.05%	2.44%	2.75%	2.57%
Population (000s)	990.4	999.3	1,010.5	1,024	1,041.6	1,059.9
%Chg from Year Ago	0.44%	0.9%	1.12%	1.34%	1.72%	1.76%
Residential Housing Permits (units)	3,085	3,935	4,825	5,785	6,679	6,667
%Chg from Year Ago	37.6%	27.55%	22.62%	19.9%	15.45%	-0.18%

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Published by  Economic and Business Research Center, The University of Arizona.

Long Term Financial Planning

Our ability to navigate the recent economic storm, the District relied on an internal financial policy that is referred to as the *Principles of Sound Financial Management (PSOFM)*. This document establishes the fiscal framework associated with the establishment of funds, fund balances, reserve funds and capital outlays. The District has and continues to automate numerous processes associated with accounts receivable, payable, ambulance transports and payroll.

A multi-year strategic plan was developed and adopted by the Fire Board. This plan establishes the vision and direction that is required for District growth and operation.

Major Initiatives

On April 1, 2013 the District began internally billing for medical transports. This function had previously been contracted out to a third party billing agency. The move to bring billing in-house was made in conjunction with the implementation of a new Electronic Patient Care Reporting and Fire Records Management System. These programs dove tail into the

Ambulance transport billing software, providing for a highly reliable means of billing for the ambulatory services provided by GRFD medics.

During the fiscal year ending June 30, 2013 the District purchased a used type 6 engine, and completely refurbished an engine and a water tender. Two ambulances (one new and one refurbished) as well as a new F150 response truck were also added to the District's fleet.

Awards & Acknowledgment

Awards

The Arizona Fire Chief's Association (AFCA) awarded GRFD Chief Randy Karrer as the Fire Chief of the Year - July 2013

Oro Valley Chamber of Commerce awarded GRFD with their Non-Profit Organization of the Year award - August 2013

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

This certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year 2012-13 certificate.



Acknowledgements

A sincere gratitude is extended to the personnel of the Finance Division and the members of the Golder Ranch Fire District who contributed to this report. We are also deeply appreciative of the support extended to us by the Board of Directors and the citizens of this District.

Respectfully Submitted,



Randy Karrer
Fire Chief



Dave Christian, CPA
Finance Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

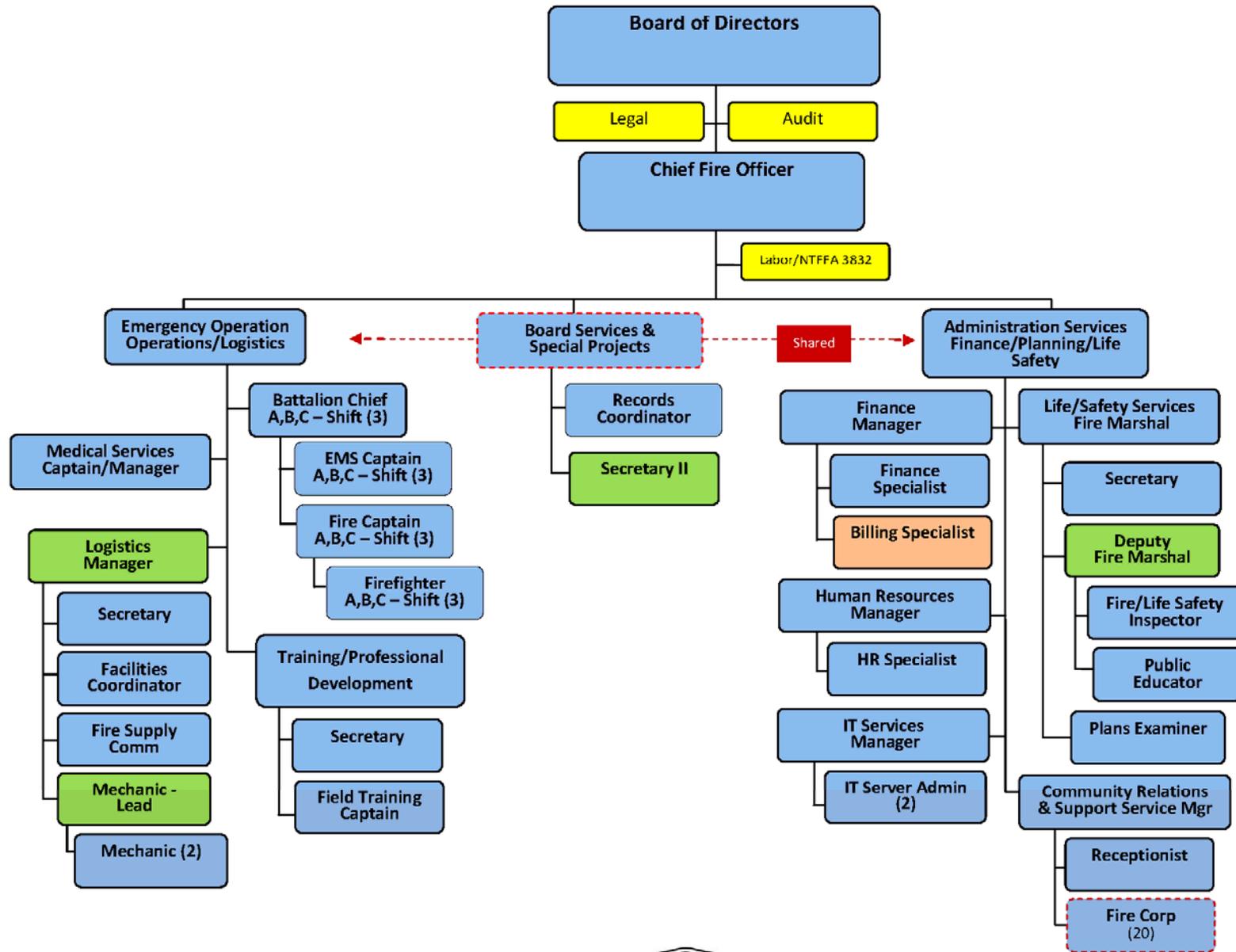
Presented to

Golder Ranch Fire District
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO



Golder Ranch Fire District

Revised 09-24-2012



GOLDER RANCH FIRE DISTRICT

Meeting the emerging needs of the community through teamwork, dedication, and professionalism

LIST OF ELECTED AND APPOINTED OFFICIALS

BOARD OF DIRECTORS:

		<u>Term Expires</u>
Chairperson	Vicki Cox Golder	November 2014
Vice Chair	Stephen F. Brady	November 2016
Clerk	David A. Dahl	November 2016
Board Member	Mark Clark	November 2014
Board Member	Richard Hudgins	November 2016

Administrative Offices:

3885 E. Golder Ranch Dr.
Tucson, AZ 85739

Registered Agent:

Randy Karrer
Fire Chief

Legal Counsel:

Leonard & Felker, P.L.C.
7440 N. Oracle Rd, Bldg 2
Tucson, AZ 85704

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Golder Ranch Fire District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Golder Ranch Fire District (District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Golder Ranch Fire District, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended June 30, 2013, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13 and budgetary comparison information on pages 44 and 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2013, on our consideration of Golder Ranch Fire District'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 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 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 Golder Ranch Fire District's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
CPAs and Business Consultants

October 24, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

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MANAGEMENT DISCUSSION & ANALYSIS

As management of the Golder Ranch Fire District (the District), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2013. This discussion and analysis is intended to be an easily readable breakdown of the District's financial activities based on currently known facts, decisions and conditions. Readers are encouraged to consider the information presented here in conjunction with the financial statements as a whole, which will follow this narrative.

Financial Highlights

- The assets of the District exceeded its liabilities at the end of the current fiscal year by \$11,875,774. Of this amount, \$6,056,417 is cash and cash equivalents and may be used to meet the District's ongoing obligations to citizens and creditors.
- The net position of the District increased by \$143,538 due generally to increases of ambulance revenue.
- At the close of the fiscal year ended June 30, 2013, the District's had a combined ending fund balance of \$5,797,850 a decrease of \$246,418 in comparison with the 2012 fiscal year end. The entire fund balance is legally restricted or committed by the District Board of Directors.
- The General Fund budget for 2013 was based on the 2012 property tax, secondary net assessed value of approximately \$766 Million (District wide) at a rate of \$1.61/\$100 of assessed value.
- During the fiscal year, the District received the following grant monies: \$56,993 for SAFER Grant, \$30,000 for Hydrant Block Grant, \$15,691 for Haz-Mat Grant.
- Additions to the fleet during the fiscal 2013 included a Type 6 engine, two ambulances and a new Ford F150 . Tender #021 was fully rebuilt from the chassis up for \$117,528.

Overview of the Financial Statements

This annual report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The basic financial statements include The *Statement of Net Position* and the *Statement of Activities* (on pages 18 and 19) these statements provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 22. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds individually.

The Statement of Net position and the Statement of Activities-Govt. Wide

One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The *Statement of Net Position* and the *Statement of Activities* report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by the most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The *Statement of Net Position* and *Statement of Activities* report the District's net position and changes in them. You can think of the District's net position — the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, access to non-property tax revenues, age of the District's existing infrastructure, etc., to assess the overall financial health of the District.

In the *Statement of Net Position* and the *Statement of Activities*, the District presents total Governmental activities. All of the District's basic services are reported in these two reports.

Fund Financial Statements

The fund financial statements (pages 22-25) provide detailed information about the General Fund and Debt Service Fund specifically. All of the District's basic services are reported in the General Fund, which focuses on how money flows into and out of those funds and the balances left at year-end that are available. The fund is reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The General Fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds in a reconciliation included with the financial statements.

The District adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

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 begin on page 26.

Government Wide Financial Analysis

The District's combined net position increased from \$11,732,236 to \$11,875,774 from June 30, 2012 to June 30, 2013. As noted earlier, net position may serve over time as one useful indicator of the District's financial condition.

The largest portion (55%) of the District's net position is its net investment in capital assets (ie: land, buildings, equipment and fleet). The District has monies held by a paying agent (Pima County Treasurer) that is legally restricted to service the bond obligations owed by the District. The rest of the District's net position are available to meet the ongoing operational needs of the District.

The following table presents a summary of the District's net position at the years ended June 30 2013 and 2012 respectively.

	Governmental Activities	
	2013	2012
ASSETS		
Current and Other Assets	7,286,695	7,561,552
Capital Assets	18,870,052	18,742,033
Total Assets	\$ 26,156,747	\$ 26,303,585
LIABILITIES		
Current Liabilities	1,204,058	1,640,812
Non-Current Liabilities	13,076,915	12,930,537
Total Liabilities	\$ 14,280,973	\$ 14,571,349
NET POSITION		
Net investment in capital assets	6,516,444 55%	6,200,701 53%
Restricted for debt service	548,897 5%	539,464 5%
Unrestricted	4,810,433 41%	4,992,071 43%
Total Net Position	\$ 11,875,774 100%	\$ 11,732,236 100%

Governmental Activities

Governmental activities increased the District's net position by \$143,538. The key elements in the change in fund balance were due to:

- Increase in the Mil rate from \$1.59 to \$1.61.
- Increase in ambulance billing and collections.
- Cost savings found through operational efficiencies and cost avoidance.

The costs of all governmental activities for the year ended June 30, 2013 was \$17,556,553. Property taxes and Fire District Assistance Taxes provided \$15,002,161 or 85% of total revenues. Additional revenues were realized from grants, interest and fees for services. Emergency medical transports amounted to \$2,126,243 or 12% of total revenues.

	Governmental Activities			
	2013		2012	
Changes in Net Position				
Revenues:				
Program Revenues				
Charges for Services	\$	2,126,243	12%	\$ 1,507,073 9%
Operating grants and contributions		443,254	3%	371,530 2%
General Revenues:				
Property taxes		15,002,161	85%	14,377,019 88%
Interest Income		52,011	0%	24,417 0%
Miscellaneous		76,422	0%	17,118 0%
TOTAL REVENUES	\$	17,700,091		\$ 16,297,157
Expenditures/expenses:				
Public Safety	\$	16,997,459		\$ 16,290,428
Interest on long-term debt		559,094		577,720
TOTAL EXPENSES	\$	17,556,553		\$ 16,868,148
Change in Net Position	\$	143,538		\$ (570,991)
Net Position - July 1		11,732,236		12,303,227
Net Position - June 30	\$	11,875,774		\$ 11,732,236

Financial Analysis of the Districts Funds

As the District completed the year, its General Fund (as presented in the balance sheet on page 22) reported a combined fund balance of \$5,797,850 which is slightly below last year's total of \$6,044,268.

The General Fund decreased \$276,440 while the Debt Services fund increased by \$30,022.

	Golder Ranch Fire District Governmental Funds - Fund			
	2013		2012	
MAJOR FUNDS	Amount	%	Amount	%
General Fund	5,268,087	91%	5,544,527	92%
Debt Service Fund	529,763	9%	499,741	8%
Total Fund Balance	5,797,850	100%	6,044,268	100%

General Fund.

The General Fund accounts for most all of the financial resources of the District. In fact, the General Fund encompasses all of the District's financial resources except for the 2007 & 2005 GADA Bond Principle and Interest obligations.

Debt Service Fund.

This fund is used to account for the property tax collections and servicing of general obligation debt associated with the 2005 and 2007 GADA bonds.

Capital Projects Fund.

The Capital Projects Fund was used to account for the capital improvement projects that were funded by the 2005 and 2007 GADA bond issues. The Capital Projects Fund was completely exhausted by the beginning of fiscal 2012.

General Fund Budgetary Highlights

Pursuant to ASRS 48-805 The District adopts an annual budget for the General Fund and sets a levy for the Debt Service Fund. This budget is used to determine the funding requirements for The District. The following chart shows results of the budget to actual comparison for fiscal 2013.

**Golder Ranch FD
General Fund 2013 Budget to Actuals**

	<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Property Taxes	13,794,691	13,426,719	367,972
Charges for Services	2,126,243	2,030,000	96,243
Intergovernmental	400,897	350,000	50,897
Other Rev & Financing Sources	118,613	30,000	88,613
Total Revenues & Financing Sources	16,440,444	15,836,719	603,725
EXPENSES			
Public Safety	15,878,806	16,035,610	156,804
Capital Outlay	1,139,495	740,589	(398,906)
Debt Service	378,381	381,472	3,091
Contingency	-	296,100	296,100
Total expenses	17,396,682	17,453,771	57,089
Other financing sources (net)			
Capital Lease	679,798	635,801	(43,997)
Transfer in	-	981,251	981,251
Total other financing sources (uses)	679,798	1,617,052	937,254
CHANGES IN FUND BALANCE			
Increase (Decrease) in Fund Balance	(276,440)	-	(276,440)
Beginning Fund Balance	5,544,527	5,544,527	
Ending Fund Balance	5,268,087	5,544,527	(276,440)

The 2013 District Budget projected the use of reserve funds of \$981,251 and the use of Capital Projects funds of \$714,154. There were no funding sources available to replace these monies. Consequently, the 2013 budget contained a projected total consumption of fund balance of \$981,251. The actual consumption of cash was only \$276,440. This was achieved largely by cutting costs, finding operational efficiencies and by adding new capital lease debt of \$679,798.

Capital Assets

At the end of 2013, the District had \$25,050,835 invested in land, buildings, apparatus, vehicles and equipment before consideration of accumulated depreciation. Land is held in the District's books at cost or in the case of donated land, at fair market value as determined by the donor. All buildings and rolling stock are held on the books at cost.

**Golder Ranch FD Capital
Assets as of June 30,**

<u>Governmental Type Activities</u>	<u>2013</u>	<u>2012</u>
Land not depreciated	2,206,825	1,815,318
Buildings and improvements	15,660,080	15,647,767
Vehicles & Apparatus	7,183,930	6,501,712
Accumulated Depreciation	(6,180,783)	(5,222,764)
Net Capital Assets	18,870,052	18,742,033

Major capital projects for 2013 have already been mentioned in this analysis. The District's capitalization threshold is \$5,000. Through careful planning and monitoring of the District's capital asset replacement schedule, The District has determined an annual funding requirement that will provide for the timely replacement of major apparatus and equipment. The Capital Projects funding requirement for the upcoming fiscal year of 2014 will be \$332,826.

Additional information regarding capital assets can be found in the Notes to the Financial Statements on page 36.

Long-Term Liabilities

At the end of fiscal 2013, the District had total debt outstanding of \$12,317,605, a reduction of \$47,311 from the end of fiscal 2012.

<u>Governmental Type Activities</u>	Outstanding Debt as of June 30,		
	<u>2013</u>	<u>2012</u>	<u>Change</u>
General Obligation Bonds	10,420,000	11,005,000	(585,000)
Capital Leases	1,897,605	1,359,916	537,689
Total Obligations	12,317,605	12,364,916	(47,311)

Additional information regarding the long and short term District obligations can be found in the notes to the Financials Statements on pages 36 through 38.

TAX RATES

Net assessed property values (NAV) in the District declined from fiscal 2012 to 2013, exemplifying the lag effect of property tax valuations trailing market valuation. The GRFD Board of Directors authorized a mil rate increase of \$1.61 for FY 2013. The District had not had a mil rate increase for ten years. Consequently the Average levy per parcel has consistently gone down and will continue to drop for fiscal 2014 to \$392/parcel.

<i>Governmental Type Activities</i>						
	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>% Change</u>	<u>FY 2014</u>	<u>% Change</u>
Total Parcel Count	30,445	30,706	31,319	1%	31,421	2%
Total Net Assessed Value	\$ 858,226,530	\$ 818,308,662	\$ 809,112,989	-5%	\$ 765,804,716	-7%
Average Assessed Value District Wide	28,189	26,650	25,835	-6%	24,372	-9%
Average Levy / Parcel District Wide	\$ 448	\$ 424	\$ 416	-6%	\$ 392	-8%

Like most governmental agencies across the region, state and nationally, the District has had to cope with declining tax based revenues. Fortunately, the rate of decline in tax revenue seems to be slowing and there is evidence that points to an economic recovery in the near term. Going forward, the challenge for the District will be to develop a user based fee structure that will diversify its revenue sources.

MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, bond holders and creditors with a general overview of the District's finances and to comply with the District's fiduciary responsibility. If you have questions about this report or need additional financial information, contact the Finance Manager at (520) 825-9001 located at 3885 E. Golder Ranch Dr. Tucson, AZ 85739.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

**GOLDER RANCH FIRE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013**

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 5,191,798
Cash held by paying agents	864,619
Accounts receivable	828,568
Property taxes receivable	354,120
Due from governmental entities	47,590
Total current assets	7,286,695
Noncurrent assets:	
Capital assets, non-depreciable	2,206,825
Capital assets, depreciable (net)	16,663,227
Total noncurrent assets	18,870,052
Total assets	26,156,747
LIABILITIES	
Current liabilities:	
Accounts payable	54,431
Accrued payroll and employee benefits	219,005
Accrued interest payable	249,619
Compensated absences payable	66,003
Bonds payable	615,000
Total current liabilities	1,204,058
Noncurrent liabilities:	
Compensated absences payable	1,374,310
Leases payable	1,897,605
Bonds payable	9,805,000
Total noncurrent liabilities	13,076,915
Total liabilities	14,280,973
NET POSITION	
Net investment in capital assets	6,516,444
Restricted for:	
Debt service	548,897
Unrestricted	4,810,433
Total net position	\$ 11,875,774

The notes to the basic financial statements are an integral part of this statement.

**GOLDER RANCH FIRE DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Public safety - emergency services	\$ 14,257,853	\$ 2,126,243	\$ 443,254	\$ (11,688,356)
Public safety - administration	2,701,642			(2,701,642)
Public safety - community safety services	37,964			(37,964)
Interest on long-term debt	559,094			(559,094)
Total governmental activities	<u>\$ 17,556,553</u>	<u>\$ 2,126,243</u>	<u>\$ 443,254</u>	<u>(14,987,056)</u>

General revenues:

Taxes:

Property taxes	15,002,161
Investment income	52,011
Miscellaneous	76,422

Total general revenues 15,130,594

Changes in net position	143,538
Net position, beginning of year	<u>11,732,236</u>
Net position, end of year	<u>\$ 11,875,774</u>

The notes to the basic financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

**GOLDER RANCH FIRE DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 4,670,415	\$ 521,383	\$ 5,191,798
Cash held by paying agent		864,619	864,619
Accounts receivable	828,568		828,568
Property taxes receivable	326,606	27,514	354,120
Due from governmental entities	47,590		47,590
Total assets	<u><u>\$ 5,873,179</u></u>	<u><u>\$ 1,413,516</u></u>	<u><u>\$ 7,286,695</u></u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 54,431	\$	\$ 54,431
Accrued payroll and employee benefits	219,005		219,005
Deferred revenue	331,656	19,134	350,790
Bonds payable		615,000	615,000
Bond interest payable		249,619	249,619
Total liabilities	<u><u>629,267</u></u>	<u><u>888,017</u></u>	<u><u>1,488,845</u></u>
Fund balances:			
Restricted for:			
Debt Service		529,763	529,763
Committed for:			
Reserves and stabilization	5,268,087		5,268,087
Total fund balances	<u><u>5,268,087</u></u>	<u><u>529,763</u></u>	<u><u>5,797,850</u></u>
Total liabilities and fund balances	<u><u>\$ 5,897,354</u></u>	<u><u>\$ 1,417,780</u></u>	<u><u>\$ 7,286,695</u></u>

The notes to the financial statements are an integral part of this statement.

**GOLDER RANCH FIRE DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013**

Total governmental fund balances **\$ 5,797,850**

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

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

Governmental capital assets	\$ 25,050,835	
Less accumulated depreciation	<u>(6,180,783)</u>	18,870,052

Some revenues will not be available to pay for current period expenditures and, therefore, are deferred in the funds.

Property taxes	308,433	
Intergovernmental	<u>42,357</u>	350,790

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

Compensated absences payable	(1,440,313)	
Bonds payable	(9,805,000)	
Capital leases payable	<u>(1,897,605)</u>	<u>(13,142,918)</u>

Net position of governmental activities **\$ 11,875,774**

**GOLDER RANCH FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Revenues:			
Property taxes	\$ 13,794,691	\$ 1,134,440	\$ 14,929,131
Intergovernmental	400,897		400,897
Charges for services	2,126,243		2,126,243
Investment income	42,191	9,820	52,011
Miscellaneous	76,422		76,422
Total revenues	<u>16,440,444</u>	<u>1,144,260</u>	<u>17,584,704</u>
Expenditures:			
Current -			
Public safety - emergency services	13,136,278		13,136,278
Public safety - administration	2,704,564		2,704,564
Public safety - community safety services	37,964		37,964
Capital outlay	1,139,495		1,139,495
Debt service -			
Principal retirement	318,525	615,000	933,525
Interest and fiscal charges	59,856	499,238	559,094
Total expenditures	<u>17,396,682</u>	<u>1,114,238</u>	<u>18,510,920</u>
Excess (deficiency) of revenues over expenditures	<u>(956,238)</u>	<u>30,022</u>	<u>(926,216)</u>
Other financing sources (uses):			
Capital lease agreements	679,798		679,798
Total other financing sources (uses):	<u>679,798</u>		<u>679,798</u>
Changes in fund balances	<u>(276,440)</u>	<u>30,022</u>	<u>(246,418)</u>
Fund balances, beginning of year	5,544,527	499,741	6,044,268
Fund balances, end of year	<u>\$ 5,268,087</u>	<u>\$ 529,763</u>	<u>\$ 5,797,850</u>

The notes to the basic financial statements are an integral part of this statement.

**GOLDER RANCH FIRE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

Net changes in fund balances - total governmental funds **\$ (246,418)**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capital assets	\$ 1,086,038	
Less current year depreciation	<u>(958,019)</u>	128,019

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	73,030	
Intergovernmental	<u>42,357</u>	115,387

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Capital lease principal retirement	318,525	
Bond principal retirement	<u>615,000</u>	933,525

Some expenses reported for compensated absences in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (107,177)

Issuance of capital leases provides current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position. (679,798)

Change in net position in governmental activities **\$ 143,538**

The notes to the basic financial statements are an integral part of this statement.



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Established in 1977 Golder Ranch Fire District (District) is an Arizona Special Taxing District operating under Arizona Revised Statutes Title 48, Chapter Five. The District provides a range of fire protection and emergency services, emergency medical services, ambulance transport and community assistance to the residents of unincorporated Pima and Pinal Counties, Town of Oro Valley and the communities of Catalina and SaddleBrooke.

The power and authority given to the District is vested in a Board of Directors, each member being elected for a four-year term. The Board of Directors has the statutory authority to adopt and modify the budget, levy taxes, control all assets, including facilities and properties, authorize borrowing or long-term debt issuances, sign contracts and develop the service programs to be provided. The responsibility and accountability for over all funds and fiscal matters are vested in the Board of Directors. The District is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit from nor imposes a financial burden on the District.

The Board of Directors appoints the Fire Chief of the District. The activities under the purview of the Fire Chief are within the scope of the reporting entity and the Fire Chief is accountable to the Board of Directors for the activities being managed. The District is the primary, special purpose government responsible for all fire protection within its service areas. As a result, all significant activities have been included in the government-wide financial statements. The District's financial statements represent those of a stand-alone government, as there are no discretely or blended component units.

During the year ended June 30, 2013, the District implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 establishes reporting guidance for certain elements of the financial statements which are distinct from assets and liabilities.

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the District. Eliminating entries have been posted to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes and ambulance transport revenues.

The *Statement of Activities* presents a comparison between direct expenses of the public safety program of the District and program revenues. Direct expenses are those that are specifically associated with the public safety function and therefore, are clearly identifiable to that function. Program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Property taxes, investment earnings, insurance refunds, and other items that are not properly classified as program revenues, are presented as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus, whereby all assets and liabilities are included in the *Statement of Net Position*. The increases and decreases in the net position are presented in the government-wide *Statement of Activities*. These statements are reported on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets and current liabilities generally are included in the *Balance Sheet*, and the *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures other than interest on non-current obligations, are recorded when the fund liability is incurred.

Real and personal property taxes are levied on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day in October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. The county attaches a lien on real and personal property on the first day of January preceding assessment and levy. All property taxes are billed and collected by the Pima and Pinal County Treasurers. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise they are reported as deferred revenues.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failing to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt or earlier if the susceptible to accrual criteria are met.

The District reports the following three major governmental funds:

- **The General Fund** is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund, either legally or by Board direction. The principal revenue source is property taxes. Primary expenditures are for public safety.
- **The Debt Service Fund** accounts for repayment of general obligation debt. The principal revenue source is property taxes, while primary expenditures are for principal and interest debt service payments.

Cash and Equivalent

The District considers cash on hand, demand deposits and short-term highly liquid investments with a maturity of three months or less, when purchased, to be cash and cash equivalents. Investments maintained in the Pima County Investment Pool, are carried at cost, which approximates fair value, and are classified as a cash equivalent. Fair value of the investments in these pools is the same as the value of the pool shares.

Receivables and Deferred Revenues

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax revenues and, accordingly, have not been recorded as revenue. Real and personal property taxes are levied upon all taxable property within the District and become liens against the property on the first day of January preceding assessment and levy. Federal and state grants and contracts are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. The portion of reimbursement in excess of expenditures and amounts not remitted within 60 days subsequent to year end, are recorded as deferred revenues.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Donated items are recorded at fair market value at date of donation. Estimated fair market value of donated assets is determined based on information provided by the donor. Normal maintenance and repairs are charged to operations as incurred. Major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of capital assets are included in the results of operations.

Capital assets include land, buildings, improvements, equipment, and other tangible assets costing over \$5,000 and that have initial useful lives extending beyond a single reporting period.

Depreciation is computed on assets in service, using the straight-line method over their estimated useful lives:

- Land and construction in progress non-depreciable
- Vehicles, furniture and equipment: 5-18 years
- Buildings and facilities: 10-40 years

Compensated Absences

It is the policy of the District to permit employees to accumulate earned but unused paid time off. A liability is reported for paid time off that the District will pay upon termination or retirement. None of the liability for compensated absences is expected to be liquidated with expendable available financial resources. Accordingly, compensated absences are accrued as a liability only in the government-wide financial statements. The General Fund has been used to liquidate the liability for compensated absences in prior years.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the related debt. Bonds payable are reported net of applicable bond premium or discount. In the fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums and discounts received on debt issuances, are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position Flow Assumption

In the government-wide fund financial statements the District applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

Fund Balance

The District's fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Non-spendable: The non-spendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted: The Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, charge, or otherwise mandates payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the District can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action it employed to previously commit those accounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process through resolution by the Board of Directors. Constraints imposed on the use of committed amounts are imposed by the Board of Directors, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board of Directors or a District official delegated that authority by District Charter, formal board action.

Unassigned: Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had be restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available.

Emergency Reserve: By Board resolution, the District maintains an “Emergency Reserve” in the General Fund of ten percent (10%) of the average actual General Fund revenues for the preceding three fiscal years. The Emergency Reserve is for unexpected, large-scale events where damage in excess of \$250,000 is incurred and immediate, remedial action must be taken to protect the health and safety of residents (e.g. floods, fires, storm damage). Any usage of Emergency Reserves must be appropriated or ratified by the Board of Directors, through formal Board resolution.

Operating Reserve: By Board resolution, the District maintains an additional General Fund “Operating Reserve” with an upper goal of an additional twenty percent (20%) of the average actual General Fund revenues for the preceding three fiscal years. The Operating Reserve is intended to be a reserve for unexpected events whose impact exceeds \$500,000. Any use of the Operating Reserve funds must be approved by the Board of Directors and include a repayment plan that projects to restore the Operating Reserve to the twenty percent (20%) level within two fiscal years following the fiscal year in which the event occurred.

Budget Stabilization Reserve: By Board resolution, the District maintains an additional General Fund “Budget Stabilization Reserve” with an upper goal of an additional ten percent (10%) of the average actual General Fund revenues for the preceding three fiscal years. The Budget Stabilization Reserve may be used to provide funding to deal with fluctuations within the fiscal cycle(s) and operating requirements that exceed \$500,000. The reserve funds will provide time for the district to restructure its operations in a deliberate manner to ensure continuance of critical District activities. Any use of the Budget Stabilization Reserve funds must be approved by the Board of Directors and include a repayment plan, based on a multi-year financial projection, that plans to restore the Budget Stabilization Reserve to the ten percent (10%) level within the three fiscal years following the fiscal year in which the event occurred.

The Board authorized the Fire Chief to assign amounts for specific purposes pursuant to the fund balance policy adopted by resolution. When expenditures are incurred for purposes for which both restricted and unrestricted funds balances are available, the District considers restricted amounts to be used first, then unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the following order: committed, assigned and then unassigned.

Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Budgetary Information

The District budgets all funds in accordance with the requirements of state law. All funds are budgeted on the modified accrual basis of accounting. The Governing body adopts the original budget by resolution prior to the beginning of the fiscal year of the District. The Board resolution authorizing budgeted expenditures for each fund sets the level by which actual expenditures should not be exceeded. Total labor, goods, services and other expenditures for the funds are the levels of control established by the budget resolution. The detailed budget document is required to contain specific detailed information for the above mentioned expenditures. Budgeted expenditures lapse at year-end and may not be carried over to subsequent years.

CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund’s portion of this pool is displayed on the Statement of Net position as part of “cash and investments”. Cash and investments are comprised of the following at June 30, 2013:

	Average Maturities	Fair Value
Petty Cash	\$	250
Deposits with Local Financial Institutions		872,526
Cash Equivalent (Pima & Pinal Cty Treas)	248 days	5,183,641
Total Cash and Cash Equivalent:		\$ 6,056,417

Deposits

Custodial credit risk is the risk that in the event of bank failure, the District’s deposits may not be returned. Arizona Revised Statutes require collateral for demand deposits, certificates of deposit and repurchase agreements at 101 percent of all deposits not covered by federal depository insurance. At June 30, 2013, deposits with financial institutions have a bank value of \$1,076,349 and a book value of \$872,526. The difference of \$203,823 represents deposits in transit, outstanding checks, and other reconciling items at year-end. At June 30, 2013, none of the District’s bank balance was exposed to custodial credit risk as uninsured and collateralized with securities held by the pledging financial institution’s trust department.

Cash Equivalents

The District invests money into a Pima County Local Government Investment Pool. No oversight is provided for the Pima County investment pool, nor does the structure of the pool provide for shares. The balance reported is fully liquid and available upon demand. Participation in the Pima County investment pool is involuntary.

Custodial Credit Risk-Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial risk.

Interest Rate Risk: The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: The District has no investment policy that would further limit its investment choices. As of year-end, the District's investment in the County Treasurer's investment pool did not receive a credit rating from a national rating agency.

Custodial Credit Risk-Investments: The District's investment in the County Treasurer's investment pools represent a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk.

CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2013 were as follows:

	<i>Beginning</i>			<i>Ending</i>
	<i>Balance</i>	<i>Additions</i>	<i>Disposals</i>	<i>Balance</i>
Land not depreciated	\$ 1,815,318	\$ 391,507	\$ -	\$ 2,206,825
Buildings and improvement	15,647,767	12,313	-	15,660,080
<u>Vehicles and apparatus</u>	<u>6,501,712</u>	<u>682,218</u>	<u>-</u>	<u>7,183,930</u>
Total Capital Assets	23,964,797	1,086,038	-	25,050,835
Less accumulated depreciation				
Buildings and improvements	2,004,151	431,922	-	2,436,073
<u>Vehicles and apparatus</u>	<u>3,218,613</u>	<u>526,097</u>	<u>-</u>	<u>3,744,710</u>
Total accumulated depreciation	5,222,764	958,019	-	6,180,783
<i>Capital assests, net of depreciation</i>	<i>\$ 18,742,033</i>	<i>\$ 128,019</i>	<i>\$ -</i>	<i>\$ 18,870,052</i>

LONG-TERM DEBT

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District has outstanding general obligation bonds payable from an \$8,760,000 issuance of callable 20-year bonds dated February 23, 2005 with interest rates ranging from 2.75-5.00%, a \$4,550,000 issuance of callable 20-year bonds dated May 9, 2007 with interest rates ranging from 4.00-5.00%.

Principal and interest on all long-term debt is paid semi-annually. The bonds are repaid from General Fund secondary property taxes and used to fund construction projects, purchase capital equipment and fire apparatus.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30,	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2014	615,000	484,613	1,099,613
2015	640,000	454,756	1,094,756
2016	675,000	423,456	1,098,456
2017	705,000	390,606	1,095,606
2018	740,000	356,500	1,096,500
2019-2023	4,265,000	1,197,375	5,462,375
2024-2027	2,780,000	207,350	2,987,350
Total	\$ 10,420,000	\$ 3,514,656	\$ 13,934,656

Capital Leases

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013 were as follows:

Year Ending June 30:	<i>Governmental Activities</i>
2014	-
2015	295,314
2016	295,314
2017	295,314
2018	295,314
2019	295,314
2020	295,314
2021	295,314
Total minimum lease payments	\$ 2,067,198
Less: amount representing interest	169,593
Present value of minimum lease payments	1,897,605
Due within one year	\$ -

The Assets acquired through capital lease are as follows:

	<i>Governmental Activities</i>
Asset:	
Vehicles, furniture and equipment	\$2,831,052
<u>Less: Accumulated depreciation</u>	<u>(940,057)</u>
Net:	\$1,890,995

Changes in Long-term Liabilities

Long term liability activity for the year ended June 30, 2013 was as follows:

Governmental Activities	Outstanding			Outstanding	Due Within
	June 30, 2012	Additions	Deletions		
Series 2005A GO Bonds	\$ 6,985,000	\$ -	\$ 395,000	\$ 6,590,000	\$ 415,000
Series 2007A G O Bonds	4,020,000	-	190,000	3,830,000	190,000
Capital Leases Payable	1,536,332	679,798	318,525	1,897,605	-
Compensated Absences	1,333,136	960,041	852,864	1,440,313	66,003
	\$ 13,874,468	\$ 1,639,839	\$ 1,756,389	\$ 13,757,918	\$ 671,003

RISK MANAGEMENT

The District 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 District 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.

PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan Descriptions

The District contributes to the two plans described below. Benefits are established by state statute and the plans generally provide retirement, long-term disability, and health insurance premium benefits, including death and survivor benefits. The retirement benefits are paid at a percentage, based on years of service and the retiree's average compensation. Long-term disability benefits vary by circumstance, but generally pay a percentage of the employee's monthly compensation. Health insurance premium benefits are paid as a flat dollar amount per month toward the retiree's health care insurance premiums, in amounts based on whether the benefit is for the retiree or for the retiree and his or her dependents.

The Arizona State Retirement System (ASRS) administers a cost-sharing, multiple-employer defined benefit pension plan, a cost-sharing multiple employer defined benefit health insurance premium plan and cost sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The Public Safety Personnel Retirement System (PSPRS) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or participating political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as The Fund Manager, and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

ASRS

3300 N. Central Avenue
PO Box 33910
Phoenix, AZ 85067-3910
(800) 621-3778

PSPRS

3010 E. Camelback Rd
Ste# 200
Phoenix, AZ 85016-4416
(602) 255-5575

Funding Policy

The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates for both the ASRS and PSPRS.

Cost-sharing Plan

The Arizona State Legislature establishes and may amend active plan members' and the District's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.90 percent for retirement and 0.24 percent for long-term disability) of the members' annual covered payroll and the District was required by statute to contribute at the actuarially determined rate of 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

The District's contributions for the fiscal years ending 2013, 2012 and 2011, all of which were equal to the required contributions, were as follows respectively: \$146,122, \$119,175 and \$99,554.

Agent Plan

For the year ended June 30, 2013, active PSPRS members were required by statute to contribute 9.55% of the members' annual covered payroll and the District was required to contribute 13.05%, the aggregate of which is the actuarially required amount.

Actuarial Methods and Assumptions

The contribution requirements for the year ended June 30, 2013 were established by the June 30, 2011 actuarial valuations and those actuarial valuations were based on the following actuarial methods and assumptions.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plans and the annual required contributions are subject to continual revision as actual results are compared to past expectations and new estimates are made. The required schedule of funding progress presented as required supplementary information provides multiyear trend information showing whether the actuarial value of plans assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on 1) the plans as understood by the District and plans' members and include the types of benefits in force at the valuation date, and 2) the pattern of sharing benefit costs between the District and plans' members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The significant actuarial methods and assumptions used are the same for all plans and related benefits (unless noted), and the actuarial assumptions used to establish the fiscal year 2013 contribution requirements, are as follows:

Actuarial valuation date: June 30, 2011

Actuarial cost method: Projected unit credit

Amortization method: Level percent-of-pay closed

Remaining amortization period 25 years for underfunded, 20 years for overfunded

Asset valuation method: 7-year smoothed market

Investment rate of return: 8.25%

Projected Salary Increases: 5.0%-9.0%

Inflation: 5.0%

Three Year Trend Information

Annual pension cost information for the current and three preceding years follows for the agent plan:

Year ended June 30,	<i>Annual Pension Cost</i>	<i>Percent Contributed</i>	<i>Net Pension Obligation</i>
2013	\$ 1,132,986	100%	\$ -
2012	859,628	100%	-
2011	868,696	100%	-
	\$ 2,861,310		\$ -

Funding Progress

The funded status of the plan as of the most recent valuation date June 30, 2012 follow. The actuarial assumptions were the same as those presented for the 2011 valuation presented on the prior page.

PENSION - Excluding Health Insurance Subsidy	<i>Actuarial Value of</i>	<i>Actuarial</i>	<i>Funding Liability</i>	<i>Funded</i>	<i>Annual Covered</i>	<i>Unfunded</i>
	<i>Plan Assets</i>	<i>Accrued Liability</i>		<i>Ratio</i>	<i>Payroll</i>	<i>Liability expressed as a % of covered Payroll</i>
2012	20,849,995	25,494,475	4,644,480	81.8%	8,090,745	57.4%
2011	17,072,071	22,186,619	5,114,548	76.9%	8,105,654	63.1%
2010	14,098,985	16,639,214	2,540,229	84.7%	6,900,213	36.8%

HEALTH INSURANCE SUBSIDY	<i>Actuarial Value of</i>	<i>Actuarial</i>	<i>Funding Liability</i>	<i>Annual</i>	<i>Unfunded</i>
	<i>Plan Assets</i>	<i>Accrued Liability</i>		<i>Covered Payroll</i>	<i>Liability expressed as a % of covered Payroll</i>
2012	-	818,347	818,347	8,090,745	10.1%
2011	-	753,220	753,220	8,105,654	9.3%
2010	-	525,907	525,907	6,900,213	7.6%

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL
(Required Supplementary Information)**

**GOLDER RANCH FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Original & Final		
Revenues:			
Property taxes	\$ 13,426,719	\$ 13,794,691	\$ 367,972
Intergovernmental	350,000	400,897	50,897
Charges for services	2,030,000	2,126,243	96,243
Investment income	20,000	42,191	22,191
Miscellaneous	10,000	76,422	66,422
Total revenues	<u>15,836,719</u>	<u>16,440,444</u>	<u>603,725</u>
Expenditures:			
Current -			
Public safety - emergency services	13,156,209	13,136,278	19,931
Public safety - administration	2,827,642	2,704,564	123,078
Public safety - community safety services	51,759	37,964	13,795
Contingency	296,100		296,100
Capital outlay	740,589	1,139,495	(398,906)
Debt service -			
Principal retirement	318,531	318,525	6
Interest and fiscal charges	62,941	59,856	3,085
Total expenditures	<u>17,453,771</u>	<u>17,396,682</u>	<u>57,089</u>
Excess (deficiency) of revenues over expenditures	<u>(1,617,052)</u>	<u>(956,238)</u>	<u>660,814</u>
Other financing sources (uses):			
Transfer in	981,251		(981,251)
Capital lease agreements	635,801	679,798	43,997
Total other financing sources (uses):	<u>1,617,052</u>	<u>679,798</u>	<u>(937,254)</u>
Changes in fund balances		<u>(276,440)</u>	<u>(276,440)</u>
Fund balances, beginning of year	5,544,527	5,544,527	
Fund balances, end of year	<u>\$ 5,544,527</u>	<u>\$ 5,268,087</u>	<u>\$ (276,440)</u>

See accompanying notes to this schedule.

**GOLDER RANCH FIRE DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013**

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

**GOLDER RANCH FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Property taxes	\$ 1,132,758	\$ 1,134,440	\$ 1,682
Investment income		9,820	9,820
Total revenues	<u>1,132,758</u>	<u>1,144,260</u>	<u>11,502</u>
Expenditures:			
Debt service -			
Principal retirement	633,520	615,000	18,520
Interest and fiscal charges	499,238	499,238	
Total expenditures	<u>1,132,758</u>	<u>1,114,238</u>	<u>18,520</u>
Changes in fund balances		<u>30,022</u>	<u>30,022</u>
Fund balances, beginning of year		499,741	499,741
Fund balances, end of year	<u>\$</u>	<u>\$ 529,763</u>	<u>\$ 529,763</u>

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 District'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 District's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District'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 District's financial activities take place and to help make comparisons with other school districts.

Operating Information

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

Due to cost considerations for the accumulation of data, the District has elected to present less than ten years of data, or data from less than nine years prior, for certain statistical schedules. This information will be accumulated and reported each year until the complete ten years of data is presented.

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Golder Ranch Fire District

Net Position By Component

(Accrual Basis)

	<i>Fiscal Year</i>		
	<i>2011</i>	<i>2012</i>	<i>2013</i>
Net Investment in Capital Assets	6,159,328	6,200,701	6,516,444
Restricted	1,375,940	539,464	548,897
Unrestricted	<u>4,767,959</u>	<u>4,992,071</u>	<u>4,810,433</u>
Total Primary Government Net Assets	<u>12,303,227</u>	<u>11,732,236</u>	<u>11,875,774</u>

Source: District financial records.

Golder Ranch Fire District

Changes in Net Position

(Accrual Basis)

	<i>Fiscal Year</i>		
	<i>2011</i>	<i>2012</i>	<i>2013</i>
EXPENSES			
Governmental Activities:			
Public Safety-Fire Protection	\$ 16,084,321	\$ 16,290,428	\$ 16,997,459
Interest on Long Term Debt	592,356	577,720	559,094
Total Primary Government Expenses	16,676,677	16,868,148	17,556,553
PROGRAM REVENUES			
Governmental Activities:			
Charges for Services	1,697,113	1,507,073	2,126,243
Operating grants & contributions	356,185	371,530	443,254
Total Primary Government Revenues	2,053,298	1,878,603	2,569,497
Total Primary Government Net Expenses	(14,623,379)	(14,989,545)	(14,987,056)
General Revenues & Other Changes			
in Net Position			
Property Taxes	15,704,039	14,377,019	15,002,161
Investment Income	32,752	24,417	52,011
Miscellaneous	36,777	17,118	76,422
Total Primary Government	15,773,568	14,418,554	15,130,594
Change in Net Position			
Total Primary Government	\$ 1,150,189	\$ (570,991)	\$ 143,538

Source: District financial records.

Golder Ranch Fire District
Fund Balances - Governmental Funds
 (Modified Accrual Basis)

	<i>Fiscal Year</i>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund			
Restricted	\$ -	\$ -	\$ -
Committed	5,133,944	5,544,527	5,268,087
Unassigned	<u>774,874</u>	<u>-</u>	<u>-</u>
Total General Fund	<u>5,908,818</u>	<u>5,544,527</u>	<u>5,268,087</u>
All Other Governmental Funds			
Restricted	\$ 497,821	\$ 499,741	\$ 529,763
Committed	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total All other Governmental Funds	<u>497,821</u>	<u>499,741</u>	<u>529,763</u>

Source: District financial records.

Golder Ranch Fire District
Changes in Fund Balances - Governmental Funds and
Debt Service Ratio
 (Modified Accrual Basis)

	<i>Fiscal Year</i>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
REVENUES			
Taxes	\$ 15,459,330	\$ 14,400,806	\$ 14,929,131
Investment Income	32,752	24,417	52,011
Charges for Services	1,689,127	1,507,073	2,126,243
Intergovernmental	-	371,530	400,897
Grants & Donations	356,185	-	-
Rents	7,986	-	-
Miscellaneous	36,777	17,118	76,422
<i>Total Revenues</i>	<u>17,582,157</u>	<u>16,320,944</u>	<u>17,584,704</u>
EXPENDITURES			
Current			
Public Safety	15,007,047	14,910,906	15,878,806
Capital Outlay	2,055,779	754,444	1,139,495
Debt Service:			
Principal	818,439	889,112	933,525
Interest	592,356	577,720	559,094
<i>Total Expenditures</i>	<u>18,473,621</u>	<u>17,132,182</u>	<u>18,510,920</u>
<i>Excess (Deficiency) of Revenues</i>	<u>(891,464)</u>	<u>(811,238)</u>	<u>(926,216)</u>
OTHER FINANCING SOURCES			
Proceeds from Debt Issuances	360,000	448,867	679,798
<i>Total Other Financing Sources</i>	<u>360,000</u>	<u>448,867</u>	<u>679,798</u>
Net Change in Fund Balance	<u>\$ (531,464)</u>	<u>\$ (362,371)</u>	<u>\$ (246,418)</u>
<i>Debt Service as a percentage of noncapital expenditures</i>	8.58%	8.82%	8.57%

Source: District financial records.

Golder Ranch Fire District
Assessed and Estimated Full Cash Value of Taxable Property
 (Last Ten Fiscal Years)

Fiscal Year	Full Cash Value (Actual Value)	Total Assessed Value (AV)	Total Exemptions			Net Assessed Value (NAV)	NAV as a percent of AV	Mil Rate
				Personal Property	Real Property			
2013	7,294,163,472	828,694,963	62,890,247	31,629,883	734,174,833	765,804,716	92%	1.61
2012	7,635,729,690	869,864,390	60,751,401	33,418,636	775,694,353	809,112,989	93%	1.59
2011	7,901,108,189	905,241,426	86,932,764	33,798,443	784,510,219	818,308,662	90%	1.59
2010	7,009,936,418	793,520,807	24,858,108	31,747,926	736,914,773	768,662,699	97%	1.59
2009	6,418,773,179	710,664,897	20,293,215	28,514,287	661,857,395	690,371,682	97%	1.59
2008	4,472,059,576	503,985,258	17,824,893	20,079,787	466,080,578	486,160,365	96%	1.69
2007	3,445,148,367	388,053,111	14,594,983	15,424,868	358,033,260	373,458,128	96%	1.89
2006	2,891,348,997	330,195,884	14,012,432	13,059,264	303,124,188	316,183,452	96%	1.93
2005	2,400,564,683	275,158,420	12,979,919	10,828,708	251,349,793	262,178,501	95%	1.95
2004	2,138,384,737	245,631,177	12,344,759	9,635,383	223,651,035	233,286,418	95%	1.96

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, PTOC Levy Limit worksheet, District financial records

Golder Ranch Fire District
Direct and Overlapping Property Tax Rates
(per \$100 of assessed value)

<i>Fiscal Year</i>	Golder Ranch Fire District - Secondary	Golder Ranch Fire District - Debt Service	Amphitheater Unified School District #10	Pima Community College	Pima County	Pinal County
2013	\$ 1.61	\$ 0.14	\$ 5.92	\$ 1.29	\$ 3.67	\$ 4.07
2012	\$ 1.59	\$ 0.14	\$ 5.40	\$ 1.08	\$ 3.42	\$ 4.00
2011	\$ 1.59	\$ 0.14	\$ 5.05	\$ 1.08	\$ 4.29	\$ 3.67
2010	\$ 1.59	\$ 0.16	\$ 4.61	\$ 1.08	\$ 4.06	\$ 3.85
2009	\$ 1.59	\$ 0.17	\$ 4.86	\$ 1.36	\$ 4.02	\$ 4.40
2008	\$ 1.69	\$ 0.19	\$ 5.50	\$ 1.18	\$ 4.52	\$ 4.69
2007	\$ 1.89	\$ 0.20	\$ 6.12	\$ 1.25	\$ 4.29	\$ 4.82
2006	\$ 1.93	\$ -	\$ 6.43	\$ 1.31	\$ 4.89	\$ 4.83
2005	\$ 1.95	\$ -	\$ 6.34	\$ 1.34	\$ 4.89	\$ 4.83
2004	\$ 1.96	\$ -	\$ 6.76	\$ 1.34	\$ 4.89	\$ 4.84

Source: Property Tax Rates and Assessed Values, Arizona Tax Research Foundation.

Golder Ranch Fire District
Principal Property Taxpayers
FY 2013 and FY 2011

Taxpayer	<i>Fiscal Year</i>					
	<i>2013</i>			<i>2011*</i>		
	Net Assessed Value	Rank	Percent of Assessed Value	Net Assessed Value	Rank	Percent of Assessed Value
ORO VALLEY HOSPITAL LLC	10,385,671	1	1%	10,138,851	1	1%
CHH TUCSON PARTNERSHIP LP	5,300,000	2	1%	6,000,000	2	1%
VESTAR OVM LLC	5,257,481	3	1%	6,330,224	8	1%
TUCSON MATHER PLAZA LLC	5,240,941	4	1%	5,240,941	3	1%
HONEYWELL INTERNATIONAL INC	4,923,082	5	1%	4,073,082	5	1%
VENTANA MEDICAL SYSTEMS INC	3,991,460	6	0%	4,298,424	4	0%
MIRAVAL RESORT AZ LLC	3,779,034	7	0%	3,779,034	6	0%
PRIME ORO VALLEY LLC	2,052,077	8	0%	2,120,000	9	0%
HDP NORTHWEST LLC	1,593,152	9	0%	-	0	0%
TARGET CORP T-0700 FKA DAYTON HUDSO	1,506,739	10	0%	-	0	0%
CASAS ADOBES BAPTIST CHURCH				3,769,252	7	0%
SANOFI-AVENTIS US INC.				1,639,185	10	0%
Total	809,112,989		5%	818,308,662		6%

Source: Pima County Assessor's Office.

*Data from 2002 was unavailable at publication

Golder Ranch Fire District
Property Tax Levies and Collections
 (Accrual Basis)

<i>Fiscal Year</i>	Original Property Tax Levy	Tax Roll Corrections	Property Tax Levy (Adjusted)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	% Of Levy		Amount	% Of Levy
2013	12,984,832	(3,420)	12,981,412	12,805,357	98.6%	-	12,805,357	98.6%
2012	13,490,968	(3,108)	13,487,860	13,165,412	97.6%	305,299	13,470,711	99.9%
2011	14,198,710	(9,235)	14,189,475	13,785,921	97.2%	390,165	14,176,086	99.9%
2010	12,836,020	(94)	12,835,926	12,445,526	97.0%	384,166	12,829,692	100.0%
2009	12,577,636	(25,591)	12,552,045	11,604,812	92.5%	943,369	12,548,181	100.0%
2008	9,024,965	(947)	9,024,018	8,738,964	96.8%	282,887	9,021,851	100.0%
2007	7,704,138	(40)	7,704,098	7,495,278	97.3%	207,593	7,702,871	100.0%
2006*	2,072,075	(16)	2,072,059	2,066,122	99.7%	5,938	2,072,059	100.0%
2005*	1,695,796	(324)	1,695,472	1,693,254	99.9%	2,218	1,695,472	100.0%
2004	-	-	-	-	0.0%	-	-	0.0%

Source: Pinal and Pima County Treasurer reports

*Data for Pinal County only, Pima County Treasurer collections only detail data going back seven years. Over time ten full years will be presented

Golder Ranch Fire District
Computation of Leal Debt Margin
 (June 30, 2012)

	<i>Fiscal Year</i>									
	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Net Assessed Value	233,286,418	262,178,501	316,183,452	373,458,128	486,160,365	690,371,682	768,662,699	818,308,662	809,112,989	765,804,716
Debt Limit Rate (Article IX, Sect 8)	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Debt limit	13,997,185	15,730,710	18,971,007	22,407,488	29,169,622	41,422,301	46,119,762	49,098,520	48,546,779	45,948,283
Less Bond & Lease Obligations	(371,898)	(9,014,616)	(9,380,523)	(13,446,696)	(13,214,096)	(12,663,936)	(13,395,016)	(12,956,577)	(12,364,916)	(12,317,605)
Additional Debt Capacity	13,625,287	6,716,094	9,590,484	8,960,792	15,955,526	28,758,365	32,724,746	36,141,943	36,181,863	33,630,678
Debt Capacity as a percent of Total Debt Limit	97.3%	42.7%	50.6%	40.0%	54.7%	69.4%	71.0%	26.4%	25.5%	26.8%

Golder Ranch Fire District
Direct and Overlapping Governmental Activities Debt

<i>Jurisdiction</i>	**Net Direct Debt Outstanding at 6/30/2012	Percentage Applicable to district (based on 2012 NAV)	Amount Applicable to District
Pima County*	716,370,000	6.92%	49,564,370
Pima County Community College District	26,225,249	6.66%	1,747,630
Amphitheater Unified School District No. 10	95,963,500	18.20%	17,465,357
Town of Oro Valley	12,109,960	95.00%	11,504,462
Pinal County	244,374,000	7.80%	<u>19,061,172</u>
Subtotal, overlapping debt			99,342,991
Direct:			
Golder Ranch Fire District			<u>12,317,605</u>
Total Direct and Overlapping Debt			<u><u>111,660,596</u></u>

Source: Pinal and Pima County CAFR, Town of Oro Valley CAFR, June 30, 2012 and District financial records.

*Excludes improvement Districts

** Outstanding debt as of June 30, 2012 is the most recent information available. Includes all long-term debt instruments of the governmental activities, including bonds, notes, certificates of participation, loans and capital leases.

Golder Ranch Fire District
Outstanding Debt by Type

<i>Fiscal Year</i>	General Obligation Bonds					Total Outstanding Debt		
	Gross General Bonded Debt	Ratio to Assessed Value	Per Capita	Percentage of Personal Income	Capital Leases	Total	Per Capita	Percentage of Personal Income
2013	10,420,000	1.4%	175.52	0.5%	1,897,605	12,317,605	207.48	0.6%
2012	11,005,000	1.4%	186.39	0.5%	1,359,916	12,364,916	209.42	0.6%
2011	11,565,000	1.4%	187.88	0.5%	1,391,577	12,956,577	210.49	0.6%
2010	12,105,000	1.6%	198.28	0.5%	1,290,016	13,395,016	219.41	0.6%
2009	12,630,000	1.8%	208.01	0.6%	1,098,936	13,728,936	226.11	0.6%
2008	12,975,000	2.7%	215.87	0.6%	584,096	13,559,096	225.59	0.6%
2007	8,760,000	2.3%	149.99	0.4%	471,696	9,231,696	158.06	0.5%
2006	8,760,000	2.8%	157.59	0.5%	620,523	9,380,523	168.75	0.5%
2005	-	0.0%	-	0.0%	254,616	254,616	4.70	0.0%
2004	-	0.0%	-	0.0%	371,898	371,898	7.15	0.0%

Golder Ranch Fire District
Demographic and Economic Statistics
 (Last Ten Fiscal Years)

<i>Fiscal Year</i>	Population	Personal Income	Per Capita Personal Income	Unemployment Rate - Countywide
2012	59,368	2,074,552,599	34,944	7.6%
2011	59,044	2,233,173,098	37,822	9.1%
2010	61,554	2,288,326,039	37,176	8.6%
2009	61,051	2,253,536,959	36,912	7.9%
2008	60,718	2,191,454,980	36,092	4.7%
2007	60,105	2,121,867,959	35,303	3.3%
2006	58,405	2,012,345,962	34,455	4.4%
2005	55,589	1,859,627,913	33,453	4.1%
2004	54,164	1,766,842,391	32,620	3.5%
2003	51,979	1,651,977,585	31,782	4.8%

Sources: Pima County Association of Governments, University of Arizona

* Fiscal year ending 2012 is the most recent information available.

Golder Ranch Fire District
Demographic and Economic Statistics
 (Last Ten Fiscal Years)

<i>Census Year</i>								
2010					2000			
<u>Community</u>	<u>Population</u>	<u>Percentage of population >65 years of age</u>	<u>Land area (Sq Miles)</u>	<u>Persons / Sq Mile</u>	<u>Population</u>	<u>Percentage of population >65 years of age</u>	<u>Land area (Sq Miles)</u>	<u>Persons / Sq Mile</u>
Saddlebrooke	9,614	60.2%	29.29	328.2	na	na	na	na
Catalina	7,569	18.7%	14.11	536.4	7,025	14.1%	13.9	506.6
Town of Oro Valley	41,011	28.1%	35.53	1,154.4	29,700	22.7%	31.8	933.1
Other	850		141.24	6.02	1,250		89.47	13.97
<hr/>								
US Census Bureau	59,044		220.17	268.2	37,975		135.17	280.9

Golder Ranch Fire District

Principal Employers

(FY 2013 and FY 2006)

Employer	<i>Fiscal Year</i>					
	<i>2013</i>			<i>2006</i>		
	Employees	Rank	Percent of Total District	Employees	Rank	Percent of Total District
Ventana Medical Systems	1,112	1	7%	566	2	
Amphi Schools	733	2	4%			
Honeywell Aerospace	650	3	4%	646	5	1%
Oro Valley Hospital	508	4	3%	450		
Hilton El Conquistador Resort & Country Club	450	5	3%	700	1	4%
Town of Oro Valley	424	6	2%	333	3	2%
Mirival Resorts	387	7	2%			
Wal-Mart Supercenter	237	8	1%			
Fry's Food & Drug Store	235	9	1%	270	4	2%
Spendido At Rancho Vistoso	176	10	1%			
Target	115	11	1%	130	7	1%
Kohls	105	12	1%			
*total estimated employee population	17,058		24%	1,982		15%

Source: OroValleyAZ.gov, Pima County Association of Governments, Mirival Resorts HR, Arizona Daily Star

*based on an assumed 28.89% of total population

Golder Ranch Fire District
Full-Time Equivalent District Employees by Function
 (Last Ten Years)

	<i>Fiscal Year</i>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Fire and Rescue	71	72	83	88	104	106	110	124	127	125
Administrative and Support	14	15	20	24	23	24	27	29	27	28
Total	85	87	103	112	127	130	137	153	154	153

Golder Ranch Fire District
Operating Indicators by Function
 (Last Ten Years)

Function	<i>Fiscal Year</i>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Public Safety										
Emergency Medical Service Calls	2,916	3,259	3,414	2,956	3,157	3,208	3,612	4,202	4,367	5,233
Fire Responses	88	128	118	140	136	111	115	240	172	194
Other Responses (including hazardous condition, public service)	460	600	644	892	794	1,842	774	1,699	3,905	3,837
Miscellaneous - including good intent	1,596	1,802	2,234	3,050	3,000	2,177	3,009	2,309	529	493
Total	5,060	5,789	6,410	7,038	7,087	7,338	7,510	8,450	8,973	9,757

Source: District records.

Golder Ranch Fire District

Capital Assets by Function

(Last Ten Fiscal Years)

FUNCTION	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<i>Public Safety</i>										
Number of Stations	4	4	4	4	5	6	7	8	8	7
Equipment										
Aerial/Truck/Platform	2	2	2	2	2	2	2	2	2	2
Brush Rig	3	3	4	4	4	4	5	5	5	3
Cars	9	12	12	14	15	17	17	17	19	21
Medic Unit	5	6	6	6	6	6	6	8	8	9
Mobile Command Unit								1	1	1
Pumper/Engine	4	4	6	6	6	6	8	8	10	8
Rehab Unit		1	1	1	1	1	1	1	1	1
Mass Casualty/MMRS						1	1	1	1	1
Technical Rescue				1	1	1	1	1	1	1
Water Tender	3	3	3	3	3	4	4	4	4	3
total rolling stock	26	31	34	37	38	42	45	48	52	50

Source: District records

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