

FY 2019 2nd Quarter Financial Report



"Inspiring a Vibrant Community"

City of Cottonwood



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City of Cottonwood
Fiscal Year 2019 – 2nd Quarter Report
For The Period Ending December 31, 2018

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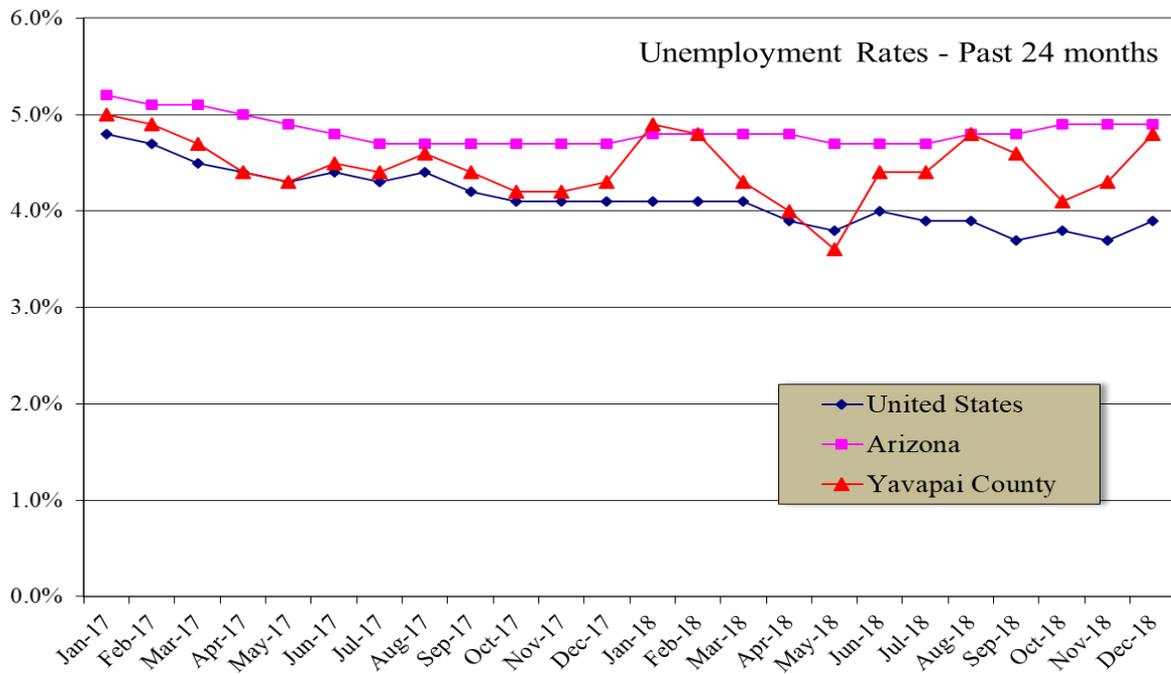
EXECUTIVE SUMMARY

This unaudited quarterly report at mid-year highlights notable items and issues impacting the overall City’s financial picture. The report includes Cottonwood’s major funds. Those funds being the General Fund, Highway User Revenue Fund (HURF), the two Enterprise Funds, the Capital Improvement Fund, and the Debt Service Fund. All funds are reflected in the attached printout.

¹Unemployment Information:

Yavapai unemployment numbers were slightly better the state but weaker compared to the overall national numbers. Even though the current unemployment numbers are good, the lower the unemployment rate the more difficult it is to find reasonable employment or qualified help. These lower numbers also play a big factor in some of our overall cost for services. Unfortunately, most available jobs are still mostly minimum wage jobs. As a reminder, the minimum wage in AZ will be \$11.00/hr. as of January 1, 2019.

Monthly	United States	Arizona	Yavapai County
Jan-17	4.8%	5.2%	5.0%
Feb-17	4.7%	5.1%	4.9%
Mar-17	4.5%	5.1%	4.7%
Apr-17	4.4%	5.0%	4.4%
May-17	4.3%	4.9%	4.3%
Jun-17	4.4%	4.8%	4.5%
Jul-17	4.3%	4.7%	4.4%
Aug-17	4.4%	4.7%	4.6%
Sep-17	4.2%	4.7%	4.4%
Oct-17	4.1%	4.7%	4.2%
Nov-17	4.1%	4.7%	4.2%
Dec-17	4.1%	4.7%	4.3%
Jan-18	4.1%	4.8%	4.9%
Feb-18	4.1%	4.8%	4.8%
Mar-18	4.1%	4.8%	4.3%
Apr-18	3.9%	4.8%	4.0%
May-18	3.8%	4.7%	3.6%
Jun-18	4.0%	4.7%	4.4%
Jul-18	3.9%	4.7%	4.4%
Aug-18	3.9%	4.8%	4.8%
Sep-18	3.7%	4.8%	4.6%
Oct-18	3.8%	4.9%	4.1%
Nov-18	3.7%	4.9%	4.3%
Dec-18	3.9%	4.9%	4.8%



¹ United States <http://data.bls.gov/timeseries/LNS14000000>
 Arizona <http://data.bls.gov/timeseries/LASST0400000000000003>
 Yavapai County <https://research.stlouisfed.org/fred2/series/AZYAVA0URN>

GENERAL FUND

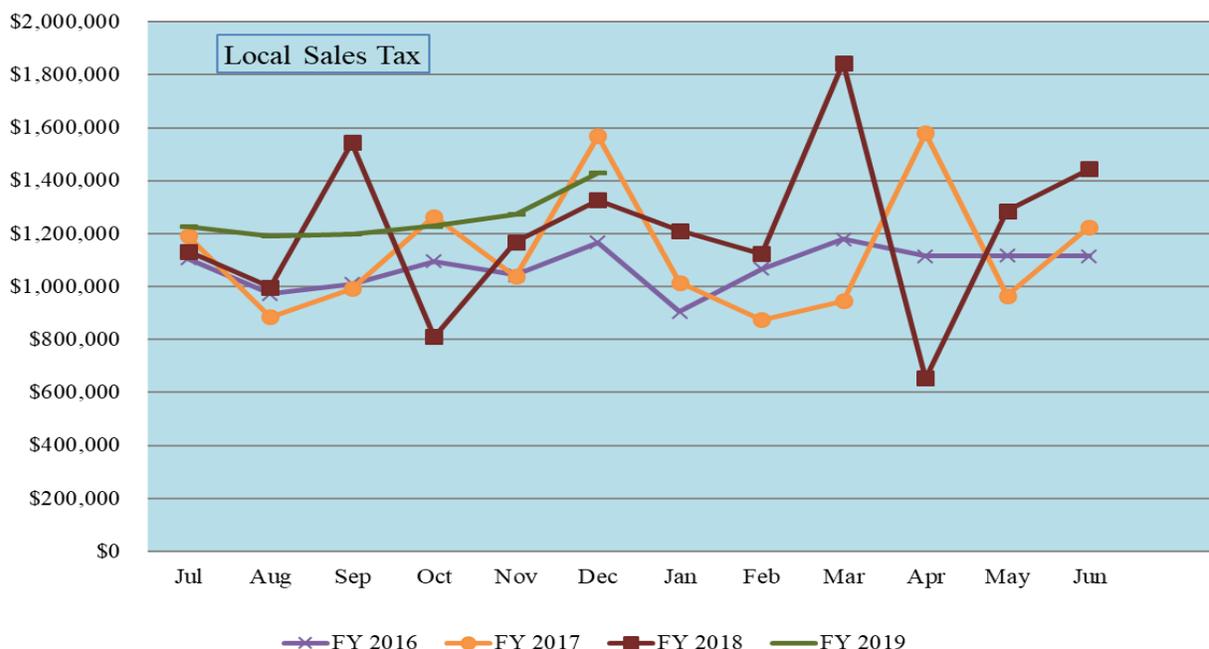
The following tables and graphs reflect the General Fund major revenue sources. All of the information compares monthly collections for similar periods from prior years. The major revenues consist of local sales tax as well as state shared resources.

Local Transaction Privilege Tax (TPT - also known as Sales Tax)

Our local sales tax makes up over 50% of the overall General Fund revenues and is the backstop for all other funds. Currently we are at 8.2% or \$570,388 over the same period last year. We are optimistic that his trend will hold up the remainder of the year.

	FY 2016		FY 2017		FY 2018		FY 2019	
Jul	\$1,106,111	9.44%	\$1,191,580	7.73%	\$1,133,465	-4.88%	\$1,227,250	8.27%
Aug	972,558	1.03%	885,969	-8.90%	998,247	12.67%	1,192,257	19.44%
Sep	1,009,710	5.85%	993,048	-1.65%	1,544,902	55.57%	1,199,596	-22.35%
Oct	1,095,712	20.41%	1,265,041	15.45%	810,950	-35.90%	1,229,803	51.65%
Nov	1,044,333	-1.88%	1,037,756	-0.63%	1,168,716	12.62%	1,273,289	8.95%
Dec	1,167,113	2.62%	1,568,633	34.40%	1,326,537	-15.43%	1,431,011	7.88%
Jan	904,463	-1.00%	1,015,661	12.29%	1,211,473	19.28%		
Feb	1,066,400	10.23%	874,551	-17.99%	1,123,546	28.47%		
Mar	1,179,638	6.65%	945,395	-19.86%	1,844,340	95.09%		
Apr	1,115,079	1.81%	1,579,624	41.66%	654,573	-58.56%		
May	1,117,243	1.50%	965,193	-13.61%	1,285,684	33.20%		
Jun	1,115,321	7.28%	1,225,499	9.88%	1,445,179	17.93%		
	\$12,893,681	5.16%	\$13,547,950	5.07%	\$14,547,612	7.38%	\$7,553,205	-48.08%

The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities. Until 1987, the tax rate was one percent. In 1987, the voters approved an increase of one percent to fund the construction of the wastewater collection/treatment system. Again, in 1992, the voters approved an additional two tenths percent increase to construct a new city library. The current tax rate is three & one half percent (3.5%) after an increase of .5% this fiscal year to help fund the many needs through to the community.



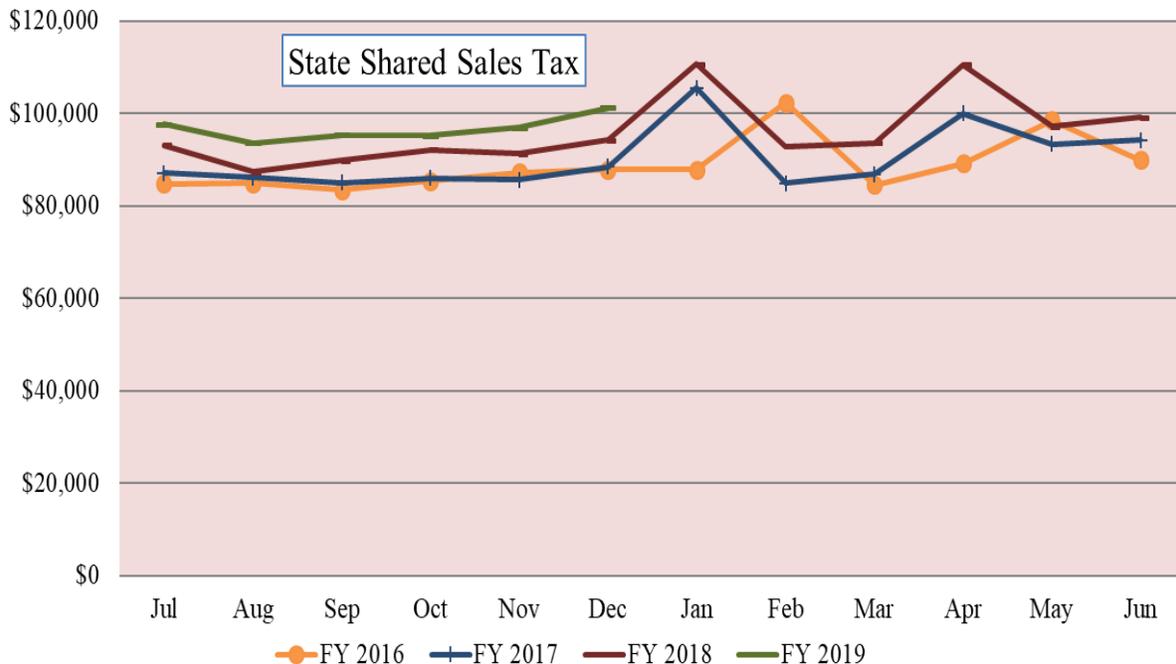
State Shared Sales Tax

This revenue is one of several state shared revenues that the City receives from the state. FY 2018 was a relatively strong year for this state shared revenue. FY 2019 is anticipated to continue that trend.

As a reminder, it took over nine years to recover and surpass our 2007 State Shared Sales Tax numbers. Our FY 2007 was our high point of collections for state shared source before the “Great Recession.” This revenue is 5.8% or \$31,961 over last year at this same time.

	FY 2016		FY 2017		FY 2018		FY 2019	
Jul	\$84,828	5.50%	\$87,090	2.67%	\$93,165	6.98%	\$97,708	4.88%
Aug	84,941	6.77%	86,133	1.40%	87,338	1.40%	93,595	7.16%
Sep	83,476	3.44%	84,988	1.81%	89,857	5.73%	95,331	6.09%
Oct	85,388	5.77%	85,977	0.69%	92,151	7.18%	95,196	3.30%
Nov	87,178	8.79%	85,674	-1.73%	91,265	6.53%	96,964	6.24%
Dec	87,828	2.64%	88,436	0.69%	94,223	6.54%	101,166	7.37%
Jan	87,828	-12.59%	105,505	20.13%	110,597	4.83%		
Feb	102,375	26.60%	84,848	-17.12%	92,819	9.39%		
Mar	84,585	-3.52%	86,921	2.76%	93,622	7.71%		
Apr	89,187	-7.57%	99,950	12.07%	110,581	10.64%		
May	98,486	13.01%	93,328	-5.24%	97,208	4.16%		
Jun	89,929	0.29%	94,197	4.75%	99,161	5.27%		
	\$1,066,029	3.56%	\$1,083,047	1.60%	\$1,151,987	6.37%	\$579,960	-49.66%

Description - Arizona cities and towns share a portion of the total amount collected from the State Sales Tax. A city's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state. The State has a separate tax code that differs from the City. For example, the State does not tax food whereas the City does. There is no direct correlation between City sales tax and State Shared Sales Tax.



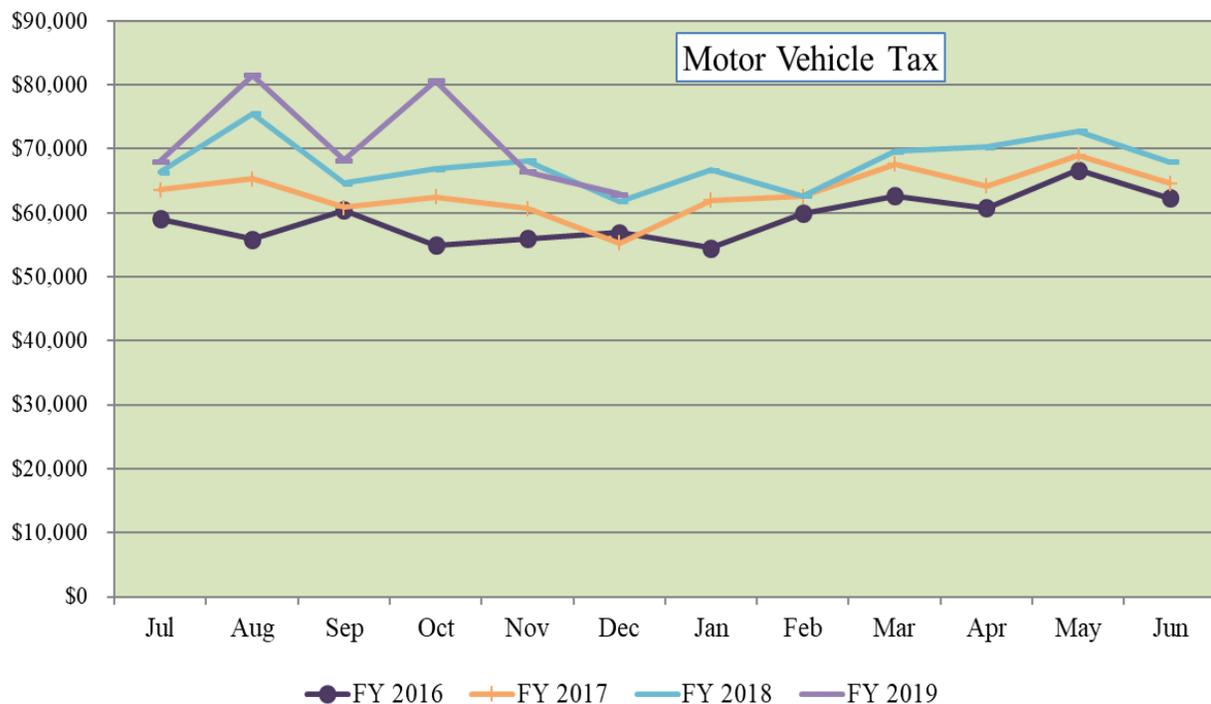
Motor Vehicle Tax

The Motor Vehicle Tax seems to have settled down from FY 2015 where every month was a wild guess where that number would end up. This revenue source has seen some improvements over the past three years with a steady 6%+ growth from year to year.

Currently, we are trending at 6.1% or \$24,553 over last fiscal year at the same time period. Our local dealerships have strongly supported our local economy, particularly during the long and deep economic downturn.

	FY 2016		FY 2017		FY 2018		FY 2019	
Jul	\$59,097	80.83%	\$63,603	7.62%	\$66,387	4.38%	\$68,098	2.58%
Aug	55,848	3.60%	65,283	16.89%	75,539	15.71%	81,549	7.96%
Sep	60,435	13.69%	60,894	0.76%	64,625	6.13%	68,232	5.58%
Oct	54,904	-4.31%	62,471	13.78%	66,875	7.05%	80,647	20.59%
Nov	55,965	27.43%	60,684	8.43%	68,117	12.25%	66,448	-2.45%
Dec	56,941	7.87%	55,292	-2.90%	61,815	11.80%	62,936	1.81%
Jan	54,518	7.29%	61,963	13.66%	66,733	7.70%		
Feb	59,933	18.46%	62,586	4.43%	62,666	0.13%		
Mar	62,670	5.98%	67,629	7.91%	69,586	2.89%		
Apr	60,801	3.37%	64,186	5.57%	70,281	9.50%		
May	66,727	18.99%	69,029	3.45%	72,776	5.43%		
Jun	62,316	-31.90%	64,651	3.75%	67,963	5.12%		
	\$710,155	7.47%	\$758,271	6.78%	\$813,363	7.27%	\$427,911	-47.39%

Description - Arizona cities receive a 25% share of the net revenues collected for the licensing of vehicles in their related county. Each city's share within their county is determined based on the city's population in relation to the county as a whole. These revenues are distributed by the State Treasurer.



General Fund – Revenues vs Expenditures

We are pleased that our General Fund operating revenues are currently trending better than our expenditures. At the end of the second quarter our fund balance has increased by \$1,160,908. One factor contributing to the increase are projects that have not started, however will transpire over the course of the second half of the year.

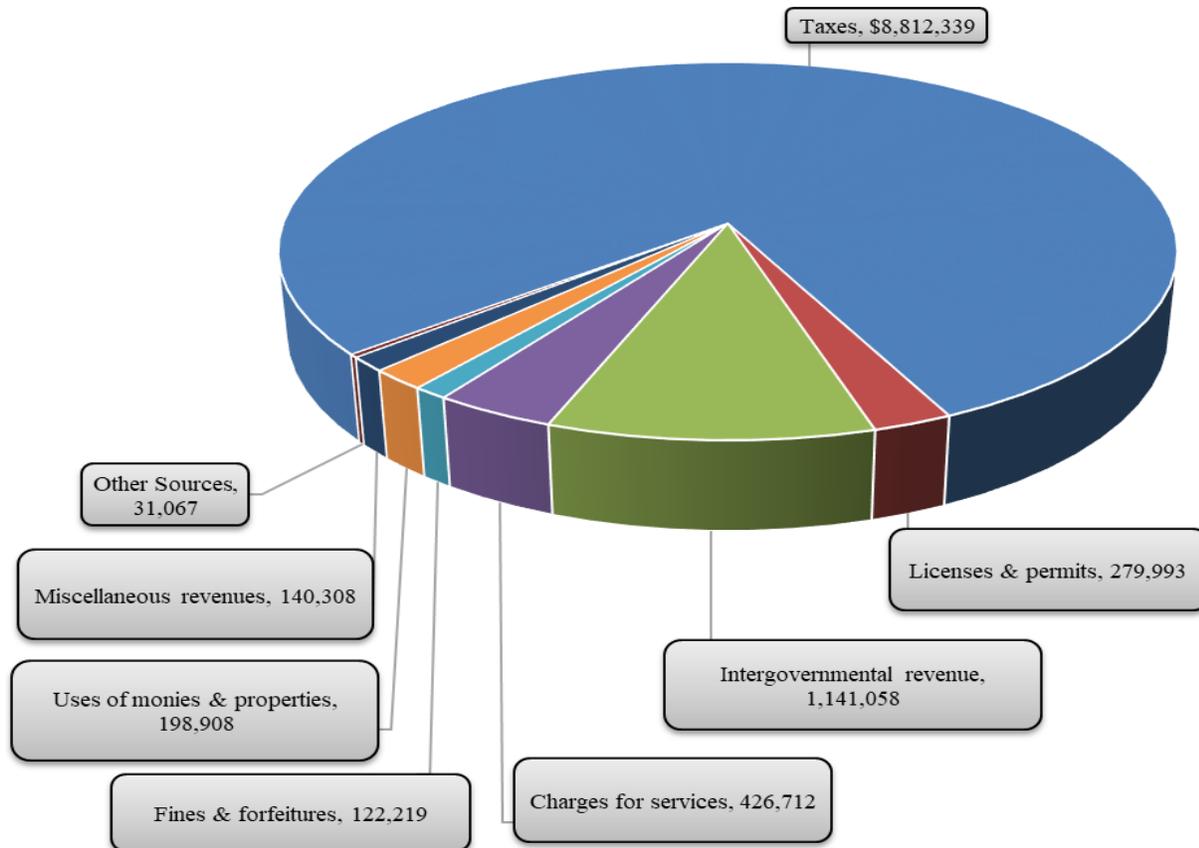
Capital items are still moving forward beginning with those that carried over from FY 2018. These items became a priority in the 1st and 2nd quarters. Another factor is that staff is committed to help reduce costs wherever possible.

Regardless of finishing the 2nd quarter in relatively good shape, we continue to look for savings wherever possible to help our fund balance. The 0.5% increase in Transaction Privilege Tax (TPT also called “Sales Tax”) initiated in November will help. We will, however, not see any of those revenues reflected until the 3rd quarter.

Despite the slowly improving economy, the General Fund is still in a good financial position. Our current unaudited General Fund balance has remained basically the same as the beginning of the fiscal year \$3.3M.

<u>Revenues & Other Sources</u>	
Taxes	\$8,812,339
Licenses & permits	279,993
Intergovernmental revenue	1,141,058
Charges for services	426,712
Fines & forfeitures	122,219
Uses of monies & properties	198,908
Miscellaneous revenues	140,308
Other Sources	31,067
Revenues & Other Sources	\$11,152,604

General Fund Revenues



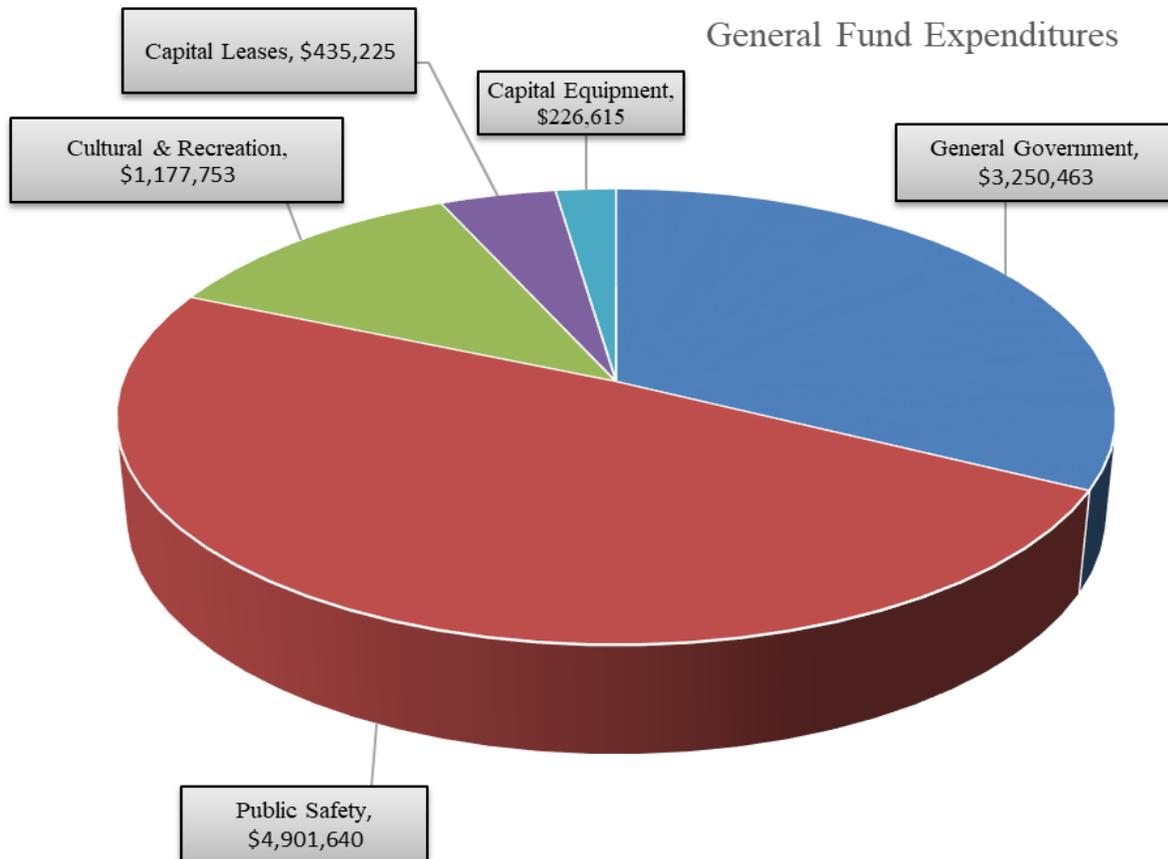
Expenditures & Other Uses	
General Government	\$3,250,463
Public Safety	4,901,640
Cultural & Recreation	1,177,753
Capital Leases	435,225
Capital Equipment	226,615
Expenditures & Other Uses	\$9,991,696

Moving forward, we need to keep in mind the concerns caused by Governmental Accounting Standards Board (GASB) Statement #68 – Accounting and Financial Reporting for Pension Plans. This ruling, now several years old impacts all municipal entities using Arizona State Retirement System (ASRS) and / or Public Safety Personnel Retirement System (PSPRS). All entities are now reflecting any pension plan

underfunded liability on their respective financials. Current Comprehensive Annual Financial Reports (CAFRs) show a significant decline in net position. The concern as to how our city will deal with it in future years. Currently we are on track to fully eliminate our unfunded pension liabilities in the next 18 years.

Unfortunately, the City of Cottonwood does not have control over the two retirement systems. Their actuaries perform the actuarial calculations and provide the City with the percentage of contribution that needs to be submitted to provide the pension with sufficient revenues to stay solvent. During the “Great Recession” the markets did not provide sufficient returns to keep them fully funded causing much of the liability we are seeing today.

Our overall fund balance continues to be fully funded in the General Fund. Other funds do not meet the established Fund Balance Policy due to weak revenue generation. This weakness is something that will continue discussing revenue generation.



SPECIAL REVENUE FUNDS

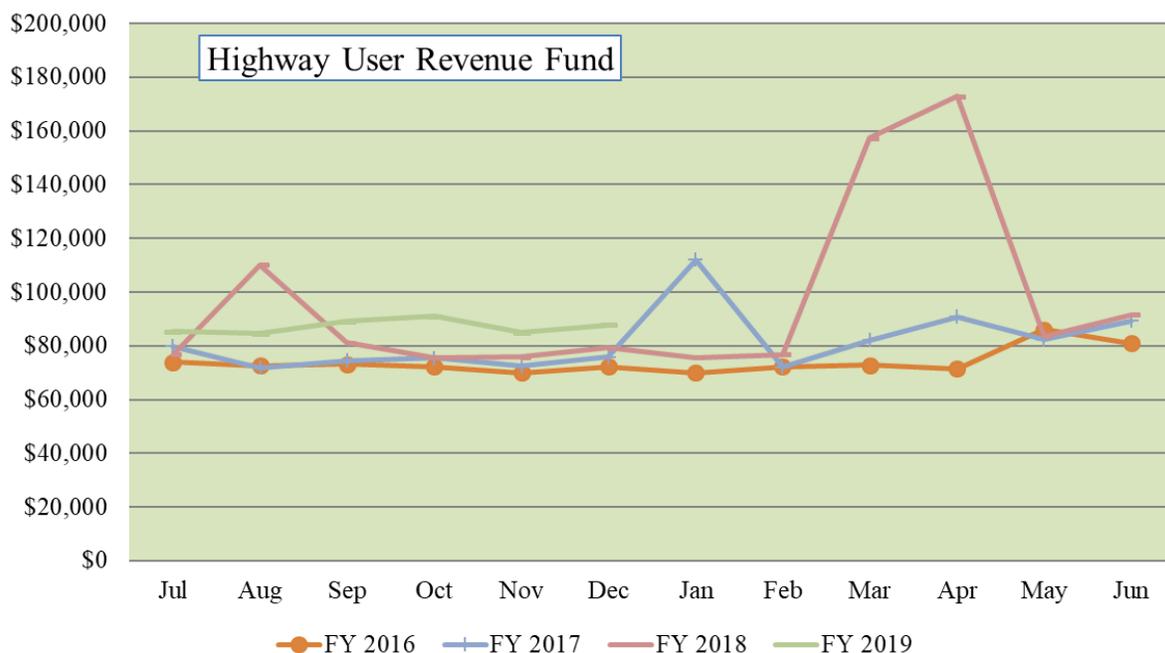
Special Revenue Funds consist of the Highway User Revenue Fund (HURF) and several other smaller funds, including CAT/LYNX, Library, Cemetery, Airport, and Grants.

Highway User Revenue Funds - HURF

This state shared revenue source is commonly called the Fuel Tax. It has had some improvement over the years. For FY 2019, the State continues to use a portion of the HURF that is designated for cities and towns to assist with cost to the Department of Public Safety. At the end of the 2nd quarter, we are 4.8% or \$23,945 over last year at this time.

	FY 2016		FY 2017		FY 2018		FY 2019	
Jul	\$73,939	2.00%	\$79,891	8.05%	\$76,735	-3.95%	\$85,233	11.07%
Aug	72,631	4.88%	71,771	-1.18%	110,067	53.36%	84,599	-23.14%
Sep	73,174	6.52%	74,612	1.97%	81,121	8.72%	89,068	9.80%
Oct	72,153	8.68%	75,381	4.47%	75,723	0.45%	91,057	20.25%
Nov	70,008	4.32%	72,477	3.53%	75,933	4.77%	84,968	11.90%
Dec	72,337	6.72%	75,781	4.76%	79,242	4.57%	87,841	10.85%
Jan	70,008	-3.05%	112,090	60.11%	75,691	-32.47%		
Feb	72,337	5.54%	72,084	-0.35%	76,849	6.61%		
Mar	72,864	6.31%	82,147	12.74%	157,367	91.57%		
Apr	71,495	-16.82%	90,781	26.98%	172,899	90.46%		
May	86,054	-0.89%	82,364	-4.29%	83,589	1.49%		
Jun	80,919	-2.54%	89,360	10.43%	91,480	2.37%		
	\$887,919	1.27%	\$978,739	10.23%	\$1,156,696	18.18%	\$522,766	-54.81%

Description - Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The formula is based on two separate calculations; the first half is based on a city's population in relation to the State's total population, the second is based on the county in which the revenues were generated. These funds must be utilized for the construction and maintenance of streets and highways.



Special Revenues Funds - continued

The following tables depict the other funds that make up the Special Revenue Funds group in the City of Cottonwood budget. All of these funds have the General Fund as a backstop which covers any shortages in their bottom line. Most of the negative numbers are grants, transfers, or receivables that are currently outstanding and are anticipated to be received within the next 60 – 90 days. HURF will be using General Fund transfers as it continues work on the Mingus Avenue project, as well as monies from the City of Cottonwood 2015 bond issue.

	Special Revenue Funds					
	HURF		CAT		Library	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	1,771,585	847,045	\$1,447,260	\$777,759	\$175,805	\$93,946
Operating Expenditures	913,045	407,828	1,803,280	913,179	1,054,660	455,760
Capital Outlay	2,860,000	307,265	135,000	15,573	0	75
Debt Service	432,950	216,472	0	0	0	0
Revenues over (under) Expenditures	(2,434,410)	(84,520)	(491,020)	(150,993)	(878,855)	(361,889)
Other Funding Sources & Uses	207,520	103,760	492,480	246,240	878,855	439,428
Revenues & other funding sources & uses over (under) Expenditures	(2,226,890)	19,240	1,460	95,247	0	77,538
Beginning Fund Balance	1,965,848	1,965,848	0	0	0	0
Ending Fund Balance	(\$261,042)	\$1,985,088	\$1,460	\$95,247	\$0	\$77,538

	Special Revenue Funds					
	Cemetery		Airport		Grants	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	\$700	\$300	\$117,890	\$165,650	\$709,225	\$74,879
Operating Expenditures	56,050	20,984	118,400	189,342	0	0
Capital Outlay	0	0	0	0	854,005	37,377
Debt Service	0	0	0	0	0	0
Revenues over (under) Expenditures	(55,350)	(20,684)	(510)	(23,692)	(144,780)	37,501
Other Funding Sources & Uses	55,350	27,675	510	0	0	37,377
Revenues & other funding sources & uses over (under) Expenditures	0	6,991	0	(23,692)	(144,780)	74,879
Beginning Fund Balance	0	0	72,150	72,150	9,483	9,483
Ending Fund Balance	\$0	\$6,991	\$72,150	\$48,458	(\$135,297)	\$84,362

CAPITAL IMPROVEMENTS FUND

This fund is traditionally in good fiscal shape. With the Riverfront Water Reclamation facility completed and awaiting final permitting, this fund's budget numbers show a large transfer to the Wastewater Treatment Facility for the last of the costs for the Riverfront Reclamation Facility. There is, however, monies available from an excise tax bond for street construction.

	Capital Improvements	
	Budget	2nd Qtr Actual
Revenues	\$144,500	\$8,150
Operating Expenditures	0	0
Capital Outlay	152,000	3,246
Debt Service	0	
Revenues over (under) Expenditures	(7,500)	4,904
Other Funding Sources & Uses	(1,878,510)	0
Revenues & other funding sources & uses over (under) Expenditures	(1,886,010)	4,904
Beginning Fund Balance	537,964	537,964
Ending Fund Balance	(\$1,348,046)	\$542,868

The Riverfront Water Reclamation Facility is expected to treat approximately 300k gallons of wastewater daily. It will provide reclaimed water to the area's sport complex green areas and to replenish our aquifers using injection wells. The initial injection well was not successful at Riverfront Park and as an alternative, the new injection site will be located at the Cottonwood Kids Park, however still needs to be tested.

Some of the fund balance from the issue of the excise tax bond is to take care of much needed street improvements. Another project funded by the bond was the Regional Communications Center that has been fully operational and

is providing services to area fire services and our police department.

Below are capital outlay items funded through Yavapai Flood Control District Tax. These projects that were not fully completed in FY 2018 are rolled over into this fiscal year for completion.

Over the past couple of years slightly over \$11,500,000 has been transfer from this fund to the Wastewater Enterprise Fund to pay for the construction of the Riverfront Water Reclamation Facility. That amount is not shown on the schedule below since it is a capital expense reflected in an Enterprise Fund. As a clarification, the Riverfront Water Reclamation Facility has not used any water revenue to fund its construction. Approximately \$1.5M of wastewater utility operational and General Fund monies are expected to be used to complete the Riverfront Water Reclamation Facility.

Capital outlay:	Adopted Budget		
		Y-T-D	% Used
Investment Expenses	9,000	3,246	36.07%
Railroad Wash Improvements	143,000	0	0.00%
Total Expenditures	152,000	3,246	2.14%

ENTERPRISE FUNDS

Water & Wastewater

the Water Enterprise Fund has been operating in the black since the City Council approved the last rate increases. FY 2013 was a turning point for the Water Enterprise Fund. There has been little improvement in our revenue generation for the Wastewater Enterprise Fund. Though the rates cover the operational and administrative portion of the department, many capital improvements need to be made.

	Wastewater		Water	
	Budget	2nd Qtr Actual	Budget	2nd Qtr Actual
Revenues	2,684,980	1,440,143	\$8,272,890	\$4,102,408
Operating Expenditures	2,508,975	910,571	8,797,145	1,674,310
Capital Outlay	2,054,515	194,870	11,596,185	395,206
Debt Service	0	0	1,808,345	918,573
Revenues over (under) Expenditures	(1,878,510)	334,702	(13,928,785)	1,114,320
Other Funding Sources & Uses	1,878,510	0	0	0
Revenues & other funding sources & uses over (under) Expenditures	\$0	\$334,702	(\$13,928,785)	\$1,114,320

The Water Utility refinanced their Municipal Property Corporation (MPC) Water Revenue Bonds, Series 2004 and 2006 a few years ago. There were substantial savings to utility customers over the life of the new Water Infrastructure Finance Authority (WIFA) loans.

The 2015 WIFA refinancing of the 2004 MPC Water Revenue Bonds will save approximately \$1.7M in interest expense, and there was \$550k in forgivable principle included in that refinance package, totaling over \$2.2M in savings. The WIFA loan required less debt service reserves, allowing an additional \$111,000 transferred from debt service reserves to the water utility's unrestricted fund reserves.

The completed refinancing of the 2006 MPC Water Revenue Bonds using a WIFA Loan included a \$1.9M waterline that WIFA granted along with \$800K in forgivable principle. The interest rate went from 5.0% to 1.7% and removed about \$5M in liability from the City of Cottonwood books and allocated it to the Town of Clarkdale where it belonged. This refinance package will save our utility customers approximately \$3,619,000 in future interest payments and allowed \$1,461,000 in debt service reserves to be put back into unrestricted fund reserves.

The Wastewater Utility has a different set of issues. Financial resources are needed to accomplish the estimated \$7M worth of repairs needed at both the Mingus treatment facility and the five lift stations. The \$8.7M depicted in the chart is designated for the final payments of the Riverfront Facility.

DEBT SERVICES FUND

This fund starts off the year in good shape; with sales taxes and interest income providing some of the revenue. Fund balance provides the remainder of necessary resources. Expenditures consist of principal and interest on general government loans and bond issues. Also included are any trustee fees assessed for managing the debt service accounts.

The Recreation Center - Greater Arizona Development Authority (GADA) Bonds were refinanced over a year ago and will provide a savings of over \$1M in future interest payments. The debt service for the Recreation Center is solely funded by sales tax revenues, as part of the excise tax pledge on this debt issue. The refinance changed the loan to a bond issue. The sizeable debt service payment in the budget is the payoff of the GADA loan using the excise tax bond proceeds received in FY 2017. As a note, utility debt service is funded through user fees and other operational revenues, and therefore the debt service of the Enterprise Funds.

		Debt Service	
		Budget	2nd Qtr Actual
Revenues		\$1,645,620	\$822,962
Operating Expenditures			
Capital Outlay			
Debt Service		1,647,070	825,309
Revenues over (under)			
Expenditures		(1,450)	(2,346)
Other Funding Sources & Uses		0	0
Revenues & other funding sources & uses over (under)			
Expenditures		(1,450)	822,962
Beginning Fund Balance		159,310	159,310
Ending Fund Balance		\$157,860	\$982,272

BRIEF OVERVIEW

As we complete the first half of the 2019 fiscal year, we are pleased to be in such a good position financially. Our economy is still growing at a slower but steady pace and we continue providing outstanding services to our community. Many projects have just started and older projects are reaching final completion.

We do, however, have some uneasiness over our current revenue generation and the ability to sustain the growth of our expenditures. Our lack of reserves is of some concern. Our local sales tax growth is on target with our projections, however, some other revenues are not keeping up with the growth. As we move forward in the new budget year, we are looking forward to an increase to our TPT rate, as well as looking for strategic reductions to services and operations.

The City continues to be fiscally conservative in its everyday business. Staff is always looking for ways to reduce costs, while still providing quality essential services. It continues to maintain reasonable reserves in its General Fund for unforeseeable emergencies as is prudent.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

General Fund - 01	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	16,627,135	8,812,339	53.00%
Licenses & permits	309,000	279,993	90.61%
Intergovernmental revenue	2,457,330	1,141,058	46.43%
Charges for services	961,700	426,712	44.37%
Fines & forfeitures	205,700	122,219	59.42%
Uses of monies & properties	222,900	198,908	89.24%
Miscellaneous revenues	6,374,370	140,308	2.20%
Total revenues	27,158,135	11,121,539	40.95%
Expenditures:			
Operating:			
Council	270,750	145,954	53.91%
City Clerk	275,690	123,781	44.90%
Administration	782,250	364,822	46.64%
Finance	451,285	209,253	46.37%
Personnel	255,395	88,184	34.53%
IT Services	832,400	407,942	49.01%
Purchasing	106,965	51,135	47.80%
Legal	447,975	174,329	38.91%
Court	536,820	263,043	49.00%
Planning & zoning	643,450	308,788	47.99%
Engineering	330,485	160,600	48.60%
Public Works	409,440	185,640	45.34%
Transfer Station	1,200	664	55.34%
Building maintenance	461,495	165,132	35.78%
Custodial	136,000	54,492	40.07%
Natural resources	182,285	85,726	47.03%
Non-departmental	564,010	314,030	55.68%
Police	5,502,925	2,589,622	47.06%
Communications	1,941,070	696,794	35.90%
Fire	3,233,415	1,515,989	46.89%
Ordinance Enforcement	209,650	99,235	47.33%
Parks & recreation	710,130	455,960	64.21%
Rec Center Operations	1,334,160	619,085	46.40%
Pool	122,700	53,074	43.25%
Youth Center	134,560	49,634	0.00%
Economic Development	269,590	146,947	54.51%
Subtotal maintenance and operations	20,146,095	9,329,856	46.31%
Capital outlay:	183,560	226,615	123.46%
Total Expenditures	20,329,655	9,556,471	47.01%
Excess (deficiency) of revenues over (under) expenditures	6,828,480	1,565,067	
Other financing sources (uses):			
Operating transfers in	0	0	0.00%
Sales of City Equipment	58,000	31,067	53.56%
Capital leases	(825,660)	(435,225)	52.71%
Transfers out	(1,634,715)	(817,103)	49.98%
Total other financing sources (uses)	(2,402,375)	(1,221,260)	50.84%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	4,426,105	343,807	
Fund balance, July 1, 2018(audited)		3,183,980	
Estimated fund balance @ June 30, 2019		\$3,527,787	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
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Library - 03

	Adopted Budget	Y-T-D	% Used
Revenues:			
Other income	\$18,000	\$7,871	43.73%
Interest income	45	23	50.56%
City Sales Tax	0	0	0.00%
Yavapai county	157,760	86,053	54.55%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	175,805	93,946	53.44%
Expenditures:			
Operating:			
Salaries	404,650	192,815	47.65%
Temp employees	45,000	19,680	43.73%
Overtime	0	0	0.00%
Social security	27,880	12,883	46.21%
Medicare tax	6,520	3,013	46.21%
AZ state retirement	47,750	22,008	46.09%
Health & life insurance	107,600	52,141	48.46%
Worker's compensation	8,180	4,133	50.53%
Book purchases	46,000	30,583	66.48%
Office supplies	4,500	1,551	34.47%
Copier supplies	2,200	1,454	66.10%
Equipment maintenance	5,500	2,732	49.67%
Bldg M&R - Library	30,000	3,921	13.07%
Contractual Services	0	0	0.00%
Collection expenses	1,800	752	41.77%
Bank Charges	0	0	0.00%
Recruitment Cost	500	140	28.00%
Computer support	5,000	4,296	85.91%
Legal advertising	0	0	0.00%
Utilities	55,000	19,978	36.32%
Telephone	1,500	931	62.04%
Network & technology expenses	35,000	10,226	29.22%
Youth programs	600	222	37.07%
Annual volunteer appreciation	1,000	0	0.00%
Travel & training	1,000	149	14.85%
Subscriptions & dues	1,000	0	0.00%
Postage & freight	2,500	1,131	45.23%
Liability Insurance	17,000	8,639	50.82%
Indirect costs to general fund	196,980	62,383	31.67%
District - Materials	0	0	0.00%
Subtotal maintenance and operations	1,054,660	455,760	43.21%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Library - 03 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay:	0	75	0.00%
Total expenditures	1,054,660	455,835	43.22%
Excess (deficiency) of revenues over (under) expenditures	(878,855)	(361,889)	
Other financing sources (uses):			
Operating transfers in	878,855	439,428	50.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	878,855	439,428	50.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	77,538	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$77,538	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Cemetery 04

	Adopted Budget	Y-T-D	% Used
Revenues:			
Interest Income	\$0	\$300	0.00%
Charges for services	700	0	0.00%
Total revenues	700	300	42.86%
Expenditures:			
Utilities	35,000	17,727	50.65%
Telephone	0	0	0.00%
Grave Liners	3,000	0	0.00%
Miscellaneous Expense	50	0	0.00%
Indirect Costs	18,000	3,257	18.10%
Subtotal maintenance and operations	56,050	20,984	37.44%
Capital improvements	0	0	0.00%
Total expenditures	56,050	20,984	37.44%
Excess (deficiency) of revenues over (under) expenditures	(55,350)	(20,684)	
Other financing sources (uses):			
Operating transfers in	55,350	27,675	50.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	55,350	27,675	50.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	6,991	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$6,991	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

Airport - 05

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other Income	\$150	\$0	0.00%
Late Fees	\$1,040	\$474	45.60%
Tie down rent	23,200	9,070	39.09%
Airpark Rents	0	0	0.00%
FBO building rental income	15,000	0	0.00%
Fuel sales income	0	89,544	0.00%
Oil Sales	0	0	0.00%
Land lease fees	42,500	36,156	85.07%
City hangar lease fees	36,000	30,405	84.46%
Total revenues	117,890	165,650	140.51%
Expenditures:			
Operational Supplies	200	2,348	1173.89%
Fuel Expense	0	112,670	0.00%
Oil Expense	0	65	0.00%
Office Supplies	150	78	51.71%
Vehicle Maintenance	0	0	0.00%
Equipment maintenance	30,700	20,017	65.20%
Building maintenance	18,000	59	0.33%
Contractual Services	20,000	202	1.01%
Bank Charges	0	5,038	0.00%
Computer Support	150	97	64.67%
General Counsel	0	0	0.00%
Utilities	16,200	6,471	39.94%
Telephone	1,000	659	65.91%
Airport Annual Event	0	0	0.00%
Liability Insurance	12,000	16,320	136.00%
Indirect costs	20,000	25,320	126.60%
Equipment Purchase	0	0	0.00%
Airport Improvements	0	0	0.00%
Subtotal maintenance and operations	118,400	189,342	159.92%
Capital improvements - hangars	0	0	0.00%
Total expenditures	118,400	189,342	159.92%
Excess (deficiency) of revenues over (under) expenditures	(510)	(23,692)	
Other financing sources (uses):			
Operating transfers in	510	0	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	510	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(23,692)	
Fund balance, July 1, 2018 (audited)		72,150	
Estimated fund balance @ June 30, 2019		\$48,458	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

HURF - 10

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,651,585	838,346	50.76%
Uses of monies & properties	5,000	8,699	173.98%
Miscellaneous revenues	115,000	0	0.00%
Total revenues	1,771,585	847,045	47.81%
Expenditures:			
Operating:			
Salaries	179,670	86,001	47.87%
Temp employees	0	0	0.00%
Overtime	4,250	2,498	58.79%
Social security	11,400	5,273	46.25%
Medicare tax	2,670	1,233	46.19%
AZ state retirement	21,700	10,443	48.12%
Health & life insurance	58,050	28,489	49.08%
Worker's compensation	26,430	15,082	57.06%
Clothing allowance	1,000	263	26.26%
Operational supplies	14,000	1,013	7.24%
Tools	500	181	36.17%
Gas & oil	15,500	10,787	69.59%
Materials	10,000	3,046	30.46%
Street signs	3,000	2,048	68.27%
Street marking	161,010	0	0.00%
Office supplies	0	134	0.00%
Vehicle maintenance	4,000	806	20.14%
Equipment maintenance	25,000	9,503	38.01%
Building maintenance & repair	0	0	0.00%
Pavement Preservation	0	0	0.00%
Contractual services	7,500	2,180	29.07%
Bank charges	900	0	0.00%
Employee physicals	500	0	0.00%
Computer support	225	127	56.23%
General counsel	0	0	0.00%
Engineering Services	0	0	0.00%
Legal advertising	0	0	0.00%
Utilities	14,335	6,107	42.60%
Street lights	65,000	21,998	33.84%
Telephone	925	305	32.92%
Culverts	500	0	0.00%
Travel & training	5,000	3,975	79.49%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	0	0	0.00%
Liability insurance	21,980	11,519	52.41%
Liability claims deductible	0	0	0.00%
Indirect costs to general fund	256,000	184,509	72.07%
Street light contingency	0	0	0.00%
Equipment purchase	0	0	0.00%
Street Improvements	2,000	309	0.00%
Subtotal maintenance and operations	913,045	407,828	44.67%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

HURF - 10 (page 2)

	Adopted Budget	Y-T-D	% Used
Debt Service:			
Principal	241,100	120,472	49.97%
Interest	191,850	96,000	50.04%
Capital Outlay:			
Street Light Contingency	0	0	0.00%
Pavement Preservation	480,000	273,844	57.05%
2015 Excise Bond - Trustee Fees	0	0	0.00%
6th Street Bridge	120,000	0	0.00%
Mingus/Main Signal	0	0	0.00%
10th St to Main Project	2,100,000	28,401	1.35%
12th ST NACOG 89-A to Fir	0	0	0.00%
Sidewalk Additions	80,000	0	0.00%
Mingus Willard to Main	0	5,020	0.00%
10 th Street	0	0	0.00%
Main St. Road Diet Grant	80,000	0	0.00%
HSIP Street Sign Replacement	0	0	0.00%
Total Expenditures	<u>4,205,995</u>	<u>931,565</u>	<u>22.15%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,434,410)</u>	<u>(84,520)</u>	
Other Financing Sources (Uses):			
Operating Transfers In	207,520	103,760	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>207,520</u>	<u>103,760</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>4,666,497</u>	<u>19,240</u>	
Fund balance, July 1, 2018 (audited)		<u>1,965,848</u>	
Estimated fund balance @ June 30, 2019		<u><u>\$1,985,088</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Grants - 11 & 12

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$709,220	\$74,875	10.56%
Other Income	5	3	0.00%
Total revenues	709,225	74,879	10.56%
Expenditures:			
Capital Outlay:	854,005	37,377	4.38%
Total Expenditures	854,005	37,377	4.38%
Excess (deficiency) of revenues over (under) expenditures	(144,780)	37,501	-25.90%
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	(144,780)	37,501	
Fund balance, July 1, 2018 (audited)		9,483	
Estimated fund balance @ June 30, 2019		<u>\$46,984</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

CATS - 10

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,255,760	669,000	53.27%
Charges for services	191,500	108,759	56.79%
Total revenues	1,447,260	777,759	53.74%
Expenditures:			
Salaries	548,310	267,504	48.79%
Temporary employee	180,000	77,163	42.87%
Overtime	63,500	34,359	54.11%
Holiday pay	10,850	4,286	39.50%
Social security	49,770	22,801	45.81%
Medicare	11,630	5,333	45.85%
AZ retirement	70,710	39,149	55.37%
Health/life insurance	162,030	82,095	50.67%
State compensation insurance	61,720	24,422	39.57%
Clothing allowance	1,400	330	23.59%
Contractual Services	6,820	7,311	107.20%
Gas & oil	128,000	81,051	63.32%
Office supplies	6,000	1,548	25.81%
Copier supplies	1,785	1,043	58.45%
Vehicle maintenance	350,000	162,842	46.53%
Building Maintenance	2,000	334	16.71%
Equipment Maintenance	0	7,564	0.00%
Radio maintenance	8,000	0	0.00%
Postage & freight	6,820	111	1.63%
Audit expense	3,500	0	0.00%
Employee physicals / drug tests	3,350	1,175	35.07%
Computer Support	40,175	43,341	107.88%
Custodial Contract	5,880	3,068	52.18%
Advertising	12,870	7,509	58.35%
Printing & forms	8,090	6,422	79.38%
Utilities	8,170	3,202	39.19%
Telephone	11,000	5,827	52.97%
Travel/training	6,000	1,021	17.01%
Continuing education	0	0	0.00%
Subscriptions/dues	2,270	1,503	66.23%
Tools & Equipment	1,000	3,585	358.54%
Liability insurance	31,630	17,279	54.63%
Indirect costs to GF	0	0	0.00%
Subtotal maintenance and operations	1,803,280	913,179	50.64%
Capital Outlay:	135,000	15,573	0.00%
Fund b Total Expenditures	1,938,280	928,752	47.92%
Excess (deficiency) of revenues over (under) expenditures	(491,020)	(150,993)	
Other Financing Sources (Uses):			
Operating Transfers In	492,480	246,240	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	
Total other financing sources (uses)	492,480	246,240	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	1,460	95,247	

Statement of Revenues, Expenditures and Changes in Fund Balance
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Debt Service - 20	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,645,620	\$822,609	49.99%
Uses of monies & properties	0	354	0.00%
Total revenues	1,645,620	822,962	50.01%
Expenditures:			
Trustee fees	1,850	2,700	145.95%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:			
Interest	497,565	248,781	50.00%
Principal	1,147,655	573,828	50.00%
Total Expenditures	1,647,070	825,309	50.11%
Excess (deficiency) of revenues over (under) expenditures	(1,450)	(2,346)	
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	(1,450)	(2,346)	
Fund balance, July 1, 2018 (audited)		159,310	
Estimated fund balance @ June 30, 2019		\$156,964	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual

Quarterly Report Ending September 30, 2018

Capital Projects - 30

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Use of monies & properties	1,500	8,150	543.34%
Other Income	0	0	0.00%
Intergovernmental revenue	143,000	0	0.00%
Total revenues	144,500	8,150	0.00%
Expenditures:			
Capital outlay:			
Investment Expenses	9,000	3,246	36.07%
Railroad Wash Improvements	143,000	0	0.00%
Total Expenditures	152,000	3,246	2.14%
Excess (deficiency) of revenues over (under) expenditures	(7,500)	4,904	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	(1,878,510)	0	0.00%
Total other financing sources (uses)	(1,878,510)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,886,010)	4,904	
Fund balance, July 1, 2018 (audited)		537,964	
Estimated fund balance @ June 30, 2019		\$542,868	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

Employee Benefit Trust - 60

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	100	794	793.70%
Total revenues	100	794	0.00%
Expenditures:			
Premiums	0	0	0.00%
Benefits	0	0	0.00%
Miscellaneous	2,000	0	0.00%
Total Expenditures	2,000	0	0.00%
Excess (deficiency) of revenues over (under) expenditures	(1,900)	794	
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	(1,900)	794	
Fund balance, July 1, 2018 (audited)		0	
Estimated fund balance @ June 30, 2019		\$794	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
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Alt. Firefighter's Pension - 70

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions		\$0	0.00%
Uses of monies & properties	40,000	19,049	0.00%
Total revenues	40,000	19,049	0.00%
Expenditures:			
Benefits	3,600	1,500	41.67%
Administration	5,200	5,502	105.80%
Total Expenditures	8,800	7,002	79.57%
Excess (deficiency) of revenues over (under) expenditures	31,200	0 12,048	
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	31,200	12,048	
Fund balance, July 1, 2017 (audited)		198,917	
Estimated fund balance @ June 30, 2018		<u>\$210,965</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

Water Consolidated - 50

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	8,158,600	3,994,209	48.96%
Uses of monies & properties	100,290	91,845	91.58%
Miscellaneous revenues	14,000	16,355	116.82%
Total revenues	8,272,890	4,102,408	49.59%
Expenditures:			
Operating:			
Salaries	917,160	400,950	43.72%
Temporary Employees	0	0	0.00%
Overtime	122,690	67,427	54.96%
Holiday pay	4,200	2,063	49.13%
Social security	64,730	28,109	43.43%
Medicare tax	15,140	6,574	43.42%
AZ state retirement	123,200	55,444	45.00%
Health & life insurance	230,940	114,361	49.52%
Worker's compensation	83,265	27,580	33.12%
Clothing allowance	5,500	1,389	25.26%
Operational supplies	26,000	81,509	313.50%
Tools	3,600	1,564	43.46%
Gas & oil	32,000	21,893	68.42%
Chlorine	40,000	31,171	77.93%
Office supplies	6,000	7,698	128.29%
Copier Supplies	0	0	0.00%
Vehicle maintenance	16,500	11,225	68.03%
Equipment maintenance	175,000	38,443	21.97%
Building maintenance	4,000	1,121	28.02%
Arsenic System Maintenance	100,000	79,004	79.00%
Contractual services	123,250	67,773	54.99%
Bank Charges	33,000	20,293	61.50%
Employee physicals	500	381	76.20%
Computer support	5,000	919	18.39%
Custodial	7,000	1,815	25.93%
General Counsel	0	68	0.00%
Contractual SVCS-M&O	0	3,423	0.00%
Lab / testing	33,000	7,048	21.36%
Public Relations	0	0	0.00%
Legal Advertising	500	101	20.23%
Printing & forms	0	365	0.00%
Auction Fees	500	0	0.00%
Utilities	525,300	184,482	35.12%
Telephone	15,500	6,823	44.02%
ADEQ annual fee	26,000	25,229	97.03%
Payment Assistance Program	12,000	10,750	89.58%
Aid In Lieu of Construction	30,000	23,256	77.52%
Verde River Days	1,000	1,000	100.00%
Travel & training	7,100	1,160	16.34%
Continuing education	0	0	0.00%
Equipment rental	1,000	0	0.00%
Subscriptions & dues	2,500	1,995	79.80%
Postage & freight	36,250	19,723	54.41%
Liability insurance	67,300	28,798	42.79%
Liability Insurance Deductible	0	5,227	0.00%
Indirect costs to general fund	415,500	205,569	49.48%
Bad debt expense	0	0	0.00%
Other Financing Uses	0	0	0.00%
Lease Purchase Principal & Interest	4,920	11,238	228.42%
Trust Land Annexation	0	0	0.00%
Reserve Resource Development	4,814,300	38,949	0.81%
Reserve Water Advisory	368,140	3,873	1.05%
Reserve Adjudication	121,790	15,020	12.33%
Reserve Water Conservation	175,870	11,504	6.54%
Subtotal maintenance and operations	8,797,145	1,674,310	19.03%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Water Consolidated - 50 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service	1,808,345	918,573	50.80%
Capital Outlay:	11,596,185	395,206	3.41%
Total Expenditures	22,201,675	2,988,088	13.46%
 Excess (deficiency) of revenues over (under) expenditures	(13,928,785)	1,114,320	-8.00%
 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	(\$13,928,785)	\$1,114,320	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

**Water Construction
& Administration - 50**

	Adopted Budget	Y-T-D	% Used
Revenues:			
Impact Fees	0	0	0.00%
Capacity Fees	0	7,570	0.00%
User fees	7,300,000	3,556,031	48.71%
Meter Installation	35,000	23,375	66.79%
Service Turn Ons	85,000	37,711	44.37%
Drought Water Shortage PP	0	0	0.00%
Res-Resource Development Fees	474,500	233,898	49.29%
Res-Water Advisory Committee	38,200	18,949	49.60%
Res-Adjudication	47,500	23,823	50.15%
Res-Water Conservation	29,400	14,618	49.72%
Recapture Agreements	0	0	0.00%
Reimbursement Clarkdale	0	0	0.00%
Collection fees/late fees	149,000	78,235	52.51%
Interest income	88,350	87,873	99.46%
Building Rental	9,440	3,972	42.07%
Other income	14,000	16,355	116.82%
Sale of City Property	2,500	0	0.00%
City sales tax	0	0	0.00%
Total revenues	8,272,890	4,102,408	49.59%
Expenditures:			
Administration			
Salaries	168,310	77,445	46.01%
Overtime and Holiday Pay	1,000	98	9.81%
Social security	10,500	4,654	44.33%
Temp Employees	0	0	0.00%
Medicare tax	2,460	1,088	44.24%
AZ state retirement	19,980	9,111	45.60%
Health & life insurance	45,675	20,837	45.62%
Worker's compensation	650	238	36.62%
Office supplies	2,000	3,421	171.04%
Copier Supplies	0	0	0.00%
Equipment maintenance	0	0	0.00%
Contractual Services	55,250	50,255	90.96%
Bank charges	33,000	20,293	61.50%
Public Relations	0	0	0.00%
Computer support	4,000	322	8.04%
General Counsel	0	68	0.00%
Custodial	7,000	1,815	0.00%
Legal advertising	500	101	0.00%
Printing & forms	0	365	0.00%
Utilities	5,300	2,420	45.66%
Telephone	3,500	1,058	30.24%
Payment Assistance Program	12,000	10,750	89.58%
Travel & training	100	0	0.00%
Continuing education	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	35,000	17,076	48.79%
Liability insurance	17,300	8,639	49.94%
Indirect costs to general fund	415,500	205,569	49.48%
Bad debt expense	0	0	0.00%
Trust Land Annexation	0	0	0.00%
Reserve Resource Development	4,814,300	38,949	0.81%
Reserve Water Advisory	368,140	3,873	1.05%
Reserve Adjudication	121,790	15,020	12.33%
Reserve Water Conservation	175,870	11,504	6.54%
Growth Premium	0	0	0.00%
Water System Evaluation	0	0	0.00%
Verde River Basin Partnership	0	0	0.00%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	6,319,125	504,969	7.99%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

**Water Construction
 & Administration - 50(page 2)**

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	0	142,907	0.00%
Construction:			
Valve Repair	60,000	0	0.00%
Legal Advertising	0	0	0.00%
Investment Expense	6,000	3,122	52.04%
Water/Waste Water Master Plan	0	0	0.00%
Aresinic Mitigation	375,000	26,923	7.18%
Impact Fee Study	0	6,135	0.00%
Line Replacement	250,000	19,284	7.71%
Aid in Lieu of Construction	0	0	0.00%
Fire Hydrant Improvements	340,000	5,166	1.52%
HWY 260 H2O System Upgrades	1,990,000	34,680	1.74%
Well Booster Station	80,000	0	0.00%
Well Improvements	142,000	124,194	87.46%
12th St 89A to Fir	0	0	0.00%
W Mingus Reconstruction/Sys Upgrades		0	0.00%
Water System Upgrades	138,000	0	0.00%
Line Extensions	0	32,796	0.00%
Impact Fee Study	8,215,185	0	0.00%
Subtotal construction expenses	11,596,185	252,299	2.18%
Total Expenditures	17,915,310	900,175	5.02%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Water Maintenance & Operations- 50

	Adopted		
	Budget	Y-T-D	% Used
Expenditures:			
Operating:			
Salaries	748,850	323,505	43.20%
Overtime	121,690	67,329	55.33%
Holiday pay	4,200	2,063	49.13%
Social security	54,230	23,455	43.25%
Medicare tax	12,680	5,486	43.26%
AZ state retirement	103,220	46,333	44.89%
Health & life insurance	185,265	93,524	50.48%
Worker's compensation	82,615	27,342	33.10%
Clothing allowance	5,500	1,389	25.26%
Operational supplies	26,000	81,509	313.50%
Tools	3,600	1,564	43.46%
Gas & oil	32,000	21,893	68.42%
Chemicals	40,000	31,171	77.93%
Office supplies	4,000	4,277	106.92%
Vehicle maintenance	16,500	11,225	68.03%
Equipment maintenance	175,000	38,443	21.97%
Building maintenance	4,000	1,121	28.02%
Arsenic System Maintenance	100,000	79,004	79.00%
Contractual services	68,000	17,518	25.76%
Employee physicals	500	381	76.20%
Computer support	1,000	598	59.78%
Contractual SVCS-M&O	0	3,423	0.00%
Lab / testing	33,000	7,048	21.36%
Legal advertising	0	0	0.00%
Auction Fees	500	0	0.00%
Utilities	520,000	182,062	35.01%
Telephone	12,000	5,765	48.04%
ADEQ annual fee	26,000	25,229	97.03%
Aid in Lieu of Construction	30,000	23,256	77.52%
Verde River Days	1,000	1,000	100.00%
Travel & training	7,000	1,160	16.57%
Continuing education	0	0	0.00%
Equipment rental	1,000	0	0.00%
Subscriptions & dues	2,500	1,995	79.80%
Postage & freight	1,250	2,647	211.75%
Liability insurance	50,000	20,159	40.32%
Other Financing Principal	0	0	0.00%
Liability Insurance Deductible	0	5,227	0.00%
Lease Purchase Interest	4,920	11,238	228.42%
Lease Purchase Principal	0	0	0.00%
Subtotal maintenance and operations	2,478,020	1,169,340	47.19%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Water Debt Service - 50

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Use of monies & properties	0	0	0.00%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total Revenues	0	0	0.00%
Debt Service:			
Principal	1,394,995	698,673	50.08%
Interest	411,050	217,899	53.01%
Trustee Fees	2,300	2,000	86.96%
Capital Outlay:	0	0	0.00%
Total Expenditures	4,286,365	2,087,913	48.71%
Excess (deficiency) of revenues over (under) expenditures	4,286,365	2,014,495	
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	(13,928,785)	1,114,320	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

Sewer Consolidated - 51

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	2,677,980	1,421,149	53.07%
Uses of monies & properties	7,000	16,994	242.77%
Miscellaneous revenues	0	2,000	0.00%
Total revenues	2,684,980	1,440,143	53.64%
Expenditures:			
Operating:			
Salaries	472,240	213,966	45.31%
Temporary Employees	0	0	0.00%
Overtime	58,250	24,774	42.53%
Holiday pay	2,250	590	26.23%
Social security	33,030	14,540	44.02%
Medicare tax	7,720	3,401	44.05%
AZ state retirement	62,870	28,211	44.87%
Health & life insurance	112,385	53,843	47.91%
Worker's compensation	21,960	9,120	41.53%
ASRS Pension Expense	0	0	0.00%
Clothing allowance	1,750	547	31.28%
Operational supplies	39,000	3,091	7.92%
Tools	3,100	512	16.50%
Gas & oil	10,000	3,924	39.24%
Chlorine	5,700	0	0.00%
Polymer	22,500	1,258	0.00%
Odor control supplies	0	0	0.00%
Office supplies	4,150	1,168	28.13%
Copier Supplies	0	69	0.00%
Vehicle maintenance	5,000	389	7.77%
Equipment maintenance	255,000	148,611	58.28%
Building maintenance	1,000	1,172	117.19%
Contractual services	282,940	15,371	5.43%
Bank Charges	705	450	63.78%
Employee physicals	0	0	0.00%
Computer support	3,300	669	20.28%
General Counsel	0	0	0.00%
Custodial Contract	1,400	2,187	156.25%
Lab / testing	88,000	20,273	23.04%
Sludge disposal	99,000	47,250	47.73%
Legal Advertising	0	0	0.00%
Printing & forms	0	0	0.00%
Utilities	581,100	192,420	33.11%
Telephone	7,200	2,740	38.05%
ADEQ annual fee	31,000	11,290	36.42%
Travel & training	2,500	1,219	48.76%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	22,100	13,424	60.74%
Liability insurance	51,825	20,159	38.90%
Indirect costs to general fund	220,000	73,936	33.61%
Bad debt expense	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	2,508,975	910,571	36.29%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Sewer Consolidated - 51 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	2,054,515	194,870	9.48%
Total Expenditures	4,563,490	1,105,441	24.22%
Excess (deficiency) of revenues over (under) expenditures	(1,878,510)	334,702	
Other Financing Sources (Uses):			
Operating transfers in	1,878,510	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)	1,878,510	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	\$0	\$334,702	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

**Sewer Construction
& Administration - 51**

Revenues:

	Adopted		
	Budget	Y-T-D	% Used
City sales tax	\$0	\$0	0.00%
Impact fees	0	0	0.00%
Capacity Fees	0	52,798	0.00%
Connection fees	500	105	0.00%
User fees - admin residential	350,000	174,422	49.83%
User fees - admin commercial	47,000	23,337	49.65%
User fees - admin multi-residential	127,085	63,543	50.00%
User fees - M&O residential	907,300	464,090	51.15%
User fees - M&O multi-residential	490,000	257,466	52.54%
User fees - M&O commercial	337,440	168,717	50.00%
Effluent Revenue	15,000	9,259	61.73%
Reserves -	303,380	156,263	51.51%
Debt Services Rate Revenue	100,275	51,150	51.01%
Late fees - interest charges	0	0	0.00%
Recovery of bad debts	0	0	0.00%
Interest income	7,000	16,994	242.77%
Interest - equipment reserve	0	0	0.00%
Interest - expansion fund	0	0	0.00%
Interest - bond reserve fund	0	0	0.00%
Building Rental	0	0	0.00%
Other income	0	2,000	0.00%
Sale of City Property	0	0	0.00%
Tap fees	0	0	0.00%
Total revenues	2,684,980	1,440,143	53.64%

Expenditures:

Administration

Salaries	124,560	57,583	46.23%
Temp Employees	0	0	0.00%
Overtime and Holiday Pay	500	62	12.31%
Social security	7,750	3,469	44.76%
Medicare tax	1,810	812	44.83%
AZ state retirement	14,760	6,781	45.94%
Health & life insurance	30,090	13,878	46.12%
Worker's compensation	480	4,679	974.79%
ASRS Pension Expense	0	0	0.00%
Office supplies	750	448	59.75%
Copier Supplies	0	0	0.00%
Equipment maintenance	0	0	0.00%
Contractual Services	42,940	8,825	20.55%
Bank charges	705	450	0.00%
Computer support	2,100	156	7.42%
General Counsel	0	0	0.00%
Custodial Contract	1,400	2,187	156.25%
Legal advertising	0	0	0.00%
Printing & forms	0	0	0.00%
Utilities	6,100	2,668	43.73%
Telephone	2,700	893	33.07%
Travel & training	0	(119)	0.00%
Continuing education	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	14,600	7,350	50.34%
Liability insurance	12,500	2,880	23.04%
Indirect costs to general fund	220,000	73,936	33.61%
Bad debt expense	0	0	0.00%
Subtotal maintenance and operations	483,745	186,938	38.64%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

**Sewer Construction
 & Administration - 51 (page 2)**

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	180,000	492	0.00%
Construction:			
Bond Issuance Costs	0	0	0.00%
Water/Waste Water Master Plan	0	0	0.00%
Legal fees	0	0	0.00%
Legal Advertising	0	0	0.00%
Investment Expense	1,400	2,150	153.55%
Impact Fee Study	0	6,135	0.00%
260 Design	0	0	0.00%
Riverfront WWTP Deisng/Feasib	350,000	36,653	10.47%
Effluent Disposal System		0	0.00%
Lift Station	390,000	0	0.00%
Recl H2O Pump System Upgrade	55,000	0	0.00%
Construction - General	390,000	15,509	3.98%
WWTP Upgrades	500,000	33,118	6.62%
12th Street Fir 89A Reclamation	0	0	0.00%
Subtotal construction expenses	1,686,400	93,565	5.55%
Total Expenditures	2,350,145	280,994	11.96%
Excess (deficiency) of revenues over (under) expenditures	334,835	1,159,148	
Other Financing Sources (Uses):			
Operating transfers in	1,878,510	0	0.00%
Proceeds from other sources	0	0	0.00%
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	1,878,510	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	2,213,345	1,159,148	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending September 30, 2018

Sewer Maintenance & Operations- 51

Adopted Budget	Y-T-D	% Used
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Expenditures:

Operating:

Salaries	347,680	156,383	44.98%
Temporary Employees	0	0	0.00%
Overtime	57,750	24,712	42.79%
Holiday pay	2,250	590	26.23%
Social security	25,280	11,071	43.79%
Medicare tax	5,910	2,589	43.81%
AZ state retirement	48,110	21,430	44.54%
Health & life insurance	82,295	39,965	48.56%
Worker's compensation	21,480	4,441	20.68%
Clothing allowance	1,750	547	31.28%
Operational supplies	39,000	3,091	7.92%
Tools	3,100	512	16.50%
Gas & oil	10,000	3,924	39.24%
Chlorine	5,700	0	0.00%
Polymer	22,500	1,258	5.59%
Odor control supplies	0	0	0.00%
Office supplies	3,400	719	21.16%
Copier supplies	0	69	0.00%
Vehicle maintenance	5,000	389	7.77%
Equipment maintenance	255,000	148,611	58.28%
Building maintenance	1,000	1,172	117.19%
Contractual services	240,000	6,546	2.73%
Employee physicals	0	0	0.00%
Computer support	1,200	514	42.79%
Lab / testing	88,000	20,273	23.04%
Sludge disposal	99,000	47,250	47.73%
Legal advertising	0	0	0.00%
Utilities	575,000	189,752	33.00%
Telephone	4,500	1,847	41.04%
ADEQ annual fee	31,000	11,290	36.42%
Travel & training	2,500	1,338	53.51%
Continuing education	0	0	0.00%
Equipment rental	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Postage & freight	7,500	6,074	80.99%
Liability insurance	39,325	17,279	43.94%
Subtotal maintenance and operations	2,025,230	723,633	35.73%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending September 30, 2018

Sewer Maintenance & Operations- 51
(page 2)

	Adopted Budget	Y-T-D	% Used
	Capital Outlay:	0	6,904
Debt Service:			
Principal	90,965	48,426	53.24%
Interest	96,850	45,483	46.96%
Trustee Fees	300	0	0.00%
Total Expenditures	188,115	100,813	53.59%
Excess (deficiency) of revenues over (under) expenditures	(188,115)	(100,813)	
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	(188,115)	(100,813)	