



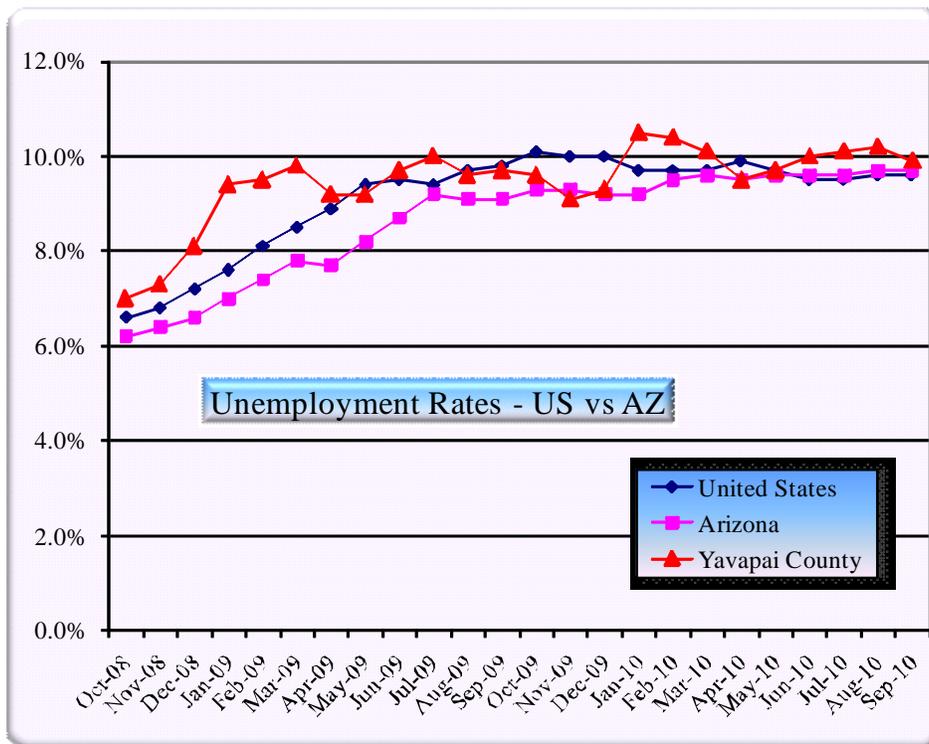
To: Honorable Madame Mayor Joens & Council

February 3, 2011

Via: Douglas Bartosh, City Manager

From: Kirsten Lennon, Accounting / Budget Manager  
Rudy Rodriguez, Administrative Services General Manager

Subject: Revenue & Expenditure Reports – Period ending September 30, 2010



As the first quarter of the fiscal year came to a close we are showing some continued stability in the national, state, and county unemployment rate. The U.S. unemployment rate has remained consistently around the 9.6%<sup>1</sup> range. The State of Arizona jobless rate also shows some steadiness between the 9.5% and 9.7% level for the last five months. Yavapai County, though higher than the national and state levels, also shows some evenness at about the 10.2%<sup>2</sup> range.

Despite the apparent stabilization in the unemployment numbers, the economy is not expected to completely rebound until new home construction improves. These two issues continue to plague the economic recovery, making a full fiscal recovery difficult.

Despite the tough economy, the City of Cottonwood is proceeding with all of its planned projects such as utility improvements to SR 260, a corridor showing high interest from prospective businesses looking to get in as soon as the economy improves. The expansion of the system into that area will be a multi-year project expected to be completed in late FY 2011 or FY 2012. Improvements for 12<sup>th</sup> Street and Mingus Avenue are getting the final design touches and could possibly get underway before fiscal year end.

<sup>1</sup> Bureau of Labor Statistics - United States

<sup>2</sup> Economagic.com

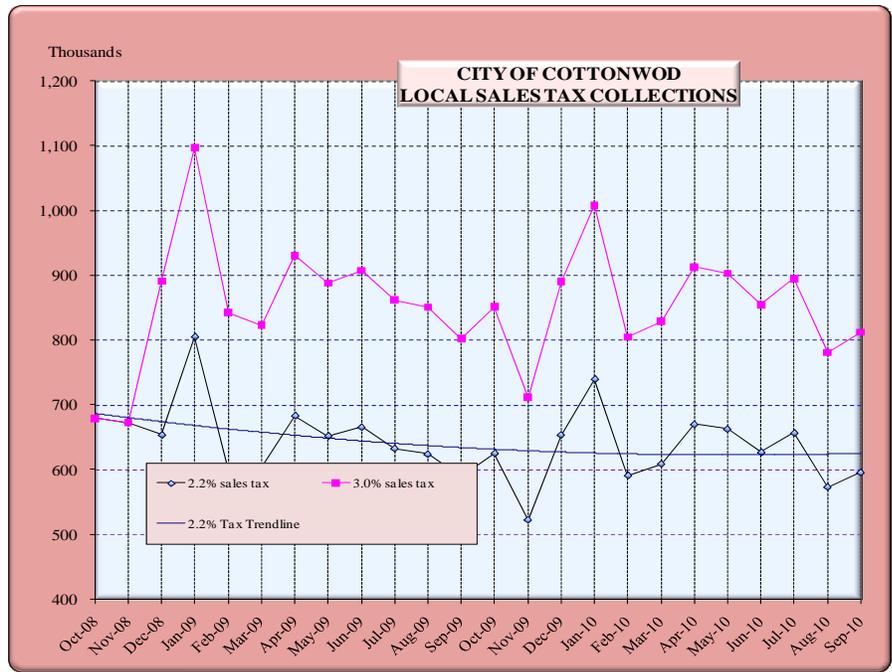
# GENERAL FUND

## Revenues

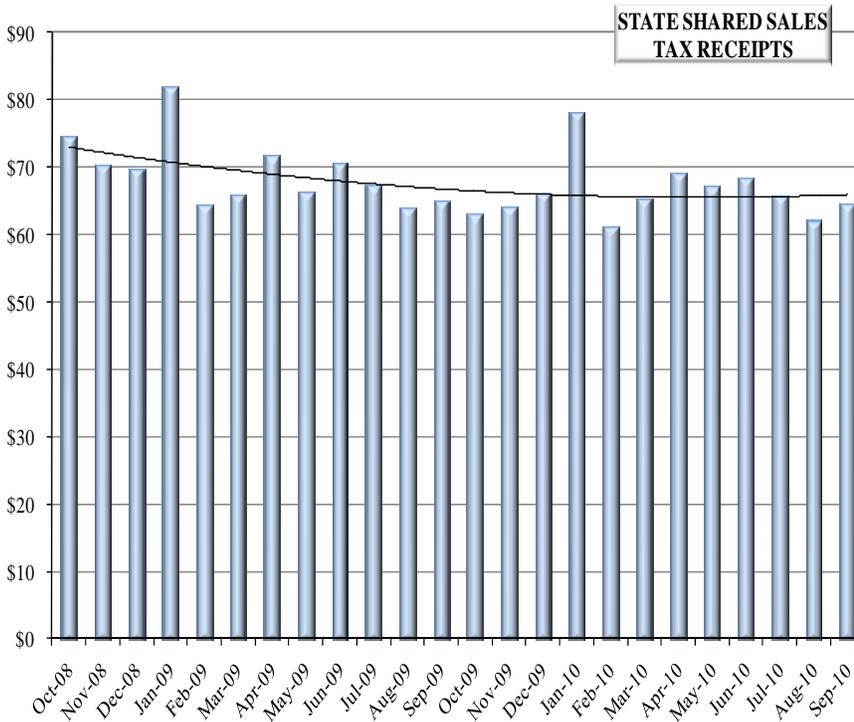
Total general fund sales tax is down about 1.5% over last year, which is actually good news. Original budget estimates were figured to be down about 6% for the year.

Considering that we have not received many planned grants and Franchise Fees are traditionally paid at the end of a quarter, the city is 5% above operating revenue estimates.

The increase in the sales tax rate from 2.2% to 3.0% assisted the City in weathering the current economic slump by being in a better financial position.



Thousands



The City does not rely solely on the increase, but will continue working on cost containment ideas along with restructuring department responsibilities to streamline and increase efficiencies.

State Shared Income Tax revenues are on target with state estimates at \$1,056,880 for FY 2011. As a reminder, this state shared revenue is estimated by the State and distributed based on collections from two years prior. These revenues usually come in as proposed by the state. The current fiscal year estimate is \$345,230 less than last year's \$1,402,110.

The State Shared Sales Tax is currently not meeting estimates by 1.5%. This revenue source is estimated by the State and has

already taken losses for three consecutive years in a row.

The trend line above seems to indicate that the downward trend in this revenue may be turning as double digit losses have stopped and we are now into single digit losses. We are cautiously optimistic that this revenue source will rebound soon.

Expenditures

**Natural Resources** is trending over its budget since supplies were not budgeted properly. As a reminder this is the first year since we transitioned to SmartWorks Plus for the Phased Retirement Program. Robert Hardy is our Natural Resources coordinator on this program and we underestimated his need for supplies.

**Finance** is over budget to date due to expensing the Ecvivis grant management program in this department.

**Parks and Recreation** is over budget due to upgrading of the Rhythm and Ribs event and one time payment for the 4<sup>th</sup> of July event. The Rhythm & Ribs event did bring in additional revenues to the City to help offset the higher costs.

**Pool** activities are non-existent at this time; however, maintenance costs continue to mount. Offsetting revenues will not be coming in until late in the fiscal year.

Other Financing Sources (Uses)

The Non-Departmental budget is elevated due to the lease purchase payment and higher than expected liability insurance.

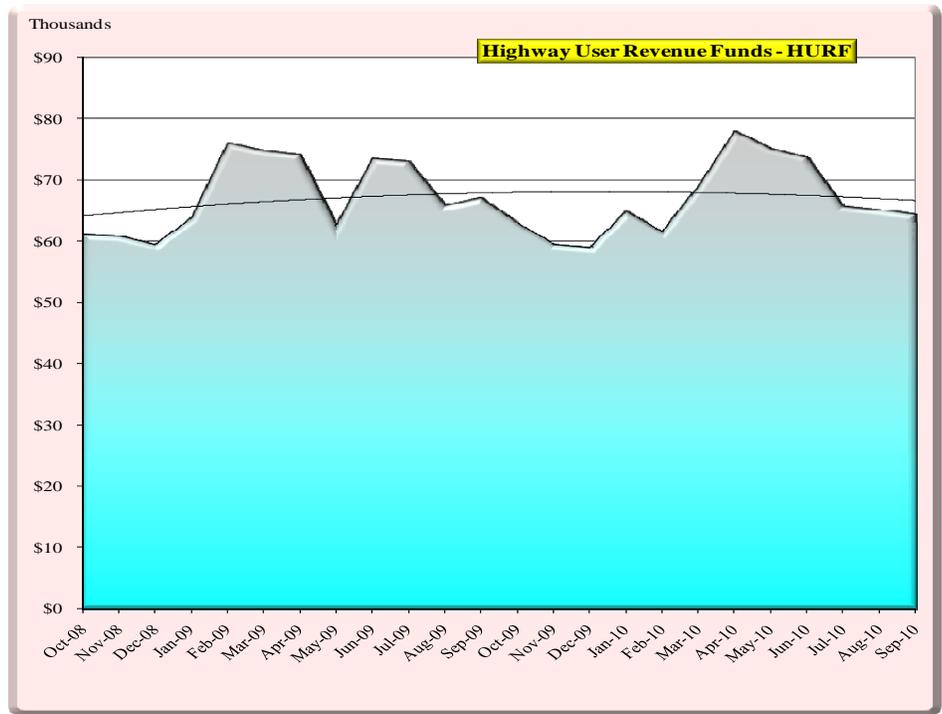
**SPECIAL REVENUE FUNDS**

**Highway User Revenue Fund (HURF)**<sup>3</sup>

Revenues

The overall HURF revenues are currently higher than budgeted at 29.5%, of the annual projections. This is due to some Federal grant reimbursements coming into HURF coffers. Fuel tax is right on the mark for the quarter with \$194,678.

The HURF began the year strongly with \$939K in reserves at July 1, 2010; this is good news since there are still major projects on the drawing board for the HURF. From the graphic depiction, the fuel tax seems to have become static with an upward trend having leveled off.



Expenditures

The overall Street Department operational budget is trending nicely at 3% below estimates. There are a few items that are being closely monitored, such as subscriptions, vehicle maintenance, telephone costs,

<sup>3</sup> The HURF funds streets maintenance, street construction, and also funds any shortfalls of the Cottonwood Area Transit System.

tool purchases, and contractual services to name a few. At this time there is no cause for alarm as these items are relatively small ticket items.

The Construction budget is at 3.7% of the year since all major projects are still on the design phase and are expected to go out to bid in the next few months. These capital projects being planned are anticipated to require some sort of financing in order to get them accomplished. These projects are both the Mingus Avenue Extension Project from Willard Street to SR89A and the 12<sup>th</sup> Street project from Fir St. to 89A.

HURF is anticipated to use about \$245K of its fund balance provided that financing is obtained for the two major projects for the fiscal year.

#### Cottonwood Area Transit (CAT)

CAT is transitioning into NAIPTA and will become only a single line item in the General Fund budget. As customary, revenues trail behind expenditures with the HURF covering the balance necessary to continue operations. After CAT transitions to NAIPTA, all costs will be shifted to the General Fund in order to keep the HURF in a good fiscal position to continue its projects.

#### Library

The General Fund's operating transfers to the Library through the first quarter are \$148,175 keeping the deficit to a minimum of \$24,176. As of yet, Cottonwood has not received their biannual contribution from Yavapai County library contribution in the amount of \$98,625.

Operating expenditures were at 22.2%, slightly below where they should be at this time of year. Most every line item is in line with where it should be.

#### Airport

At the end of this first quarter of this year, the revenues are lagging behind by 7%, due to loss of fuel sales to the FBO and land lease billing going out in April 2011. The City will continue to do all the invoicing for the tie downs and land leases at the appropriate time as in the past. The fueling depot was successfully transitioned to the Fixed Base Operator (FBO) as part of the agreement with their management of the Airport.

The expenditures for this fund are slightly higher than expected due to ramping up for the Airfest 2010. This successful event brings in people from all around the state and beyond. It is expected to take place in October 2010. The Airport continues to make transfers to the General Fund as repayment for the construction of the T-hangars back in FY 2001. These General Fund transfers are scheduled to expire in FY 2013.

The Airport fund balance has slipped in recent years due to repairs that had been postponed in years past. It is anticipated that the General Fund will be contributing to the airport deficit reduction by about \$18,000

#### Grants

There has been no activity in this fund to speak of. We will continue to monitor the fund and continue reporting in our quarterly reports.

## **CAPITAL PROJECTS**

### Capital Projects

Listed below is the Capital Projects listing for FY 2011 and related expenditures.

Investment Expenses	0	654
Riverfront Park Improvements	116,000	1,321
Fire Station Design	120,000	0
Old Town Parking	150,000	0
Old Town Jail	70,000	0
Architecture - Communciations Bldg.	360,000	29,753
Rec Center Remaining Expenses	0	175,057
Court Counstruction	0	64,740
Old Court Bldg Remodel	100,000	0
Architecture-City Hall	100,000	0
Library Parking Lot	78,000	0
Portal Signs	5,000	0
<b>Total Expenditures</b>	<b>1,099,000</b>	<b>271,525</b>

As noted, we have a numerous projects planned for this year. Funding for these projects is initially to be through the Capital Improvement Fund which began the year with a \$14.8M balance. This fund, though large, has little income potential. Its only revenue source at this time is through investment income, which, as you may know, is minimal at best. In the future, it may be wise to shift some sales tax to replenish the fund or seek financing to reimburse the fund.

## **ENTERPRISE FUNDS**

### Sewer

Revenues for wastewater are slightly behind anticipated by 2%. This enterprise is still struggling with revenues due to foreclosures and loss of investment income. The culprit is the current economy and its inability to improve. Revenues are continually being monitored for any downward changes. It should be noted that for a number of years this enterprise has been operating with a deficit comparing current revenues and current expenditures. Even though a rate increase was noted last year, it was decided that the rates should remain the same and that wastewater should absorb some costs from its reserves. The budgeted transfer of \$500,000 from the capital improvement fund has not materialize; however, the amount is ready and available as needed.

Expenses for current Operations & Maintenance (O&M) and Administration are looking very good as they are 2% behind estimates. All capital projects that rolled over from last year are still in the design stage and will be come up for bid in the near future. As a reminder there is a planned debt issuance in this fund of about \$4,000,000 for the construction of the SR260 extension and other line extensions.

### Water

The water fund revenues are on target with estimates for the first quarter. The small increase in the rates has assisted this fund to close the bond coverage requirement gap. In recent meetings with our finance consultant, he has warned us that we may need to nudge the rates a bit more in order to make the

refinance of our current debt possible. This will be studied during the budget process as instructed by the City Council at the last rate hearings.

The consolidated operations and administration are trending 5% behind budget allocations excluding all reserves. This trend was anticipated as part of closing the gap on coverage and has not affected any of the service areas. The water utility continues to look into cost cutting measures as part of their everyday operations.

## **DEBT SERVICE FUNDS**

### **Debt Service**

This fund is right where it should be at this time of year. As in the past, sales taxes and a little interest income provide all of the revenues for this fund. Expenditures consist of principal and interest on loans and bond issues. Also included are any trustee fees assessed for managing the Debt Service Accounts. As of June 1, 2008 the payment for the Recreation Center Bonds were transferred to the Debt Service accounts on recommendation from our external auditors. The debt service for the Recreation Center is solely funded by sales tax revenues.

As a note, all enterprise fund debt service is expensed to the fund itself, unless it is funded through an outside source. Currently, all water debt service is funded through user fees therefore the debt service is in the enterprise fund.

## **BRIEF OVERVIEW**

Already it looks like our sales tax will be doing better than expected. We continue to look for indications that the economy is improving. City staff will ensure that we are being fiscally responsible and that the quality of services being provided to our citizens does not deteriorate. A key to our success has been to maintain reasonable reserves for unforeseeable emergencies as is prudent. All departments continue to seek better and more efficient ways of doing business.

City employees have stepped up to the challenge by helping with ideas to keep moving forward, including eliminating the merit program for the year in order that everyone keep their jobs and the organization continues to prosper. It is with their support and sacrifice that the City of Cottonwood has continued to protect our current level of services, while maintaining our fiscal integrity and positive outlook.

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget to Actual

Quarterly Report Ending September 30, 2010

**General Fund - 01**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$8,421,320	\$3,035,988	36.05%
Licenses & permits	114,000	22,945	20.13%
Intergovernmental revenue	2,655,720	520,633	19.60%
Charges for services	1,574,800	417,901	26.54%
Fines & forfeitures	133,100	40,551	30.47%
Uses of monies & properties	37,700	16,597	44.02%
Miscellaneous revenues	575,875	12,272	2.13%
<b>Total revenues</b>	<b>13,512,515</b>	<b>4,066,887</b>	<b>30.10%</b>
<b>Expenditures:</b>			
<b>Operating:</b>			
Administration	646,000	130,431	20.19%
Personnel	143,860	31,165	21.66%
Council	452,490	74,563	16.48%
Natural resources	56,010	17,121	30.57%
City Clerk	229,435	45,843	19.98%
Finance	339,630	91,395	26.91%
IT Services	88,630	14,853	16.76%
Planning & zoning	294,140	62,411	21.22%
Police	3,266,680	707,099	21.65%
Animal control	180,385	23,592	13.08%
Communications	687,750	135,658	19.72%
Economic Development	94,490	17,607	18.63%
Fire	2,472,375	513,408	20.77%
Court	419,355	85,551	20.40%
Legal	300,770	57,735	19.20%
Engineering	448,760	96,209	21.44%
Parks & recreation	256,920	109,554	42.64%
Pool	111,490	38,378	34.42%
Weightroom	0	(32)	0.00%
Rec Center Operations	1,370,435	260,966	19.04%
Building maintenance	436,305	119,804	27.46%
Custodial	112,500	26,642	23.68%
Public Works	262,905	52,927	20.13%
Non-departmental	378,500	143,246	37.85%
<b>Subtotal maintenance and operations</b>	<b>13,049,815</b>	<b>2,856,125</b>	<b>21.89%</b>
<b>Capital outlay:</b>	<b>1,009,300</b>	<b>43,989</b>	<b>4.36%</b>
<b>Total Expenditures</b>	<b>14,059,115</b>	<b>2,900,113</b>	<b>20.63%</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(546,600)</b>	<b>1,166,774</b>	
<b>Other financing sources (uses):</b>			
Operating transfers in	23,490	5,873	25.00%
Sales of City Equipment	10,000	791	7.91%
Capital leases	(441,710)	(124,909)	28.28%
Transfers out	(649,125)	(157,828)	24.31%
<b>Total other financing sources (uses)</b>	<b>(1,057,345)</b>	<b>(276,073)</b>	<b>26.11%</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(1,603,945)</b>	<b>890,700</b>	
<b>Fund balance, July 1, 2010 (audited)</b>		<b>6,969,407</b>	
<b>Estimated fund balance @ June 30, 2011</b>		<b>\$7,860,107</b>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**HURF - 02**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$781,725	234,501	30.00%
Uses of monies & properties	2,000	376	18.80%
Miscellaneous revenues	12,000	120	1.00%
Total revenues	795,725	234,997	29.53%
Expenditures:			
Operating:			
Salaries	191,070	38,188	19.99%
Overtime	750	52	6.97%
Health & life insurance	52,140	10,686	20.49%
Temp employees	0	0	0.00%
Clothing allowance	2,000	604	30.19%
Travel & training	200	0	0.00%
Subscriptions & dues	150	85	56.67%
Gas & oil	19,000	4,094	21.55%
Vehicle maintenance	10,000	3,727	37.27%
Equipment maintenance	25,000	1,736	6.94%
Computer support	1,100	372	33.84%
Operational supplies	1,800	355	19.75%
Office supplies	600	0	0.00%
Utilities	8,500	2,129	25.04%
Telephone	1,800	623	34.60%
Street lights	46,400	13,525	29.15%
Legal advertising	450	0	0.00%
Engineering Services	1,000	500	0.00%
General counsel	0	0	0.00%
Postage & freight	200	0	0.00%
Bank charges	0	76	0.00%
Tools	3,000	1,385	46.18%
Equipment rental	12,000	1,090	9.09%
Building maintenance & repair	0	14,417	0.00%
Liability insurance	13,200	6,744	51.09%
Worker's compensation	10,740	3,440	32.03%
Social security	11,895	2,280	19.17%
AZ state retirement	18,895	3,793	20.08%
Employee physicals	700	83	11.86%
Medicare tax	2,780	533	19.18%
Liability claims deductible	0	0	0.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	144,000	29,048	20.17%
Culverts	5,000	0	0.00%
Materials	26,000	2,658	10.22%
Street signs	14,000	3,766	26.90%
Street marking	50,000	98	0.20%
Rodeo Dr. St. Reimbursement	0	0	0.00%
Contractual services	32,000	10,956	34.24%
Equipment purchase	0	0	0.00%
Street light contingency	3,500	0	0.00%
Subtotal maintenance and operations	709,870	157,044	22.12%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**HURF - 02 (page 2)**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Debt Service:			
Principal	0	0	0.00%
Interest	0	0	0.00%
Capital Outlay:			
Pavement Preservation	300,000	17,455	5.82%
Street Contingency	295,645	0	0.00%
Sidewalk Additions	80,000	0	0.00%
12th Street Project	0	0	0.00%
W Mingus Reconstruction	1,275,000	1,699	0.13%
12th St 89A to Fir	2,130,000	0	0.00%
Paula St. Reconstruction	0	0	0.00%
Willard Extension	0	0	0.00%
Total Expenditures	<u>4,790,515</u>	<u>176,197</u>	<u>3.68%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,994,790)</u>	<u>58,799</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	3,750,000	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>3,750,000</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(244,790)</u>	<u>58,799</u>	
Fund balance, July 1, 2010 (audited)		<u>939,523</u>	
Estimated fund balance @ June 30, 2011		<u><u>\$998,322</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**CATS - 02**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$840,140	111,500	13.27%
Charges for services	119,230	36,087	30.27%
Total revenues	959,370	147,587	15.38%
<b>Expenditures:</b>			
Salaries	348,080	69,825	20.06%
Overtime	4,000	148	3.71%
Health/life insurance	100,565	22,028	21.90%
Temporary employee	43,000	2,537	5.90%
Clothing allowance	1,280	0	0.00%
Holiday pay	0	143	0.00%
Travel/training	4,620	1,021	22.11%
Subscriptions/dues	0	797	0.00%
Gas & oil	109,870	16,439	14.96%
Vehicle maintenance	126,000	31,048	24.64%
Equipment maintenance	0	0	0.00%
Radio maintenance	2,900	100	3.45%
Computer Support	0	0	0.00%
Office supplies	10,960	392	3.57%
Copier supplies	500	142	28.35%
Utilities	0	0	0.00%
Telephone	0	0	0.00%
Printing & forms	7,750	133	1.72%
Advertising	26,110	754	2.89%
Postage & freight	500	308	61.59%
Contractual Services	108,130	22,507	20.81%
Audit expense	800	0	38.49%
Liability insurance	26,160	10,145	38.78%
State compensation insurance	14,975	3,091	20.64%
Social security	24,495	4,283	17.49%
AZ retirement	34,680	6,953	20.05%
Employee physicals / drug tests	3,600	347	9.64%
Medicare	5,730	1,002	17.48%
Continuing education	0	0	0.00%
Indirect costs to GF	65,000	15,767	24.26%
Subtotal maintenance and operations	1,069,705	209,910	19.62%
Capital Outlay:	158,695	0	0.00%
Total Expenditures	1,228,400	209,910	17.09%
Fund balance, July 1, 2008 (unaudited)			
Excess (deficiency) of revenues over (under) expenditures	(269,030)	(62,324)	
<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			
	(269,030)	(62,324)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Library - 03**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Other income	\$20,150	\$4,354	21.61%
Interest income	130	31	23.48%
Collection income	0	0	0.00%
Yavapai county	197,250	299	0.15%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	217,530	4,684	2.15%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	352,260	71,088	20.18%
Health & life insurance	77,165	16,869	21.86%
Temp employees	30,500	3,848	12.62%
Holiday pay	0	0	0.00%
Travel & training	180	36	0.00%
Subscriptions & dues	180	0	0.00%
Gas & oil	0	0	0.00%
Vehicle maintenance	0	0	0.00%
Equipment maintenance	9,400	2,708	28.81%
Computer support	1,200	437	36.40%
Collection expenses	2,870	0	0.00%
Office supplies	6,000	1,120	18.66%
Copier supplies	730	105	14.41%
Utilities	50,000	15,517	31.03%
Telephone	11,900	2,659	22.35%
Special Dept. Supplies	0	0	0.00%
Youth programs	0	190	0.00%
Legal advertising	0	0	0.00%
Postage & freight	8,000	1,353	16.91%
Book purchases	20,000	4,575	22.87%
District - Materials	0		0.00%
Network & technology expenses	34,020	3,858	11.34%
Annual volunteer appreciation	800	0	0.00%
Liability Insurance	22,210	7,682	34.59%
Worker's compensation	840	1,131	134.64%
Social security	23,730	4,568	19.25%
AZ state retirement	34,695	7,051	20.32%
Medicare tax	5,550	1,068	19.25%
Continuing education	0	0	0.00%
Recruitment Cost	0	120	0.00%
Indirect costs to general fund	118,000	34,052	28.86%
Subtotal maintenance and operations	810,230	180,035	22.22%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

**Library - 03 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay:	0	0	0.00%
Total expenditures	<u>810,230</u>	<u>180,035</u>	<u>22.22%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(592,700)</u>	<u>(175,351)</u>	
Other financing sources (uses):			
Operating transfers in	592,700	148,175	25.00%
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>592,700</u>	<u>148,175</u>	<u>25.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>(27,176)</u>	
Fund balance, July 1, 2010 (audited)		<u>74,051</u>	
Estimated fund balance @ June 30, 2011		<u><u>\$46,875</u></u>	

Budget to Actual  
Quarterly Report Ending September 30, 2010

**Airport - 05**

	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Other Income	\$1,000	\$350	35.00%
Late Fees	\$0	\$86	0.00%
Tie down rent	22,500	5,077	22.56%
Airpark Rents	0	0	0.00%
FBO building rental income	26,400	5,400	20.45%
1 Fuel sales income	4,800	0	0.00%
Land lease fees	33,000	3,259	9.88%
City hangar lease fees	30,650	7,290	23.78%
Total revenues	118,350	21,462	18.13%
<b>Expenditures:</b>			
Equipment maintenance	9,000	2,634	29.27%
Operational Supplies	4,000	34	0.86%
2 Airport Annual Event	5,000	2,347	46.94%
Utilities	11,500	2,640	22.96%
Telephone	1,150	213	18.52%
General Counsel	0	0	0.00%
Contractual Services	2,000	0	0.00%
Fuel Expense	0	0	0.00%
Bank Charges	0	236	0.00%
Building maintenance	24,000	3,241	13.50%
Liability Insurance	5,200	0	0.00%
Equipment Purchase	0	0	0.00%
Indirect costs	41,700	16,196	38.84%
Subtotal maintenance and operations	103,550	27,541	26.60%
Capital improvements - hangars	0	0	0.00%
Total expenditures	103,550	27,541	26.60%
Excess (deficiency) of revenues over (under) expenditures	14,800	(6,079)	
<b>Other financing sources (uses):</b>			
Operating transfers in	17,815	0	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(32,615)	(5,873)	18.01%
Total other financing sources (uses)	(14,800)	(5,873)	39.68%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(11,951)	
Fund balance, July 1, 2010 (audited)		(10,103)	
Estimated fund balance @ June 30, 2011		(\$22,054)	

Notes:

1 A new FBO was put in place as of January 1st and all fuel sales went to the new FBO

2 This is a annual event and all expenditures will be final after the event in October.

## Statement of Revenues, Expenditures and Changes in Fund Balance

## Budget to Actual

Quarterly Report Ending September 30, 2010

**Sewer Consolidated - 06**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	1,250,900	257,446	20.58%
Uses of monies & properties	60,500	(766)	-1.27%
Miscellaneous revenues	44,500	12,800	28.76%
Total revenues	1,355,900	269,481	19.87%
Expenditures:			
Operating:			
Salaries	380,590	75,732	19.90%
Overtime	36,000	10,279	28.55%
Health & life insurance	86,245	15,546	18.03%
Temporary Employees	0	0	0.00%
Clothing allowance	2,500	0	0.00%
Holiday pay	2,000	166	8.31%
Travel & training	2,000	265	13.23%
Subscriptions & dues	750	0	0.00%
Printing & forms	1,500	0	0.00%
Bad debt expense	12,000	3,843	32.03%
Gas & oil	8,000	2,406	30.08%
Vehicle maintenance	7,000	2,657	37.95%
Equipment maintenance	150,000	34,425	22.95%
Chlorine	2,000	2,142	107.11%
Polymer	16,000	7,485	46.78%
Computer support	4,000	1,550	38.74%
Operational supplies	28,000	5,253	18.76%
Office supplies	1,600	275	17.17%
Copier Supplies	750	2	0.28%
Utilities	316,500	95,572	30.20%
Telephone	3,000	1,286	42.87%
Legal Advertising	0	0	0.00%
General Counsel	0	0	0.00%
Contractual services	54,000	6,264	11.60%
Sludge disposal	100,000	12,313	12.31%
Postage & freight	11,000	2,392	21.74%
Bank Charges	400	0	0.00%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	10,874	21.75%
Tools	1,500	0	0.00%
Equipment rental	1,500	202	13.45%
Building maintenance	3,000	0	0.00%
Liability insurance	36,750	15,579	42.39%
Worker's compensation	11,275	1,663	14.75%
Social security	25,955	5,267	20.29%
AZ state retirement	41,225	8,556	20.75%
Employee physicals	0	83	0.00%
Medicare tax	6,070	1,232	20.29%
ADEQ annual fee	15,000	2,500	16.67%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Indirect costs to general fund	110,000	20,278	18.43%
Subtotal maintenance and operations	1,528,110	346,087	22.65%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

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

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital Outlay:	3,872,050	9,185	0.24%
Total Expenditures	5,400,160	355,272	6.58%
Excess (deficiency) of revenues over (under) expenditures	(4,044,260)	(85,792)	
Other Financing Sources (Uses):		0	
Operating transfers in	500,000	0	0.00%
Proceeds from bonds / loans	4,000,000	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	4,500,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	\$455,740	(\$85,792)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Sewer Construction  
& Administration - 06**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Revenues:			
City sales tax	\$0	\$0	0.00%
User fees - admin residential	135,000	33,071	24.50%
User fees - admin commercial	23,900	5,831	24.40%
User fees - admin multi-residential	90,000	22,140	24.60%
Recovery of bad debts	0	0	0.00%
Sale of City Property	0	0	0.00%
Other income	5,500	0	0.00%
Interest income	30,000	4,060	13.53%
Interest - equipment reserve	28,000	0	0.00%
Interest - expansion fund	2,000	(4,826)	-241.30%
Interest - bond reserve fund	0	0	0.00%
Total revenues	314,400	60,277	19.17%

Expenditures:

Administration

Salaries	92,780	17,852	19.24%
Overtime and Holiday Pay	1,000	668	66.85%
Health & life insurance	24,635	3,176	12.89%
Temp Employees	0	0	0.00%
Travel & training	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	1,500	0	0.00%
Bad debt expense	12,000	3,843	32.03%
Equipment maintenance	0	2,443	0.00%
Computer support	1,500	0	0.00%
Office supplies	400	0	0.00%
Copier Supplies	250	2	0.84%
Utilities	1,500	735	49.03%
Telephone	0	132	0.00%
General Counsel	0	0	0.00%
Contractual Services	4,000	1,077	26.91%
Legal advertising	0	0	0.00%
Postage & freight	6,000	1,706	28.43%
Bank charges	400	0	0.00%
Liability insurance	5,610	2,639	47.04%
Worker's compensation	485	27	5.57%
Social security	5,815	1,118	19.23%
AZ state retirement	9,235	1,836	19.88%
Medicare tax	1,360	262	19.24%
Continuing education	0	0	0.00%
Indirect costs to general fund	110,000	20,278	18.43%
Subtotal maintenance and operations	278,470	57,795	20.75%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

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

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	0	0	0.00%
Construction:			
Legal fees	50	0	0.00%
Legal Advertising	0	0	0.00%
Investment Expense	4,000	154	0.00%
ADEQ Gardner Prop Cleanup	200,000	3,148	1.57%
Rodeo Dr. Reimbursement	0	0	0.00%
260-Design	0	0	0.00%
260-Construction	1,900,000	0	0.00%
Line extensions	255,000	5,883	0.00%
Pump System Upgrade	0	0	0.00%
Riverfront WWTP Design	500,000	0	0.00%
Effluent disposal system	0	0	0.00%
WWTP-Master Plan	0	0	0.00%
WWTP-Head Works	0	0	0.00%
Lift Station	400,000	0	0.24%
WWTP-Upgrades	500,000	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	3,759,050	9,185	0.24%
Total Expenditures	4,037,520	66,980	1.66%
Excess (deficiency) of revenues over (under) expenditures	(3,723,120)	(6,703)	
Other Financing Sources (Uses):			
Operating transfers in	500,000	0	0.00%
Proceeds from other sources	4,000,000	0	0.00%
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	4,500,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,367,700	776,880	(6,703)

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Sewer Maintenance & Operations- 06**

	Adopted Budget	Y-T-D	% Used
	<b>Revenues:</b>		
City sales tax	\$0	\$0	0.00%
User fees - M&O residential	380,000	74,331	19.56%
User fees - M&O multi-residential	250,000	49,942	19.98%
User fees - M&O commercial	355,000	72,130	20.32%
Tap fees	0	0	0.00%
Impact fees	8,000	0	0.00%
Effluent Revenue	9,000	0	0.00%
Building Rental	19,000	12,800	67.37%
Late fees - interest charges	20,000	0	0.00%
Connection fees	500	0	0.00%
Total revenues	1,041,500	209,204	20.09%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	287,810	57,880	20.11%
Overtime	35,000	9,610	27.46%
Health & life insurance	61,610	12,370	20.08%
Temporary Employees	0	0	0.00%
Clothing allowance	2,500	0	0.00%
Holiday pay	2,000	166	8.31%
Travel & training	2,000	265	13.23%
Subscriptions & dues	750	0	0.00%
Gas & oil	8,000	2,406	30.08%
Vehicle maintenance	7,000	2,657	37.95%
Equipment maintenance	150,000	31,982	21.32%
Chlorine	2,000	2,142	107.11%
Polymer	16,000	7,485	46.78%
Computer support	2,500	1,550	61.99%
Operational supplies	28,000	5,253	18.76%
Office supplies	1,200	275	22.89%
Copier supplies	500	0	0.00%
Utilities	315,000	94,837	30.11%
Telephone	3,000	1,154	38.46%
Legal advertising	0	0	0.00%
Contractual services	50,000	5,188	10.38%
Sludge disposal	100,000	12,313	12.31%
Postage & freight	5,000	686	13.72%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	10,874	21.75%
Tools	1,500	0	0.00%
Equipment rental	1,500	202	13.45%
Building maintenance	3,000	0	0.00%
Liability insurance	31,140	12,940	41.56%
Worker's compensation	10,790	1,636	15.16%
Social security	20,140	4,148	20.60%
AZ state retirement	31,990	6,719	21.00%
Employee physicals	0	83	0.00%
Medicare tax	4,710	970	20.60%
ADEQ annual fee	15,000	2,500	16.67%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,249,640	288,292	23.07%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

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

	Adopted Budget	Y-T-D	% Used
Capital Outlay:	113,000	0	0.00%
Total Expenditures	<u>1,362,640</u>	<u>288,292</u>	<u>21.16%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(321,140)</u>	<u>(79,088)</u>	
Other Financing Sources (Uses):		0	
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>(321,140)</u>	<u>(79,088)</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

**Grants - 07 & 08**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$448,870	\$0	0.00%
Other Income	0	1	0.00%
Total revenues	448,870	1	0.00%
Expenditures:			
Capital Outlay:	457,995	0	0.00%
Total Expenditures	457,995	0	0.00%
0			
Excess (deficiency) of revenues over (under) expenditures	(9,125)	0	
Other Financing Sources (Uses):			
Operating Transfers In	9,125	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)	9,125	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	0	
Fund balance, July 1, 2010 (audited)		156,996	
Estimated fund balance @ June 30, 2011		\$156,996	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
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**Alt. Firefighter's Pension - 09**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$750	\$0	0.00%
Uses of monies & properties	43,000	0	0.00%
Total revenues	43,750	0	0.00%
Expenditures:			
Benefits	13,600	3,268	24.03%
Administration	4,000	1,833	45.81%
Total Expenditures	17,600	5,101	28.98%
Excess (deficiency) of revenues over (under) expenditures	26,150	(5,101)	
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	26,150	(5,101)	
Fund balance, July 1, 2010 (audited)		82,973	
Estimated fund balance @ June 30, 2011		\$77,872	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Employee Benefit Trust - 10**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	4,000	(760)	-18.99%
Total revenues	4,000	(760)	-18.99%
<b>Expenditures:</b>			
Premiums	30,000	0	0.00%
Benefits	0	0	0.00%
Miscellaneous	24,000	0	0.00%
Total Expenditures	54,000	0	0.00%
Excess (deficiency) of revenues over (under) expenditures	(50,000)	(760)	
<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	(50,000)	(760)	
Fund balance, July 1, 2010 (audited)		200,101	
Estimated fund balance @ June 30, 2011		\$199,341	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Capital Projects - 11**

	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Taxes	\$0	\$0	0.00%
Use of monies & properties	0	(9,029)	0.00%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total revenues	0	(9,029)	0.00%
<b>Expenditures:</b>			
Capital outlay:			
Investment Expenses	0	654	0.00%
Riverfront Park Improvements	116,000	1,321	0.00%
Fire Station Design	120,000	0	0.00%
Old Town Parking	150,000	0	0.00%
Old Town Jail	70,000	0	0.00%
Architecture - Communciations Bldg.	360,000	29,753	8.26%
Rec Center Remaining Expenses	0	175,057	0.00%
Court Counstruction	0	64,740	0.00%
Old Court Bldg Remodel	100,000	0	0.00%
Architecture-City Hall	100,000	0	0.00%
Library Parking Lot	78,000	0	0.00%
Portal Signs	5,000	0	0.00%
Total Expenditures	1,099,000	271,525	24.71%
Excess (deficiency) of revenues over (under) expenditures	(1,099,000)	(280,555)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	(500,000)	0	0.00%
Total other financing sources (uses)	(500,000)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,599,000)	(280,555)	
Fund balance, July 1, 2010 (audited)		14,828,396	
Estimated fund balance @ June 30, 2011		\$14,547,841	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Debt Service - 13**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$1,701,775	\$282,884	16.62%
Uses of monies & properties	110	352	319.93%
Total revenues	<u>1,701,885</u>	<u>283,236</u>	<u>16.64%</u>
<b>Expenditures:</b>			
Trustee fees	20,000	0	0.00%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:		0	
Interest	865,025	216,257	25.00%
Principal	1,205,000	301,250	25.00%
Total Expenditures	<u>2,090,025</u>	<u>517,507</u>	<u>24.76%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(388,140)</u>	<u>(234,271)</u>	
<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)	<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>(388,140)</u>	<u>(234,271)</u>	
Fund balance, July 1, 2010 (audited)		1,210,129	
Estimated fund balance @ June 30, 2011		<u><u>\$975,858</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Water Consolidated - 16**

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	5,114,960	1,377,033	26.92%
Uses of monies & properties	657,820	145,846	22.17%
Miscellaneous revenues	75,000	5,352	7.14%
Total revenues	5,847,780	1,528,231	26.13%
Expenditures:			
Operating:			
Salaries	645,480	117,935	18.27%
Overtime	51,500	34,999	67.96%
Health & life insurance	192,390	39,648	20.61%
Temporary Employees	0	0	0.00%
Clothing allowance	6,000	2,129	35.48%
Holiday pay	2,000	421	0.00%
Travel & training	9,000	469	5.21%
Subscriptions & dues	1,600	325	20.31%
Printing & forms	15,000	6,513	43.42%
Bad debt expense	0	0	0.00%
Gas & oil	40,000	7,730	19.32%
Vehicle maintenance	12,000	3,578	29.82%
Equipment maintenance	201,000	74,455	37.04%
Chlorine	100,000	13,972	13.97%
Polymer	0	0	0.00%
Computer support	4,000	1,538	38.44%
Operational supplies	14,000	17,726	126.62%
Office supplies	7,500	5,310	70.81%
Copier Supplies	2,500	64	2.55%
Verde River Days	1,000	1,000	100.00%
Utilities	304,000	110,309	36.29%
Telephone	14,500	3,252	22.43%
Legal Advertising	1,500	260	17.34%
Contractual services	280,000	23,004	8.22%
Water System Evaluation	0	0	0.00%
General Counsel	0	0	0.00%
Contractual SVCS-M&O	400,000	0	0.00%
Postage & freight	36,500	11,372	31.16%
Bank Charges	0	0	0.00%
Lab / testing	20,000	2,184	10.92%
Tools	4,000	0	0.00%
Equipment rental	3,000	0	0.00%
Building maintenance	2,500	3,663	146.54%
Liability insurance	47,540	31,335	65.91%
Worker's compensation	34,160	4,767	13.95%
Social security	43,340	9,090	20.97%
AZ state retirement	65,620	15,022	22.89%
Employee physicals	0	0	0.00%
Medicare tax	10,140	2,126	20.97%
ADEQ annual fee	30,000	0	0.00%
Continuing education	0	0	0.00%
Payment Assistance Program	10,500	0	0.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	0	0.00%
Arsenic System Maintenance	250,000	0	0.00%
Reserve replacement fund	0	0	0.00%
Reserve Resource Development	1,996,800	0	0.00%
Reserve Water Advisory	95,660	1,677	1.75%
Reserve Adjudication	140,350	7,652	5.45%
Reserve Water Conservation	123,220	1,500	1.22%
Indirect costs to general fund	368,000	82,536	22.43%
Subtotal maintenance and operations	5,586,300	637,562	11.41%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

**Water Consolidated - 16 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Debt Service	2,518,800	627,985	24.93%
Capital Outlay:	37,212,800	343,805	0.92%
Total Expenditures	<u>45,317,900</u>	<u>1,609,352</u>	<u>3.55%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39,470,120)</u>	<u>(81,121)</u>	<u>0.21%</u>
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds / loans	36,910,000	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>36,910,000</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	<u><u>(\$2,560,120)</u></u>	<u><u>(\$81,121)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Water Construction  
& Administration - 16**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Revenues:			
City sales tax	\$0	<b>\$0</b>	0.00%
User fees	4,970,000	1,210,478	24.36%
Service Turn Ons	56,900	16,150	28.38%
Meter Installation	2,000	7,173	358.65%
Impact Fees	5,850	118,761	2030.10%
Collection fees/late fees	80,210	24,470	30.51%
Reimbursement Clarkdale	27,000	0	0.00%
Res-Resource Development Fees	420,760	105,382	25.05%
Res-Water Advisory Committee	33,665	8,430	25.04%
Res-Adjudication	43,125	10,800	25.04%
Res-Water Conservation	26,280	6,578	25.03%
Recapture Agreements	0	0	0.00%
Other income	48,000	5,352	0.00%
Building Rental	7,800	1,300	16.67%
Drought Water Shortage PP	0	0	0.00%
Interest income	125,910	13,271	10.54%
Total revenues	5,847,500	1,528,145	26.13%

Expenditures:

Administration

Salaries	128,670	25,032	19.45%
Overtime and Holiday Pay	1,500	1,049	69.96%
Health & life insurance	36,690	6,043	16.47%
Temp Employees	0	0	0.00%
Travel & training	1,500	0	0.00%
Subscriptions & dues	100	0	0.00%
Printing & forms	15,000	6,513	43.42%
Bad debt expense	0	0	0.00%
Equipment maintenance	1,000	0	0.00%
Computer support	3,000	655	21.83%
Office supplies	1,500	1,309	87.30%
Copier Supplies	500	14	2.85%
Utilities	4,000	939	23.48%
Telephone	4,500	676	15.02%
Contractual Services	100,000	8,503	8.50%
Growth Premium	30,000	4,500	15.00%
Water System Evaluation	0	0	0.00%
General Counsel	0	0	0.00%
Legal advertising	500	0	0.00%
Postage & freight	35,000	11,277	32.22%
Bank charges	0	0	0.00%
Liability insurance	17,290	1,544	8.93%
Worker's compensation	560	43	7.68%
Social security	8,070	1,574	19.51%
AZ state retirement	12,820	2,585	20.16%
Medicare tax	1,890	368	19.48%
Continuing education	0	0	0.00%
Indirect costs to general fund	368,000	82,536	22.43%
Payment Assistance Program	10,500	0	0.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	0	0.00%
Reserve Resource Development	1,996,800	0	0.00%
Reserve Water Advisory	95,660	1,677	1.75%
Reserve Adjudication	140,350	7,652	5.45%
Reserve Water Conservation	123,220	1,500	1.22%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	3,138,620	165,990	5.29%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2010

**Water Construction  
 & Administration - 16 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	100,000	1,688	1.69%
Construction:			
Investment Expense	4,000	1,204	0.00%
Building Purchase	0	14,286	0.00%
Aresinic Mitigation	250,000	190,727	76.29%
Bonding Expense	33,690,000	0	0.00%
Valve Replacement	25,000	0	0.00%
Aid in Lieu of Construction	130,000		0.00%
Fire Hydrant Improvements	500,000	(7,083)	-1.42%
HWY 260 H2O System Upgrades	1,250,000	0	0.00%
Well Booster Station	25,000	1,280	5.12%
Well Improvements	0	19,966	0.00%
Well Acquisitions	250,000		0.00%
W Mingus Reconstruction/Sys Upgrades	256,000		0.00%
Water System Upgrades	500,000	86,364	0.00%
Land Acquisition	200,000	0	0.00%
Subtotal construction expenses	37,080,000	306,742	0.83%
Total Expenditures	40,318,620	474,420	1.18%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Water Maintenance & Operations- 16**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Expenditures:			
Operating:			
Salaries	516,810	92,903	17.98%
Overtime	50,000	33,950	67.90%
Health & life insurance	155,700	33,605	21.58%
Temporary Employees	0	0	0.00%
Clothing allowance	6,000	2,129	35.48%
Holiday pay	2,000	421	0.00%
Travel & training	7,500	469	6.25%
Subscriptions & dues	1,500	325	21.67%
Gas & oil	40,000	7,730	19.32%
Vehicle maintenance	12,000	3,578	29.82%
Equipment maintenance	200,000	74,455	37.23%
Chemicals	100,000	13,972	13.97%
Polymer	0	0	0.00%
Computer support	1,000	883	88.28%
Operational supplies	14,000	17,726	126.62%
Office supplies	6,000	4,001	66.68%
Copier supplies	2,000	49	2.47%
Verde River Days	1,000	1,000	100.00%
Utilities	300,000	109,370	36.46%
Telephone	10,000	2,576	25.76%
Legal advertising	1,000	260	26.02%
Contractual services	150,000	10,000	6.67%
Contractual SVCS-M&O	400,000	0	0.00%
Postage & freight	1,500	96	6.38%
Lab / testing	20,000	2,184	10.92%
Tools	4,000	0	0.00%
Equipment rental	3,000	0	0.00%
Building maintenance	2,500	3,663	146.54%
Liability insurance	30,250	29,790	98.48%
Worker's compensation	33,600	4,724	14.06%
Social security	35,270	7,516	21.31%
AZ state retirement	52,800	12,437	23.55%
Employee physicals	0	0	0.00%
Medicare tax	8,250	1,758	21.31%
ADEQ annual fee	30,000	0	0.00%
Arsenic System Maintenance	250,000	0	0.00%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	2,447,680	471,571	19.27%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2010

**Water Debt Service - 16**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Use of monies & properties	280	86	30.79%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total Revenues	280	86	30.79%
Debt Service:			
Principal	920,000	230,000	25.00%
Interest	1,592,300	397,985	24.99%
Trustee Fees	6,500	0	0.00%
Capital Outlay:	32,800	35,375	107.85%
Total Expenditures	4,999,280	0	0.00%
Excess (deficiency) of revenues over (under) expenditures	4,999,280	1,528,145	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds	36,910,000	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	36,910,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(2,560,120)	1,053,811	