



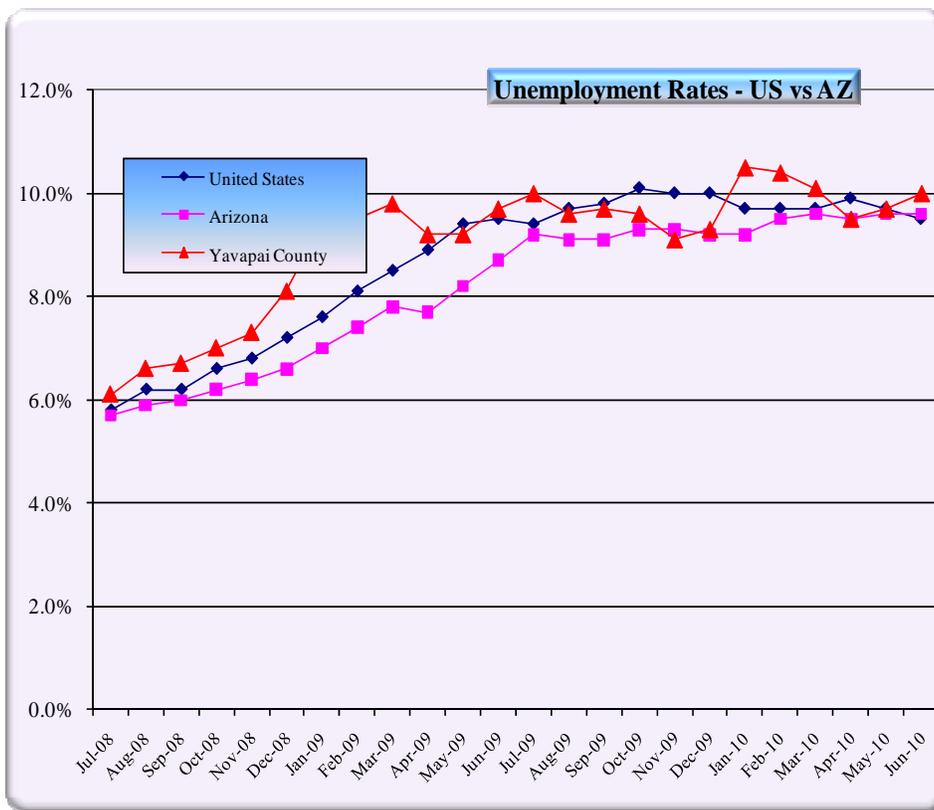
To: Honorable Madame Mayor Joens & Council

January 12, 2011

Via: Douglas Bartosh, City Manager

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

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



The fourth quarter of this fiscal year appears to be showing some stabilization in the national and state unemployment rate. The U.S. unemployment rate steadily dropped from a 10.1% high in October to 9.5%¹ in June. The State of Arizona joblessness rate has hovered around the 9.5% and 9.6% level for the last five months. Yavapai County on the other hand has climbed from 9.5% to 10.0% in the past three months².

Despite the disparity in the numbers, the economy is not expected to completely turnaround until new home construction improves.

These two issues continue to plague the economy, making a full fiscal recovery difficult.

The City of Cottonwood continues forward with all its planned projects such as utility improvements to SR 260, a corridor showing high interest from potential businesses looking to get in as soon as the economy improves. The expansion of the system into that area will be a multi-year project expected to be completed in late FY 2011 or FY 2012.

¹ Bureau of Labor Statistics - United States

² Economagic.com

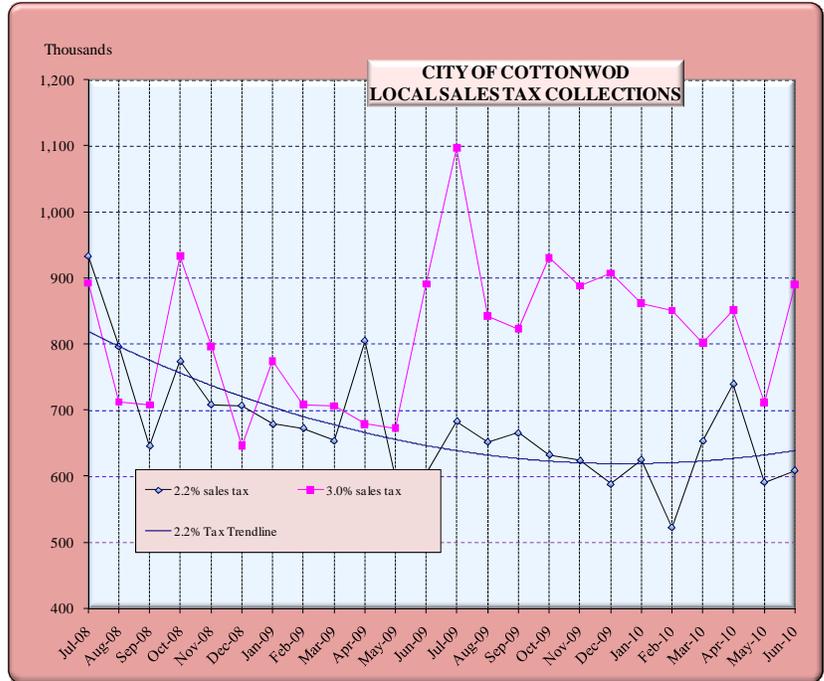
GENERAL FUND

Revenues

The cumulative 2.2% local sales tax ended the year 8.3% below FY 2009 for the same period. When combined with the increase in local sales tax of .08% the cumulative total collected is 3.6% above last year at the same time frame.

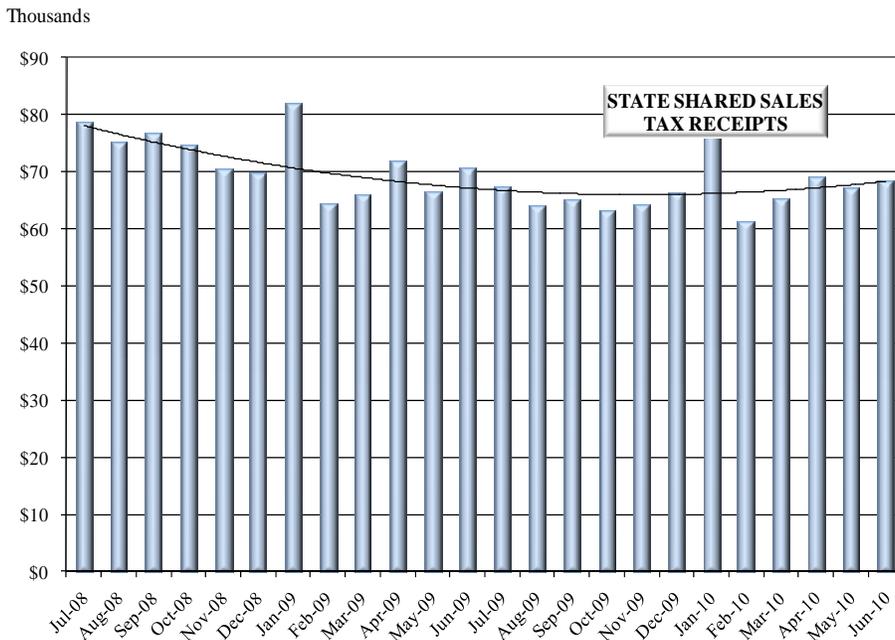
What this means is that the increase in the sales tax rate places the City in a better financial position than it has seen in recent years. The City continues with its cost containment measures, and stringent limitations on any new programming to no cost or cost saving ideas going forward into next fiscal year.

Local sales tax continues to be the City of Cottonwood’s 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. Our local retail base, primarily WalMart, and our car dealerships are the underpinning of this revenue stream.



State Shared Income Tax revenues are on target with state estimates at \$1,402,110 for FY 2010. As a reminder, this state shared revenue is estimated by the State and distributed based on collections from

two years prior. These revenues usually come in as proposed by the state. The current fiscal year estimate is \$221,250 less than last year \$1,623,360.



The State Shared Sales Tax is currently not doing as well as estimated, being 7.8% down at the close of the fiscal year. The revenue source has already taken losses for three consecutive years in a row. The trend line seems to indicate that the downward trend in this revenue may be turning as double digit losses have

stopped. As a reminder, these estimates are prepared by the State.

Expenditures

Personnel had a higher than normal unemployment expenditures, primarily due to the increased claims during these hard economic times.

Council was pushed higher by the sales tax reimbursement agreement currently in place with GRL, Inc. This is viewed as a good thing.

Natural Resources was over its budget, due to the early retirement of Robert Hardy and the payout of his benefits accruals over this tenure with the City of Cottonwood.

Police did a good job of controlling cost, however, they were forced to push overtime very hard with all the calls for service. It will be difficult to reduce much further without causing some liability and/or coverage problems.

Court trended high in several areas, including travel and training, office and computer supplies, court appointed attorneys, and contractual services

With times being tight, all departments are being requested to hold the line on expenditures. At this time of year we are traditionally at 100% of budgeted expenditure 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, however is only at 95.5% for the year.

SPECIAL REVENUE FUNDS

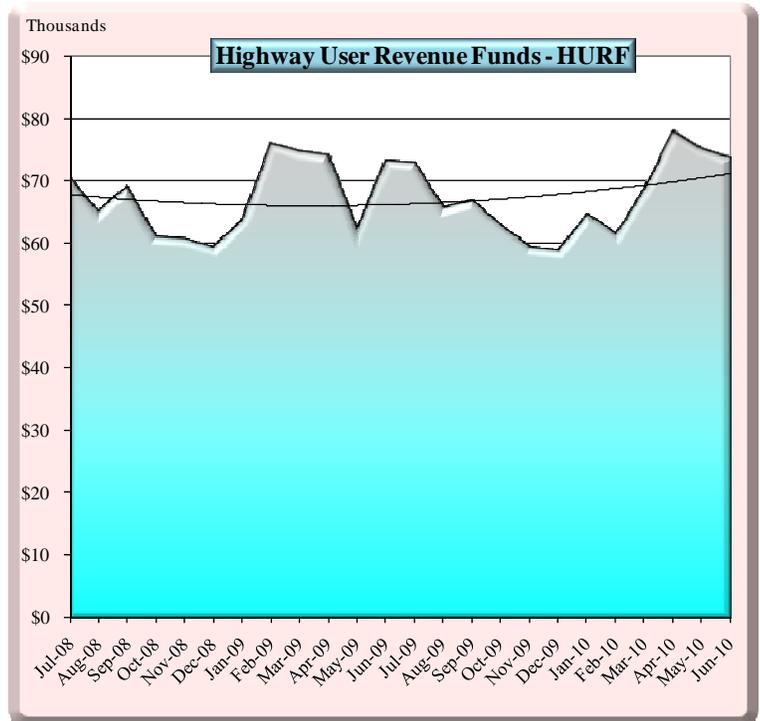
Highway User Revenue Fund (HURF)³

Revenues

The overall HURF revenues are currently at 62.4%, of the annual projections, with only a small portion of grants coming through. State shared fuel tax did slightly better than 3.5% over the state projection. Fuel tax ended the year at \$807,864. The HURF was fortunate to have \$1.65M in reserves at July 1, 2009. This revenue source seems to have started an upward trend, hopefully ending the downward spiral of the past 2 ½ years.

Expenditures

The Street Department operational budget finished the year at 58.7% with the Street Construction budget at 15.9% of the budgeted amount. Running quite lean has contributed to the positive financial position we are in considering the economy. The capital projects planned with borrowed money are still in the works, however, will be moved into the next fiscal year. These projects are both the Mingus Avenue Extension Project from Willard Street to SR89A and



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

the 12th Street project from Fir St. to 89A. Both these project are anticipated to be funded through some financing mechanism in the near future.

HURF was anticipated to use about \$1.38M of it fund balance, however, to date it has only used \$442K and is expected to finish the year with about \$1.2M in the reserves.

Cottonwood Area Transit (C.A.T.)

C.A.T. revenues trailed behind expenditures as we continue work toward resolving reimbursement issues with NAIPTA. At year end closing, we estimate that \$243K will be used from the HURF to cover the CAT operational costs. The General Fund will not need to provide assistance.

Library

The General Fund's operating transfers to the Library were \$654,780. We have received the final Yavapai County library contribution in the amount of \$93.4K. We are fortunate that the General Fund transfers in to the Library fund are covering its expenditures. Currently, the Library Fund balance is \$74,051.

Operating expenditures were at 93.2%, slightly below where they should be at the end of the year. Most every line item is in line with where it should be.

Airport

The revenues for the Airport ended the year very close to projections. The City handled the fuel supply for a major part of the year. The City does however; continue to do all the billings for the tie downs and land leases on a regular schedule. The fueling depot has being successfully transitioned to the Fixed Base Operator (FBO) as part of the agreement with their management of the Airport.

Since the City take over the tie downs; (covered and open) collections have improved dramatically. The Airport hangar and land lease billings have been sent out quarterly throughout the 2010 fiscal year.

The expenditures for this fund did well, being 95.4% at 100% of the year. The Airport continues to make transfers to the General Fund as repayment for the construction of the T-hangars back in FY 2001. These General Fund transfers are scheduled to expire in FY 2013.

The Airport fund did so well that the fund balance deficit of \$6,896 has been extinguished and it now carries a positive balance of \$297.

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 for this year. Included is the completion of the Library Expansion Project which has been delayed by construction deficiencies that have finally been settled. Other items include the purchase and remodel of the Cottonwood Municipal Court Building which had a great opening and received many accolades for its design. You may recall that the Cottonwood Municipal Court Building was a last minute addition to the budget with only \$800,000 allocated for the purchase

and remodel. This project had some cost overruns that brought the total cost of the project to nearly \$1M. Most of the expenditures were for the acquisition of what was once the Carpet One Building on the corner of 6th Street and Mingus Avenue. This project was funded through capital reserves accumulated from years of excess in the 1% sales tax.

As part of the achievements for this year was the completion and grand opening of the Cottonwood Recreation Center in May. This project had rave reviews on its design and functionality. This project was funded through a GADA Loan. This loan and its accumulated interest also funded the purchase of a property for the future Regional Communication Center, the Library Expansion, over a million dollars of upgrades to the Cottonwood Aquatics Facility, reconstruction of Brian Mickelson Parkway, and still has money available for a remaining solar project for the Recreation Center. These capital funds are anticipated to be spent for capital projects not maintenance and operations.

ENTERPRISE FUNDS

Sewer

Revenues finished the year behind projections. This enterprise is trailing behind projected revenue due to foreclosures and loss of investment income, all because of the economy. Revenues continue being monitored closely. It should be noted that for a number of years this enterprise has been operating with a deficit comparing current revenues and current expenditures. Fortunately, this fund still has reserves to cover its costs. Even though a rate increase was suggested earlier this year, it was decided that the rates should hold steadfast and that this Enterprise should absorb some costs from its reserves. The budgeted transfer of \$8,000,000 from the capital improvement fund did not materialize; however, the amount was rolled over into the next fiscal year.

Expenses for current Operations & Maintenance (O&M) and Administration are also trending behind anticipated allocations. The O&M ended the year with only 91.2% spent. All capital projects held up earlier this year are slowly gearing up and expect to continue in to the new fiscal year. There was a \$544,700 charge off to depreciation which is an expense however, no cash was used.

Water

The water fund revenues are short on coverage ratio as we end this year. This was predicted with the delays in adopting new rates. Some of the revenue shortfall can also be attributed to the loss in investment income; with interest rates not being what they used to be and the large draws on the cash reserves for this fund. It was anticipated during budget time, that the Water Utility Fund would tap into its reserves by about \$3.3M, mainly due to some capital projects and acquisitions in the works. In reality it only tapped into reserves by approximately \$1.65M.

The consolidated operations, administration and debt service expenses are trending behind budget allocations. Unfortunately, maintenance costs on the system continue causing a strain on overall bottom line of the utility. The adoption of a rate increase this year did not do anything for the close of the year, however it should help for FY 2011. As a note, this utility has acquired two small water companies and replaced numerous lines, upgraded the City's fire suppression capabilities, and is continually looking for ways to reduce costs or do things less expensively. All of these things are improving the quality of services, increasing protection, and securing the City's water resources.

DEBT SERVICE FUNDS

Debt Service

This fund ended the year in good shape, as in the past. 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.

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

BRIEF OVERVIEW

There are no definitive reports by economists that the recession is turning around. You can always find a pessimistic report to counter an optimistic one. Locally, however, we are looking for subtle signs to guide us during these difficult times. As we conclude this fiscal year, the City continues 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. It will continue to maintain reasonable reserves for unforeseeable emergencies as is prudent.

Some departments have become more aware about their budgets compared to previous years. We will, as an organization, continue to protect our core services and will work at keeping costs down where ever sensibly achievable.

The sales tax increase of .8% has been the key to keeping staff and services intact over the past 36 months. This year we have continued 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 June 30, 2010

General Fund - 01	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$9,567,080	\$9,601,310	100.36%
Licenses & permits	280,000	142,032	50.73%
Intergovernmental revenue	5,431,235	3,369,548	62.04%
Charges for services	1,682,920	1,390,810	82.64%
Fines & forfeitures	181,000	144,470	79.82%
Uses of monies & properties	83,630	52,810	63.15%
Miscellaneous revenues	365,600	546,542	149.49%
Total revenues	17,591,465	15,247,522	86.68%
Expenditures:			
Operating:			
Administration	649,560	600,614	92.46%
Personnel	143,670	144,632	100.67%
Council	324,160	338,746	104.50%
Natural resources	132,035	135,055	102.29%
City Clerk	225,250	202,634	89.96%
Finance	375,150	336,464	89.69%
IT Services	91,560	78,927	86.20%
Planning & zoning	343,510	284,135	82.72%
Police	3,193,430	3,130,675	98.03%
Animal control	183,830	130,453	70.96%
Communications	680,760	651,250	95.67%
Economic Development	97,650	89,035	91.18%
Fire	2,544,890	2,185,802	85.89%
Court	421,985	415,089	98.37%
Legal	421,800	361,747	85.76%
Engineering	406,000	386,030	95.08%
Parks & recreation	501,650	419,989	83.72%
Pool	108,730	91,568	84.22%
Weightroom	12,310	7,963	64.69%
Rec Center Operations	375,700	304,798	81.13%
Building maintenance	586,430	457,694	78.05%
Custodial	141,870	122,418	86.29%
Public Works	264,780	253,235	95.64%
Non-departmental	394,500	376,910	95.54%
Subtotal maintenance and operations	12,621,210	11,505,862	91.16%
Capital outlay:	3,652,680	625,951	17.14%
Total Expenditures	16,273,890	12,131,812	74.55%
Excess (deficiency) of revenues over (under) expenditures	1,317,575	3,115,710	
Other financing sources (uses):			
Operating transfers in	23,490	23,490	100.00%
Sales of City Equipment	20,000	13,286	66.43%
Capital leases	(389,200)	(357,579)	91.88%
Transfers out	(1,240,105)	(782,521)	63.10%
Total other financing sources (uses)	(1,585,815)	(1,103,325)	69.57%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(268,240)	2,012,385	
Fund balance, July 1, 2009 (audited)		4,602,027	
Estimated fund balance @ June 30, 2010		<u>\$6,614,412</u>	

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

HURF - 02

	Adopted Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,861,870	1,150,810	61.81%
Uses of monies & properties	11,500	2,787	24.24%
Miscellaneous revenues	1,000	15,817	1581.70%
Total revenues	1,874,370	1,169,415	62.39%
Expenditures:			
Operating:			
Salaries	223,730	202,162	90.36%
Overtime	1,000	760	75.99%
Health & life insurance	60,450	49,475	81.84%
Temp employees	0	0	0.00%
Clothing allowance	4,500	3,148	69.95%
Travel & training	200	0	0.00%
Subscriptions & dues	200	85	42.50%
Gas & oil	19,000	16,075	84.60%
Vehicle maintenance	10,000	6,530	65.30%
Equipment maintenance	25,000	32,786	131.14%
Computer support	1,300	1,215	93.47%
Operational supplies	1,800	974	54.11%
Office supplies	600	72	11.93%
Utilities	4,500	7,559	167.97%
Telephone	2,200	1,804	81.99%
Street lights	45,000	39,979	88.84%
Legal advertising	500	0	0.00%
Engineering Services	2,000	0	0.00%
General counsel	0	0	0.00%
Postage & freight	250	106	42.35%
Bank charges	50	314	627.76%
Tools	2,800	2,986	106.63%
Equipment rental	25,000	9,370	37.48%
Building maintenance & repair	0	0	0.00%
Liability insurance	13,200	18,980	143.79%
Worker's compensation	15,060	8,684	57.66%
Social security	13,930	12,122	87.02%
AZ state retirement	21,130	18,734	88.66%
Employee physicals	700	276	39.43%
Medicare tax	3,260	2,835	86.96%
Liability claims deductible	0	0	0.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	176,100	145,987	82.90%
Culverts	5,000	2,280	45.60%
Materials	30,000	15,872	52.91%
Street signs	11,000	7,118	64.71%
Street marking	45,000	42,147	93.66%
Rodeo Dr. St. Reimbursement	20,000	0	0.00%
Contractual services	30,000	32,161	107.20%
Equipment purchase	0	0	0.00%
Street light contingency	4,000	0	0.00%
Subtotal maintenance and operations	818,460	682,594	83.40%

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

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	323,017	92.29%
Street Contingency	1,061,175	26,040	2.45%
Sidewalk Additions	80,000	35,763	44.70%
12th Street Project	600,000	363,815	60.64%
W Mingus Reconstruction	1,450,000	65,314	4.50%
12th ST Nacog 89-a to fir	2,300,000	115,017	5.00%
Paula St. Reconstruction	0	0	0.00%
Willard Extension	0	0	0.00%
Total Expenditures	<u>7,003,645</u>	<u>1,611,561</u>	<u>23.01%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,129,275)</u>	<u>(442,146)</u>	
Other Financing Sources (Uses):			
Operating Transfers In	0	0	0.00%
Proceeds from Bonds	3,750,000	0	0.00%
Capital Leases	0	0	0.00%
Transfers Out	0	0	0.00%
Total other financing sources (uses)	<u>3,750,000</u>	<u>0</u>	<u>0.00%</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,379,275)</u>	<u>(442,146)</u>	
Fund balance, July 1, 2009 (audited)		<u>1,656,769</u>	
Estimated fund balance @ June 30, 2010		<u><u>\$1,214,623</u></u>	

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

CATS - 02

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$1,100,900	832,568	75.63%
Charges for services	125,460	138,387	110.30%
Total revenues	1,226,360	970,955	79.17%
Expenditures:			
Salaries	371,080	339,993	91.62%
Overtime	4,000	1,156	28.90%
Health/life insurance	118,080	82,960	70.26%
Temporary employee	43,000	22,446	52.20%
Clothing allowance	1,560	1,234	79.13%
Holiday pay	0	143	0.00%
Travel/training	4,560	3,045	66.78%
Subscriptions/dues	1,000	323	0.00%
Gas & oil	109,430	59,042	53.95%
Vehicle maintenance	128,290	146,673	114.33%
Equipment maintenance	0	0	0.00%
Radio maintenance	3,750	0	0.00%
Computer Support	2,495	274	11.00%
Office supplies	6,500	4,743	72.96%
Copier supplies	6,700	272	4.06%
Utilities	3,000	153	5.11%
Telephone	8,170	802	9.82%
Printing & forms	7,000	2,752	39.31%
Advertising	20,160	7,992	39.64%
Postage & freight	1,000	491	49.09%
Contractual Services	28,870	111,991	387.92%
Audit expense	1,530	1,530	32.08%
Liability insurance	26,720	16,790	62.84%
State compensation insurance	19,150	12,462	65.08%
Social security	25,920	21,841	84.26%
AZ retirement	35,250	32,077	91.00%
Employee physicals / drug tests	3,870	1,699	43.90%
Medicare	5,605	5,108	91.14%
Continuing education	1,215	410	0.00%
Indirect costs to GF	40,000	55,591	138.98%
Subtotal maintenance and operations	1,027,905	933,995	90.86%
Capital Outlay:	310,100	280,066	90.31%
Total Expenditures	1,338,005	1,214,060	90.74%
Fund balance, July 1, 2008 (unaudited)			
Excess (deficiency) of revenues over (under) expenditures	(111,645)	(243,105)	
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)	(243,105)	

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

Library - 03

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other income	\$20,160	\$18,675	92.63%
Interest income	600	116	19.37%
Collection income	0	0	0.00%
Yavapai county	195,720	187,688	95.90%
AZ LSCA/Yavapai county grant	0	0	0.00%
Gates grant	0	0	0.00%
Total revenues	216,480	206,479	95.38%
Expenditures:			
Operating:			
Salaries	423,970	411,536	97.07%
Health & life insurance	83,890	78,136	93.14%
Temp employees	10,520	15,016	142.74%
Holiday pay	0	5,297	0.00%
Travel & training	570	801	0.00%
Subscriptions & dues	180	219	121.67%
Gas & oil	0	0	0.00%
Vehicle maintenance	0	0	0.00%
Equipment maintenance	9,000	8,612	95.69%
Computer support	1,000	1,654	165.41%
Collection expenses	3,000	2,551	85.03%
Office supplies	7,000	5,479	78.27%
Copier supplies	700	1,731	247.26%
Utilities	65,000	46,235	71.13%
Telephone	13,000	10,386	79.89%
Special Dept. Supplies	0	0	0.00%
Youth programs	1,120	1,003	89.53%
Legal advertising	0	0	0.00%
Postage & freight	8,850	7,987	90.25%
Book purchases	40,000	19,493	48.73%
District - Materials	0	32,996	0.00%
Network & technology expenses	33,000	0	0.00%
Annual volunteer appreciation	800	808	101.03%
Liability Insurance	15,480	15,100	97.54%
Worker's compensation	1,100	3,204	291.30%
Social security	26,290	26,141	99.43%
AZ state retirement	39,850	38,568	96.78%
Medicare tax	6,150	6,114	99.41%
Continuing education	0	0	0.00%
Recruitment Cost	0	400	0.00%
Indirect costs to general fund	133,390	121,710	91.24%
Subtotal maintenance and operations	923,860	861,177	93.22%

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

Library - 03 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay:	0	0	0.00%
Total expenditures	923,860	861,177	93.22%
Excess (deficiency) of revenues over (under) expenditures	(707,380)	(654,698)	
Other financing sources (uses):			
Operating transfers in	707,380	654,781	92.56%
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	654,781	92.56%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	83	
Fund balance, July 1, 2009 (audited)		73,968	
Estimated fund balance @ June 30, 2010		<u>\$74,051</u>	

Budget to Actual
Quarterly Report Ending June 30, 2010

Airport - 05

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Other Income	\$0	\$482	0.00%
Late Fees	\$0	\$72	
1 Tie down rent	25,000	23,538	94.15%
Airpark Rents	0	1,250	0.00%
FBO building rental income	14,400	3,900	27.08%
Fuel sales income	218,400	198,451	90.87%
2 Land lease fees	33,000	52,417	158.84%
City hangar lease fees	30,650	34,347	112.06%
Total revenues	321,450	314,458	97.82%
Expenditures:			
Equipment maintenance	9,000	7,824	86.93%
Utilities	12,500	8,973	71.78%
Telephone	1,250	972	77.72%
General Counsel	5,000	7,343	146.85%
Contractual Services	0	1,764	0.00%
Fuel Expense	154,000	173,242	112.50%
3 Bank Charges	13,500	8,054	59.66%
Building maintenance	25,000	7,268	29.07%
Liability Insurance	5,200	5,175	99.52%
Equipment Purchase	24,000	20,679	86.16%
Indirect costs	46,280	40,956	88.50%
Subtotal maintenance and operations	295,730	282,249	95.44%
Capital improvements - hangars	0	0	0.00%
Total expenditures	295,730	282,249	95.44%
Excess (deficiency) of revenues over (under) expenditures	25,720	32,209	
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)	(25,042)	69.58%
Total other financing sources (uses)	(35,990)	(25,042)	69.58%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(10,270)	7,167	
Fund balance, July 1, 2009 (audited)		(6,896)	
Estimated fund balance @ June 30, 2010		\$271	

Notes:

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

Sewer Consolidated - 06

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Charges for services	1,579,200	1,367,521	86.60%
Uses of monies & properties	273,600	68,884	25.18%
Miscellaneous revenues	49,750	71,815	144.35%
Total revenues	1,902,550	1,508,220	79.27%
Expenditures:			
Operating:			
Salaries	365,960	374,527	102.34%
Overtime	20,000	42,607	213.03%
Health & life insurance	68,000	57,733	84.90%
Temporary Employees	0	88	0.00%
Clothing allowance	4,500	3,368	74.85%
Holiday pay	8,230	1,116	13.56%
Travel & training	3,000	2,232	74.39%
Subscriptions & dues	1,000	224	22.40%
Printing & forms	2,000	1,121	56.04%
Bad debt expense	18,000	17,105	95.03%
Gas & oil	9,500	7,902	83.18%
Vehicle maintenance	8,000	4,671	58.39%
Equipment maintenance	175,000	156,396	89.37%
Chlorine	2,000	2,014	100.72%
Polymer	20,000	14,693	73.47%
Computer support	6,000	3,438	57.30%
Operational supplies	17,000	14,510	85.36%
Office supplies	2,500	4,330	173.20%
Copier Supplies	1,250	650	52.01%
Utilities	326,790	296,260	90.66%
Telephone	3,100	3,109	100.28%
Legal Advertising	0	12	0.00%
General Counsel	0	0	0.00%
Contractual services	69,000	44,503	64.50%
Sludge disposal	110,000	69,302	63.00%
Postage & freight	13,000	11,048	84.98%
Bank Charges	2,000	173	8.67%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	40,916	81.83%
Tools	3,000	295	9.83%
Equipment rental	2,000	1,179	58.97%
Building maintenance	3,000	2,657	88.58%
Liability insurance	24,700	26,780	108.42%
Worker's compensation	12,630	9,638	76.31%
Social security	24,440	25,691	105.12%
AZ state retirement	37,050	39,144	105.65%
Employee physicals	0	403	0.00%
Medicare tax	5,720	6,009	105.05%
ADEQ annual fee	15,000	13,379	89.19%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Indirect costs to general fund	162,020	111,993	69.12%
Subtotal maintenance and operations	1,595,390	1,411,216	88.46%

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

Sewer Consolidated - 06 (page 2)

	Adopted Budget	Y-T-D	% Used
Capital Outlay:	4,961,250	614,793	12.39%
Total Expenditures	<u>6,556,640</u>	<u>2,026,010</u>	<u>30.90%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,654,090)</u>	<u>(517,790)</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>\$6,426,910</u>	<u>0</u> <u>(\$517,790)</u>	

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

**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	132,191	94.42%
User fees - admin commercial	23,900	23,126	96.76%
User fees - admin multi-residential	94,300	88,148	93.48%
Recovery of bad debts	150	(85)	-56.37%
Sale of City Property	0	419	0.00%
Other income	500	5,503	1100.55%
Interest income	150,000	39,178	26.12%
Interest - equipment reserve	100,000	23,228	23.23%
Interest - expansion fund	21,600	6,277	29.06%
Interest - bond reserve fund	0	0	0.00%
Total revenues	530,450	317,986	59.95%

Expenditures:

Administration		0	
Salaries	89,260	93,490	104.74%
Overtime and Holiday Pay	1,000	1,461	146.10%
Health & life insurance	22,930	12,748	55.59%
Temp Employees	0	0	0.00%
Travel & training	0	114	0.00%
Subscriptions & dues	0	0	0.00%
Printing & forms	2,000	1,121	56.04%
Bad debt expense	18,000	17,105	95.03%
Equipment maintenance	0	0	0.00%
Computer support	2,000	1,221	61.04%
Office supplies	500	63	12.58%
Copier Supplies	250	127	50.74%
Utilities	1,790	2,182	121.93%
Telephone	0	35	0.00%
General Counsel	0	0	0.00%
Contractual Services	9,000	3,829	42.55%
Legal advertising	0	0	0.00%
Postage & freight	9,000	6,040	67.11%
Bank charges	2,000	173	8.67%
Liability insurance	3,700	5,610	151.61%
Worker's compensation	530	121	22.80%
Social security	5,600	5,767	102.98%
AZ state retirement	8,480	8,820	104.01%
Medicare tax	1,310	1,349	103.00%
Continuing education	0	0	0.00%
Indirect costs to general fund	162,020	111,993	69.12%
Subtotal maintenance and operations	339,370	273,368	80.55%

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

Sewer Construction & Administration - 06 (page 2)	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	46,500	842	1.81%
Construction:			
Legal fees	0		0.00%
Legal Advertising	0	27	0.00%
Investment Expense	0	3,567	0.00%
Building Purchase	260,000	2,296	0.88%
Rodeo Dr. Reimbursement	0	0	0.00%
260-Design	0	0	0.00%
260-Construction	1,900,000	0	0.00%
Line extensions	0	0	0.00%
Pump System Upgrade	150,000	(36,897)	-24.60%
Bella Montana Plant	0		0.00%
Effluent disposal system	0	14,919	0.00%
WWTP-Master Plan	0		0.00%
WWTP-Head Works	300,000	0	0.00%
Lift Station	0	971	0.53%
WWTP-Upgrades	890,250	40,806	0.00%
Construction - general	0	0	0.00%
Construction - solids handling	1,375,000		0.00%
Consultant service	0		0.00%
Subtotal construction expenses	4,875,250	25,689	0.53%
Total Expenditures	5,261,120	299,900	5.70%
Excess (deficiency) of revenues over (under) expenditures	(4,730,670)	18,086	
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	18,086	

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

Sewer Maintenance & Operations- 06

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
City sales tax	\$0		0.00%
User fees - M&O residential	470,000	446,180	94.93%
User fees - M&O multi-residential	318,000	296,524	93.25%
User fees - M&O commercial	390,000	389,754	99.94%
Tap fees	0		0.00%
Impact fees	120,000	(17,705)	-14.75%
Effluent Revenue	23,000	8,884	38.63%
Building Rental	29,100	38,400	131.96%
Late fees - interest charges	20,000	27,997	139.99%
Connection fees	2,000	200	10.00%
Total revenues	1,372,100	1,190,234	86.75%
Expenditures:			
Operating:			
Salaries	276,700	281,038	101.57%
Overtime	19,000	41,146	216.56%
Health & life insurance	45,070	44,985	99.81%
Temporary Employees	0	88	0.00%
Clothing allowance	4,500	3,368	74.85%
Holiday pay	8,230	1,116	13.56%
Travel & training	3,000	2,118	70.61%
Subscriptions & dues	1,000	224	22.40%
Gas & oil	9,500	7,902	83.18%
Vehicle maintenance	8,000	4,671	58.39%
Equipment maintenance	175,000	156,396	89.37%
Chlorine	2,000	2,014	100.72%
Polymer	20,000	14,693	73.47%
Computer support	4,000	2,217	55.43%
Operational supplies	17,000	14,510	85.36%
Office supplies	2,000	4,267	213.36%
Copier supplies	1,000	523	52.33%
Utilities	325,000	294,078	90.49%
Telephone	3,100	3,074	99.16%
Legal advertising	0	12	0.00%
Contractual services	60,000	40,673	67.79%
Sludge disposal	110,000	69,302	63.00%
Postage & freight	4,000	5,008	125.19%
Odor control supplies	0	0	0.00%
Lab / testing	50,000	40,916	81.83%
Tools	3,000	295	9.83%
Equipment rental	2,000	1,179	58.97%
Building maintenance	3,000	2,657	88.58%
Liability insurance	21,000	21,170	100.81%
Worker's compensation	12,100	9,517	78.66%
Social security	18,840	19,924	105.75%
AZ state retirement	28,570	30,324	106.14%
Employee physicals	0	403	0.00%
Medicare tax	4,410	4,659	105.66%
ADEQ annual fee	15,000	13,379	89.19%
Continuing education	0	0	0.00%
Reserve replacement fund	0	0	0.00%
Subtotal maintenance and operations	1,256,020	1,137,848	90.59%

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

Sewer Maintenance & Operations- 06
 (page 2)

	Adopted Budget	Y-T-D	% Used
Capital Outlay:	39,500	588,262	1489.27%
Total Expenditures	<u>1,295,520</u>	<u>1,726,110</u>	<u>133.24%</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>76,580</u>	 <u>(535,876)</u>	
 Other Financing Sources (Uses):			
Operating transfers in	0	0	0.00%
Proceeds from bonds	0	0	0.00%
Capital leases	0	0	0.00%
Transfers out	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0.00%</u>
 Excess of revenues and other financing sources over (under) expenditures and other financing uses	 <u>76,580</u>	 <u>(535,876)</u>	

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

Grants - 07 & 08

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Intergovernmental revenue	\$487,500	\$509,766	104.57%
Other Income	\$0	\$2	0.00%
Total revenues	487,500	509,768	104.57%
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)	950	
Other Financing Sources (Uses):			
Operating Transfers In	12,500	1,552	12.42%
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	1,552	12.42%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	0	2,502	
Fund balance, July 1, 2009 (audited)		154,495	
Estimated fund balance @ June 30, 2010		\$156,997	

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

Alt. Firefighter's Pension - 09

	Adopted Budget	Y-T-D	% Used
Revenues:			
Contributions	\$36,600	\$25,714	70.26%
Uses of monies & properties	1,000	13,321	1332.15%
Total revenues	37,600	39,035	103.82%
Expenditures:			
Benefits	4,600	29,789	647.59%
Administration	4,000	3,656	91.40%
Total Expenditures	8,600	33,445	388.89%
Excess (deficiency) of revenues over (under) expenditures	29,000	5,590	
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	5,590	
Fund balance, July 1, 2009 (audited)		75,900	
Estimated fund balance @ June 30, 2010		\$81,490	

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

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	3,196	39.95%
Total revenues	8,000	3,196	39.95%
Expenditures:			
Premiums	24,000	22,980	95.75%
Benefits	0	0	0.00%
Miscellaneous	1,700	1,200	0.00%
Total Expenditures	25,700	24,180	94.09%
Excess (deficiency) of revenues over (under) expenditures	(17,700)	(20,984)	
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)	(20,984)	
Fund balance, July 1, 2009 (unaudited)		219,120	
Estimated fund balance @ June 30, 2010		\$198,136	

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

Capital Projects - 11

	Adopted		
	Budget	Y-T-D	% Used
Revenues:			
Taxes	\$0	\$0	0.00%
Use of monies & properties	850,000	332,291	39.09%
Other Income	0	0	0.00%
Intergovernmental revenue	0	27,049	0.00%
Total revenues	850,000	359,339	42.28%
Expenditures:			
Capital outlay:			
Rodeo Drive Reimbursements	0	0	0.00%
Investment Expenses	3,400	31,011	912.09%
Contingency	0	0	0.00%
Land Acquisition	0	0	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	101,894	147.12%
Rec Center Architecture	161,370	292,645	181.35%
Rec Center Construction	9,960,400	11,814,273	118.61%
Furnishing & Equipment	1,287,050	670,641	52.11%
Court Design & Architecture	100,000	398,241	398.24%
Court Building Purchase	700,000	554,758	79.25%
Architecture-City Hall	100,000	107	0.11%
Library Expansion	0	66,870	0.00%
Railroad wash improvements	0	92,783	0.00%
Total Expenditures	12,762,480	14,023,224	109.88%
Excess (deficiency) of revenues over (under) expenditures	(11,912,480)	(13,663,884)	
Other Financing Sources (Uses):			
Operating Transfers In	429,260	101,894	23.74%
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	101,894	0.00%
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(11,483,220)	(13,561,990)	
Fund balance, July 1, 2009 (audited)		28,421,851	
Estimated fund balance @ June 30, 2010		\$14,859,861	

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

Debt Service - 13

	Adopted Budget	Y-T-D	% Used
Revenues:			
Taxes	\$1,697,475	\$2,052,232	120.90%
Uses of monies & properties	142,530	543	0.38%
Total revenues	1,840,005	2,052,775	111.56%
Expenditures:			
Trustee fees	20,000	1,049	0.00%
Rodeo Drive Reimbursement	0	0	0.00%
Debt service:			
Interest	852,480	915,892	107.44%
Principal	845,000	1,135,833	134.42%
Total Expenditures	1,717,480	2,052,775	119.52%
Excess (deficiency) of revenues over (under) expenditures	122,525	0	
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	122,525	0	
Fund balance, July 1, 2009 (audited)		1,229,293	
Estimated fund balance @ June 30, 2010		<u>\$1,229,293</u>	

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

Water Consolidated - 16

	Adopted		
	Budget	Y-T-D	% Used
Revenues: Note 1			
Taxes	\$0	\$52,598	0.00%
Charges for services	5,709,100	4,399,909	77.07%
Uses of monies & properties	717,350	568,821	79.29%
Miscellaneous revenues	222,600	165,618	74.40%
Total revenues	6,649,050	5,186,946	78.01%
Expenditures:			
Operating:			
Salaries	564,790	579,788	102.66%
Overtime	102,500	118,315	115.43%
Health & life insurance	142,720	149,163	104.51%
Temporary Employees	0	1,295	0.00%
Clothing allowance	11,000	12,143	110.39%
Holiday pay	0	1,849	0.00%
Travel & training	12,500	5,954	47.63%
Subscriptions & dues	3,200	772	24.13%
Printing & forms	14,500	17,369	119.79%
Bad debt expense	0	1,693	0.00%
Gas & oil	35,000	38,332	109.52%
Vehicle maintenance	18,000	12,874	71.52%
Equipment maintenance	252,000	288,111	114.33%
Chlorine	20,000	24,329	121.65%
Polymer	0	0	0.00%
Computer support	4,500	5,619	124.87%
Operational supplies	28,000	36,213	129.33%
Office supplies	11,000	13,801	125.46%
Copier Supplies	1,500	2,507	167.16%
Verde River Days	1,000	1,000	100.00%
Utilities	381,000	352,731	92.58%
Telephone	15,000	13,144	87.62%
Legal Advertising	13,175	303	2.30%
Contractual services	232,000	221,066	95.29%
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	38,369	92.46%
Bank Charges	2,500	0	0.00%
Odor control supplies	0	0	0.00%
Lab / testing	25,000	15,788	63.15%
Tools	6,000	3,533	58.88%
Equipment rental	5,000	150	3.00%
Building maintenance	5,000	3,686	73.73%
Liability insurance	45,000	47,541	105.65%
Worker's compensation	25,930	17,391	67.07%
Social security	41,380	41,896	101.25%
AZ state retirement	59,760	64,829	108.48%
Employee physicals	0	0	0.00%
Medicare tax	9,670	9,798	101.32%
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	7,399	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	25,045	17.46%
Reserve Water Conservation	101,210	1,500	1.48%
Indirect costs to general fund	654,070	420,558	64.30%
Subtotal maintenance and operations	4,837,535	2,644,736	54.67%

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

Water Consolidated - 16 (page 2)

	Adopted		
	Budget	Y-T-D	% Used
Debt Service	2,536,810	2,532,807	99.84%
Capital Outlay:	36,712,900	1,658,091	4.52%
Total Expenditures	44,087,245	6,835,633	15.50%
Excess (deficiency) of revenues over (under) expenditures	(37,438,195)	(1,648,687)	4.40%
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	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 - Net Income	(\$3,338,195)	(\$1,648,687)	

0

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

**Water Construction
& Administration - 16**

	Adopted Budget	Y-T-D	% Used
Revenues:			
Other income	0	52,598	0.00%
Interest income	538,100	117,104	21.76%
City sales tax	\$0	\$0	0.00%
Sale of City Property	\$0	\$413	
Reimbursement Clarkdale	31,000	25,925	83.63%
User fees	5,100,000	4,252,905	83.39%
Meter Installation	40,000	3,975	9.94%
Impact Fees	140,000	58,586	41.85%
Service Turn Ons	65,000	62,935	96.82%
Res-Resource Development Fees	430,000	420,618	97.82%
Res-Water Advisory Committee	35,000	33,652	96.15%
Res-Adjudication	44,500	43,109	96.87%
Collection fees/late fees	80,000	80,759	100.95%
Res-Water Conservation	2,600	26,273	1010.50%
Building Rental	7,800	7,800	100.00%
Recapture Agreements	0	0	0.00%
Drought Water Shortage PP	50	0	0.00%
Total revenues	6,514,050	5,186,652	79.62%

Expenditures:

Administration

Salaries	121,950	132,091	108.32%
Overtime and Holiday Pay	2,500	2,193	87.74%
Health & life insurance	34,140	24,543	71.89%
Temp Employees	0	0	0.00%
Travel & training	2,500	0	0.00%
Subscriptions & dues	200	72	36.00%
Printing & forms	14,500	17,369	119.79%
Bad debt expense	0	1,693	0.00%
Equipment maintenance	2,000	0	0.00%
Computer support	2,000	2,894	144.71%
Office supplies	2,000	2,261	113.07%
Copier Supplies	500	802	160.50%
Utilities	6,000	7,228	120.46%
Telephone	6,000	4,179	69.64%
Contractual Services	47,000	98,248	209.04%
Growth Premium	60,000	13,500	22.50%
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	37,346	93.37%
Bank charges	2,500	0	0.00%
Liability insurance	10,000	17,290	172.90%
Worker's compensation	620	232	37.40%
Social security	7,720	8,154	105.63%
AZ state retirement	11,700	12,419	106.14%
Medicare tax	1,800	1,906	105.91%
Continuing education	0	0	0.00%
Indirect costs to general fund	654,070	420,558	64.30%
Payment Assistance Program	10,500	10,500	100.00%
Verde River Basin Partnership	0	0	0.00%
Trust Land Annexation	0	7,399	0.00%
Reserve Resource Development	1,665,920	0	0.00%
Reserve Water Advisory	96,760	10,000	10.33%
Reserve Adjudication	143,450	25,045	17.46%
Reserve Water Conservation	101,210	1,500	1.48%
Unrestricted Reserve	0	0	0.00%
Subtotal maintenance and operations	3,065,715	863,308	28.16%

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

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

	Adopted		
	Budget	Y-T-D	% Used
Capital outlay	400,000	1,784	0.45%
Construction:			
Investment Expense	0	4,481	0.00%
Building Purchase	390,000	0	0.00%
Aresinic Mitigation	925,000	39,672	4.29%
Water System Upgrades	500,000	188,522	37.70%
Valve Replacement	100,000	0	0.00%
Aid in Lieu of Construction	0	138,145	0.00%
Fire Hydrant Improvements	500,000	240,244	48.05%
HWY 260 H2O System Upgrades	1,375,000	0	0.00%
Well Booster Station	100,000	0	0.00%
Well Improvements	1,570,000	25,996	1.66%
Well Acquisitions	1,725,000	2,218	0.13%
Line Extensions	0	27,554	0.00%
Construction - general	0	0	0.00%
Construction - solids handling	0	0	0.00%
Subtotal construction expenses	7,185,000	666,832	9.28%
Total Expenditures	10,650,715	1,531,924	14.38%

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

Water Maintenance & Operations- 16

	Adopted		
	Budget	Y-T-D	% Used
Expenditures:			
Operating:			
Salaries	442,840	447,698	101.10%
Overtime	100,000	116,121	116.12%
Health & life insurance	108,580	124,619	114.77%
Temporary Employees	0	1,295	0.00%
Clothing allowance	11,000	12,143	110.39%
Holiday pay	0	1,849	0.00%
Travel & training	10,000	5,954	59.54%
Subscriptions & dues	3,000	700	23.33%
Gas & oil	35,000	38,332	109.52%
Vehicle maintenance	18,000	12,874	71.52%
Equipment maintenance	250,000	288,111	115.24%
Chemicals	20,000	24,329	121.65%
Polymer	0	0	0.00%
Computer support	2,500	2,725	109.00%
Operational supplies	28,000	36,213	129.33%
Office supplies	9,000	11,540	128.22%
Copier supplies	1,000	1,705	170.49%
Verde River Days	1,000	1,000	100.00%
Utilities	375,000	345,503	92.13%
Telephone	9,000	8,965	99.61%
Legal advertising	2,000	303	15.13%
Contractual services	125,000	109,318	87.45%
Contractual SVCS-M&O	0	0	0.00%
Postage & freight	1,500	1,023	68.20%
Odor control supplies	0	0	0.00%
Lab / testing	25,000	15,788	63.15%
Tools	6,000	3,533	58.88%
Equipment rental	5,000	150	3.00%
Building maintenance	5,000	3,686	73.73%
Liability insurance	35,000	30,251	86.43%
Worker's compensation	25,310	17,159	67.79%
Social security	33,660	33,742	100.24%
AZ state retirement	48,060	52,410	109.05%
Employee physicals	0	0	0.00%
Medicare tax	7,870	7,891	100.27%
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	1,781,428	100.54%

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

Water Debt Service - 16

	Adopted Budget	Y-T-D	% Used
Revenues:			
Use of monies & properties	135,000	294	0.22%
Other Income	0	0	0.00%
Intergovernmental revenue	0	0	0.00%
Total Revenues	135,000	294	0.22%
Debt Service:			
Principal	905,000	905,000	100.00%
Interest	1,624,310	1,624,304	100.00%
Trustee Fees	7,500	3,502	46.70%
Capital Outlay:	29,127,900	989,474	3.40%
Total Expenditures	33,436,530	5,304,003	15.86%
 Excess (deficiency) of revenues over (under) expenditures	 33,436,530	 (117,350)	
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)	 (1,648,981)	