



To: Honorable Madame Mayor Joens & Council

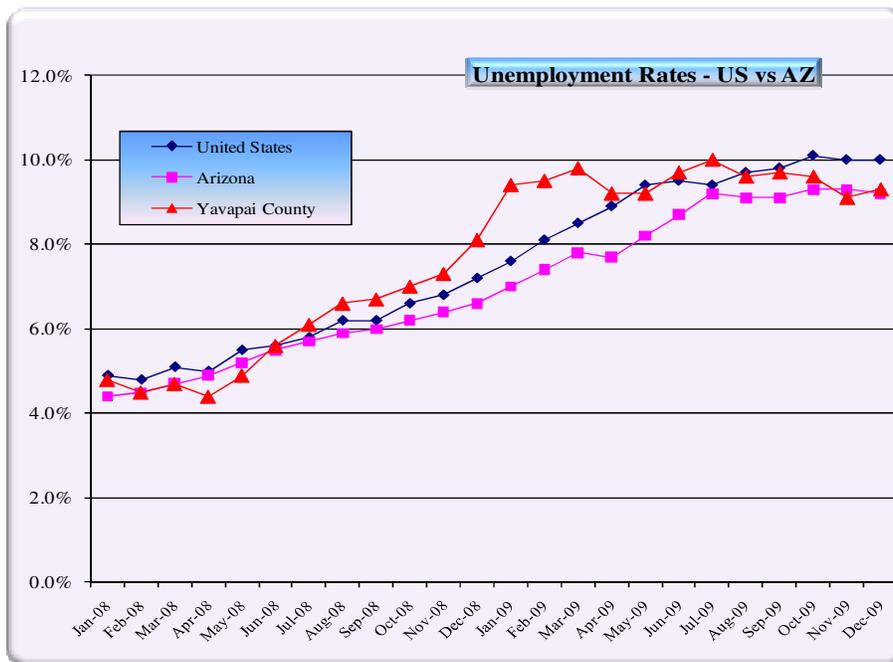
May 3, 2010

Via: Douglas Bartosh, City Manager

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

Subject: Revenue & Expenditure Reports–Period ending December 31, 2009

The second quarter of this fiscal year appears to be showing some improvement in the unemployment rate. With the U.S. unemployment rate holding steady at 10%¹, the State of Arizona unemployment rate



remained static at around 9.2%² over the same period. Yavapai County continues to hover around a 9.3%³ range. High unemployment rates in conjunction with new home construction being down makes economic recovery extremely difficult.

The local housing market has increased activity due to the high inventory of existing homes. Foreclosed homes valued at a fraction their former prices make up a big percentage of the current housing supply, which is expected to stay elevated for

the immediate future. New home construction is still very weak when compared to pre-2007 levels and is expected to stay low for months to come.

The City of Cottonwood continues it high activity levels involving prospective businesses looking to move to the area around the SR260 corridor. The City still has plans to build up the water and wastewater infrastructure in the area as soon as practical. We are very cognizant of the need to move forward with the design work as time and resources permit. The expansion of the system into the area will be a multi-year project expected to be completed in late FY 2011 or FY 2012.

¹ Bureau of Labor Statistics - United States

² Bureau of Labor Statistics - Arizona

³ Economagic.com

GENERAL FUND

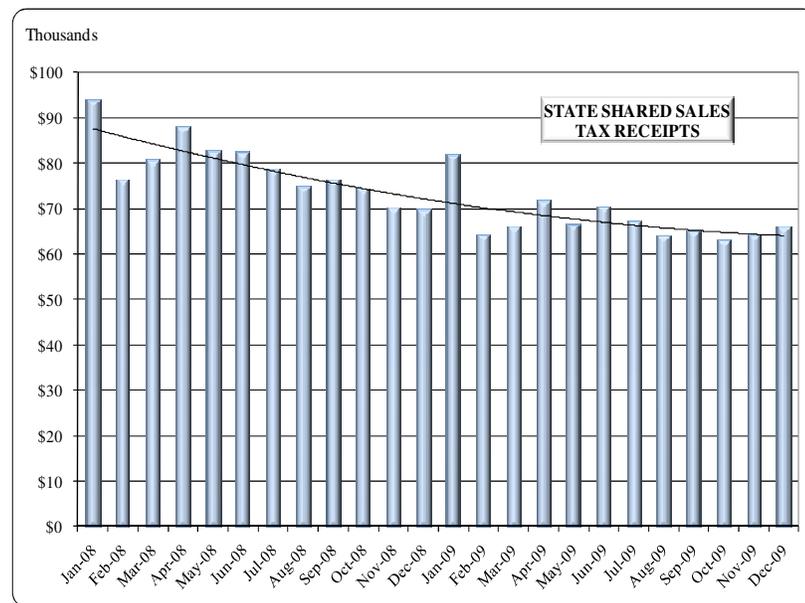
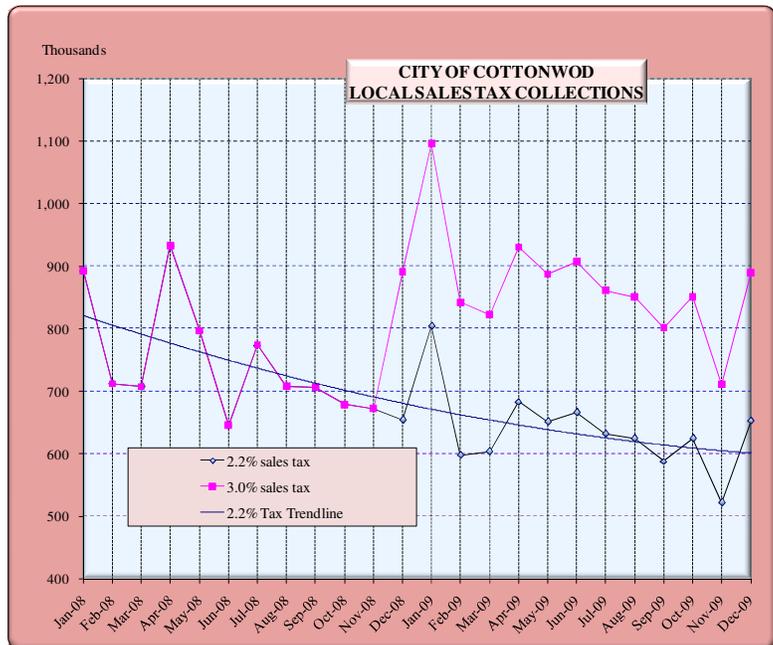
Revenues

The cumulative 2.2% local sales tax ended the first half down 13.1% below FY 2009. When combined with the increase in local sales tax of .08% the cumulative total collected is 18.4% above last year at the same time frame.

What this means is that the increase in the sales tax rate places the City at FY 2006 levels. The City continues its cost cutting measures, severely limiting any new programming to no cost or cost saving ideas for the remainder of the fiscal year.

Local sales tax continues to be the City of Cottonwood's #1 major source of revenue for the General Fund at almost 50% of normal operating expenditures. This single revenue is monitored very closely for changes both positive and negative.

State Shared Income Tax revenues are on target with state estimates at \$1,402,110 for FY 2010. This one of the state shared revenue that 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 \$221,250 less than last year \$1,623,360.



The State Shared Sales Tax is currently not doing as well as estimated, being 12.45% down for the first half of the fiscal year. The revenue source has already taken losses for nearly three consecutive years in a row. The trend line seems to indicate that the downward trend in this revenue may be turning. As a reminder, these estimates are prepared by the State.

Cottonwood's Motor Vehicle Taxes ended the first six months in a down position with a loss over last year of 9.3%. The annual collection is

anticipated to be \$637,940 which put this revenue around FY 2007 levels.

With the sharp drop in revenues, all departments are being asked to reduce their budgets dramatically. You will notice an adjustment to all departmental budgets for the next quarterly report. The report will also reflect comparisons to the revised budgets. At this time of year we are traditionally at 50% and most departments are below that amount.

Other Financing Sources (Uses)

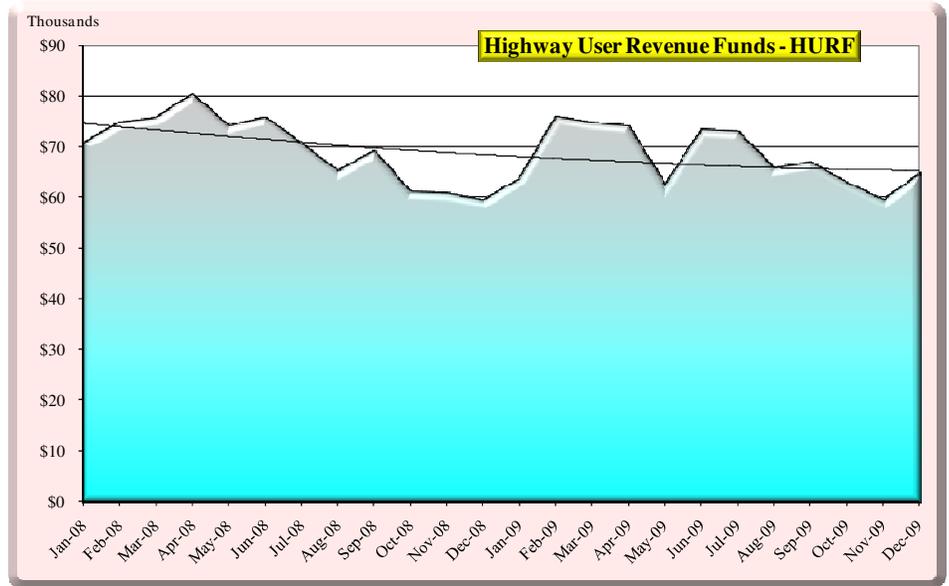
The Non-Departmental budget is elevated due to the lease purchase payment and higher than expected liability insurance.

SPECIAL REVENUE FUNDS

Highway User Revenue Fund (HURF)⁴

Revenues

HURF revenues are currently at 37.18% of the annual projections. State shared fuel tax is just slightly off where it should be. The fortunate thing is that this fund started with about \$1.65M in reserves at July 1, 2009. The HURF or fuel tax as it is commonly called is right in line with the overall revenues bringing in slightly over \$327K in the fiscal year's first half. This revenue source seems to have stopped its downward spiral at this time and is just slightly ahead of last year by .95%. It has actually beaten last year's actual collections each of the past six months. This is good news for the HURF.



Expenditures

The Street Department operational budget is currently at 47.6% with the Street Construction budget at 9.5% of the budgeted amount. The street department budget is also being affected by the down turn in the economy. Despite running quite lean this year in order to complete this year in a positive position, they too will have to reduce operational costs due to the economy. The capital projects planned with borrowed money are still in the works, however, moving slower than anticipated. Already it looks like both the Mingus Avenue Extension Project from Willard Street to SR89A and the 12th Street project from Fir St. to 89A will be shifted into fiscal year. Both these project are anticipated to be funded through some financing mechanism.

Cottonwood Area Transit (C.A.T.)

C.A.T. revenues continue to trail behind expenditures as we work on resolving reimbursement issues with NAIPTA. Operational expenditures are also behind where they traditionally are at this time of year. Expenditures for C.A.T. are at 44.2% of the year. As a note, any shortage in necessary operation revenue for the C.A.T budget is absorbed by the HURF. Currently the HURF is absorbing \$66,484 in transit cost.

⁴ The HURF funds streets maintenance, street construction, and also funds any shortfalls of the Cottonwood Area Transit System.

Library

The General Fund's operating transfers to the Library are on target for the year. We have received the Yavapai County portion in the amount of \$93,391, and will await another similar amount later this year. We are fortunate that the General Fund transfers in to the Library fund are covering its expenditures. Currently, the Library Fund balance is \$103,166.

Operating expenditures are at 46.3%, slightly below where they should be at this time of year. Most every line item is in line where it should be.

Airport

The revenues for the Airport are doing better than projected, now that the City handles the fuel supply and billing for the tie downs and land leases on a regular schedule. The City continues to collect 75¢ on every gallon of fuel sold. This arrangement has worked well for the Airport Fund.⁵ The City's continued goal in providing the fuel is to maintain a safe and adequate fuel supply at a competitive price throughout Northern Arizona. Since the take over the tie downs; (covered and open) collections have improved dramatically. The Airport hangar and land lease billings are sent out quarterly throughout the 2010 fiscal year.

The expenditures for this fund are doing well, being 44.5% at the end of the first half. The Airport continues to make transfers to the General Fund as repayment for the construction of the T-hangars back in FY 2000-01. These transfers to the General Fund will expire in 2013.

Their fund balance deficit has increased to -\$12,336 from -\$6,896 at the beginning of the year.

Grants

There has been very little activity in this fund. We will continue to monitor the fund and continue reporting in our quarterly reports.

CAPITAL PROJECTS

Capital Projects

This fund reflects several projects including the final phases of Library Expansion Project, the purchase and remodel of the Cottonwood Municipal Court Building, and the ultimate completion of the Cottonwood Recreation Center. At this time we have spent \$7,645,252 of the \$11,478,080 budgeted for the Recreation Center, which is still on target to open May 1st, 2010. The Cottonwood Municipal Court Building, as you may recall, was a last minute addition to the budget with only \$800,000 allocated for the purchase and remodel. We currently have spent only \$554,912 on this project. Most of the expenditures are for the acquisition of the Carpet One Building on the corner of 6th Street and Mingus Avenue.

All these projects are funded through reserves accumulated by either a GADA Loan or excess 1% sales tax accumulated prior to July 1, 2007. These capital funds are only to be spent for capital projects not maintenance and operations.

⁵ Since the installation of the Self Serve System and the loss of the Fixed Base Operator (FBO) the City of Cottonwood sets the fuel price with only a 75¢ override for Airport operations.

ENTERPRISE FUNDS

Sewer

Revenues are currently lagging behind projections. This enterprise is trailing behind projected revenue by nearly 14%. Revenues are currently being monitored closely. Fortunately, this fund still has reserves to cover its costs. It is anticipated that a rate increase will not be pursued due to its reserves and lack of debt. The transfer of \$8,000,000 from the capital fund has not materialized and will probably be a bonding issue along with the already anticipated WIFA loan of \$3,000,000. This \$11,000,000 is anticipated to cover system improvements including the SR260 line extension as well as the Riverfront Water Reclamation Project.

Expenses for Operations & Maintenance (O&M) and Administration are also trending behind anticipated allocations. Currently the O&M is at 42.9% of the year. All capital projects are on hold this early in the year. It is expected to restart as the fiscal year continues, with line extensions, pumping and treatment plant upgrades being priorities.

Water

The water fund revenues are just short of their estimates by nearly 10% or approximately \$634,804. This revenue shortfall is due predominately to investment income being down from last year. It was anticipated during budget time, that the Water Utility Fund would tap into its reserves by about \$3.3M, mainly due to capital projects in the works. With many capital projects on hold due to other more pressing issues at this time, we are trending well behind the figure, by over \$1M. Current revenues are currently trending behind operational and debt services expenses.

The consolidated operations, administration and debt service expenses are trending behind estimates. Unfortunately, maintenance costs on the system are causing a strain on overall bottom line of the utility. It is very fortunate the utility has reserves to draw from for some of the maintenance expenses. A rate increase has been planned for several years but has been delayed since there was plenty of coverage to meet the City's bonding covenants. At a recent rate increase presentation the City Council requested that the issue of a rate increase be delayed until after the first of the fiscal year. It is anticipated that the rate increase matter will be presented in mid 2010.

DEBT SERVICE FUNDS

Debt Service

As in the past, this fund continues to be in good shape. Sales taxes and 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.

BRIEF OVERVIEW

There are conflicting reports by economists that the recession is turning around, and locally there are subtle signs. The City, however, will continue to their traditional fiscally responsible stance on doing business by maintaining its quality of services while looking for ways to reduce cost and protect its staff.

Some departments are more aware of what they are spending than they have in previous years. We will continue to protect our core reserves and will work keep costs down where ever prudently achievable.

The sales tax increase of .8% has been the key to keeping staff and services intact over the past nearly 24 months. We continue to keep our employees whole by keeping the merit in place and retaining all benefits. We continue 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 December 31, 2009

General Fund - 01	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$9,567,080	\$3,998,228	41.79%
Licenses & permits	280,000	50,062	17.88%
Intergovernmental revenue	5,431,235	1,412,551	26.01%
Charges for services	1,682,920	532,530	31.64%
Fines & forfeitures	181,000	55,900	30.88%
Uses of monies & properties	83,630	28,225	33.75%
Miscellaneous revenues	365,600	50,341	13.77%
Total revenues	17,591,465	6,127,836	34.83%
Expenditures:			
Operating:			
Administration	649,560	279,811	43.08%
Personnel	143,670	70,908	49.35%
Council	324,160	160,314	49.46%
Natural resources	132,035	63,226	47.89%
City Clerk	225,250	92,405	41.02%
Finance	375,150	179,617	47.88%
IT Services	91,560	39,893	43.57%
Planning & zoning	343,510	138,846	40.42%
Police	3,193,430	1,549,445	48.52%
Animal control	183,830	58,782	31.98%
Communications	680,760	286,231	42.05%
Economic Development	97,650	42,118	43.13%
Fire	2,544,890	1,044,187	41.03%
Court	421,985	202,203	47.92%
Legal	421,800	167,599	39.73%
Engineering	406,000	161,875	39.87%
Parks & recreation	501,650	257,670	51.36%
Pool	108,730	68,321	62.84%
Weightroom	12,310	4,547	36.94%
Rec Center Operations	375,700	1,679	0.45%
Building maintenance	586,430	241,109	41.11%
Custodial	141,870	65,485	46.16%
Public Works	264,780	118,593	44.79%
Non-departmental	394,500	423,059	107.24%
Subtotal maintenance and operations	12,621,210	5,717,925	45.30%
Capital outlay:	3,652,680	194,678	5.33%
Total Expenditures	16,273,890	5,912,603	36.33%
Excess (deficiency) of revenues over (under) expenditures	1,317,575	215,233	
Other financing sources (uses):			
Operating transfers in	23,490	11,745	50.00%
Sales of City Equipment	20,000	4,442	22.21%
Capital leases	(389,200)	(178,790)	45.94%
Transfers out	(1,240,105)	(405,422)	32.69%
Total other financing sources (uses)	(1,585,815)	(568,025)	35.82%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(268,240)	(352,792)	
Fund balance, July 1, 2009 (audited)		5,631,549	
Estimated fund balance @ June 30, 2010		<u>\$5,278,757</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

HURF - 02

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,861,870	677,459	36.39%
Uses of monies & properties	11,500	2,039	17.73%
Miscellaneous revenues	1,000	15,742	1574.20%
Total revenues	1,874,370	695,240	37.09%
Expenditures:			
Operating:			
Salaries	223,730	100,556	44.95%
Overtime	1,000	656	65.57%
Health & life insurance	60,450	24,629	40.74%
Temp employees	0	0	0.00%
Clothing allowance	4,500	2,248	49.95%
Travel & training	200	0	0.00%
Subscriptions & dues	200	85	42.50%
Gas & oil	19,000	7,275	38.29%
Vehicle maintenance	10,000	3,283	32.83%
Equipment maintenance	25,000	27,687	110.75%
Computer support	1,300	552	42.50%
Operational supplies	1,800	605	33.62%
Office supplies	600	72	11.93%
Utilities	4,500	4,162	92.50%
Telephone	2,200	839	38.12%
Street lights	45,000	21,894	48.65%
Legal advertising	500	0	0.00%
Engineering Services	2,000	0	0.00%
General counsel	0	0	0.00%
Postage & freight	250	74	29.56%
Bank charges	50	151	301.56%
Tools	2,800	1,778	63.50%
Equipment rental	25,000	4,658	18.63%
Building maintenance & repair	0	0	0.00%
Liability insurance	13,200	13,960	105.76%
Worker's compensation	15,060	6,132	40.72%
Social security	13,930	6,083	43.67%
AZ state retirement	21,130	9,306	44.04%
Employee physicals	700	153	21.86%
Medicare tax	3,260	1,423	43.64%
Liability claims deductible	0	0	0.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	176,100	72,322	41.07%
Culverts	5,000	0	0.00%
Materials	30,000	10,739	35.80%
Street signs	11,000	1,949	17.72%
Street marking	45,000	28,746	63.88%
Rodeo Dr. St. Reimbursement	20,000	10,676	53.38%
Contractual services	30,000	26,978	89.93%
Equipment purchase	0	0	0.00%
Street light contingency	4,000	0	0.00%
Subtotal maintenance and operations	818,460	389,671	47.61%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

HURF - 02 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service:			
Principal	179,040	0	0.00%
Interest	164,970	0	0.00%
Capital Outlay:			
Pavement Preservation	350,000	0	0.00%
Street Contingency	1,061,175	26,040	2.45%
Sidewalk Additions	80,000	0	0.00%
12th Street Project	600,000	150,541	25.09%
W Mingus Reconstruction	1,450,000	12,062	0.83%
12th ST Nacog 89-a to fir	2,300,000	89,717	3.90%
Paula St. Reconstruction	0	0	0.00%
Willard Extension	0	0	0.00%
Total Expenditures	7,003,645	668,031	9.54%
Excess (deficiency) of revenues over (under) expenditures	(5,129,275)	27,209	
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)	3,750,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,379,275)	27,209	
Fund balance, July 1, 2009 (audited)		1,656,769	
Estimated fund balance @ June 30, 2010		\$1,683,978	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

CATS - 02

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,100,900	350,434	31.83%
Charges for services	125,460	69,502	55.40%
Total revenues	1,226,360	419,936	34.24%
Expenditures:			
Salaries	371,080	157,000	42.31%
Overtime	8,570	1,783	20.80%
Health/life insurance	113,510	40,392	35.58%
Temporary employee	43,000	11,898	27.67%
Clothing allowance	1,560	1,234	79.13%
Holiday pay	0	0	0.00%
Travel/training	4,560	1,311	28.76%
Subscriptions/dues	1,000	108	0.00%
Gas & oil	109,430	26,224	23.96%
Vehicle maintenance	128,290	79,334	61.84%
Equipment maintenance	0	0	0.00%
Radio maintenance	3,750	0	0.00%
Computer Support	2,495	274	11.00%
Office supplies	6,500	3,108	47.81%
Copier supplies	6,700	101	1.51%
Utilities	3,000	259	8.65%
Telephone	8,170	971	11.89%
Printing & forms	7,000	2,682	38.31%
Advertising	20,160	5,257	26.08%
Postage & freight	1,000	399	39.88%
Contractual Services	28,870	43,083	149.23%
Audit expense	1,530	1,530	26.06%
Liability insurance	26,720	12,350	46.22%
State compensation insurance	19,150	6,401	33.43%
Social security	25,920	10,178	39.27%
AZ retirement	35,250	14,851	42.13%
Employee physicals / drug tests	3,870	1,000	25.84%
Medicare	5,605	2,380	42.47%
Continuing education	1,215	79	0.00%
Indirect costs to GF	40,000	30,468	76.17%
Subtotal maintenance and operations	1,027,905	454,657	44.23%
Capital Outlay:	310,100	31,764	10.24%
Total Expenditures	1,338,005	486,421	36.35%
Fund balance, July 1, 2008 (unaudited)			
Excess (deficiency) of revenues over (under) expenditures	(111,645)	(66,484)	
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	
Total other financing sources (uses)	0	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses			
	(111,645)	(66,484)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Library - 03

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other income	\$20,160	\$9,517	47.21%
Interest income	600	67	11.10%
Collection income	0	0	0.00%
Yavapai county	195,720	93,391	47.72%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	216,480	102,975	47.57%
Expenditures:			
Operating:			
Salaries	423,970	198,084	46.72%
Health & life insurance	83,890	40,985	48.86%
Temp employees	10,520	6,545	62.21%
Holiday pay	0	0	0.00%
Travel & training	570	619	0.00%
Subscriptions & dues	180	219	121.67%
Gas & oil	0	0	0.00%
Vehicle maintenance	0	0	0.00%
Equipment maintenance	9,000	2,710	30.11%
Computer support	1,000	686	68.57%
Collection expenses	3,000	1,235	41.17%
Office supplies	7,000	5,124	73.21%
Copier supplies	700	478	68.26%
Utilities	65,000	24,366	37.49%
Telephone	13,000	5,842	44.94%
Special Dept. Supplies	0	0	0.00%
Youth programs	1,120	0	0.00%
Legal advertising	0	0	0.00%
Postage & freight	8,850	4,838	54.67%
Book purchases	40,000	17,825	44.56%
District - Materials	0	11,852	0.00%
Network & technology expenses	33,000	0	0.00%
Annual volunteer appreciation	800	0	0.00%
Liability Insurance	15,480	11,106	71.75%
Worker's compensation	1,100	1,494	135.82%
Social security	26,290	12,354	46.99%
AZ state retirement	39,850	18,578	46.62%
Medicare tax	6,150	2,889	46.98%
Continuing education	0	0	0.00%
Recruitment Cost	0	180	0.00%
Indirect costs to general fund	133,390	59,457	44.57%
Subtotal maintenance and operations	923,860	427,466	46.27%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Library - 03 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay:	0	0	0.00%
Total expenditures	923,860	427,466	46.27%
Excess (deficiency) of revenues over (under) expenditures	(707,380)	(324,492)	
Other financing sources (uses):			
Operating transfers in	707,380	353,690	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)	707,380	353,690	50.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	29,198	
Fund balance, July 1, 2009 (audited)		73,968	
Estimated fund balance @ June 30, 2010		<u>\$103,166</u>	

Budget to Actual
Quarterly Report Ending December 31, 2009

Airport - 05

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other Income	\$0	\$10	0.00%
Late Fees	\$0	\$7	
1 Tie down rent	25,000	13,552	54.21%
Airpark Rents	0	0	0.00%
FBO building rental income	14,400	0	0.00%
Fuel sales income	218,400	112,713	51.61%
2 Land lease fees	33,000	23,534	71.32%
City hangar lease fees	30,650	21,136	68.96%
Total revenues	321,450	170,953	53.18%
Expenditures:			
Equipment maintenance	9,000	4,494	49.93%
Utilities	12,500	4,491	35.93%
Telephone	1,250	505	40.37%
General Counsel	5,000	7,343	146.85%
Contractual Services	0	1,372	0.00%
Fuel Expense	154,000	78,939	51.26%
3 Bank Charges	13,500	4,515	33.44%
Building maintenance	25,000	778	3.11%
Liability Insurance	5,200	0	0.00%
Equipment Purchase	24,000	8,390	34.96%
Indirect costs	46,280	20,813	44.97%
Subtotal maintenance and operations	295,730	131,638	44.51%
Capital improvements - hangars	0	0	0.00%
Total expenditures	295,730	131,638	44.51%
Excess (deficiency) of revenues over (under) expenditures	25,720	39,315	
Other financing sources (uses):			
Operating transfers in	0	0	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(35,990)	(11,745)	32.63%
Total other financing sources (uses)	(35,990)	(11,745)	32.63%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(10,270)	(5,440)	
Fund balance, July 1, 2009 (audited)		(6,896)	
Estimated fund balance @ June 30, 2010		(\$12,336)	

Notes:

- 1 Tie downs were budgeted at the old rate rather than the new rate. Inclusive this September report includes individuals paying there second quarter rent early.
- 2 This September report marks the first time the City has sent out bills to anyone holding a hangar lease. With the need for revenues, the Finance Department is keeping closer tabs on late payments and making sure that all late fees are collected.
- 3 Miscellaneous expenses was changed to Bank Charges and has increased substantially with the increased usage of the Self Fueling System.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Sewer Consolidated - 06

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	1,579,200	618,217	39.15%
Uses of monies & properties	273,600	29,772	10.88%
Miscellaneous revenues	49,750	38,166	76.72%
Total revenues	1,902,550	686,156	36.07%
Expenditures:			
Operating:			
Salaries	365,960	173,884	47.51%
Overtime	20,000	17,950	89.75%
Health & life insurance	68,000	29,455	43.32%
Temporary Employees	0	0	0.00%
Clothing allowance	4,500	2,168	48.17%
Holiday pay	8,230	598	7.27%
Travel & training	3,000	667	22.22%
Subscriptions & dues	1,000	60	6.00%
Printing & forms	2,000	116	5.80%
Bad debt expense	18,000	7,623	42.35%
Gas & oil	9,500	3,276	34.49%
Vehicle maintenance	8,000	2,374	29.68%
Equipment maintenance	175,000	58,608	33.49%
Chlorine	2,000	2,014	100.72%
Polymer	20,000	7,233	36.16%
Computer support	6,000	2,271	37.85%
Operational supplies	17,000	7,180	42.23%
Office supplies	2,500	848	33.90%
Copier Supplies	1,250	196	15.70%
Utilities	326,790	153,188	46.88%
Telephone	3,100	1,233	39.79%
Legal Advertising	0	0	0.00%
General Counsel	0	0	0.00%
Contractual services	69,000	30,175	43.73%
Sludge disposal	110,000	32,564	29.60%
Postage & freight	13,000	6,243	48.02%
Bank Charges	2,000	173	8.67%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	20,898	41.80%
Tools	3,000	114	3.79%
Equipment rental	2,000	848	42.40%
Building maintenance	3,000	2,657	88.58%
Liability insurance	24,700	19,697	79.75%
Worker's compensation	12,630	2,627	20.80%
Social security	24,440	11,797	48.27%
AZ state retirement	37,050	17,993	48.57%
Employee physicals	0	403	0.00%
Medicare tax	5,720	2,759	48.24%
ADEQ annual fee	15,000	8,379	55.86%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Indirect costs to general fund	162,020	55,964	34.54%
Subtotal maintenance and operations	1,595,390	684,233	42.89%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2009

Sewer Consolidated - 06 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	4,961,250	100,536	2.03%
Total Expenditures	<u>6,556,640</u>	<u>784,769</u>	<u>11.97%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,654,090)</u>	<u>(98,613)</u>	
Other Financing Sources (Uses):			
Operating transfers in	8,081,000	0	0.00%
Proceeds from bonds / loans	3,000,000	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>11,081,000</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>\$6,426,910</u></u>	<u><u>(\$98,613)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

**Sewer Construction
& Administration - 06**

Adopted Budget	Y-T-D	% Used
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Revenues:

City sales tax	\$0	\$0	0.00%
User fees - admin residential	140,000	65,970	47.12%
User fees - admin commercial	23,900	11,513	48.17%
User fees - admin multi-residential	94,300	44,138	46.81%
Recovery of bad debts	150	(136)	-90.93%
Sale of City Property	0	419	0.00%
Other income	500	5,503	1100.55%
Interest income	150,000	13,482	8.99%
Interest - equipment reserve	100,000	15,218	15.22%
Interest - expansion fund	21,600	967	4.48%
Interest - bond reserve fund	0	0	0.00%
Total revenues	530,450	157,073	29.61%

Expenditures:

Administration

Salaries	89,260	43,534	48.77%
Overtime and Holiday Pay	1,000	554	55.39%
Health & life insurance	22,930	6,390	27.87%
Temp Employees	0	0	0.00%
Travel & training	0	114	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	2,000	116	5.80%
Bad debt expense	18,000	7,623	42.35%
Equipment maintenance	0	0	0.00%
Computer support	2,000	725	36.23%
Office supplies	500	63	12.58%
Copier Supplies	250	85	34.19%
Utilities	1,790	1,201	67.07%
Telephone	0	0	0.00%
General Counsel	0	0	0.00%
Contractual Services	9,000	1,853	20.59%
Legal advertising	0	0	0.00%
Postage & freight	9,000	3,490	38.78%
Bank charges	2,000	173	8.67%
Liability insurance	3,700	4,126	111.51%
Worker's compensation	530	56	10.57%
Social security	5,600	2,672	47.71%
AZ state retirement	8,480	4,147	48.90%
Medicare tax	1,310	625	47.72%
Continuing education	0	0	0.00%
Indirect costs to general fund	162,020	55,964	34.54%
Subtotal maintenance and operations	339,370	133,511	39.34%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Sewer Construction & Administration - 06 (page 2)	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	46,500	2,899	6.23%
Construction:			
Legal fees	0		0.00%
Legal Advertising	0	27	0.00%
Investment Expense	0	2,540	0.00%
Building Purchase	260,000	21,625	8.32%
Rodeo Dr. Reimbursement	0		0.00%
260-Design	0		0.00%
260-Construction	1,900,000		0.00%
Line extensions	0	32,945	0.00%
Pump System Upgrade	150,000	8,423	5.62%
Bella Montana Plant	0		0.00%
Effluent disposal system	0		0.00%
WWTP-Master Plan	0		0.00%
WWTP-Head Works	300,000		0.00%
Lift Station	0	1,882	1.38%
WWTP-Upgrades	890,250		0.00%
Construction - general	0		0.00%
Construction - solids handling	1,375,000		0.00%
Consultant service	0		0.00%
Subtotal construction expenses	4,875,250	67,442	1.38%
Total Expenditures	5,261,120	203,851	3.87%
Excess (deficiency) of revenues over (under) expenditures	(4,730,670)	(46,779)	
Other Financing Sources (Uses):			
Operating transfers in	8,081,000	0	0.00%
Proceeds from other sources	3,000,000	0	0.00%
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	11,081,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	6,350,330	(46,779)	

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget to Actual

Quarterly Report Ending December 31, 2009

Sewer Maintenance & Operations- 06

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
City sales tax	\$0	\$0	0.00%
User fees - M&O residential	470,000	185,443	39.46%
User fees - M&O multi-residential	318,000	123,806	38.93%
User fees - M&O commercial	390,000	177,470	45.51%
Tap fees	0	0	0.00%
Impact fees	120,000	3,843	3.20%
Effluent Revenue	23,000	5,617	24.42%
Building Rental	29,100	19,200	65.98%
Late fees - interest charges	20,000	13,600	68.00%
Connection fees	2,000	105	5.25%
Total revenues	1,372,100	529,083	38.56%
Expenditures:			
Operating:			
Salaries	276,700	130,349	47.11%
Overtime	19,000	17,396	91.56%
Health & life insurance	45,070	23,065	51.18%
Temporary Employees	0	0	0.00%
Clothing allowance	4,500	2,168	48.17%
Holiday pay	8,230	598	7.27%
Travel & training	3,000	553	18.44%
Subscriptions & dues	1,000	60	6.00%
Gas & oil	9,500	3,276	34.49%
Vehicle maintenance	8,000	2,374	29.68%
Equipment maintenance	175,000	58,608	33.49%
Chlorine	2,000	2,014	100.72%
Polymer	20,000	7,233	36.16%
Computer support	4,000	1,546	38.66%
Operational supplies	17,000	7,180	42.23%
Office supplies	2,000	785	39.23%
Copier supplies	1,000	111	11.08%
Utilities	325,000	151,987	46.77%
Telephone	3,100	1,233	39.79%
Legal advertising	0	0	0.00%
Contractual services	60,000	28,322	47.20%
Sludge disposal	110,000	32,564	29.60%
Postage & freight	4,000	2,753	68.82%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	20,898	41.80%
Tools	3,000	114	3.79%
Equipment rental	2,000	848	42.40%
Building maintenance	3,000	2,657	88.58%
Liability insurance	21,000	15,571	74.15%
Worker's compensation	12,100	2,571	21.25%
Social security	18,840	9,125	48.43%
AZ state retirement	28,570	13,847	48.47%
Employee physicals	0	403	0.00%
Medicare tax	4,410	2,134	48.39%
ADEQ annual fee	15,000	8,379	55.86%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,256,020	550,722	43.85%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2009

Sewer Maintenance & Operations- 06
 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital Outlay:	39,500	30,196	76.44%
Total Expenditures	1,295,520	580,918	44.84%
Excess (deficiency) of revenues over (under) expenditures	76,580	(51,835)	
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	76,580	(51,835)	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Grants - 07 & 08

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$487,500	\$449,402	92.19%
Other Income	\$0	\$1	0.00%
Total revenues	487,500	449,403	92.19%
Expenditures:			
Capital Outlay:	500,000	508,819	101.76%
Total Expenditures	500,000	508,819	101.76%
Excess (deficiency) of revenues over (under) expenditures	(12,500)	(59,416)	
Other Financing Sources (Uses):			
Operating Transfers In	12,500	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)	12,500	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(59,416)	
Fund balance, July 1, 2009 (audited)		154,495	
Estimated fund balance @ June 30, 2010		\$95,079	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Alt. Firefighter's Pension - 09

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$36,600	\$25,663	70.12%
Uses of monies & properties	1,000	19,752	1975.20%
Total revenues	37,600	45,415	120.79%
Expenditures:			
Benefits	4,600	29,789	647.59%
Administration	4,000	2,704	67.61%
Total Expenditures	8,600	32,493	377.83%
Excess (deficiency) of revenues over (under) expenditures	29,000	12,922	
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	29,000	12,922	
Fund balance, July 1, 2009 (audited)		75,900	
Estimated fund balance @ June 30, 2010		\$88,822	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Employee Benefit Trust - 10

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	8,000	1,685	21.06%
Total revenues	8,000	1,685	21.06%
Expenditures:			
Premiums	24,000	12,290	51.21%
Benefits	0	0	0.00%
Miscellaneous	1,700	1,200	0.00%
Total Expenditures	25,700	13,490	52.49%
Excess (deficiency) of revenues over (under) expenditures	(17,700)	(11,805)	
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	(17,700)	(11,805)	
Fund balance, July 1, 2009 (unaudited)		219,120	
Estimated fund balance @ June 30, 2010		\$207,315	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Capital Projects - 11

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Use of monies & properties	850,000	148,867	17.51%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total revenues	850,000	148,867	17.51%
Expenditures:			
Capital outlay:			
Rodeo Drive Reimbursements	0	0	0.00%
Investment Expenses	3,400	21,744	639.54%
Contingency	0	0	0.00%
Land Acquisition	0	820	0.00%
Viejo Park	9,000	0	0.00%
Tennis Center Resurface	12,000	0	0.00%
Old Town Parking	0	0	0.00%
Architecture - Communciations Bldg.	360,000	0	0.00%
Architecture- Evidence Building	69,260	79,244	114.42%
Rec Center Architecture	161,370	203,396	126.04%
Rec Center Construction	9,960,400	7,441,856	74.71%
Furnishing & Equipment	1,287,050	0	0.00%
Court Design & Architecture	100,000	7,688	7.69%
Court Building Purchase	700,000	547,224	78.17%
Architecture-City Hall	100,000	0	0.00%
Library Expansion	0	38,908	0.00%
Railroad wash improvements	0	0	0.00%
Total Expenditures	12,762,480	8,340,880	65.35%
Excess (deficiency) of revenues over (under) expenditures	(11,912,480)	(8,192,012)	
Other Financing Sources (Uses):			
Operating Transfers In	429,260	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	429,260	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(11,483,220)	(8,192,012)	
Fund balance, July 1, 2009 (audited)		28,421,851	
Estimated fund balance @ June 30, 2010		\$20,229,839	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Debt Service - 13

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,697,475	\$834,417	49.16%
Uses of monies & properties	142,530	206	0.14%
Total revenues	<u>1,840,005</u>	<u>834,623</u>	<u>45.36%</u>
Expenditures:			
Trustee fees	20,000	0	0.00%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:			
Interest	852,480	426,237	50.00%
Principal	845,000	422,500	50.00%
Total Expenditures	<u>1,717,480</u>	<u>848,738</u>	<u>49.42%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>122,525</u>	<u>(14,115)</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	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>122,525</u>	<u>(14,115)</u>	
Fund balance, July 1, 2009 (audited)		1,229,293	
Estimated fund balance @ June 30, 2010		<u><u>\$1,215,178</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Water Consolidated - 16

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	5,425,050	2,332,695	43.00%
Uses of monies & properties	1,193,000	336,532	28.21%
Miscellaneous revenues	31,000	20,495	66.11%
Total revenues	6,649,050	2,689,721	40.45%
Expenditures:			
Operating:			
Salaries	564,790	262,440	46.47%
Overtime	102,500	51,991	50.72%
Health & life insurance	142,720	69,852	48.94%
Temporary Employees	0	1,295	0.00%
Clothing allowance	11,000	7,599	69.08%
Holiday pay	0	1,190	0.00%
Travel & training	12,500	2,080	16.64%
Subscriptions & dues	3,200	772	24.13%
Printing & forms	14,500	8,596	59.28%
Bad debt expense	0	0	0.00%
Gas & oil	35,000	19,495	55.70%
Vehicle maintenance	18,000	6,031	33.50%
Equipment maintenance	252,000	206,350	81.89%
Chlorine	20,000	8,175	40.87%
Polymer	0	0	0.00%
Computer support	4,500	1,790	39.77%
Operational supplies	28,000	11,772	42.04%
Office supplies	11,000	4,797	43.61%
Copier Supplies	1,500	915	61.02%
Verde River Days	1,000	1,000	100.00%
Utilities	381,000	179,340	47.07%
Telephone	15,000	7,529	50.20%
Legal Advertising	13,175	213	1.62%
Contractual services	232,000	127,533	54.97%
Water System Evaluation	0	0	0.00%
General Counsel	7,000	3,885	55.50%
Sludge disposal	0	0	0.00%
Postage & freight	41,500	24,228	58.38%
Bank Charges	2,500	0	0.00%
Odor control supplies	0	0	0.00%
Lab / testing	25,000	7,652	30.61%
Tools	6,000	2,849	47.49%
Equipment rental	5,000	150	3.00%
Building maintenance	5,000	935	18.71%
Liability insurance	45,000	35,165	78.14%
Worker's compensation	25,930	8,875	34.23%
Social security	41,380	18,841	45.53%
AZ state retirement	59,760	29,292	49.02%
Employee physicals	0	0	0.00%
Medicare tax	9,670	4,406	45.56%
ADEQ annual fee	28,500	24,500	85.96%
Continuing education	0	0	0.00%
Payment Assistance Program	10,500	10,500	100.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	3,706	0.00%
Reserve replacement fund	0	0	0.00%
Reserve Resource Development	1,665,920	0	0.00%
Reserve Water Advisory	96,760	10,000	10.33%
Reserve Adjudication	143,450	15,625	10.89%
Reserve Water Conservation	101,210	1,500	1.48%
Indirect costs to general fund	654,070	184,009	28.13%
Subtotal maintenance and operations	4,837,535	1,366,873	28.26%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2009

Water Consolidated - 16 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service	2,536,810	1,264,652	49.85%
Capital Outlay:	36,712,900	1,486,950	4.05%
Total Expenditures	<u>44,087,245</u>	<u>4,118,475</u>	<u>9.34%</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(37,438,195)</u>	 <u>(1,428,753)</u>	 <u>3.82%</u>
 Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds / loans	34,100,000	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>34,100,000</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>(\$3,338,195)</u></u>	 <u><u>(\$1,428,753)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget to Actual

Quarterly Report Ending December 31, 2009

**Water Construction
& Administration - 16**

Adopted Budget		
	Y-T-D	% Used

Revenues:

City sales tax	\$0		0.00%
User fees	5,100,000	2,257,800	44.27%
Service Turn Ons	65,000	31,600	48.62%
Meter Installation	40,000	950	2.38%
Impact Fees	140,000	2,450	1.75%
Collection fees/late fees	80,000	39,895	49.87%
Reimbursement Clarkdale	31,000	17,026	54.92%
Res-Resource Development Fees	430,000	210,464	48.95%
Res-Water Advisory Committee	35,000	16,840	48.11%
Res-Adjudication	44,500	21,571	48.47%
Res-Water Conservation	2,600	13,147	505.66%
Recapture Agreements	0	0	0.00%
Other income	0	3,469	0.00%
Building Rental	7,800	3,250	41.67%
Drought Water Shortage PP	50	0	0.00%
Interest income	538,100	71,260	13.24%
Total revenues	6,514,050	2,689,721	41.29%

Expenditures:

Administration

Salaries	121,950	61,264	50.24%
Overtime and Holiday Pay	2,500	957	38.27%
Health & life insurance	34,140	12,396	36.31%
Temp Employees	0	0	0.00%
Travel & training	2,500	0	0.00%
Subscriptions & dues	200	72	36.00%
Printing & forms	14,500	8,596	59.28%
Bad debt expense	0	0	0.00%
Equipment maintenance	2,000	0	0.00%
Computer support	2,000	1,579	78.94%
Office supplies	2,000	1,361	68.06%
Copier Supplies	500	185	37.00%
Utilities	6,000	2,463	41.05%
Telephone	6,000	1,884	31.39%
Contractual Services	47,000	61,702	131.28%
Growth Premium	60,000	7,500	12.50%
Water System Evaluation	0	0	0.00%
General Counsel	7,000	3,885	55.50%
Legal advertising	11,175	0	0.00%
Postage & freight	40,000	23,461	58.65%
Bank charges	2,500	0	0.00%
Liability insurance	10,000	12,717	127.17%
Worker's compensation	620	120	19.35%
Social security	7,720	3,769	48.82%
AZ state retirement	11,700	5,846	49.97%
Medicare tax	1,800	881	48.96%
Continuing education	0	0	0.00%
Indirect costs to general fund	654,070	184,009	28.13%
Payment Assistance Program	10,500	10,500	100.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	3,706	0.00%
Reserve Resource Development	1,665,920	0	0.00%
Reserve Water Advisory	96,760	10,000	10.33%
Reserve Adjudication	143,450	15,625	10.89%
Reserve Water Conservation	101,210	1,500	1.48%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	3,065,715	435,978	14.22%

Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget to Actual
 Quarterly Report Ending December 31, 2009

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

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	400,000	78,163	19.54%
Construction:			
Investment Expense	0	2,073	0.00%
Building Purchase	390,000	138,778	35.58%
Aresinic Mitigation	925,000	607,717	65.70%
Construction Manager at Risk	500,000	475,527	95.11%
Valve Replacement	100,000	0	0.00%
Aid in Lieu of Construction	0	126,945	0.00%
Fire Hydrant Improvements	500,000	0	0.00%
HWY 260 H2O System Upgrades	1,375,000	0	0.00%
Well Booster Station	100,000	0	0.00%
Well Improvements	1,570,000	0	0.00%
Well Acquisitions	1,725,000	38,690	2.24%
Line Extensions	0	17,054	0.00%
Construction - general	0	0	0.00%
Construction - solids handling	0	0	0.00%
Subtotal construction expenses	<u>7,185,000</u>	<u>1,406,784</u>	<u>19.58%</u>
Total Expenditures	<u>10,650,715</u>	<u>1,920,925</u>	<u>18.04%</u>

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Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Water Maintenance & Operations- 16

	Adopted		
	Budget	Y-T-D	% Used
Expenditures:			
Operating:			
Salaries	442,840	201,176	45.43%
Overtime	100,000	51,034	51.03%
Health & life insurance	108,580	57,456	52.92%
Temporary Employees	0	1,295	0.00%
Clothing allowance	11,000	7,599	69.08%
Holiday pay	0	1,190	0.00%
Travel & training	10,000	2,080	20.80%
Subscriptions & dues	3,000	700	23.33%
Gas & oil	35,000	19,495	55.70%
Vehicle maintenance	18,000	6,031	33.50%
Equipment maintenance	250,000	206,350	82.54%
Chemicals	20,000	8,175	40.87%
Polymer	0	0	0.00%
Computer support	2,500	211	8.44%
Operational supplies	28,000	11,772	42.04%
Office supplies	9,000	3,436	38.18%
Copier supplies	1,000	730	73.03%
Verde River Days	1,000	1,000	100.00%
Utilities	375,000	176,877	47.17%
Telephone	9,000	5,646	62.73%
Legal advertising	2,000	213	10.67%
Contractual services	125,000	58,331	46.67%
Contractual SVCS-M&O	0	0	0.00%
Postage & freight	1,500	767	51.15%
Odor control supplies	0	0	0.00%
Lab / testing	25,000	7,652	30.61%
Tools	6,000	2,849	47.49%
Equipment rental	5,000	150	3.00%
Building maintenance	5,000	935	18.71%
Liability insurance	35,000	22,448	64.14%
Worker's compensation	25,310	8,755	34.59%
Social security	33,660	15,071	44.78%
AZ state retirement	48,060	23,445	48.78%
Employee physicals	0	0	0.00%
Medicare tax	7,870	3,525	44.79%
ADEQ annual fee	28,500	24,500	85.96%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,771,820	930,895	52.54%

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual
Quarterly Report Ending December 31, 2009

Water Debt Service - 16

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Use of monies & properties	135,000	0	0.00%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total Revenues	135,000	0	0.00%
Debt Service:			
Principal	905,000	452,500	50.00%
Interest	1,624,310	812,152	50.00%
Trustee Fees	7,500	0	0.00%
Capital Outlay:	29,127,900	2,002	0.01%
Total Expenditures	33,436,530	2,197,549	6.57%
Excess (deficiency) of revenues over (under) expenditures	33,436,530	492,172	
Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds	34,100,000	0	0.00%
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	34,100,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(3,338,195)	(1,428,753)	