



To: Honorable Madame Mayor Joens & Council

September 10, 2008

Via: Douglas Bartosh, City Manager

From: Kirsten Lennon, Accounting / Budget Manager  
Rudy Rodriguez, Finance Director

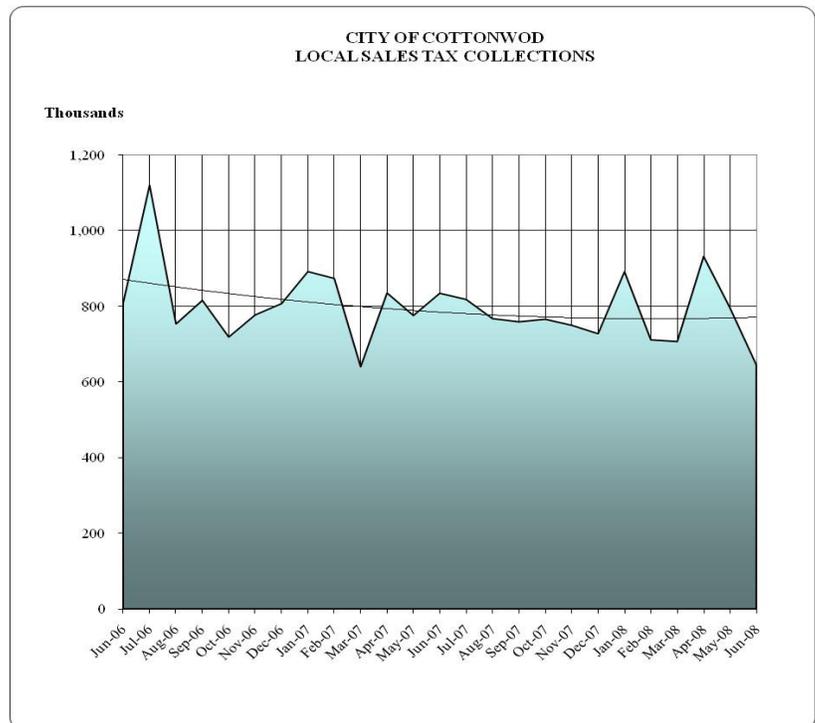
Subject: Revenue & Expenditure Reports – Period ending June 30, 2008

## **GENERAL FUND**

### **Revenues**

At the end of 07-08 all government agency are looking at their current budgets wondering if it will get better anytime soon. With the increase in mortgage foreclosures and the increase in fuel prices people have capped their spending, governments that rely on taxes for revenue are hoping to find enough money to cover their expenses. Our City is no exception to this issue. A recent report from RealtyTrac.com shows foreclosures in Arizona at 127% above where they were in June of 2007, with the national rate being 53% above June of 2007.

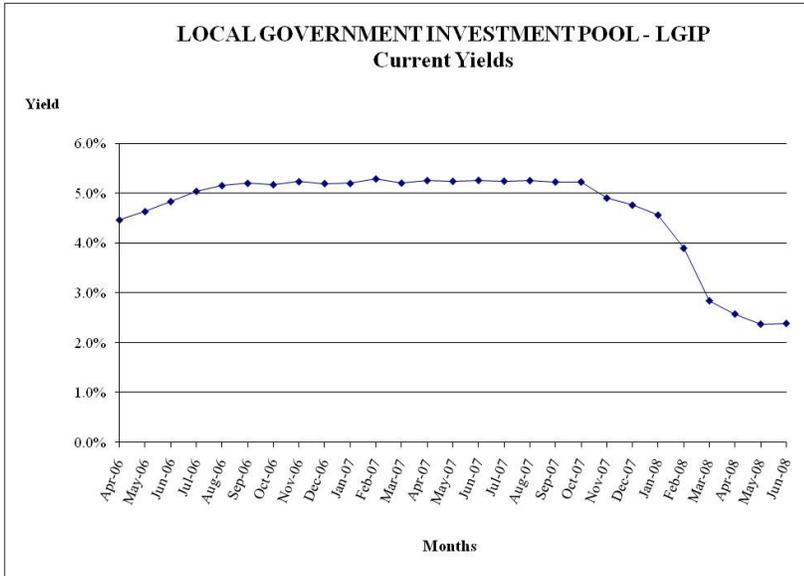
Even with the downward trend in sales tax revenue our total revenues finished the year at 111% of the budgeted amount. This increase is due to some shifting of the sales tax distribution from the sewer department to the General Fund and Lease Purchase proceeds received at the beginning of the year. Overall sales tax figures are down 5.82% cumulatively and 22.72% for the month of June.



The State Shared Sales Tax revenues are down by about 4.2% over last year and almost even with estimates. This is one of the state shared revenues that are estimated by the State. This revenue source came in 7.8% below the budgeted amount for FY 2007-08.

State Shared Income Tax revenues ended the year right on target at a total of \$1,528,329. This is yet another of the state shared revenues that are estimated by the State, and are distributed based on collections from two years ago. These revenues usually come in as proposed by the state.

Motor vehicle taxes ended at 3.34% below budgeted amount or \$667,229. The City of Cottonwood continues to repay \$2,436.06 monthly to the County due to calculation errors some years ago. This repayment should be ending within the next fiscal year.



Interest rates have dropped drastically during the fiscal year and ended at 2.387% in June. The Interest Income line was budgeted conservatively at \$240,000 and ended the fiscal year at 20% below budget at \$192,000.

The Police Department has expensed part of the costs of the Mobile Data Units that were funded by a lease purchase received from SunTrust at the beginning of the year. The Lease Purchase line item is at 101% due to the funds being deposited at the beginning of the year.

Expenditures

At the end of the fiscal year most departments came in at budget or right below budget. There were a few exceptions that came in over budget listed below:

-  **Administration** is 1% over budget overall with overages in Salaries, temp employees, printing & forms, gas & oil and telephone expenses.
-  **City Council** is 105% over total amount budgeted for travel and training and 50% over budget for the recycling program because of cost increases for fuel, also over budget were the office and copier supplies lines and the telephone expense line.
-  **Planning & Zoning** ended the year 1% over the total budget with the main overages being in salaries, supplies and maintenance.
-  **Police Department** is at an overall percentage of 89.8% but is over their total budgeted amount on overtime by 24%, subscription and memberships by 275%, vehicle maintenance by 207%, equipment maintenance by 50%, contractual services by 100% and continuing education by 182%
-  **Communications** continuing education is over by 129.8% over their total budgeted amount of \$2,000, salaries ended the year 4% over budget and equipment maintenance ended 41% over budget
-  **Legal Department** was 13.8% over the total amount budgeted for this department due to general counsel and the prosecuting attorney line items coming in well over the budgeted amounts.
-  **In Pool** ended the year 56.4% over budget with almost every line coming in over budget by at least 10% the major expenses being utilities & travel and training. The utilities line item is over due to a water leak that was found and fixed.
-  **Capital Expenditures** show at 6.08% over the budgeted amount for capital from all departments.

Other Financing Sources (Uses)

Transfers out for other departments ended the year at 97.9% of budget due to adjustments made to transfer only funds needed by other departments at the end of the fiscal year.

## SPECIAL REVENUE FUNDS

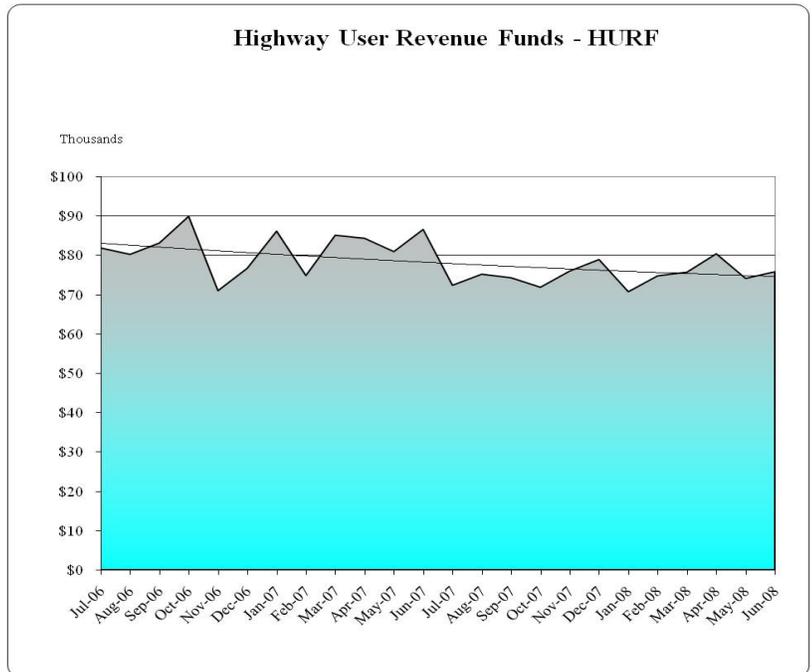
### Highway User Revenue Fund (HURF)<sup>1</sup>

#### Revenues

Fuel Tax revenue finished FY 2008 8.22% below last year, however, 22% above the budgeted amount of \$734,085. The Street Department revenue was 23% over budget and Street Construction was at 51.7% of their revenues due to some projects not taking place in FY 2007-08.

#### Expenditures

The Street Departments expenditures finished the year at 96.21% which is a little under where they should be. Most of the projects budgeted for FY 2008 have been put off until next fiscal year which will help with keeping revenues in line with expenditures. One item that will help minimize this stress is that this department no longer has any debt service commitments.



### Cottonwood Area Transit System (C.A.T.S.)

C.A.T.S. did not end up using a major portion of the capital expenditure amount budgeted for FY 2008 but ended the fiscal year with a deficiency in revenues over expenditures. Some items that went over budget were the travel & training, radio maintenance, office supplies, advertising and employee physicals.

### Library

This department continues to do relatively well with revenues ending at 101.37%. Currently, General Fund operating transfers in funded \$656,127 of the Library's operation.

Operating expenditures finished at 99.12% of the budgeted amount and in good shape overall. Some areas of concern are the temporary employee line which used 177.09% of the budgeted amount and subscription and dues which ended the year at 728.73% of the budgeted amount

### Airport

The revenues for the Airport are doing better than expected since the City took over the fuel supply and restructured the fuel override allocation.<sup>2</sup> The City has also taken over the tie downs; both covered and open in order to improve the collection. The Airport hangar and land lease billings were sent out in May 2008.

<sup>1</sup> The HURF also funds any shortfalls of the Cottonwood Area Transit System.

<sup>2</sup> The fuel allocation was modified through an arrangement between the Fixed Base Operator (FBO) AEROBEAR and the City of Cottonwood, beginning June 2007. Originally the \$1 fuel override was split 2.5 City/97.5 AEROBEAR and was modified to 50/50. Since the installation of the Self Serve System, a 75¢ override is divided 25¢ AEROBEAR/50¢ City.

Expenditures for this fund were 321.38% at June 30, 2008 due to the addition of fuel expense and the overall increase in maintenance that the City has taken over. Part of the overage in expenditures for the Airport was the allocation of indirect costs to the airport increasing due to the increase in time spent on the airport by the Public Works Director, and the Finance Department. The Airport continues to make transfers to the General Fund as repayment for the construction of the T-hangars back in FY 2000-01. These transfers to the General Fund will expire in 2013.

### Grants

This fund is on a reimbursement basis for the fiscal year and ended the year in good shape. This fund covers the Airport Improvements and did better than expected due to the transfer of the Riverfront Park expenditures to the General Fund. Many of the budgeted Airport projects began towards the end of the year. The General Fund will also be receiving \$520,000 used to complete the Riverfront Park Improvements that were funded by the General Fund's Capital Accumulation Fund and reimbursable from a GADA loan obtained in November 2007.

## **CAPITAL PROJECTS**

### Capital Projects

This fund reflects the Library Expansion Project and is currently starting to show some of the expenses for the Recreation Center Project. The income related to this project is interest income from a \$1.3M investment dedicated to Library Expansion and monies from a recent GADA Loan.

## **ENTERPRISE FUNDS**

### Sewer

Overall revenues are at 68.12% for the year of the budgeted amount the shortfall is due to reallocation of City Sales Tax revenues to the general fund and the HURF. Even though the revenues are only at 68.12% the sewer fund only ended up with expenditures of 80% which only leaves a deficit of 12% for the year.

Expenses for Operations & Maintenance were at 76.33% of the budget. Major concerns would be overtime which was 107.14% over the total budgeted amount, Office supplies which was 90.5% over total budgeted amount, Legal advertising and contractual services which are all over the total amount budgeted for the year. Administration ended the year 22.75% over budget due to an increase in bad debt expenses which ended at 593.58% of the budgeted amount, postage and freight being 56.68% over and personnel costs ending at 9% over the budgeted amounts.

### Water

The water fund revenues at June 30 were 10.97% over the budgeted amount with all revenues doing relatively well. Reserves are maintained for Resource Development, Water Advisory, Adjudication and Water Conservation at \$529,455.58 and are included in the total revenues.

M&O and Administration expenditures ended at 58.04% of the budgeted amount for the year which is below total revenue received. The total capital outlay portion came in at 34.72% of budget with debt service ending on target at 100.26% of the budgeted amount.

## **DEBT SERVICE FUNDS**

### Debt Service

This fund continues to be in good shape as in the past. There is not much to report in this fund. Sales taxes and interest income provide most of the revenues for this fund and all expenditures are principal and interest on loans and bond issues. Only Library debt is remaining at June 30, 2008. The City has since obtained a GADA Loan for \$20M, to be paid from the General Fund.

### **BRIEF OVERVIEW**

This report makes it seem like we are doing relatively well in the current economic situation, however, as we write this report, we are reading articles of the consequences our economic downturn is taking on some of the largest financial institutions.

In the past few weeks the Federal Government has bailed out Fannie Mae and Freddie Mac, and the global investment bank, Lehman Brothers has filed for bankruptcy. We have also seen Merrill Lynch, one of the world's leading financial management and advisory companies become property of the Bank of America, and Bear Stearns, one of the largest global investment banks and securities trading and brokerage firms be acquired by J. P. Morgan Chase.

The Arizona State Treasurer's office has reported that \$39.4 million of its assets was invested in Lehman Brothers Holding Inc. who filed bankruptcy on September 12, 2008. This means there is a probability that the City may lose approximately \$100,000 in the LGIP.

What does this mean to us? We have secured assurances that our largest investments, currently at J.P.Morgan Chase, are still intact and that our investment advisors and managers are monitoring the situation very closely. We are also trying to move our remaining assets (approximately \$8M) from LGIP 5 to another LGIP 7 which has less risk, and more liquidity. The trade off is the loss of some basis points but at this juncture we would rather lose a little bit of interest opportunity than our cash assets.

We will keep the City Manager abreast of any changes in the City's fiscal situation.

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**General Fund - 01**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$7,866,990	\$9,553,147	121.43%
Licenses & permits	533,300	358,063	67.14%
Intergovernmental revenue	3,166,675	2,784,542	87.93%
Charges for services	830,070	784,537	94.51%
Fines & forfeitures	250,220	203,529	81.34%
Uses of monies & properties	86,910	91,993	105.85%
Miscellaneous revenues	1,575,760	2,125,034	134.86%
Total revenues	14,309,925	15,900,844	111.12%
<b>Expenditures:</b>			
<b>Operating:</b>			
Administration	446,140	451,088	101.11%
Personnel	222,630	175,817	78.97%
Council	575,925	265,195	46.05%
Natural resources	18,150	15,083	83.10%
Finance	449,240	386,816	86.10%
IT Services	76,480	74,756	97.75%
Planning & zoning	427,910	431,283	100.79%
Building inspection	184,700	179,282	97.07%
Police	3,025,750	2,882,145	95.25%
Animal control	102,620	94,674	92.26%
Communications	623,790	615,158	98.62%
Fire	1,521,940	1,431,389	94.05%
Court	471,790	405,226	85.89%
Legal	274,030	318,720	116.31%
Engineering	338,930	275,930	81.41%
Parks & recreation	667,750	653,979	97.94%
Pool	106,340	166,299	156.38%
Weightroom	12,730	14,509	113.97%
Building maintenance	582,680	571,233	98.04%
Custodial	146,000	133,625	91.52%
Non-departmental	1,072,040	1,687,497	157.41%
Subtotal maintenance and operations	11,347,565	11,229,707	98.96%
Capital outlay:	1,780,820	1,889,113	106.08%
Total Expenditures	13,128,385	13,118,820	99.93%
Excess (deficiency) of revenues over (under) expenditures	1,181,540	2,782,024	
<b>Other financing sources (uses):</b>			
Operating transfers in	23,490	23,490	100.00%
Sales of City Equipment	0	20,142	0.00%
Capital leases	(328,895)	(329,030)	100.04%
Transfers out	(711,350)	(696,455)	97.91%
Total other financing sources (uses)	(1,016,755)	(981,853)	96.57%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	164,785	1,800,172	
Fund balance, July 1, 2007 (unaudited)	3,004,300	3,004,300	
Estimated fund balance @ June 30, 2008		\$4,804,472	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**HURF - 02**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$2,673,565	2,226,091	83.26%
Uses of monies & properties	28,500	33,007	115.81%
Miscellaneous revenues	16,000	16,063	100.39%
Total revenues	2,718,065	2,275,160	83.71%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	230,770	228,642	99.08%
Overtime	1,000	198	19.80%
Health & life insurance	58,130	50,104	86.19%
Temp employees	0	0	0.00%
Clothing allowance	4,500	3,657	81.26%
Travel & training	1,200	176	14.67%
Subscriptions & dues	200	183	91.50%
Gas & oil	16,900	20,630	122.07%
Vehicle maintenance	10,000	9,836	98.36%
Equipment maintenance	10,000	17,586	175.86%
Computer support	1,080	743	0.00%
Operational supplies	1,700	1,257	73.91%
Office supplies	600	246	41.07%
Utilities	4,660	2,742	58.84%
Telephone	2,100	2,163	103.00%
Street lights	40,000	48,622	121.56%
Legal advertising	0	0	0.00%
Engineering Services	2,000	0	0.00%
General counsel	0	0	0.00%
Postage & freight	250	7	2.90%
Bank charges	0	161	0.00%
Tools	2,800	3,997	142.76%
Equipment rental	14,000	17,199	122.85%
Building maintenance & repair	20,000	9	0.04%
Liability insurance	16,485	12,188	73.93%
Worker's compensation	18,230	12,362	67.81%
Social security	14,370	13,606	94.68%
AZ state retirement	22,250	21,969	98.74%
Employee physicals	700	256	36.57%
Medicare tax	3,360	3,182	94.70%
Liability claims deductible	0	0	0.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	119,830	118,383	98.79%
Culverts	4,500	0	0.00%
Materials	35,000	13,171	37.63%
Street signs	7,700	11,469	148.95%
Street marking	37,630	47,979	127.50%
Rodeo Dr. St. Reimbursement	0	40,993	0.00%
Contractual services	35,100	23,806	67.82%
Equipment purchase	80,500	60,588	0.00%
Street light contingency	4,000	2,262	56.56%
Subtotal maintenance and operations	821,545	790,374	96.21%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

HURF - 02 (page 2)

	Adopted Budget	Y-T-D	% Used
Debt Service:			
Principal	0	0	0.00%
Interest	0	0	0.00%
Capital Outlay:			
Pavement Preservation	336,600	324,798	96.49%
Street Contingency	479,990	10,287	2.14%
Old Town Improvements	0	0	0.00%
Fir street	0	0	0.00%
Railroad Wash Improvements	0	0	0.00%
Istea phase I	0	0	0.00%
12th Street Project	50,000	3,000	0.00%
W Mingus Reconstruction	700,000	0	0.00%
Aspen St. Improvements	0	0	0.00%
Tea 21-OTIII	0	0	0.00%
Willard Extension	910,000	25,606	2.81%
Total Expenditures	<u>3,298,135</u>	<u>1,154,066</u>	<u>34.99%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(580,070)</u>	<u>1,121,094</u>	
Other Financing Sources (Uses):			
Operating Transfers In	300,000	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>300,000</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(280,070)</u>	<u>1,121,094</u>	
Fund balance, July 1, 2007 (unaudited)		<u>524,100</u>	
Estimated fund balance @ June 30, 2008		<u><u>\$1,645,194</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**CATS - 02**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$945,925	448,716	47.44%
Charges for services	68,815	259,965	377.77%
Total revenues	1,014,740	708,681	69.84%
<b>Expenditures:</b>			
Salaries	311,220	308,535	99.14%
Overtime	4,150	3,158	76.10%
Health/life insurance	97,150	72,039	74.15%
Temporary employee	32,600	16,432	50.41%
Clothing allowance	1,100	1,636	148.77%
Holiday pay	600	337	56.14%
Travel/training	2,300	4,788	208.16%
Subscriptions/dues	0	3,205	0.00%
Gas & oil	72,600	87,629	120.70%
Vehicle maintenance	62,260	94,566	151.89%
Equipment maintenance	1,300	200	15.36%
Radio maintenance	440	1,273	289.24%
Computer Support	1,500	632	42.14%
Office supplies	3,060	4,376	143.02%
Copier supplies	700	750	107.09%
Utilities	1,000	1,062	106.19%
Telephone	5,930	3,926	66.21%
Printing & forms	5,500	3,276	59.57%
Advertising	15,300	17,076	111.61%
Postage & freight	500	492	98.32%
Contractual Services	0	16,055	0.00%
Audit expense	1,160	1,160	100.00%
Liability insurance	20,240	13,634	67.36%
State compensation insurance	20,610	13,031	63.23%
Social security	22,330	19,560	87.59%
AZ retirement	31,440	29,958	95.29%
Employee physicals / drug tests	1,770	2,720	153.68%
Medicare	4,480	4,399	98.20%
Continuing education	0	0	0.00%
Indirect costs to GF	2,500	30,912	1236.47%
Subtotal maintenance and operations	723,740	756,817	104.57%
Capital Outlay:	291,000	178,398	61.31%
Total Expenditures	1,014,740	935,215	92.16%
Excess (deficiency) of revenues over (under) expenditures	0	(226,535)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(226,535)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Library - 03**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Other income	\$19,110	\$20,284	106.14%
Interest income	4,720	2,867	60.75%
Collection income	0	0	0.00%
Yavapai county	174,140	177,524	101.94%
AZ LSCA/Yavapai county grant	0		0.00%
Gates grant	0	0	0.00%
Total revenues	197,970	200,675	101.37%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	408,920	392,203	95.91%
Health & life insurance	71,260	69,715	97.83%
Temp employees	10,000	17,709	177.09%
Holiday pay	0	0	0.00%
Travel & training	560	691	0.00%
Subscriptions & dues	160	1,166	728.73%
Gas & oil	0	0	0.00%
Vehicle maintenance	0		0.00%
Equipment maintenance	5,560	7,580	136.34%
Computer support	4,500	1,052	23.37%
Collection expenses	2,500	1,763	70.53%
Office supplies	9,065	9,683	106.82%
Copier supplies	575	95	16.47%
Utilities	43,700	37,818	86.54%
Telephone	8,940	8,419	94.17%
Special Dept. Supplies	0	0	0.00%
Youth programs	1,110	518	46.68%
Legal advertising	0	0	0.00%
Postage & freight	7,310	9,107	124.58%
Book purchases	110,000	101,453	92.23%
District - Materials	0	0	0.00%
Network & technology expenses	42,100	33,950	80.64%
Annual volunteer appreciation	770	1,095	142.19%
Liability Insurance	0	14,209	0.00%
Worker's compensation	1,340	2,830	211.19%
Social security	25,350	25,053	98.83%
AZ state retirement	39,260	37,566	95.69%
Medicare tax	2,930	5,859	199.97%
Continuing education	0	0	0.00%
Indirect costs to general fund	68,500	77,268	112.80%
Subtotal maintenance and operations	864,410	856,802	99.12%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Library - 03 (page 2)**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay:	0	0	0.00%
Total expenditures	<u>864,410</u>	<u>856,802</u>	<u>99.12%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(666,440)</u>	<u>(656,127)</u>	
	(458,460)		
Other financing sources (uses):			
Operating transfers in	666,440	656,127	98.45%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>666,440</u>	<u>656,127</u>	<u>98.45%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>0</u>	
Fund balance, July 1, 2007 (unaudited)		0	
Estimated fund balance @ June 30, 2008		<u><u>\$0</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Airport - 05**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Other Income	\$0	\$870	
Tie down rent	5,800	5,816	100.27%
Airpark Rents	14,000	0	0.00%
FBO building rental income	14,400	12,180	84.58%
Fuel sales income	500	137,680	27536.05%
Land lease fees	23,450	36,457	155.47%
City hangar lease fees	22,760	33,923	149.05%
Total revenues	<u>80,910</u>	<u>226,927</u>	<u>280.47%</u>
<b>Expenditures:</b>			
Equipment maintenance	6,500	7,940	122.15%
Utilities	13,500	12,151	90.01%
Telephone	1,400	989	70.61%
General Counsel	0	8,878	
Fuel Expense	0	116,226	
Miscellaneous	2,500	8,282	331.26%
Building maintenance	14,000	3,191	22.79%
Liability Insurance	1,000	7,741	774.12%
Equipment Purchase	25,000	28,891	0.00%
Indirect costs	6,000	30,353	0.00%
Subtotal maintenance and operations	<u>69,900</u>	<u>224,642</u>	<u>321.38%</u>
Capital improvements - hangars	0	4,840	
Total expenditures	<u>69,900</u>	<u>229,482</u>	<u>328.30%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,010</u>	<u>(2,555)</u>	
<b>Other financing sources (uses):</b>			
Operating transfers in	0		0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(34,990)	(28,904)	82.61%
Total other financing sources (uses)	<u>(34,990)</u>	<u>(28,904)</u>	<u>82.61%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(23,980)</u>	<u>(31,460)</u>	
Fund balance, July 1, 2007 (unaudited)		31,660	
Estimated fund balance @ June 30, 2008		<u><u>\$200</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Sewer Consolidated - 06**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$836,530	\$0	0.00%
Charges for services	1,715,500	1,564,516	91.20%
Uses of monies & properties	73,230	197,838	270.16%
Miscellaneous revenues	45,000	56,606	125.79%
Total revenues	2,670,260	1,818,960	68.12%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	354,860	294,389	82.96%
Overtime	19,100	42,019	219.99%
Health & life insurance	52,040	47,799	91.85%
Temporary Employees	0	21	0.00%
Clothing allowance	3,200	4,330	135.31%
Holiday pay	1,660	968	58.30%
Travel & training	3,000	1,217	40.57%
Subscriptions & dues	1,000	319	31.90%
Printing & forms	2,000	1,701	85.05%
Bad debt expense	2,200	13,059	593.58%
Gas & oil	9,000	10,336	114.84%
Vehicle maintenance	5,000	7,219	144.39%
Equipment maintenance	115,500	126,913	109.88%
Chlorine	2,000	3,102	155.10%
Polymer	25,000	14,289	57.16%
Computer support	6,000	3,745	62.42%
Operational supplies	18,000	19,750	109.72%
Office supplies	2,000	3,351	167.56%
Copier Supplies	550	451	82.03%
Utilities	281,300	336,610	119.66%
Telephone	3,650	4,111	112.64%
Legal Advertising	400	549	137.16%
General Counsel	0	638	0.00%
Contractual services	49,310	82,713	167.74%
Sludge disposal	90,000	100,930	112.14%
Postage & freight	10,500	14,905	141.95%
Bank Charges	6,000	572	9.54%
Odor control supplies	24,000	0	0.00%
Lab / testing	45,000	57,822	128.49%
Tools	3,000	2,581	86.03%
Equipment rental	2,000	830	41.52%
Building maintenance	3,000	7,607	253.57%
Liability insurance	28,040	22,294	79.51%
Worker's compensation	15,570	10,716	68.82%
Social security	23,290	20,573	88.33%
AZ state retirement	36,060	31,682	87.86%
Employee physicals	0	120	0.00%
Medicare tax	5,450	4,811	88.28%
ADEQ annual fee	20,000	13,727	68.64%
Continuing education	0	0	0.00%
Reserve replacement fund	404,030	0	0.00%
Indirect costs to general fund	55,830	75,123	134.56%
Subtotal maintenance and operations	1,728,540	1,383,891	80.06%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Sewer Consolidated - 06 (page 2)**

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	2,676,000	597,644	22.33%
Total Expenditures	4,404,540	1,981,535	44.99%
Excess (deficiency) of revenues over (under) expenditures	(1,734,280)	(162,575)	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds / loans	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	(\$1,734,280)	(\$162,575)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Sewer Construction  
& Administration - 06**

Adopted Budget	Y-T-D	% Used
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Revenues:

City sales tax	\$836,530	\$0	0.00%
User fees - admin residential	132,000	131,341	99.50%
User fees - admin commercial	22,500	22,436	99.72%
User fees - admin multi-residential	86,000	88,517	102.93%
Recovery of bad debts	0	187	0.00%
Other income	0	1,750	0.00%
Interest income	28,000	107,967	385.60%
Interest - equipment reserve	40,000	70,068	175.17%
Interest - expansion fund	230	427	185.58%
Interest - bond reserve fund	5,000	7,281	145.62%
Total revenues	1,150,260	429,973	37.38%

Carry over

Expenditures:

Administration

Salaries	38,920	42,546	109.32%
Overtime and Holiday Pay	100	2,663	0.00%
Health & life insurance	7,950	7,879	99.11%
Temp Employees	0	0	0.00%
Travel & training	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	2,000	1,701	85.05%
Bad debt expense	2,200	13,059	593.58%
Equipment maintenance	500	0	0.00%
Computer support	2,000	1,583	79.15%
Office supplies	500	494	98.72%
Copier Supplies	250	0	0.00%
Utilities	1,300	1,274	97.97%
Telephone	650	643	98.90%
General Counsel	0	638	0.00%
Contractual Services	7,310	2,354	0.00%
Legal advertising	0	0	0.00%
Postage & freight	6,500	10,184	156.68%
Bank charges	6,000	572	0.00%
Liability insurance	0	2,293	0.00%
Worker's compensation	130	85	65.38%
Social security	2,420	2,661	109.94%
AZ state retirement	3,750	4,105	109.47%
Medicare tax	570	622	109.20%
Continuing education	0	0	0.00%
Indirect costs to general fund	55,830	75,123	134.56%
Subtotal maintenance and operations	138,880	170,477	122.75%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Sewer Construction  
& Administration - 06 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	647,500	281,579	0.00%
Construction:			
Legal fees	0	0	0.00%
Legal Advertising	0	0	0.00%
Investment Expense	0	2,153	0.00%
Rodeo Dr. Reimbursement	0	27,421	0.00%
260-Design	0	0	0.00%
260-Construction	0	49,534	0.00%
Line extensions	1,900,000	157,774	8.30%
Design & const insp - WWTP	0	0	0.00%
Construction - WWTP	0	0	0.00%
Effluent disposal system	0	0	0.00%
WWTP-Master Plan	89,000	35,407	39.78%
Land acquisition	0	0	0.00%
Lift Station	0	3,044	0.00%
Reuse Station-Construction	0	0	0.00%
Construction - general	0	0	0.00%
Construction - solids handling	0	0	0.00%
Consultant service	0	0	0.00%
Subtotal construction expenses	1,989,000	275,334	13.84%
Total Expenditures	2,775,380	727,391	26.21%
Excess (deficiency) of revenues over (under) expenditures	(1,625,120)	(297,418)	
Other Financing Sources (Uses):			
Operating transfers in	744,050	0	0.00%
Proceeds from WIFA loan	0	0	
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	744,050	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(881,070)	(297,418)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Sewer Maintenance & Operations- 06**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Revenues:			
City sales tax	\$0	\$0	0.00%
User fees - M&O residential	460,000	442,808	96.26%
User fees - M&O multi-residential	308,000	298,603	96.95%
User fees - M&O commercial	500,000	411,827	82.37%
Tap fees	2,000	0	0.00%
Impact fees	175,000	148,862	0.00%
Effluent Revenue	30,000	20,123	0.00%
Building Rental	29,000	31,525	0.00%
Late fees - interest charges	16,000	23,144	0.00%
Connection fees	0	12,096	0.00%
Total revenues	1,520,000	1,388,987	91.38%

Expenditures:

Operating:

Salaries	315,940	251,843	79.71%
Overtime	19,000	39,356	207.14%
Health & life insurance	44,090	39,920	90.54%
Temporary Employees	0	21	0.00%
Clothing allowance	3,200	4,330	135.31%
Holiday pay	1,660	968	58.30%
Travel & training	3,000	1,217	40.57%
Subscriptions & dues	1,000	319	31.90%
Gas & oil	9,000	10,336	114.84%
Vehicle maintenance	5,000	7,219	144.39%
Equipment maintenance	115,000	126,913	110.36%
Chlorine	2,000	3,102	155.10%
Polymer	25,000	14,289	57.16%
Computer support	4,000	2,162	54.06%
Operational supplies	18,000	19,750	109.72%
Office supplies	1,500	2,858	190.50%
Copier supplies	300	451	150.39%
Utilities	280,000	335,336	119.76%
Telephone	3,000	3,469	115.62%
Legal advertising	400	549	137.16%
Contractual services	42,000	80,359	191.33%
Sludge disposal	90,000	100,930	112.14%
Postage & freight	4,000	4,721	118.02%
Odor control supplies	24,000	0	0.00%
Lab / testing	45,000	57,822	128.49%
Tools	3,000	2,581	86.03%
Equipment rental	2,000	830	41.52%
Building maintenance	3,000	7,607	253.57%
Liability insurance	28,040	20,001	71.33%
Worker's compensation	15,440	10,631	68.85%
Social security	20,870	17,912	85.83%
AZ state retirement	32,310	27,577	85.35%
Employee physicals	0	120	0.00%
Medicare tax	4,880	4,189	85.84%
ADEQ annual fee	20,000	13,727	68.64%
Continuing education	0	0	0.00%
Reserve replacement fund	404,030	0	0.00%
Subtotal maintenance and operations	1,589,660	1,213,414	76.33%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending June 30, 2008

**Sewer Maintenance & Operations- 06**  
 (page 2)

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital Outlay:	39,500	40,730	103.11%
Total Expenditures	<u>1,629,160</u>	<u>1,254,144</u>	<u>76.98%</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(109,160)</u>	 <u>134,843</u>	
 Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
 Total other financing sources (uses)	 <u>0</u>	 <u>0</u>	 <u>0.00%</u>
 Excess of revenues and other financing sources over (under) expenditures and other financing uses	 <u>(109,160)</u>	 <u>134,843</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Grants - 07 & 08**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$561,000	\$271,352	48.37%
Other Income	\$0	\$14,383	0.00%
Total revenues	561,000	285,734	50.93%
Expenditures:			
Capital Outlay:	589,000	220,093	37.37%
Total Expenditures	589,000	220,093	37.37%
Excess (deficiency) of revenues over (under) expenditures	(28,000)	65,641	
Other Financing Sources (Uses):			
Operating Transfers In	28,000	5,414	19.34%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	28,000	5,414	19.34%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	71,055	
Fund balance, July 1, 2007 (unaudited)		0	
Estimated fund balance @ June 30, 2008		71,055	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Alt. Firefighter's Pension - 09**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Contributions	\$53,920	\$5,877	10.90%
Uses of monies & properties	7,850	16,247	206.97%
Total revenues	61,770	22,124	35.82%
<b>Expenditures:</b>			
Benefits	3,600	5,100	141.67%
Administration	14,000	18,709	133.64%
Total Expenditures	17,600	23,809	135.28%
Excess (deficiency) of revenues over (under) expenditures	44,170	(1,685)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	44,170	(1,685)	
Fund balance, July 1, 2007 (unaudited)		162,260	
Estimated fund balance @ June 30, 2008		\$160,575	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Employee Benefit Trust - 10**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	6,800	10,430	153.39%
Total revenues	6,800	10,430	153.39%
Expenditures:			
Premiums	4,000	13,669	341.72%
Benefits	0	0	0.00%
Miscellaneous	0	0	0.00%
Total Expenditures	4,000	13,669	341.72%
Excess (deficiency) of revenues over (under) expenditures	2,800	(3,238)	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,800	(3,238)	
Fund balance, July 1, 2007 (unaudited)		229,520	
Estimated fund balance @ June 30, 2008		\$226,282	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Capital Projects - 11**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$1,591,965	\$0	0.00%
Use of monies & properties	56,000	69,497	124.10%
Other Income	1,500,000	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total revenues	3,147,965	69,497	2.21%
	1,348,640		
<b>Expenditures:</b>			
<b>Capital outlay:</b>			
Rodeo Drive Reimbursements	0	7,376	0.00%
Investment Expenses	0	4,421	0.00%
Contingency	1,545,000	0	0.00%
Riverfront Park Improvements	125,000	0	0.00%
Viejo Park	60,000	0	0.00%
Tennis Center Resurface	40,000	0	0.00%
Old Town Parking	335,000	0	0.00%
Cemetery	575,000	0	0.00%
Issuance Cost	431,170	401,879	93.21%
Land Acquisition	675,000	678,993	100.59%
Construction	13,170,405	993	0.01%
Furnishing & Equipment	885,390	0	0.00%
Architectural	1,380,000	639,598	46.35%
Evidence Building	350,000	0	0.00%
Library Expansion	2,904,640	2,164,158	74.51%
Railroad wash improvements	0	0	0.00%
Total Expenditures	22,476,605	3,897,418	17.34%
Excess (deficiency) of revenues over (under) expenditures	(19,328,640)	(3,827,921)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	17,980,000	19,857,157	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	17,980,000	19,857,157	110.44%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,348,640)	16,029,236	
Fund balance, July 1, 2007 (unaudited)			
Estimated fund balance @ June 30, 2008		\$16,029,236	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Debt Service - 13**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$150,495	\$154,030	102.35%
Uses of monies & properties	312,500	510,580	163.39%
Total revenues	462,995	664,610	143.55%
<b>Expenditures:</b>			
Trustee fees	0	1,795	0.00%
Rodeo Drive Reimbursement	0	9,337	0.00%
<b>Debt service:</b>			
Interest	42,995	41,433	96.37%
Principal	110,000	111,562	101.42%
Total Expenditures	152,995	164,127	107.28%
Excess (deficiency) of revenues over (under) expenditures	310,000	500,484	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	310,000	500,484	
Fund balance, July 1, 2007 (unaudited)		9,319,370	
Estimated fund balance @ June 30, 2008		\$9,819,854	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Water Consolidated - 16**

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	4,905,000	4,789,358	97.64%
Uses of monies & properties	879,025	1,196,252	136.09%
Miscellaneous revenues	405,000	882,429	217.88%
Total revenues	6,189,025	6,868,038	110.97%
Expenditures:			
Operating:			
Salaries	558,350	560,573	100.40%
Overtime	63,600	113,165	177.93%
Health & life insurance	125,720	108,772	86.52%
Temporary Employees	0	40	0.00%
Clothing allowance	5,000	7,360	147.19%
Holiday pay	1,660	2,434	146.63%
Travel & training	12,500	9,397	75.18%
Subscriptions & dues	3,200	322	10.06%
Printing & forms	12,000	18,221	151.84%
Bad debt expense	0	2,104	0.00%
Gas & oil	27,000	36,207	134.10%
Vehicle maintenance	20,000	12,364	61.82%
Equipment maintenance	300,000	455,978	151.99%
Chlorine	30,000	20,393	67.98%
Polymer	0	0	0.00%
Computer support	8,000	1,543	19.29%
Operational supplies	32,000	26,052	81.41%
Office supplies	12,000	15,109	125.91%
Copier Supplies	1,500	1,058	70.56%
Utilities	377,700	368,837	97.65%
Telephone	13,000	12,515	96.27%
Legal Advertising	1,000	5,149	514.86%
Contractual services	265,120	171,293	64.61%
Water System Evaluation	0	0	0.00%
General Counsel	0	8,554	0.00%
Sludge disposal	0	1,290	0.00%
Postage & freight	46,500	66,456	142.92%
Bank Charges	12,000	4,356	36.30%
Odor control supplies	0	0	0.00%
Lab / testing	31,500	12,448	39.52%
Tools	7,000	4,947	70.67%
Equipment rental	5,000	1,378	27.56%
Building maintenance	5,000	3,967	79.34%
Liability insurance	49,560	39,188	79.07%
Worker's compensation	30,670	10,728	34.98%
Social security	38,560	40,458	104.92%
AZ state retirement	59,710	63,529	106.40%
Employee physicals	0	0	0.00%
Medicare tax	9,010	9,462	105.01%
ADEQ annual fee	30,000	20,008	66.69%
Continuing education	1,500	0	0.00%
Payment Assistance Program	10,500	0	0.00%
Verde River Basin Partnership	0	10,900	0.00%
Reserve replacement fund	0	0	0.00%
Reserve Resource Development	1,450,160	0	0.00%
Reserve Water Advisory	114,500	13,746	12.01%
Reserve Adjudication	148,580	850	0.57%
Reserve Water Conservation	56,000	0	0.00%
Indirect costs to general fund	214,630	170,637	79.50%
Subtotal maintenance and operations	4,189,730	2,431,789	58.04%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending June 30, 2008

**Water Consolidated - 06 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Debt Service	2,300,100	2,306,044	100.26%
Capital Outlay:	4,437,500	1,540,694	34.72%
Total Expenditures	10,927,330	6,278,528	57.46%
Excess (deficiency) of revenues over (under) expenditures	(4,738,305)	589,511	-12.44%
Other Financing Sources (Uses):			
Operating transfers in	0	0	
Proceeds from bonds / loans	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	(\$4,738,305)	\$589,511	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Water Construction  
& Administration - 06**

Adopted Budget	Y-T-D	% Used
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Revenues:

City sales tax	\$0	\$0	0.00%
User fees	4,750,000	4,636,001	97.60%
Service Turn Ons	50,000	65,000	130.00%
Meter Installation	40,000	13,550	33.88%
Connection Fees	65,000	74,807	115.09%
Reimbursement Clarkdale	400,000	851,139	212.78%
Res-Resource Development Fees	365,000	425,305	116.52%
Res-Water Advisory Committee	29,500	34,022	115.33%
Res-Adjudication	39,000	43,573	111.73%
Res-Water Conservation	23,000	26,555	115.46%
Recovery of bad debts	0	0	0.00%
Other income	5,000	26,132	522.63%
Building Rental	0	5,158	0.00%
Interest income	422,525	607,373	143.75%
Total revenues	6,189,025	6,808,615	110.01%

Expenditures:

Administration

Salaries	112,430	114,805	102.11%
Overtime and Holiday Pay	1,600	7,466	466.63%
Health & life insurance	24,470	24,637	100.68%
Temp Employees	0	0	0.00%
Travel & training	2,500	1,190	47.62%
Subscriptions & dues	200	0	0.00%
Printing & forms	12,000	18,221	151.84%
Bad debt expense	0	2,104	0.00%
Equipment maintenance	0	1,253	0.00%
Computer support	4,000	1,166	29.16%
Office supplies	2,000	4,315	215.73%
Copier Supplies	500	346	69.16%
Utilities	2,700	4,535	167.98%
Telephone	4,000	4,423	110.58%
Contractual Services	32,620	62,288	190.95%
Growth Premium	100,000	43,500	43.50%
Water System Evaluation	0	0	0.00%
General Counsel	0	8,554	0.00%
Legal advertising	0	788	0.00%
Postage & freight	44,500	65,951	148.20%
Bank charges	12,000	4,356	36.30%
Liability insurance	7,560	9,714	128.49%
Worker's compensation	360	289	80.28%
Social security	7,070	7,191	101.71%
AZ state retirement	10,950	11,017	100.61%
Medicare tax	1,650	1,682	101.91%
Continuing education	0	0	0.00%
Indirect costs to general fund	214,630	170,637	79.50%
Payment Assistance Program	10,500	0	0.00%
Verde River Basin Partnership	0	10,900	0.00%
Reserve Resource Development	1,450,160	0	0.00%
Reserve Water Advisory	114,500	13,746	12.01%
Reserve Adjudication	148,580	850	0.57%
Reserve Water Conservation	56,000	0	0.00%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	2,377,480	595,924	25.07%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

<b>Water Construction &amp; Administration - 06 (page 2)</b>	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	1,393,700	270,136	19.38%
Construction:			
Investment Expense	0	797	0.00%
Aresinic Mitigation	1,043,800	205,114	19.65%
Construction Manager at Risk	2,000,000	870,858	43.54%
Valve Replacement	0	0	0.00%
Aid in Lieu of Construction	0	151,972	0.00%
Well Booster Station	0	6,854	0.00%
Line Extensions	0	34,964	0.00%
Ramada Relocation	0	0	0.00%
Land acquisition	0	0	0.00%
Lift Station	0	0	0.00%
Reuse Station-Construction	0	0	0.00%
Construction - general	0	0	0.00%
Construction - solids handling	0	0	0.00%
		0	0.00%
Subtotal construction expenses	3,043,800	1,270,559	41.74%
Total Expenditures	6,814,980	2,136,618	31.35%
Excess (deficiency) of revenues over (under) expenditures	(625,955)	4,671,996	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from Bond	0	0	0.00%
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(625,955)	4,671,996	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending June 30, 2008

**Water Maintenance & Operations- 06**

Adopted Budget	Y-T-D	% Used
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Expenditures:

Operating:

Salaries	445,920	445,768	99.97%
Overtime	62,000	105,699	170.48%
Health & life insurance	101,250	84,135	83.10%
Temporary Employees	0	40	0.00%
Clothing allowance	5,000	7,360	147.19%
Holiday pay	1,660	2,434	146.63%
Travel & training	10,000	8,207	82.07%
Subscriptions & dues	3,000	322	10.73%
Gas & oil	27,000	36,207	134.10%
Vehicle maintenance	20,000	12,364	61.82%
Equipment maintenance	300,000	454,725	151.57%
Chemicals	30,000	20,393	67.98%
Polymer	0	0	0.00%
Computer support	4,000	377	9.43%
Operational supplies	32,000	26,052	81.41%
Office supplies	10,000	10,794	107.94%
Copier supplies	1,000	713	71.26%
Utilities	375,000	364,302	97.15%
Telephone	9,000	8,092	89.91%
Legal advertising	1,000	4,361	436.11%
Contractual services	132,500	65,505	49.44%
Contractual SVCS-M&O	0	1,290	0.00%
Postage & freight	2,000	506	25.29%
Odor control supplies	0	0	0.00%
Lab / testing	31,500	12,448	39.52%
Tools	7,000	4,947	70.67%
Equipment rental	5,000	1,378	27.56%
Building maintenance	5,000	3,967	79.34%
Liability insurance	42,000	29,474	70.18%
Worker's compensation	30,310	10,439	34.44%
Social security	31,490	33,267	105.64%
AZ state retirement	48,760	52,512	107.70%
Employee physicals	0	0	0.00%
Medicare tax	7,360	7,780	105.71%
ADEQ annual fee	30,000	20,008	66.69%
Continuing education	1,500	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,812,250	1,835,865	101.30%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending June 30, 2008

**Water Maintenance & Operations- 06**  
 (page 2)

Revenues:

	Adopted Budget	Y-T-D	% Used
Use of monies & properties	0	59,423	0.00%
Other Income			
Intergovernmental revenue			
<b>Total Revenues</b>	<b>0</b>	<b>59,423</b>	<b>0.00%</b>

Debt Service:

Principal	625,000	625,000	100.00%
Interest	1,672,100	1,672,104	100.00%
Trustee Fees	3,000	8,940	298.01%
Capital Outlay:	0	0	0.00%
<b>Total Expenditures</b>	<b>4,112,350</b>	<b>4,201,333</b>	<b>102.16%</b>

Excess (deficiency) of revenues over (under) expenditures

4,112,350	4,201,333
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Other Financing Sources (Uses):

Operating transfers in	0	0	0.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%

Total other financing sources (uses)

0	0	0.00%
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Excess of revenues and other financing sources over (under) expenditures and other financing uses

4,112,350	4,201,333
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