

# FY 2013 1<sup>st</sup> Quarter Financial Report



## City of Cottonwood

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City of Cottonwood  
Fiscal Year 2012 – 1<sup>st</sup> Quarter Report  
For the period ending September 30, 2012

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## EXECUTIVE SUMMARY

This report is a summary of the financial activity for the City of Cottonwood major operating funds. It is reflective of activity through the period ending September 30, 2012 and it should be noted that the information presented within this document is unaudited.

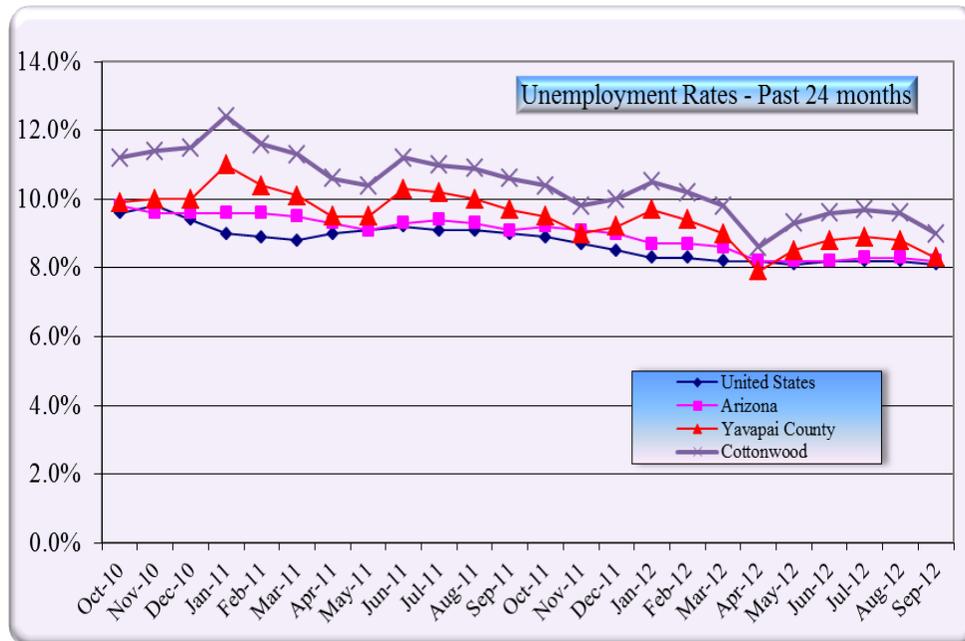
This report follows previous quarterly reporting format for consistency. It contains a brief description of each of the City's major revenue sources and expenditure data by fund. A detailed analysis of each is also presented, highlighting any issues or concerns. The executive section contains broad general data that affects the overall community.

### *Unemployment Data:*

As we complete the first quarter of fiscal year FY 2013 we can see in the chart to the right that the U.S. unemployment rate<sup>1</sup> has not changed much over the past few months. The State of Arizona<sup>2</sup> has not fared much better during this same period.

Yavapai County<sup>3</sup> on the other hand has seen its number drop to 8.3% from 8.8% in June. The City of Cottonwood<sup>4</sup> unemployment figures have also decrease over that past three months from 9.7% to 9.0%. These, however, are still higher than the other benchmarks.

Monthly	United States	Arizona	Yavapai County	Cottonwood
Oct-10	9.6%	9.8%	9.9%	11.2%
Nov-10	9.8%	9.6%	10.0%	11.4%
Dec-10	9.4%	9.6%	10.0%	11.5%
Jan-11	9.0%	9.6%	11.0%	12.4%
Feb-11	8.9%	9.6%	10.4%	11.6%
Mar-11	8.8%	9.5%	10.1%	11.3%
Apr-11	9.0%	9.3%	9.5%	10.6%
May-11	9.1%	9.1%	9.5%	10.4%
Jun-11	9.2%	9.3%	10.3%	11.2%
Jul-11	9.1%	9.4%	10.2%	11.0%
Aug-11	9.1%	9.3%	10.0%	10.9%
Sep-11	9.0%	9.1%	9.7%	10.6%
Oct-11	8.9%	9.2%	9.5%	10.4%
Nov-11	8.7%	9.1%	9.0%	9.8%
Dec-11	8.5%	9.0%	9.2%	10.0%
Jan-12	8.3%	8.7%	9.7%	10.5%
Feb-12	8.3%	8.7%	9.4%	10.2%
Mar-12	8.2%	8.6%	9.0%	9.8%
Apr-12	8.2%	8.2%	7.9%	8.6%
May-12	8.1%	8.2%	8.5%	9.3%
Jun-12	8.2%	8.2%	8.8%	9.6%
Jul-12	8.2%	8.3%	8.9%	9.7%
Aug-12	8.2%	8.3%	8.8%	9.6%
Sep-12	8.1%	8.2%	8.3%	9.0%



The graph to the left shows that there have been some overall improvements in the unemployment numbers over the past 24 months. There is still, however, some uneasiness with the fluctuations in the overall unemployment statistics despite the improvements of the past few years.

To continue the more recent improvements in the overall unemployment outlook, we will require more new housing construction starts. We are already seeing some improvements in this sector.

<sup>1</sup> United States - <http://data.bls.gov/pdq/SurveyOutputServlet>

<sup>2</sup> Arizona - [http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data\\_tool=latest\\_numbers&series\\_id=LASST04000003](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LASST04000003)

<sup>3</sup> Yavapai County - <http://www.economagic.com/em-cgi/data.exe/blsla/laupa04070003>

<sup>4</sup> Cottonwood - <http://www.workforce.az.gov/local-area-unemployment-statistics.aspx>

	Consolidated	
	Budget	1st Qtr Actual
Revenues	\$29,157,525	\$6,325,235
Operating Expenditures	26,821,610	5,801,118
Capital Outlay	18,366,170	1,642,731
Debt Service	4,576,085	1,143,006
Revenues over (under)		
Expenditures	(20,606,340)	(2,261,619)
Other Funding Sources & Uses	4,261,015	(212,758)
Revenues & other funding sources & uses over (under)		
Expenditures	(16,345,325)	(2,474,378)
Beginning Fund Balance	8,418,257	8,418,257
Ending Fund Balance	(\$7,927,068)	\$5,943,879

The fiscal situation of the City of Cottonwood is still stable despite the slowly improving local economy. Much of credit goes to the early establishment of an increase in sales tax as well as city employees for their attention to departmental costs.

As you can see by the consolidated chart at the left, we are starting the fiscal year in relatively good overall shape. We will cover the condition of the other funds later in this document, some of which are still struggling and will require some careful monitoring.

The current operating revenues, though improving, are still not at the levels we would like to see. We do anticipate continued improvement in our revenues as the year progresses.

Operating expenditures are slightly below target as we complete the first fiscal quarter due to the city's conservative views on spending. The conservation outlook is refreshing and we are expecting continued cost reductions for the remainder of the fiscal year.

As for capital outlay, most of the budgeted items are staggered throughout the fiscal year so as not to strain the different funds or create cash flow problems. Most of the capital outlay will be used before fiscal year end.

### GENERAL FUND

As we complete the first fiscal quarter, the General Fund continued to deal with a slowly improving local economy. The overall operating revenues were 4.5% below projections. Most of the shortages were due to grants, and lease purchase financing not coming to fruition at this time. This is not uncommon and seems to happen every year because the City of Cottonwood budgets for any potential grant opportunity, as well as annual financing opportunities, which some are a one-time revenue and not continuous throughout the year. Also realizing that if the grants do not come through, the expenditures associated with the grant also will not be occurring.

Each department was well aware of the issues that the City has been facing for the past nearly five years. Their efforts at cost containment have been helpful in keeping the City fiscally sound.

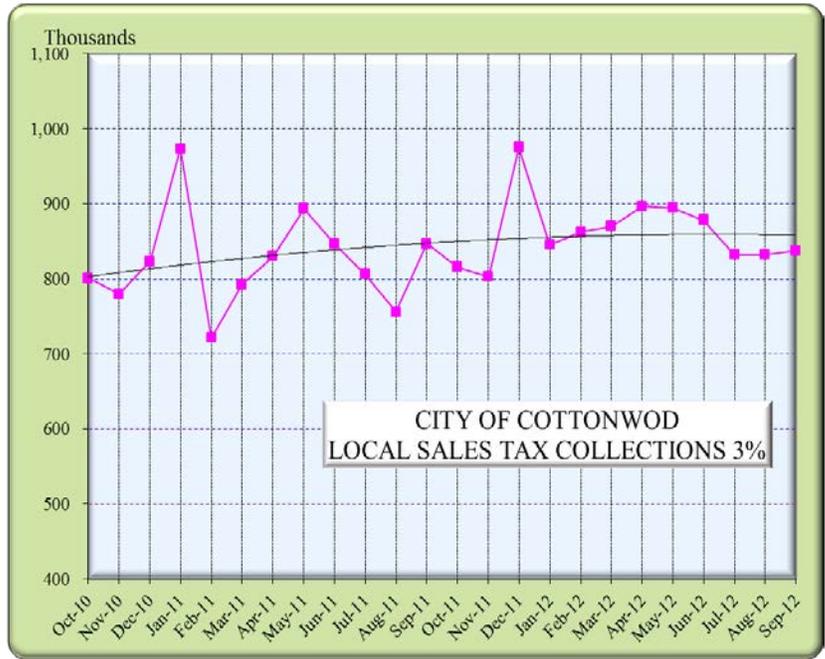
	General Fund	
	Budget	1st Qtr Actual
Revenues	\$16,408,310	\$3,364,868
Operating Expenditures	16,204,380	3,413,000
Capital Outlay	1,816,360	302,225
Debt Service	0	0
Revenues over (under)		
Expenditures	(1,612,430)	(350,357)
Other Funding Sources & Uses	(1,289,675)	(373,943)
Revenues & other funding sources & uses over (under)		
Expenditures	(2,902,105)	(724,300)
Beginning Fund Balance	6,852,547	6,852,547
Ending Fund Balance	\$3,950,442	\$6,128,247

The City of Cottonwood has budgeted a use of about \$2.9M in reserves, however, with some projects not started or completed during the fiscal year; the use of reserves will be limited.

**Local sales tax:**

This is the General Fund’s major source of funds at roughly over 50% of its regular operating revenue. The city monitors this revenue very closely for changes both positive and negative.

At the end of the first quarter our local sales tax up by 3.8% over last fiscal year for the same period. The City of Cottonwood is trending at about where we should be to hit our budgeted estimate of \$10.8M for the year. Though increases are small it is a welcome change from past years and we are optimistic that improvement in our sales tax base will continue into the foreseeable future.



The city’s General Fund continues to be in relative good shape due to the shift of all sales tax from other funds to the General Fund in order to keep it stable. As a note the sales tax will need to be shifted back to other funds in the next few years in order to replenish capital reserves and improve our financial position.



**State Shared Sales Tax:**

This revenue is sales tax collected by the state and distributed to all the incorporated communities based on the relationship of the local population to the total population of all incorporated cities & towns in the state. In contrast to local sales tax, the State of Arizona is doing better with large increases for the year.

As we recover, we need to be cognizant of the fact that the City losses in revenue have been substantial over the past five years. Including local sales tax, state shared revenues and other smaller

revenue sources; the City’s General Fund has lost over \$3M in potential revenues. The State Shared Sales tax is currently coming in at about FY 2004 levels. While the local sales tax is at FY 2007 levels and that was without the additional .8% increase in sales tax.

During these hard times the city used much of its reserves to keep some construction jobs moving and to maintain or improve public safety, protection of the environment through its conservation programs, and the overall quality of life of its citizens. Beside continued support for local programs, the City will slowly begin to replenish its reserves in preparation for future downturns as well as improvement to it fiscal position. Our continued success in managing our past, current and future fiscal matters is to the credit of our citizen’s support and the City personnel, who have taken on additional responsibilities, all the while core services have not deteriorate and recreational programming was immaterially affected.

## SPECIAL REVENUE FUNDS

The Special Revenues Funds include the Highway User Revenue Fund (HURF) or Streets Fund, the Library Fund, Cemetery Fund, Airport Fund, and Grants Fund. Overall the Special Revenue Funds are performing as expected. Most of these funds are supported by the General Fund through transfers in. The HURF, being the largest of the Special Revenue Funds, is the one we will concentrate on in these reports unless there is something of concern in the other funds.

### HURF Revenues:

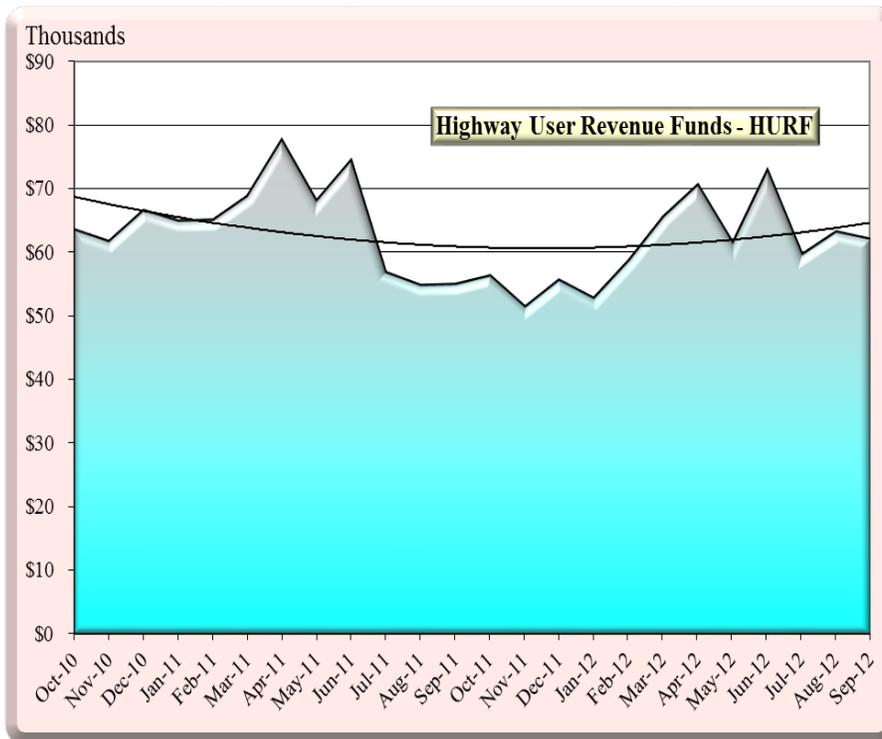
HURF<sup>5</sup> revenues are about at FY 2003 levels for the same period. Much of what is happening to this fund is due to the legislature, as it continues to take state HURF to support the Arizona Department of Public Safety and the Arizona Motor Vehicle Division.

This revenue has declined nearly 27.2% since 2007. Much of the loss is related to the state and its fiscal problems.

Revenues	\$2,402,700	\$273,129
Operating Expenditures	2,038,200	523,822
Capital Outlay	5,914,190	369,644
Debt Service	0	0
Revenues over (under) Expenditures	(5,549,690)	(620,336)
Other Funding Sources & Uses	5,550,690	200,219
Revenues & other funding sources & uses over (under) Expenditures	1,000	(420,117)
Beginning Fund Balance	225,980	225,980
Ending Fund Balance	\$226,980	(\$194,137)

	Consolidated	
	Budget	1st Qtr Actual
Revenues	\$2,402,700	\$273,129
Operating Expenditures	2,038,200	523,822
Capital Outlay	5,914,190	369,644
Debt Service	0	0
Revenues over (under) Expenditures	(5,549,690)	(620,336)
Other Funding Sources & Uses	5,550,690	200,219
Revenues & other funding sources & uses over (under) Expenditures	1,000	(420,117)
Beginning Fund Balance	225,980	225,980
Ending Fund Balance	\$226,980	(\$194,137)

Operating expenditures were at 27.0%, which is 2% above where they should be at this time of year. Materials costs such as culverts, asphalt, and street signs are the main driver of this higher than normal trend. We will monitor this closely but we expect it to level out over the year.



Costs are just beginning to mount as the West Mingus Avenue from Willard Street to SR 89A reconstruction project is nearing completion. Another project that had been in the works for some time is the 12<sup>th</sup> Street project from Fir St. to SR89A design work. Both these project are multimillion dollar projects and will more likely be financed through a bond or a Greater Arizona Development Authority (GADA) Loan.

The CAT/LYNX system is currently being monitored and will be included in future reports. All other special revenue funds are relatively small and subsidized by the General Fund. There are no significant items to report at this time.

<sup>5</sup> The HURF funds streets maintenance, street construction.

**CAPITAL PROJECTS**

	Budget	1st Qtr Actual
Revenues	\$475,000	\$63,554
Operating Expenditures	0	0
Capital Outlay	1,916,655	100,513
Debt Service	0	
Revenues over (under) Expenditures	(1,441,655)	(36,959)
Other Funding Sources & Uses	(3,600,000)	0
Revenues & other funding sources & uses over (under) Expenditures	(5,041,655)	(36,959)
Beginning Fund Balance	13,602,200	13,602,200
Ending Fund Balance	\$8,560,545	\$13,565,241

This fund continues to be in good fiscal shape; however, this fund will be tapped into heavily. The City of Cottonwood continues to push large sums of monies into the local economy to keep local contractors working and construction projects moving forward.

Over the past five years it has been the City's priority to use these accumulated funds to assist in supporting the local economy. This support comes in the form of keeping construction jobs and trying to keep unemployment in the construction sector from climbing as it waits for the local and state economic base to improve.

The remaining reserves in this fund are anticipated to pay for the Wastewater Reclamation Facility at Riverfront Park, which will provide much needed reclaimed water to the area sport fields. It will also provide some of the financial support for a

future City Hall while a financing package can be arranged.

It should be noted that in the near future, the City of Cottonwood will need to begin replenishing these reserves for potential needs just as it has in the recent past. As a note, the current Capital Improvements Fund was accumulated from excess 1% sales tax over nearly two decades.

Below are the major projects funded by these reserves for this fiscal year. Some of these costs are remaining from previous year's project, others are projects that are on the drawing board and are planned to begin construction later this fiscal year. Any projects that are not completed by year end will be rolled over into next fiscal year via the budget process.

Capital outlay:	Adopted		
	Budget	Y-T-D	% Used
Investment Expenses	0	0	0.00%
Railroad Wash	225,000	0	0.00%
Architecture - City Hall	100,000	0	0.00%
Old Town Jail Remodel	5,000	17,729	354.57%
Old Court Bldg Remodel	60,000	3,106	5.18%
Old Town Parking & Rear Utility	144,555	4,177	2.89%
Riverfront Park Ramada Parking	108,600	58,695	54.05%
Fire Station 2 (GADA) Design	120,000	0	0.00%
Gardner Bldg Demo	55,000	0	0.00%
Rec Center Solar	598,500	16,800	2.81%
Communications Architecture	500,000	0	0.00%
<b>Total Expenditures</b>	<b>1,916,655</b>	<b>100,513</b>	<b>5.24%</b>

**ENTERPRISE FUNDS**

Both these funds were programmed to use some of their reserves during the course of the 2013 fiscal year. As you can see we are heavily depending on our reserves to make it through the fiscal year. It is not uncommon for the wastewater system to take a loss since it has not raised rates for over a decade. The water system has also used some reserves despite showing some

	Enterprise Funds			
	Wastewater		Water	
	Budget	1st Qtr Actual	Budget	1st Qtr Actual
Revenues	1,341,905	396,969	\$6,390,085	\$1,709,216
Operating Expenditures	1,758,710	405,194	6,784,820	938,951
Capital Outlay	4,858,565	327,893	3,860,400	542,456
Debt Service	0	0	2,502,050	624,762
Revenues over (under)				
Expenditures	(5,275,370)	(336,118)	(6,757,185)	(396,953)
Other Funding Sources & Uses	3,600,000	0	0	0
Revenues & other funding sources & uses over (under)				
Expenditures	(\$1,675,370)	(\$336,118)	(\$6,757,185)	(\$396,953)

improvement in its cash flow due to a rate increase in 2011. Unfortunately, its debt service coverage has dropped. This last item will need to be corrected as soon as possible.

Both these systems continue to be behind on their revenue generation and are in need of a rate adjustment to compensate for the bad economy, lack of rate increases, the effects of conservation and increasing costs to maintain the current level of service.

The city staff, along with some City Council members, and citizens from within the city limits and outside the city limits will be resuming their meetings in preparation for an in-house rate study and possible adjustment. These meetings had been sidelined and incorporated into the budget process.

**DEBT SERVICE FUNDS**

This fund begins the year in good shape; with some sales taxes and a little interest income providing 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 independent auditors. The debt service for the Recreation Center is solely funded by sales tax revenues.

Currently, all water debt service is funded through user fees and other operational revenues, and therefore the debt service for the water utility is reflected in the enterprise fund.

	Debt Service	
	Budget	1st Qtr Actual
Revenues	\$2,073,225	\$517,219
Operating Expenditures		518,244
Capital Outlay		
Debt Service	2,074,035	518,244
Revenues over (under)		
Expenditures	(810)	(519,269)
Other Funding Sources & Uses	0	0
Revenues & other funding sources & uses over (under)		
Expenditures	(810)	(1,025)
Beginning Fund Balance	1,237,020	1,237,020
Ending Fund Balance	\$1,236,210	\$1,235,995

## ***BRIEF OVERVIEW***

As we complete the first quarter of fiscal year 2013 we are seeing signs of improvement in our local economy. We are confident that the local economy will continue to strengthen, and we remain optimistic in our future planning.

The City continues with its traditional fiscally conservative way of doing their everyday business. We are looking for ways to reduce costs, provide quality essential services, and protect staff. Cottonwood shall continue to maintain reasonable reserves for unforeseeable emergencies as is sensible.

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

General Fund - 01	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Taxes	\$9,697,480	\$2,101,839	21.67%
Licenses & permits	119,675	27,628	23.09%
Intergovernmental revenue	2,940,670	528,172	17.96%
Charges for services	2,475,900	614,809	24.83%
Fines & forfeitures	180,410	46,651	25.86%
Uses of monies & properties	76,670	9,250	12.07%
Miscellaneous revenues	917,505	36,519	3.98%
<b>Total revenues</b>	<b>16,408,310</b>	<b>3,364,868</b>	<b>20.51%</b>
<b>Expenditures:</b>			
<b>Operating:</b>			
Administration	766,695	171,071	22.31%
Personnel	158,510	50,556	31.89%
Council	1,268,690	84,304	6.64%
Natural resources	167,510	34,916	20.84%
City Clerk	218,755	40,774	18.64%
Finance	374,645	71,678	19.13%
IT Services	169,730	38,711	22.81%
Purchasing	74,120	16,467	22.22%
Planning & zoning	328,010	74,867	22.82%
Police	3,544,735	836,365	23.59%
Ordinance Enforcement	190,750	68,906	36.12%
Communications	782,795	148,333	18.95%
Economic Development	149,525	38,039	25.44%
Fire	3,006,455	578,655	19.25%
Court	431,760	88,409	20.48%
Legal	323,835	76,830	23.73%
Engineering	474,730	121,962	25.69%
Parks & recreation	427,495	176,477	41.28%
Pool	109,370	37,170	33.99%
Rec Center Operations	1,408,335	298,555	21.20%
Building maintenance	508,920	90,515	17.79%
Custodial	154,200	59,358	38.49%
Public Works	301,810	68,421	22.67%
Transfer Station	105,000	32,021	30.50%
Non-departmental	758,000	109,642	14.46%
<b>Subtotal maintenance and operations</b>	<b>16,204,380</b>	<b>3,413,000</b>	<b>21.06%</b>
<b>Capital outlay:</b>	<b>1,816,360</b>	<b>302,225</b>	<b>16.64%</b>
<b>Total Expenditures</b>	<b>18,020,740</b>	<b>3,715,225</b>	<b>20.62%</b>
Excess (deficiency) of revenues over (under) expenditures	(1,612,430)	(350,357)	
<b>Other financing sources (uses):</b>			
Operating transfers in	23,490	5,873	25.00%
Sales of City Equipment	1,000	743	74.34%
Capital leases	(332,790)	(213,502)	64.16%
Transfers out	(981,375)	(167,057)	17.02%
<b>Total other financing sources (uses)</b>	<b>(1,289,675)</b>	<b>(373,943)</b>	<b>29.00%</b>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(2,902,105)	(724,300)	
Fund balance, July 1, 2012 (audited)		6,426,945	
Estimated fund balance @ June 30, 2013		<u>\$5,702,645</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**HURF - 02**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$1,008,560	211,212	20.94%
Uses of monies & properties	450	42	9.33%
Miscellaneous revenues	0	0	0.00%
Total revenues	1,009,010	211,254	20.94%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	157,280	35,779	22.75%
Overtime	3,000	647	21.56%
Health & life insurance	61,610	12,265	19.91%
Temp employees	0	0	0.00%
Clothing allowance	2,000	366	18.31%
Travel & training	500	0	0.00%
Subscriptions & dues	100	0	0.00%
Gas & oil	20,000	3,826	19.13%
Vehicle maintenance	10,000	5,282	52.82%
Equipment maintenance	15,000	3,457	23.05%
Computer support	925	164	17.74%
Operational supplies	1,800	705	39.16%
Office supplies	500	177	35.50%
Utilities	8,000	1,993	24.91%
Telephone	1,905	480	25.21%
Street lights	48,500	11,756	24.24%
Legal advertising	450	0	0.00%
Engineering Services	0	0	0.00%
General counsel	0	0	0.00%
Postage & freight	200	0	0.00%
Bank charges	300	40	13.20%
Tools	3,000	1,309	43.65%
Equipment rental	10,000	0	0.00%
Building maintenance & repair	300	0	0.00%
Liability insurance	19,165	4,320	22.54%
Worker's compensation	9,050	4,901	54.15%
Social security	9,940	2,070	20.83%
AZ state retirement	17,860	4,058	22.72%
Employee physicals	500	0	0.00%
Medicare tax	2,320	484	20.87%
Liability claims deductible	0	0	0.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	262,230	121,954	46.51%
Culverts	5,000	2,201	44.01%
Materials	20,000	3,346	16.73%
Street signs	14,000	5,362	38.30%
Street marking	52,000	138	0.27%
Rodeo Dr. St. Reimbursement	0	0	0.00%
Pavement Preservation	5,000	0	0.00%
Contractual services	78,000	8,726	11.19%
Equipment purchase	35,600	1,950	0.00%
Street light contingency	3,500	0	0.00%
Subtotal maintenance and operations	879,535	237,759	27.03%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**HURF - 02 (page 2)**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Debt Service:			
Principal	0	0	0.00%
Interest	0	0	0.00%
Capital Outlay:			
Equipment	0	0	0.00%
Pavement Preservation	0	310	0.00%
Mingus/Main Signal	10,000	0	0.00%
W Mingus Reconstruction	1,838,195	322,696	17.56%
12th ST NACOG 89-A to Fir	1,600,000	5,151	0.00%
Sidewalk Additions	80,000	0	0.00%
Mingus Willard to Main	1,300,000	4	0.00%
Main St. Road Diet Grant	50,000	0	0.00%
			0.00%
Total Expenditures	<u>5,757,730</u>	<u>565,920</u>	<u>9.83%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,628,255)</u>	<u>(592,424)</u>	
Other Financing Sources (Uses):			
Operating Transfers In	73,025	0	0.00%
Proceeds from Bonds	4,738,195	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	<u>(62,500)</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>4,748,720</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(879,535)</u>	<u>(592,424)</u>	
Fund balance, July 1, 2012 (audited)		<u>(448,024)</u>	
Estimated fund balance @ June 30, 2013		<u><u>(\$1,040,448)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**CATS - 02**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$670,905	108,388	0.00%
Charges for services	165,000	37,827	0.00%
Total revenues	835,905	146,214	0.00%
<b>Expenditures:</b>			
Salaries	360,280	81,599	0.00%
Overtime	4,000	5,735	0.00%
Health/life insurance	96,670	25,421	0.00%
Temporary employee	30,000	13,530	0.00%
Clothing allowance	2,500	1,879	0.00%
Holiday pay	1,350	1,507	0.00%
Travel/training	3,400	205	0.00%
Subscriptions/dues	1,500	0	0.00%
Gas & oil	110,000	25,733	0.00%
Vehicle maintenance	97,200	23,260	0.00%
Equipment maintenance	0	0	0.00%
Radio maintenance	2,400	161	0.00%
Computer Support	5,000	736	0.00%
Office supplies	6,700	1,241	0.00%
Copier supplies	600	283	0.00%
Utilities	18,000	1,452	0.00%
Telephone	8,965	1,682	0.00%
Printing & forms	3,500	3,696	0.00%
Advertising	22,065	0	0.00%
Postage & freight	33,000	5,755	0.00%
Contractual Services	1,500	82	0.00%
Audit expense	1,410	0	0.00%
Liability insurance	26,000	0	0.00%
State compensation insurance	13,095	268	0.00%
Social security	24,535	6,139	0.00%
AZ retirement	40,730	9,329	0.00%
Employee physicals / drug tests	2,135	0	0.00%
Medicare	4,760	1,436	0.00%
Continuing education	0	0	0.00%
Indirect costs to GF	60,000	375	0.00%
Subtotal maintenance and operations	981,295	211,504	21.55%
Capital Outlay:	0	93	0.00%
Total Expenditures	981,295	211,597	21.56%
Fund balance, July 1, 2008 (unaudited)			
Excess (deficiency) of revenues over (under) expenditures	(145,390)	(65,382)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	145,390	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)	145,390	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses			
	0	(65,382)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Library - 03**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Other income	\$13,400	\$3,292	24.57%
Interest income	640	8	1.26%
City Sales Tax	0	0	0.00%
Yavapai county	176,695	0	0.00%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	190,735	3,300	1.73%
<b>Expenditures:</b>			
<b>Operating:</b>			
Salaries	332,020	72,855	21.94%
Health & life insurance	67,020	17,632	26.31%
Temp employees	35,220	5,085	14.44%
Holiday pay	0	0	0.00%
Travel & training	800	126	15.75%
Subscriptions & dues	200	0	0.00%
Gas & oil	0	0	0.00%
Vehicle maintenance	0	0	0.00%
Equipment maintenance	9,200	1,964	21.35%
Computer support	9,000	911	10.12%
Collection expenses	2,000	385	19.24%
Office supplies	4,000	1,272	31.79%
Copier supplies	3,100	396	12.79%
Utilities	52,000	14,627	28.13%
Telephone	3,600	809	22.48%
Special Dept. Supplies	0	0	0.00%
Youth programs	300	54	17.86%
Legal advertising	0	0	0.00%
Postage & freight	4,000	1,025	25.62%
Book purchases	40,000	9,563	23.91%
District - Materials	0	0	0.00%
Network & technology expenses	30,000	6,693	22.31%
Annual volunteer appreciation	650	0	0.00%
Liability Insurance	16,415	3,702	22.55%
Worker's compensation	3,810	1,326	34.80%
Social security	22,770	4,787	21.02%
AZ state retirement	36,990	8,095	21.88%
Medicare tax	5,320	1,120	21.04%
Continuing education	0	0	0.00%
Recruitment Cost	300	200	66.67%
Indirect costs to general fund	156,120	42,182	27.02%
Subtotal maintenance and operations	834,835	194,807	23.33%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2012

**Library - 03 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay:	0	2,408	0.00%
Total expenditures	<u>834,835</u>	<u>197,215</u>	<u>23.62%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(644,100)</u>	<u>(193,915)</u>	
Other financing sources (uses):			
Operating transfers in	644,100	161,025	25.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>644,100</u>	<u>161,025</u>	<u>25.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>(32,890)</u>	
Fund balance, July 1, 2012 (un-audited)		<u>73,324</u>	
Estimated fund balance @ June 30, 2013		<u><u>\$40,434</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Cemetery 04**

	Adopted Budget	Y-T-D	% Used
<b>Revenues:</b>			
Interest Income	\$0	\$0	#DIV/0!
Charges for services	1,970	0	0.00%
Total revenues	<u>1,970</u>	<u>0</u>	<u>0.00%</u>
<b>Expenditures:</b>			
Utilities	19,000	5,924	31.18%
Telephone	0	0	0.00%
Grave Liners	3,000	0	0.00%
Miscellaneous Expense	1,100	0	0.00%
Indirect Costs	3,000	549	18.31%
Subtotal maintenance and operations	<u>26,100</u>	<u>6,474</u>	<u>24.80%</u>
Capital improvements	0	0	0.00%
Total expenditures	<u>26,100</u>	<u>6,474</u>	<u>24.80%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(24,130)</u>	<u>(6,474)</u>	
<b>Other financing sources (uses):</b>			
Operating transfers in	24,130	6,032	25.00%
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)	<u>24,130</u>	<u>6,032</u>	<u>25.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>0</u>	<u>(441)</u>	
Fund balance, July 1, 2012 (un-audited)		<u>(0)</u>	
Estimated fund balance @ June 30, 2013		<u><u>(\$441)</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Airport - 05**

	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Other Income	\$0	\$0	0.00%
Late Fees	\$75	\$0	0.00%
Tie down rent	22,500	4,754	21.13%
Airpark Rents	0	0	0.00%
FBO building rental income	0	0	0.00%
1 Fuel sales income	201,250	32,367	16.08%
Land lease fees	33,000	3,041	9.22%
City hangar lease fees	30,650	18,403	60.04%
Total revenues	287,475	58,565	20.37%
<b>Expenditures:</b>			
Vehicle Maintenance	1,000	0	
Equipment maintenance	8,000	863	10.79%
Computer Support	100	22	
Operational Supplies	2,000	529	26.47%
2 Airport Annual Event	6,000	0	0.00%
Utilities	12,000	2,559	21.33%
Telephone	870	194	22.28%
General Counsel	0	0	0.00%
Contractual Services	2,100	0	0.00%
Fuel Expense	175,000	56,826	32.47%
Oil Expense	0	19	#DIV/0!
Bank Charges	6,500	1,571	24.16%
Building maintenance	1,500	28	1.88%
Liability Insurance	6,000	6,755	112.58%
Equipment Purchase	13,000	0	0.00%
Indirect costs	64,660	15,416	0.00%
Subtotal maintenance and operations	297,730	84,783	28.48%
Capital improvements - hangars	0	40	0.00%
Total expenditures	297,730	84,823	28.49%
Excess (deficiency) of revenues over (under) expenditures	(10,255)	(26,259)	
<b>Other financing sources (uses):</b>			
Operating transfers in	94,730	0	0.00%
Proceeds from lease purchase	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	(83,475)	(5,873)	7.04%
Total other financing sources (uses)	11,255	(5,873)	-52.18%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	1,000	(32,131)	
Fund balance, July 1, 2012 (un-audited)	0		
Estimated fund balance @ June 30, 2013	(\$32,131)		

Notes:

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

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

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Sewer Consolidated - 06**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	1,297,065	382,568	29.49%
Uses of monies & properties	10,125	4,196	41.44%
Miscellaneous revenues	34,715	10,205	29.40%
Total revenues	1,341,905	396,969	29.58%
Expenditures:			
Operating:			
Salaries	419,930	84,067	20.02%
Overtime	46,000	10,999	23.91%
Health & life insurance	100,570	18,467	18.36%
Temporary Employees	0	0	0.00%
Clothing allowance	2,500	0	0.00%
Holiday pay	1,000	327	32.72%
Travel & training	2,000	139	6.95%
Subscriptions & dues	750	0	0.00%
Printing & forms	2,400	163	6.79%
Bad debt expense	0	0	#DIV/0!
Gas & oil	11,000	2,114	19.22%
Vehicle maintenance	7,000	1,257	17.95%
Equipment maintenance	150,000	30,364	20.24%
Chlorine	2,500	0	0.00%
Polymer	16,000	8,054	50.34%
Computer support	1,440	270	18.78%
Operational supplies	15,000	1,256	8.37%
Office supplies	2,750	448	16.29%
Copier Supplies	600	96	15.95%
Utilities	387,735	93,334	24.07%
Telephone	4,580	1,107	24.16%
Legal Advertising	2,500	198	7.92%
General Counsel	5,000	796	0.00%
Contractual services	32,450	10,666	32.87%
Sludge disposal	90,000	24,666	27.41%
Postage & freight	11,500	3,632	31.59%
Bank Charges	0	0	0.00%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	5,220	10.44%
Tools	1,500	370	24.64%
Equipment rental	1,500	47	3.16%
Building maintenance	27,600	0	0.00%
Liability insurance	36,955	8,331	22.54%
Worker's compensation	12,550	3,018	24.05%
Social security	28,950	5,810	20.07%
AZ state retirement	52,010	10,627	20.43%
Employee physicals	0	0	#DIV/0!
Medicare tax	6,770	1,359	20.07%
ADEQ annual fee	15,000	7,250	48.33%
Continuing education	500	0	0.00%
Reserve replacement fund	0	0	0.00%
Indirect costs to general fund	210,170	70,741	33.66%
Subtotal maintenance and operations	1,758,710	405,194	23.04%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

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

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital Outlay:	4,858,565	327,893	6.75%
Total Expenditures	6,617,275	733,088	11.08%
Excess (deficiency) of revenues over (under) expenditures	(5,275,370)	(336,118)	
Other Financing Sources (Uses):			
Operating transfers in	3,600,000	0	0.00%
Proceeds from bonds / loans	0	0	#DIV/0!
Capital leases	0	0	0.00%
Transfers out	0	0	0.00%
Total other financing sources (uses)	3,600,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses - Net Income	(\$1,675,370)	(\$336,118)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Sewer Construction  
& Administration - 06**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Revenues:			
City sales tax	\$0		0.00%
User fees - admin residential	133,600	33,572	25.13%
User fees - admin commercial	23,400	5,888	25.16%
User fees - admin multi-residential	88,785	22,196	25.00%
Recovery of bad debts	0	20	0.00%
Sale of City Property	0	0	0.00%
Other income	0	0	0.00%
Interest income	9,705	4,101	42.26%
Interest - equipment reserve	0	0	0.00%
Interest - expansion fund	0	0	0.00%
Interest - bond reserve fund	0	0	0.00%
Total revenues	255,490	65,777	25.75%

Expenditures:

Administration

Salaries	106,660	22,939	21.51%
Overtime and Holiday Pay	1,000	387	38.69%
Health & life insurance	28,670	3,387	11.81%
Temp Employees	0	0	0.00%
Travel & training	0	0	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	2,400	163	6.79%
Bad debt expense	0	0	0.00%
Equipment maintenance	0	0	0.00%
Computer support	330	37	11.21%
Office supplies	1,250	133	10.65%
Copier Supplies	0	5	0.00%
Utilities	3,260	888	27.24%
Telephone	1,200	278	0.00%
General Counsel	5,000	796	0.00%
Contractual Services	8,450	1,756	20.78%
Legal advertising	2,500	0	0.00%
Postage & freight	6,500	2,739	42.14%
Bank charges	0	0	0.00%
Liability insurance	10,605	2,392	22.56%
Worker's compensation	530	50	9.43%
Social security	6,680	1,415	21.18%
AZ state retirement	11,990	2,599	21.68%
Medicare tax	1,560	331	21.22%
Continuing education	0	0	0.00%
Indirect costs to general fund	210,170	70,741	33.66%
Subtotal maintenance and operations	408,755	111,036	27.16%

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

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

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	0	0	0.00%
Construction:			
Legal fees	0	0	0.00%
Legal Advertising	500	0	0.00%
Investment Expense	400	0	0.00%
ADEQ Gardner Prop Cleanup	0	0	0.00%
Rodeo Dr. Reimbursement	0	0	0.00%
260-Design	40,000	0	0.00%
260-Construction	0	0	0.00%
Line extensions	130,000	0	0.00%
Pump System Upgrade	0	0	0.00%
Riverfront WWTP Design	3,600,000	161,588	4.49%
Effluent disposal system	0	0	0.00%
12th Street: Fir-89A Reclamation	125,000	3,388	0.00%
WWTP-Head Works	0	0	0.00%
Lift Station	150,000	0	0.00%
WWTP-Upgrades	360,000	97,968	27.21%
Recl H2O Pump System Upgrade	100,000	64,746	0.00%
Construction General	261,165	0	0.00%
Parking Lot Reconstruction	57,000	0	0.00%
Subtotal construction expenses	4,824,065	327,690	6.79%
Total Expenditures	5,232,820	438,727	8.38%
Excess (deficiency) of revenues over (under) expenditures	(4,977,330)	(372,950)	
Other Financing Sources (Uses):			
Operating transfers in	3,600,000	0	0.00%
Proceeds from other sources	0	0	#DIV/0!
Capital leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	3,600,000	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(1,377,330)	(372,950)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Sewer Maintenance & Operations- 06**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
City sales tax	\$0	\$0	0.00%
User fees - M&O residential	392,430	113,198	28.85%
User fees - M&O multi-residential	249,485	74,875	30.01%
User fees - M&O commercial	348,565	112,160	32.18%
Tap fees		0	0.00%
Reserves -	8,565	1,043	0.00%
Impact fees	49,005	17,150	35.00%
Effluent Revenue	11,795	3,529	29.92%
Building Rental		0	0.00%
Late fees - interest charges	34,715	9,143	26.34%
Connection fees	420	95	22.62%
Total revenues	1,094,980	0	0.00%
Expenditures:			
Operating:			
Salaries	313,270	61,128	19.51%
Overtime	45,000	10,612	23.58%
Health & life insurance	71,900	15,081	20.97%
Temporary Employees	0	0	0.00%
Clothing allowance	2,500	0	0.00%
Holiday pay	1,000	327	32.72%
Travel & training	2,000	139	6.95%
Subscriptions & dues	750	0	0.00%
Gas & oil	11,000	2,114	19.22%
Vehicle maintenance	7,000	1,257	17.95%
Equipment maintenance	150,000	30,364	20.24%
Chlorine	2,500	0	0.00%
Polymer	16,000	8,054	50.34%
Computer support	1,110	233	21.02%
Operational supplies	15,000	1,256	8.37%
Office supplies	1,500	315	20.99%
Copier supplies	600	91	15.18%
Utilities	384,475	92,446	24.04%
Telephone	3,380	829	24.52%
Legal advertising	0	198	0.00%
Contractual services	24,000	8,910	37.13%
Sludge disposal	90,000	24,666	27.41%
Postage & freight	5,000	893	17.87%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	5,220	10.44%
Tools	1,500	370	24.64%
Equipment rental	1,500	47	3.16%
Building maintenance	27,600	0	0.00%
Liability insurance	26,350	5,939	22.54%
Worker's compensation	12,020	2,968	24.69%
Social security	22,270	4,395	19.73%
AZ state retirement	40,020	8,028	20.06%
Employee physicals	0	0	0.00%
Medicare tax	5,210	1,028	19.73%
ADEQ annual fee	15,000	7,250	48.33%
Continuing education	500	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,349,955	294,158	21.79%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2012

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

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital Outlay:	34,500	203	0.59%
Total Expenditures	<u>1,384,455</u>	<u>294,361</u>	<u>21.26%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(289,475)</u>	<u>(294,361)</u>	
Other Financing Sources (Uses):		0	
Operating transfers in	0	0	0.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(289,475)</u>	<u>(294,361)</u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
 Quarterly Report Ending September 30, 2012

**Grants - 07 & 08**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Intergovernmental revenue	\$913,510	\$0	0.00%
Other Income	0	10	0.00%
Total revenues	913,510	10	0.00%
<b>Expenditures:</b>			
Capital Outlay:	1,035,995	39,035	3.77%
Total Expenditures	1,035,995	39,035	3.77%
Excess (deficiency) of revenues over (under) expenditures	(122,485)	(39,024)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	122,485	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out		0	0.00%
Total other financing sources (uses)	122,485	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	(39,024)	
Fund balance, July 1, 2010 (audited)		161,641	
Estimated fund balance @ June 30, 2013		\$122,617	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

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

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$23,750	\$0	0.00%
Uses of monies & properties	42,000	0	0.00%
Total revenues	65,750	0	0.00%
Expenditures:			
Benefits	0	0	#DIV/0!
Administration	4,300	1,907	44.34%
Total Expenditures	4,300	1,907	44.34%
Excess (deficiency) of revenues over (under) expenditures	61,450	(1,907)	
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	61,450	(1,907)	
Fund balance, July 1, 2012 (un-audited)		129,603	
Estimated fund balance @ June 30, 2013		\$127,697	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
Quarterly Report Ending September 30, 2012

**Employee Benefit Trust - 10**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Contributions	\$0	\$0	0.00%
Reinsurance reimbursements	0	0	0.00%
Miscellaneous revenues	550	280	0.00%
Total revenues	550	280	0.00%
Expenditures:			
Premiums	30,000	0	0.00%
Benefits	0	0	0.00%
Miscellaneous	1,200	0	0.00%
Total Expenditures	31,200	0	0.00%
Excess (deficiency) of revenues over (under) expenditures	(30,650)	280	
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	(30,650)	280	
Fund balance, July 1, 2012 (un-audited)			
Estimated fund balance @ June 30, 2013		\$280	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
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**Capital Projects - 11**

	Adopted		
	Budget	Y-T-D	% Used
<b>Revenues:</b>			
Taxes	\$0	\$0	0.00%
Use of monies & properties	250,000	63,554	0.00%
Other Income	0	0	0.00%
Intergovernmental revenue	225,000	0	0.00%
Total revenues	475,000	63,554	13.38%
<b>Expenditures:</b>			
<b>Capital outlay:</b>			
Investment Expenses		0	0.00%
Railroad Wash	225,000	0	0.00%
6th St- Silver Springs Wet Cr		0	0.00%
Camino Real - Oak Creek Wash Wet CR		0	0.00%
Capital Projects		0	0.00%
Land Acquisition		0	0.00%
Architecture - City Hall	100,000	0	0.00%
Old Town Jail Remodel	5,000	17,729	354.57%
Old Court Bldg Remodel	60,000	3,106	5.18%
Old Town Parking & Rear Utility	144,555	4,177	2.89%
Riverfront Park Ramada Parking	108,600	58,695	54.05%
Fire Station 2 (GADA) Design	120,000	0	0.00%
Portal Signs COC		6	0.00%
Gardner Bldg Demo	55,000	0	0.00%
Rec Center Solar	598,500	16,800	2.81%
Communications Architecture	500,000	0	0.00%
Total Expenditures	1,916,655	100,513	5.24%
Excess (deficiency) of revenues over (under) expenditures	(1,441,655)	(36,959)	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds / Leases	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	(3,600,000)	0	0.00%
Total other financing sources (uses)	(3,600,000)	0	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(5,041,655)	(36,959)	
Fund balance, July 1, 2012 (audited)		13,602,200	
Estimated fund balance @ June 30, 2013		\$13,565,241	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Debt Service - 13**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
<b>Revenues:</b>			
Taxes	\$2,072,875	\$517,176	24.95%
Uses of monies & properties	350	42	12.12%
Total revenues	<u>2,073,225</u>	<u>517,219</u>	<u>24.95%</u>
<b>Expenditures:</b>			
Trustee fees	1,060	0	0.00%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:		0	
Interest	757,975	189,494	25.00%
Principal	1,315,000	328,750	25.00%
Total Expenditures	<u>2,074,035</u>	<u>518,244</u>	<u>24.99%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(810)</u>	<u>(1,025)</u>	
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	0	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(810)</u>	<u>(1,025)</u>	
Fund balance, July 1, 2012 (audited)		1,237,020	
Estimated fund balance @ June 30, 2013		<u><u>\$1,235,995</u></u>	

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget to Actual  
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**Water Consolidated - 16**

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$0	0.00%
Charges for services	5,305,020	1,437,562	27.10%
Uses of monies & properties	665,475	159,063	23.90%
Miscellaneous revenues	419,590	112,591	26.83%
Total revenues	6,390,085	1,709,216	26.75%
Expenditures:			
Operating:			
Salaries	633,655	135,729	21.42%
Overtime	114,160	31,964	28.00%
Health & life insurance	171,670	43,380	25.27%
Temporary Employees	0	0	0.00%
Clothing allowance	6,000	1,295	21.59%
Holiday pay	2,000	433	21.64%
Travel & training	9,500	821	8.64%
Subscriptions & dues	1,500	162	10.80%
Printing & forms	16,000	499	3.12%
Bad debt expense	0	0	0.00%
Gas & oil	48,475	10,919	22.53%
Vehicle maintenance	16,000	6,570	41.07%
Equipment maintenance	151,000	32,769	21.70%
Chlorine	75,000	9,191	12.25%
Polymer	0	0	0.00%
Computer support	3,460	869	25.12%
Operational supplies	22,000	7,891	35.87%
Office supplies	11,000	3,561	32.37%
Copier Supplies	2,000	1	0.07%
Verde River Days	1,000	1,000	100.00%
Public Relations	0	0	0.00%
Utilities	437,095	101,631	23.25%
Telephone	14,475	3,563	24.61%
Legal Advertising	3,000	1,466	48.86%
Contractual services	91,000	38,095	41.86%
Water System Evaluation	0	0	0.00%
General Counsel	7,500	3,487	46.49%
Contractual SVCS-M&O	35,000	10,731	0.00%
Postage & freight	43,500	14,466	33.25%
Bank Charges	0	0	0.00%
Lab / testing	20,000	3,496	17.48%
Tools	4,000	7,568	189.19%
Equipment rental	2,000	0	0.00%
Building maintenance	4,600	0	0.00%
Liability insurance	65,010	14,662	22.55%
Liability Insurance Deductible	0	0	0.00%
Worker's compensation	23,360	7,072	30.27%
Social security	46,490	10,160	21.85%
AZ state retirement	81,195	18,665	22.99%
Employee physicals	0	0	0.00%
Medicare tax	10,870	2,376	21.86%
ADEQ annual fee	25,000	0	0.00%
Continuing education	500	0	0.00%
Payment Assistance Program	15,500	0	0.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	627	0.00%
Arsenic System Maintenance	470,000	116,682	24.83%
Lease Purchase Principal & Interest	11,395	0	
Aid In Lieu of Construction	130,000	112,335	
Reserve replacement fund	0	0	0.00%
Reserve Resource Development	2,853,590	0	0.00%
Reserve Water Advisory	149,995	13,742	9.16%
Reserve Adjudication	153,650	14,077	9.16%
Reserve Water Conservation	175,740	1,813	1.03%
Indirect costs to general fund	625,935	155,183	24.79%
Subtotal maintenance and operations	6,784,820	938,951	13.84%

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Water Consolidated - 16 (page 2)**

	<b>Adopted</b>		
	<b>Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Debt Service	2,502,050	624,762	24.97%
Capital Outlay:	3,860,400	542,456	14.05%
Total Expenditures	13,147,270	2,106,169	16.02%
 Excess (deficiency) of revenues over (under) expenditures	(6,757,185)	(396,953)	5.87%
 Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds / loans	0	0	#DIV/0!
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	(\$6,757,185)	(\$396,953)	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Water Construction  
& Administration - 16**

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
City sales tax			0.00%
User fees	5,164,905	1,402,597	27.16%
Service Turn Ons	63,250	15,800	24.98%
Meter Installation	4,100	2,200	53.66%
Impact Fees	72,765	16,965	23.31%
Collection fees/late fees			#DIV/0!
Reimbursement Clarkdale	325,000	104,044	32.01%
Res-Resource Development Fees	467,935	114,731	24.52%
Res-Water Advisory Committee	37,920	9,297	24.52%
Res-Adjudication	47,660	11,686	24.52%
Res-Water Conservation	95,745	20,503	21.41%
Recapture Agreements	29,240	7,169	0.00%
Other income	65,350	848	0.00%
Building Rental	7,800	1,300	16.67%
Sale of City Property	0	530	0.00%
Drought Water Shortage PP			0.00%
Interest income	8,415	1,547	18.38%
Total revenues	6,390,085	1,709,216	26.75%
Expenditures:			
Administration			
Salaries	154,375	32,921	21.33%
Overtime and Holiday Pay	5,000	393	7.85%
Health & life insurance	44,040	7,059	16.03%
Travel & training	1,000	0	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	16,000	499	3.12%
Equipment maintenance	1,000	0	0.00%
Computer support	900	96	10.67%
Office supplies	3,000	2,100	70.00%
Copier Supplies	0	1	0.00%
Utilities	3,260	896	27.47%
Telephone	3,570	829	23.21%
Contractual Services	42,000	8,802	20.96%
Public Relations	14,035	0	0.00%
General Counsel	7,500	3,487	46.49%
Legal advertising	2,000	0	0.00%
Postage & freight	42,000	14,109	33.59%
Liability insurance	22,540	5,083	22.55%
Worker's compensation	640	81	12.66%
Social security	9,880	2,020	20.44%
AZ state retirement	17,755	3,711	20.90%
Medicare tax	2,310	472	20.44%
Continuing education	0	0	0.00%
Indirect costs to general fund	625,935	155,183	24.79%
Payment Assistance Program	15,500	0	0.00%
Trust Land Annexation	0	627	0.00%
Reserve Resource Development	2,853,590	0	0.00%
Reserve Water Advisory	149,995	13,742	9.16%
Reserve Adjudication	153,650	14,077	9.16%
Reserve Water Conservation	175,740	1,813	1.03%
Subtotal maintenance and operations	4,367,215	268,002	6.14%

Statement of Revenues, Expenditures and Changes in Fund Balance  
 Budget to Actual  
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**Water Construction  
 & Administration - 16 (page 2)**

	<b>Adopted Budget</b>	<b>Y-T-D</b>	<b>% Used</b>
Capital outlay	112,000	22,053	19.69%
Construction:			
Legal Advertising	0	0	0.00%
Investment Expense	2,400	0	0.00%
Building Purchase			0.00%
Aresinic Mitigation	550,000	26,947	0.00%
Bonding Expense			0.00%
Valve Replacement			0.00%
Aid in Lieu of Construction			#DIV/0!
Fire Hydrant Improvements	550,000	72,295	13.14%
HWY 260 H2O System Upgrades	1,250,000	0	0.00%
Well Booster Station	700,000	304,616	43.52%
Well Improvements	100,000	5,429	5.43%
12th St 89A to Fir	160,000	0	0.00%
W Mingus Reconstruction/Sys Upgrades	130,000	59,740	45.95%
Water System Upgrades	170,000	26,287	15.46%
Line Extensions	0	230	0.00%
Land Acquisition	0	0	0.00%
Subtotal construction expenses	3,612,400	495,544	13.72%
Total Expenditures	8,091,615	785,599	9.71%
	11,165,545		

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Water Maintenance & Operations- 16**

	Adopted		
	Budget	Y-T-D	% Used
Expenditures:			
Operating:			
Salaries	479,280	102,808	21.45%
Overtime	109,160	31,571	28.92%
Health & life insurance	127,630	36,320	28.46%
Clothing allowance	6,000	1,295	21.59%
Holiday pay	2,000	433	21.64%
Travel & training	8,500	821	9.66%
Subscriptions & dues	1,500	162	10.80%
Gas & oil	48,475	10,919	22.53%
Vehicle maintenance	16,000	6,570	41.07%
Equipment maintenance	150,000	32,769	21.85%
Chemicals	75,000	9,191	12.25%
Computer support	2,560	773	30.19%
Operational supplies	22,000	7,891	35.87%
Office supplies	8,000	1,461	18.26%
Copier supplies	2,000	0	0.00%
Verde River Days	1,000	1,000	100.00%
Utilities	433,835	100,735	23.22%
Telephone	10,905	2,734	25.07%
Legal advertising	1,000	1,466	146.57%
Contractual services	49,000	29,293	59.78%
Contractual SVCS-M&O	35,000	10,731	0.00%
Postage & freight	1,500	357	23.79%
Lab / testing	20,000	3,496	17.48%
Tools	4,000	7,568	189.19%
Equipment rental	2,000	0	0.00%
Building maintenance	4,600	0	0.00%
Liability insurance	42,470	9,579	22.55%
Worker's compensation	22,720	6,991	30.77%
Social security	36,610	8,140	22.24%
AZ state retirement	63,440	14,954	23.57%
Employee physicals	0	0	0.00%
Medicare tax	8,560	1,904	22.24%
ADEQ annual fee	25,000	0	0.00%
Arsenic System Maintenance	470,000	116,682	24.83%
Lease Purchase Interest	930	0	0.00%
Lease Purchase Principal	10,465	0	0.00%
Aid in Lieu of Construction	130,000	112,335	86.41%
Liability Insurance Deductible	0	0	0.00%
Continuing education	500	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	2,431,640	670,949	27.59%
	2,567,640	695,807.63	

Statement of Revenues, Expenditures and Changes in Fund Balance  
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**Water Debt Service - 16**

	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	975,000	243,750	25.00%
Interest	1,524,050	381,012	25.00%
Trustee Fees	3,000	0	0.00%
Capital Outlay:	136,000	24,859	
Total Expenditures	5,069,690	649,621	12.81%
Excess (deficiency) of revenues over (under) expenditures	5,069,690	1,059,595	
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	(6,771,220)	273,996	