



Indio Water Authority
Quarterly Financial Report

Fiscal Year 2011-12
Third Quarter Report

May 15, 2012
Prepared by The Authority

ITEM NO. 2

Dan Martinez
Executive Director



Debra Kaye
General Manager

May 15, 2012

Honorable Commission
Indio Water Authority
P.O. Drawer 1480
83101 Avenue 45
Indio, CA 92201

SUBJECT: FY 11/12 Third-Quarter Budget Report

Commission members:

Throughout the third quarter staff worked with the commission to address the impacts to the Authority as the city transitioned RDA functions to the Successor Agency. The Authority has been busy researching alternatives for a permanent solution to the dissolution of California's redevelopment agencies which formed the Authority's current structure. Change is necessary to ensure the stability of Indio's water supply and allow for ongoing operational needs to be met. IWA has utilized the assistance of experts in multiple areas to ensure compliance with regulations while presenting no impact on customer's or daily operations. The water industry holds many opportunities for IWA and its future growth. Having a strong structure will ensure IWA is poised to meet future water demands.

In the second quarter, I reported that our revenues were on target and on trend with prior years. I am pleased to report that after nine months of activity; revenues are anticipated to be slightly above budget projections. This is a result of one-time reimbursements and slight increase in water sales. I also reported that expenditures were lower due to a number of recent projects that were underway. Though we have begun to work toward the completion of these capital projects we will not see a true cost until the end of the fiscal year.

The FY 2011-12 year-to-date numbers indicate the Authority is generally in-line with its budget and on track to end the year within budget. Total operating revenues for the water enterprise are at 72.3%, while total operating expenditures are at 66.7% of budgeted amounts. The Indio Water Authority (IWA) continues to closely scrutinize expenses while providing high quality services customers have come to expect, such as uninterrupted water service, environmental stewardship, and compliance with water quality regulations

Honorable Commission
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The attached budget report summarizes the Authority's financial condition as of the third quarter. It presents a comparison of revenue and expenditures for the third quarter of FY 2011-12 with the third quarter of the previous fiscal year. New in this report is a chart that illustrates the volume of work that is produced by one division of IWA, the customer service division. Also included is a description of our grant funded projects and their status.

Additionally, the report reflects the Authority's successful efforts to adapt to its 4% reduction in revenue from prior years with sound financial condition. Reductions in costs through upgrades in Customer Service technology, development of an Asset Management program and improved Distribution system technology has allowed the Authority to increase efficiency and productivity.

Looking forward, I believe that Indio Water Authority has the opportunity to form a new organization by year end with the goal to lower operating cost and improve efficiencies to the benefit our ratepayers.

Included attachments:

ATTACHMENT A – Revenue and Expenditure Summary

ATTACHMENT B – Third Quarter Budget Recap

IT IS RECOMMENDED that the Commission approve the report along with Attachments A and B.

Respectfully submitted,


Dan Martinez
Executive Director

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A. CURRENT FINANCIAL CONDITIONS

The water industry continues to face regulatory requirements, business factors, aging infrastructure, and the need to secure a sustainable supply of water. We must address these issues while always maintaining exceptional water quality as stewards of public health.

Aging infrastructure is a nationwide problem. Recent reports indicate that we must invest \$7 for every one dollar in revenue with capital costs rising twice as fast as inflation. Over the past six years the IWA has replaced a large percentage of its production and storage facilities, however many of the pipes in the ground are aged beyond their useful life. The IWA has approximately 100 line breaks a month costing about \$200,000 annually.

Adequately pricing water to meet all of the needs of a water agency is a challenge in today's economic climate. Many rate structures are being tested in the industry such as increasing block rates or budget tiered rates which both result in higher rates for more water used. An increasing number of water agencies are moving to this rate structure which also drives conservation. The IWA has an open and ongoing rate study that is reviewing a tiered rate approach versus the current uniformed rate structure.

Increasing regulatory requirements at both the local and federal level are always a driving factor for a utility directly responsible for public health. The recent developments calling for regulation of Chromium VI may have significant impacts to the IWA. Staff is actively involved with many stakeholder groups working with the California Department of Public Health as they develop a new Maximum Contaminant Level. Chromium VI occurs naturally in our groundwater basin and changes in this regulation will result in increased treatment costs to the IWA.

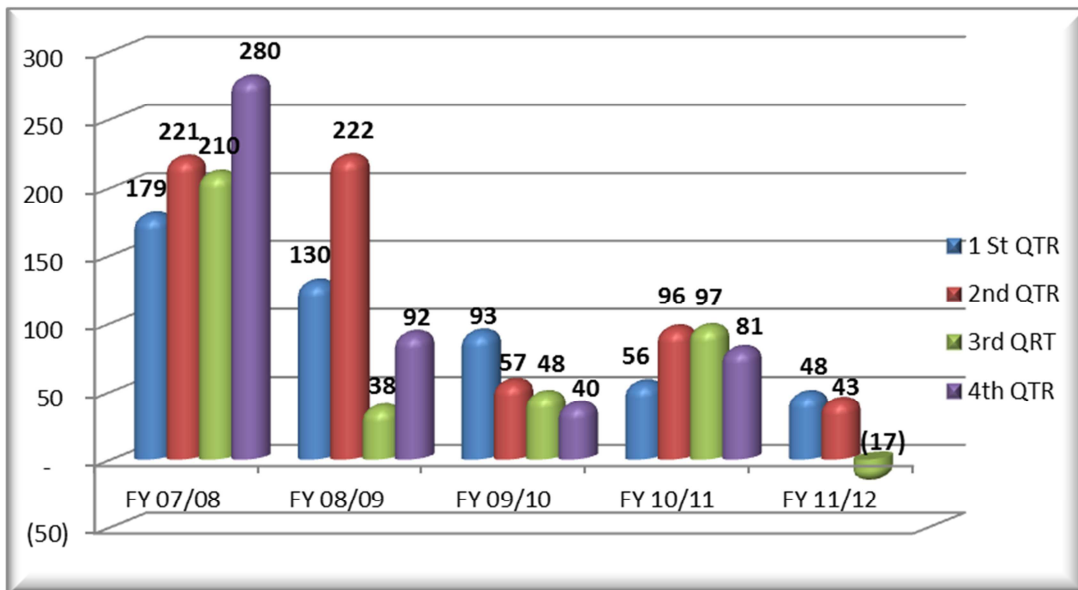
IWA staff continues to perform at an excellent level, addressing all of these challenges while managing the budget prudently. Fiscal year 2011-12 year-to-date numbers indicate the Authority is generally in-line with its budget and on track to end the year within budget. Total operating revenues for the water enterprise are at 72.3%, while total operating expenditures are at 66.7% of budgeted amounts. In order to operate under the current rate structure IWA closely monitors all revenues and expenses while focusing on providing high quality services customers have come to expect.

B. CUSTOMER GROWTH

At the beginning of FY 2011-12, the IWA had 20,993 customers with a projected growth of 200 new accounts. In the first nine months of the fiscal year, IWA added 45 residential customers and 29 commercial customers for a total of 98 new accounts. During the third quarter of FY 2011-12 the meter exchange program identified 24 vacant services that were removed from the distribution system and during this same period seven new services were added for a total negative growth of -17. The 24 vacated services were moved to our inactive services list which we monitor on a monthly basis.

The reflection of a slowing economy is indicated on Chart 1 below where customer growth has declined significantly over the last five years.

Chart 1 - Customer Growth Each Quarter by Fiscal Year



C. OPERATING FUND REVENUE

Revenues are delineated by operating revenues and non-operating revenues. In FY 2010-11 the third quarter budget reported earnings of \$11,707,308. The total unaudited operating revenues recorded for this FY after nine months of operation are \$12,037,723 or 72.9% of budget. This is an increase of \$330,415 over the prior fiscal year (Attachment A). Water sales make up \$10,929,486 of the revenue earned thru March 31, 2012. Water sales are up \$135,581 when compared to last year during the same time frame. This slight increase is attributed to the increase in total number of customers.

Other operating revenues for FY 2011-12 totaled \$1,108,237 through the third quarter or 75% of the budget. This is an increase of \$194,835 when compared to the third quarter of FY 2010-11. Other operating revenue includes account establishment fees, delinquent account fees, inspections, plan checks, backflows, replenishment fees passed thru to Coachella Valley Water District, sphere of influence fees and reimbursements.

Charts 2 and 3 below reflect revenues are on target with historical trends over the last five years.

Chart 2 - 5 Year Water Sales Revenue - History by Month

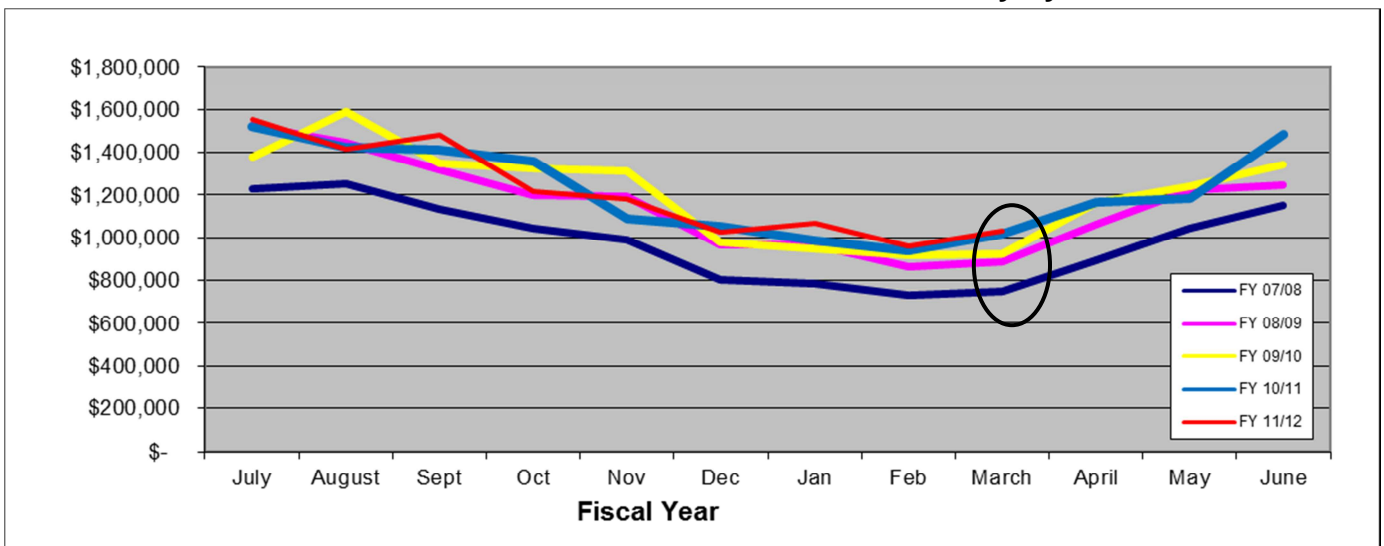
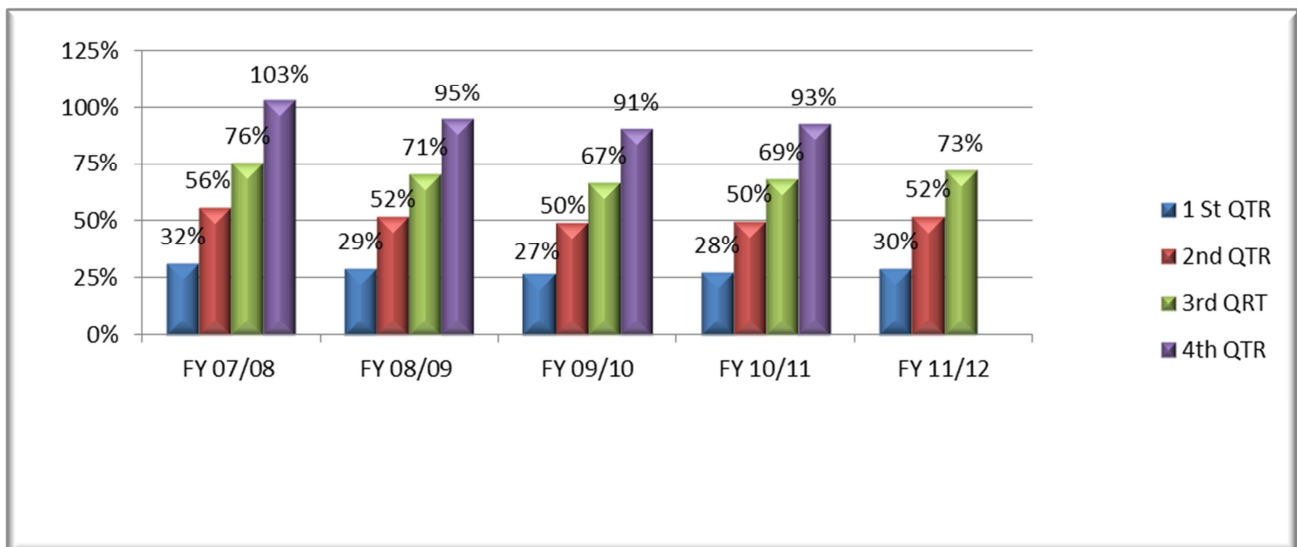


Chart 3 - 5 Year Water Sales Revenue - History by Quarter



Non-Operating Revenue

Investment income ended the third quarter at 22% of the budget, or \$48,643. Through the third quarter, investment income decreased by \$82,199 when compared to the prior year. Lower interest yields for long-term investments are attributed to declining interest income. IWA finance staff will continue to monitor pooled cash investments with the City of Indio.

D. OPERATING FUND EXPENDITURES

The FY 2011-12 operating expenditure budget includes \$4,138,837 in salaries and benefits, \$7,675,414 for services and supplies, and \$420,000 for capital maintenance. At the end of the third quarter, 75% or less of the allocated budgets have been expended.

Table 1 below indicates through the end of the third quarter, operating fund expenditures were at 66.7% of the budget or \$8,162,580. Total operating and capital outlay expenditures increased by \$36,092 from FY 2010-11 (see Attachment A). This slight increase is due to payroll related costs increases for the month of February 2012.

Table 1 - Operating Fund Expenditures - By Category

	Budget		Actual	% of
	FY 2011-12		March 31, 2012	Budget
Salaries and Benefits	\$ 4,138,837		\$ 3,070,898	74.2%
Services and Supplies	7,675,414		4,984,458	64.9%
Capital Outlay	420,000		107,224	25.5%
Total Expenditures	\$ 12,234,251		\$ 8,162,580	66.7%

1. SALARY AND BENEFITS

Salary and benefit expenditures through the end of the third quarter were \$3,070,898 or 74.2% of the budget (Table 1 above). City employees are currently working 10 percent fewer hours and receiving 10 percent less pay. As a result of this reduction, operational services have been cut back to four days a week since June of 2009. The Authority has continued to provide most services Monday thru Friday by flexing employee's hours and focusing on web-based and automated technology.

The use of automated technology continues to allow the Authority to provide improved services to customers. For example the implementation of efficient automated meters provides 100% accurate meter readings and state of the art

information regarding water usage. Advances in meter technology help the Authority to capture more revenue, reduce costs, and protect natural water resources.

2. SERVICES AND SUPPLIES

Services and supplies expenditures are \$4,984,458 or 64.9% of budget through the third quarter. Each division is responsible for monitoring and adhering to their adopted budget. As shown on Table 2 below after nine months, cumulatively all divisions are within a normal expenditure range. IWA will continue to monitor expenses to ensure adherence to the budget.

Table 2 - Operating Fund Expenditures - By Division

	Budget		Actual	% of
	FY 2011-12		March 31, 2012	Budget
Commission	\$ 10,334		\$ 6,520	63.1%
Administration/ Engineering	5,090,512		3,353,718	65.9%
Production	3,545,209		2,130,095	60.1%
Transmission Distribution	1,828,507		1,409,206	77.1%
Finance/Customer Service	1,759,689		1,263,041	71.8%
Total Expenditures	\$ 12,234,251		\$ 8,162,580	66.7%

Administration/Engineering

The Authority continues to work with its consultants to develop the Water Main Plan Update which will be the primary guidance document through 2030. The final plan will incorporate development trends, chromium VI compliance, alternate water supply, and rehabilitation of key assets. The Plan will be completed during the fourth quarter of this fiscal year.

Production

The Authority continues to upgrade the SCADA (Supervisor Control and Data Acquisition) system which will enable IWA to better control and monitor operations to promote energy efficiency. In addition to SCADA, an electrical safety audit has been initiated to ensure a safe working environment for IWA staff and reliable powered water facilities to ensure water demands are met.

Transmission Distribution

Directional and hydrant flushing of the water system along with valve turning to maintain water quality has been an ongoing effort of the distribution department.

The Authority has also been working with commercial and residential properties throughout the city to install backflow devices to protect the system from contamination. To date, there are over 1,700 backflow devices in service.

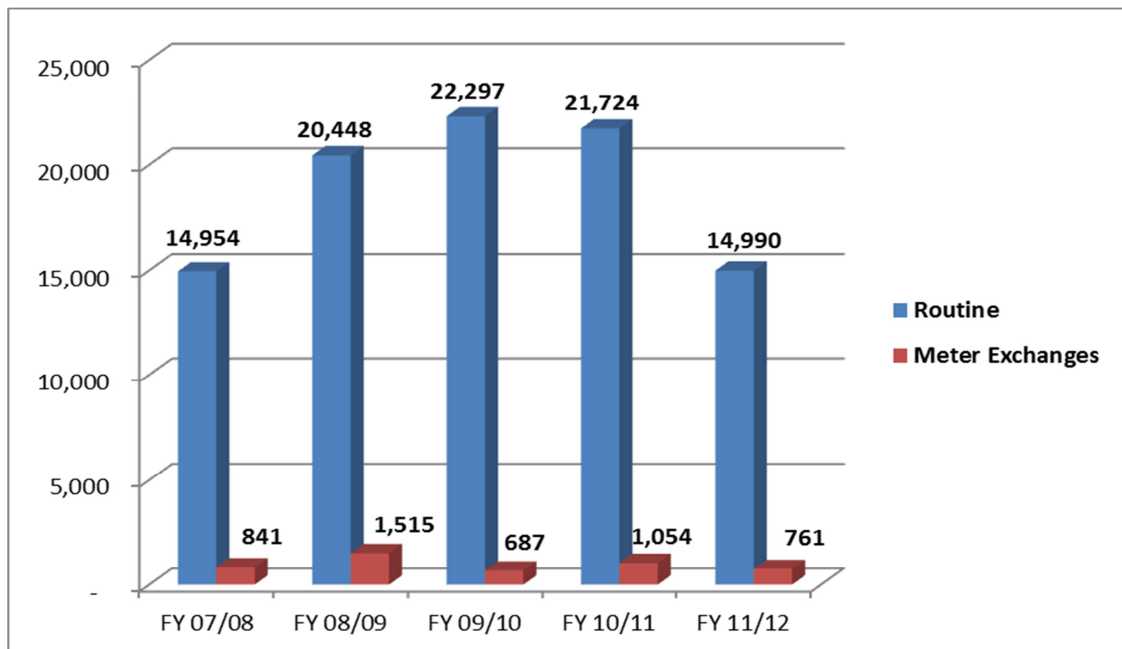
This department's budget is slightly above 75% due to payroll related charges for compensation leave cash outs. The department will closely monitor ongoing costs to ensure compliance with the budget by fiscal year-end.

Finance/Customer Service

The Authority has completed its new website. The new site provides updated messages to customers regarding water quality and resources, is easier to navigate, and poises the Authority for future online services such as E-billing. Lockbox decisioning enhancements are fully operational and have saved the Authority time in processing payments while improving the process of posting customer's payments.

Customer service staff has been hard at work keeping up with customer requests. Chart 4 on page nine reflects the total number of routine and meter exchange work orders per fiscal year completed by IWA service workers and customer service staff. Customer service staff is projecting to end FY 2011-12 with approximately 20,000 routine work orders completed. Most customer requests are completed within two business days and include new and stop service requests, check for leaks, restore water services, billing requests, and water quality questions.

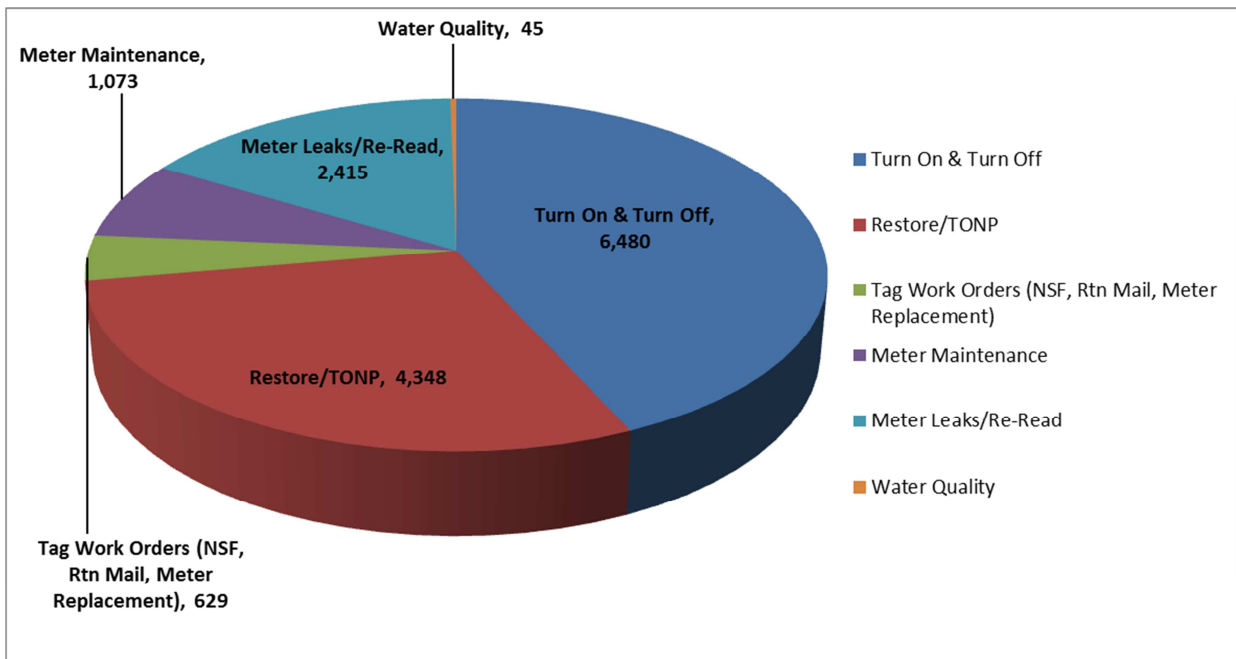
Chart 4 – 5 Year Work Orders Completed



The meter exchange program has a goal of completing 1,000 replacements by fiscal year-end. With a total of 761 meters exchanged after nine months the Authority is on track to meet its goal. To date the Authority has replaced 11,044 meters or 52% of the total 21,076 meters.

Chart 5 below represents the type of routine work orders (14,990 total) completed during the first nine months of FY 2011-12. Work orders do not include the approximately 21,000 meters read each month for billing.

Chart 5 – Routine Work Orders by Category, FY 11/12



3. CAPITAL OUTLAY

Capital Outlay includes the purchase of capital equipment, vehicles, and capital maintenance projects that are not part of the Capital Improvement Program (CIP). As referenced in Table 3 on page ten the \$420,000 capital outlay budget for FY 2011-12 covers a leak detection program, small meter change out program, facility maintenance, well maintenance, water improvements and a long range financial planning model, which is now 85% complete.

The \$20,427 expensed in Transmission Distribution is a yearly journal entry to account for the prepayment of the ERICA (Eastern Riverside County Interoperable Communications Authority) system to the City of Indio. The Authority may realize some savings in the current fiscal year from the postponement of projects; however, most budgeted expenses will be realized by the end of the fiscal year.

Table 3 - Operating Fund Expenditures - Capital Outlay By Division

	Budget	Actual	% of
	FY 2011-12	March 31, 2012	Budget
Administration/ Engineering	-	-	-
Production	340,000	70,436	20.7%
Transmission Distribution	-	20,427	-
Finance/Customer Service	80,000	16,361	20.5%
Total Expenditures	\$ 420,000	\$ 107,224	25.5%

4. INTERNAL SERVICE (IS)

These funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other Government entities, on a cost allocation basis. This budget component includes: risk management, buildings and grounds maintenance, information technology, centralized services, and fleet maintenance.

The IS current fiscal year's budget is \$1,370,241. Through the third quarter, internal service expenses total \$1,031,101 or 75% of the budget.

E. OUTSTANDING DEBT

On October 1, 2006, the Indio Water Authority issued \$61,795,000 Enterprise Revenue Bond 2006 Series. Some of the proceeds were used to repay the 2004 Bond Series, and the remainder is used for capital maintenance and capital projects to build new reservoirs, wells and boosters, pipelines, and for system administration. The Bonds are paid from net revenues of IWA and from certain funds held under the indenture. The Water Authority has an A+ rating which makes using Bonds the preferred method to fund large capital maintenance projects. With interest rates being at an all-time low for preferred borrowers, spreading the cost to repay the loan over a much longer period equates to lower water utility rates to our consumers. It also allows the Water Authority more flexibility in managing cash flows to cover internal and external costs. At the beginning of FY 2011-12, the total outstanding bonded debt was approximately \$59,290,000.

Debt service is budgeted in Non-Departmental/Debt Service as \$4,162,738 with a principle payment of \$1,320,000 and interest of \$2,842,738. The 2006 Enterprise Revenue bond matures in 2036.

At this time Indio Water Authority meets its debt coverage ratio at 1.20 percent but does not have additional bonding capacity with current rate structure and expenditures.

F. EQUIPMENT REPLACEMENT FUND

The Authority has an equipment replacement fund separate from the City of Indio. This fund is for the replacement of vehicles and equipment as needed. At the end of the third quarter for FY 2011-12, the balance of this fund is \$602,310. Through the third quarter, \$75,000 was transferred from fund 010 as approved in the operating budget. During the third quarter the Authority expensed an additional \$44,586 to complete the retrofitting of three vehicles. After nine months the Authority has spent a total of \$143,162 for equipment replacements.

On a monthly basis the Authority's finance staff monitors a comprehensive list of equipment with depreciation schedules and replacement costs listed by year. Reliable vehicles and equipment ensure safety and dependability of IWA's daily operations and ensure the ability to respond to emergencies in an effective manner.

G. CAPITAL IMPROVEMENT PROGRAM (CIP)

This section presents a summary of all CIP projects adopted with the passage of the FY 2011-12 budget. Capital improvements are projects that contribute to providing essential water services to customers and meeting regulatory requirements.

At the end of the third quarter of FY 2011-12, the Authority's budgeted projects had a remaining total project cost of \$195,393 from the revenue bond and \$1,345,189 from Water Development impact fees. These available funds have been designated for projects during the current fiscal year.

The Authority is looking forward to a busy fourth quarter with multiple capital improvement projects underway and scheduled to be completed by the end of the fiscal year. These projects include the Shadow Lake piping improvements, an electrical safety audit, and Wells 1B and 2D building shelters. Looking forward, a distribution system audit/leak detection program, Well S rehabilitation project and the construction of the canal crossing at Avenue 40 and Monroe Street and Terra Lago seismic retrofits will be completed in FY 2012-13.

H. ACTIVE GRANTS

PROP 84 Grants

The Indio Water Authority is a participating member of the Coachella Valley Regional Water Management Group (CVRWMG), a group comprised of the five major water providers in the Coachella Valley as well as Planning Partners and stakeholder groups. The CVRWMG coordinates on projects that engage local stakeholders and promote cooperative watershed management. Currently the CVRWMG has been awarded three grants: the Disadvantaged Communities Grant (\$500,000), the Planning Grant (\$1,000,000), and the Implementation Grant (\$4,000,000). The IWA Water Resource Analyst and the Manager of Engineering and Environmental Services spend significant time at the CVRWMG table, ensuring that adequate resources will benefit IWA customers by maintaining a strong voice in the group. These grants do not require a cost share. The following further describes the awarded three grants:

The Disadvantaged Communities grant and the Planning Grant establish outreach channels to bring disadvantaged communities to the table and solve problems in the basin such as salt and nutrient planning and short-term arsenic treatment. These activities will contribute to an update of the existing Integrated Regional Water Management Plan. Though IWA will not receive any direct funding from these grants, they represent \$1,500,000 that will partially benefit IWA customers, particularly those most in need of assistance. The DAC Grant is beginning implementation, and the Planning Grant will be ready pending approval of a draft contract with DWR.

The Implementation Grant represents \$4,000,000 awarded to the CVRWMG for local water quality projects, including a \$1,000,000 regional conservation program. Of that, IWA will receive roughly \$100,000 to implement conservation measures within its service territory. Most of that funding will be returned to IWA customers and businesses in the form of turf removal rebates. The funding can also be used for classroom outreach and public education, and initiatives such as the education component of the new IWA website. The CVRWMG expects to begin work on the Implementation Grant at the end of the 2012 summer.

California Statewide Groundwater Elevation Monitoring Program (CASGEM) Capacity Building Grant (CBG)

The DWR has selected IWA as a monitoring agency under the CASGEM. Through CASGEM, IWA will establish a comprehensive groundwater elevation monitoring network, collect data, and report it to DWR on a regular basis. This will help IWA better manage the aquifer it relies upon, and provides a strong segue into the planned development of a Groundwater Management Plan under AB3030. IWA was

awarded \$50,000 for a CBG from DWR which can be applied to the CASGEM program. Of the estimated \$60,000 groundwater elevation monitoring program, DWR will reimburse IWA \$50,000, leaving an IWA contribution of \$10,000. IWA anticipates full grant execution in May 2012 and to begin invoicing after the summer.

I. RESERVE FUNDS

Table 4 below is a summarized allocation of reserve funding levels, which were approved by the Authority’s Commission on February 7, 2012.

Table 4 – Reserve Funds

Priority Ranking	Reserve Funds Unrestrictive – Designated	Current Fund Balance	Target Level Moderate	Unfunded (difference)
1	Operating Reserve	\$ 4,000,000	\$ 4,000,000	
2	Capital Repair and Replacement/System Improvement Reserve	374,080	374,080	
3	Equipment Replacement Reserve	602,310	500,000	
4	Rate Stabilization Reserve	330,000	330,000	
5	Water Transfer Reserve	1,750,000	1,750,000	
6	Emergency Reserve	545,920	4,904,060	\$ 4,358,140
	Total	\$ 7,602,310	\$ 11,858,140	\$ 4,358,140

These six reserve policies recognize the importance of formally adopted policies relative to reserves and the funding of them. Reserves are prudent fiscal management tools, which are a cornerstone of successful long-term financial planning. The policies provide both flexibility to continually adapt to change, ensure continued operational solvency, and preserve adequate levels of services.

ATTACHMENT A: REVENUE AND EXPENDITURE SUMMARY - OPERATING FUNDS

Indio Water Authority
 Revenue & Expenditure Summary-Operating Fund
 Quarter Ending March 31, 2012

75% of Year Elapsed

REVENUES	Revenue through		Variance			
	3/31/2011	3/31/2012	FY 2011 vs. 2012	Percentage Change	Budget FY 2011/12	Percentage FY 2011/12
Operating Revenue						
Water Utility Payments	10,793,905	10,929,486	135,581	1.3%	15,038,548	72.7%
Other Operating			-			
Water Meters	63,088	69,193	6,105	9.7%	72,500	95.4%
Backflow Charges	131,994	132,951	957	0.7%	145,472	91.4%
Fire Protection Charges	39,400	51,410	12,010	30.5%	50,651	101.5%
Replenish Assmnt Charge	364,885	477,503	112,618	30.9%	736,000	64.9%
Charges for Services	246,355	234,688	(11,667)	-4.7%	317,441	73.9%
Establishment Fee	62,410	63,768	1,358	2.2%	97,820	65.2%
Reimbursements/Recovery of Labor	5,269	78,724	73,455	1394.1%	50,000	157.4%
Total Operating Revenue	11,707,308	12,037,723	330,415	2.8%	16,508,432	72.9%
Non-Operating Revenue						
Interest Earnings	130,842	48,643	(82,199)	-62.8%	219,000	22.21%
Total Non-Operating Revenue	130,842	48,643	(82,199)	-62.8%	219,000	22.21%
Total Revenues	11,838,150	12,086,366	248,216	2.1%	16,727,432	72.3%
EXPENDITURES	Expenditures through		Variance			
	3/31/2011	3/31/2012	FY 2011 vs. 2012	Percentage Change	Budget FY 2011/12	Percentage FY 2011/12
Personnel						
Salary and Benefits	2,708,921	3,070,898	361,977	13.4%	4,138,837	74.2%
Total Personnel	2,708,921	3,070,898	361,977	13.4%	4,138,837	74.2%
Services and Supplies						
Legal	71,116	48,561	(22,555)	-31.7%	95,000	51.1%
Professional/Contract Services	776,819	426,240	(350,579)	-45.1%	836,147	51.0%
Regulatory/Government Agency	375,507	468,466	92,959	24.8%	811,000	57.8%
Utilities	968,678	996,577	27,899	2.9%	1,600,000	62.3%
Outside Repair & Maint	92,532	119,929	27,397	29.6%	208,140	57.6%
Travel & Training	14,702	37,193	22,491	153.0%	42,500	87.5%
Dues and Subscriptions	20,945	38,770	17,825	85.1%	50,000	77.5%
Postage Freight	98,437	77,523	(20,914)	-21.2%	123,900	62.6%
Conservation Programs	33,099	48,921	15,822	47.8%	130,913	37.4%
Telephones	3,579	2,424	(1,155)	-32.3%	7,000	34.6%
Cell Phones	14,098	9,672	(4,426)	-31.4%	14,200	68.1%
Pagers	1,259	230	(1,029)	-81.7%	1,700	13.5%
Rents/Leases	955,760	980,998	25,238	2.6%	1,305,273	75.2%
Printing	79,435	42,295	(37,140)	-46.8%	92,200	45.9%
Water Meters & Parts	337,240	468,697	131,457	39.0%	462,700	101.3%
Supplies & Safety Equipment	6,411	21,524	15,113	235.7%	24,750	87.0%
Chemical Lab	51,761	50,337	(1,424)	-2.8%	81,500	61.8%
Contingency	-	-	-	0.0%	231,000	0.0%
Internal Service Funds	907,473	1,031,101	123,628	13.6%	1,370,241	75.2%
Transfer out	250,000	115,000	(135,000)	-54.0%	187,250	61.4%
Total Services and Supplies	5,058,851	4,984,458	(74,393)	-1.5%	7,675,414	64.9%
Total - Operations	7,767,772	8,055,356	287,584	3.7%	11,814,251	68.2%

ATTACHMENT A: REVENUE AND EXPENDITURE SUMMARY - OPERATING FUNDS

Continuation of Report:

75% of Year Elapsed

EXPENDITURES	Expenditures through		Variance			
	3/31/2011	3/31/2012	FY 2011 vs. 2012	Percentage Change	Budget FY 2011/12	Percentage FY 2011/12
Capital Outlay						
Equipment	-	-	-	0.0%	-	0%
Projects	358,716	107,224	(251,492)	-70.1%	420,000	26%
Total Capital Outlay	358,716	107,224	(251,492)	-70.1%	420,000	25.5%
Total Operations & Capital Outlay	8,126,488	8,162,580	36,092	0.4%	12,234,251	66.7%
Debt Service						
Interest -Revenue Bonds	1,809,283	2,139,141	329,858	18.2%	2,842,738	75%
Principal Revenue Bonds	960,000	990,000	30,000	3.1%	1,320,000	75%
Total Debt Service	2,769,283	3,129,141	359,858	13.0%	4,162,738	75%
Total Operations and Debt Service	10,895,771	11,291,721	395,950	13.4%	16,396,989	68.9%

ATTACHMENT B: THIRD QUARTER BUDGET RECAP

IWA 3RD QUARTER BUDGET RECAP FY 2011-12
 THRU MARCH 31, 2012 (9 MONTHS, 75%)
 SUMMARY REPORT

75% of Year Elapsed

Revenue	Budget 11/12	Through 3/31/2012	% Earned
Water Sales	15,038,548	10,929,486	73%
Meter and Service Fees	1,469,884	1,108,237	75%
Investment Income	219,000	48,643	22%
Total Budgeted Revenue	16,727,432	12,086,366	72.3%

Expenditures	Budget 11/12	Through 3/31/2012	% Spent
Salary and Benefits	4,138,837	3,070,898	74%
Legal	95,000	48,561	51%
Professional/Contract Services	836,147	426,240	51%
Regulatory/Government Agency	811,000	468,466	58%
Utilities	1,600,000	996,577	62%
Outside Repair & Maint	208,140	119,929	58%
Travel & Training	42,500	37,193	88%
Dues and Subscriptions	50,000	38,770	78%
Postage Freight	123,900	77,523	63%
Conservation Programs	130,913	48,921	37%
Telephones	7,000	2,424	35%
Cell Phones	14,200	9,672	68%
Pagers	1,700	230	14%
Rents/Leases	1,305,273	980,998	75%
Printing	92,200	42,295	46%
Water Meters & Parts	462,700	468,697	101%
Supplies & Safety Equipment	24,750	21,524	87%
Chemical Lab	81,500	50,337	62%
Contingency	231,000	-	0%
Capital Outlay	420,000	107,224	26%
Internal Service Funds	1,370,241	1,031,101	75%
Transfer Outs	187,250	115,000	61%
Total Appropriations	12,234,251	8,162,580	66.7%
Debt Service	4,162,738	3,129,141	75.2%
Total Budgeted Appropriations	16,396,989	11,291,721	68.9%

Projected Revenue Over Expenditures (+/ -)	330,443	794,645
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