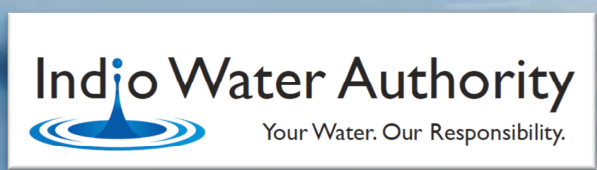




# Indio Water Authority Quarterly Financial Report

**Fiscal Year 2013-14  
Third Quarter Report**

**June 17, 2014**



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Indio Water Authority  
Quarterly Financial Report

**Fiscal Year 2013-14**  
**Third Quarter Report**

June 17, 2014  
Prepared by Indio Water Authority

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## **A. CURRENT FINANCIAL CONDITIONS**

Drought and water conservation messages continue to immerse California. Although the Coachella Valley's current groundwater levels are not affected by this drought; ongoing conservation to prevent the aquifer from reaching an overdraft state and avoid ground subsidence is always an effort of all water purveyors in the Coachella Valley. Recycled and imported water have alleviated the strain on the water basin and the implementation of budget tiered rates by IWA with a strong conservation message will continue to further reduce ground water impacts in the years to come.

The East Valley Water Reclamation Authority (EVRA) a joint effort between the City of Indio – Indio Water Authority and Valley Sanitary District is also assisting in managing water conservation efforts. The EVRA will focus on recycled water treatment, ground water recharge by way of Posse Park and the tertiary treatment of water. IWA also continues to nurture it's relationships with connecting water agencies to reach common goals and have a united message of conservation, water quality and service. Indio is located in a desert region and IWA's focus always has been and will continue to be on long-term water management and responsible stewardship of our water supply.

The California Department of Public Health (CDPH) has proposed a maximum contaminate level (MCL) for hexavalent chromium, Cr(6), at 10 parts per billion. If the final MCL for Cr(6) is set at 10 parts per billion, this will undoubtedly have dire economic consequences on IWA, City of Indio residents, and the entire Coachella Valley region. To date, no state or federal funding has been allocated for Cr(6) treatment and compliance with the draft MCL and could result in a 165% increase in cost.

In the coming months IWA will aggressively continue to research treatment needs, cost estimates, and funding sources. Staff also continues to collaborate with ACWA, AWWA, and local water agencies to lobby and aggressively pursue a more reasonable MCL with CDPH and an extended implementation time frame. Either way IWA will be prepared with a compliance plan once the final MCL is issued by CDPH and ensure our water supply continues to meet state and federal standards, as it does now.

In addition to increased regulatory requirements water utilities continue to be under mounting pressure to control costs while implementing upgrades and become more competitive by way of technological advancements while also maintaining the structural integrity of aging infrastructure and being fiscally responsible. IWA like

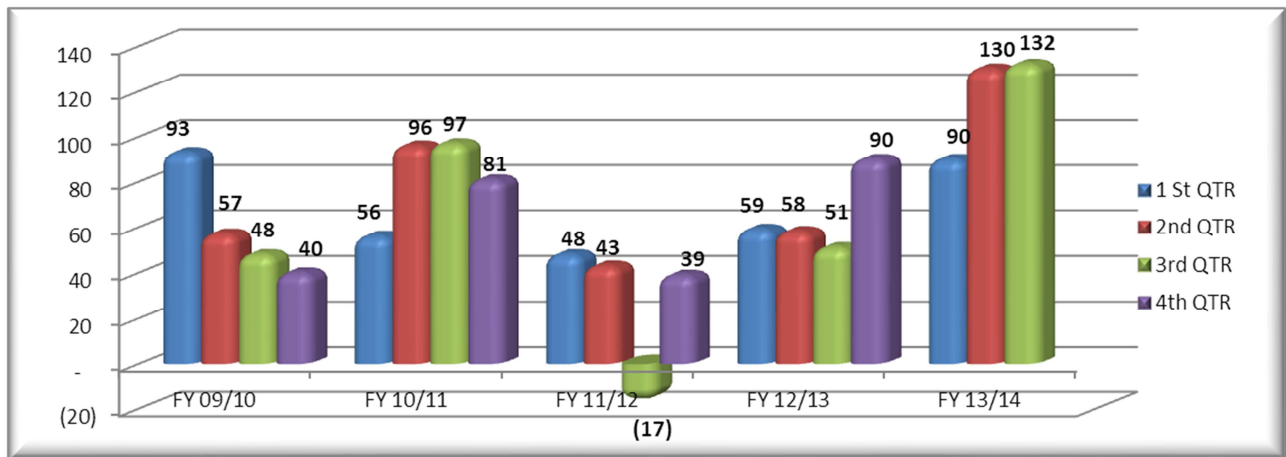
most other water agencies are stretched between meeting long-term goals and addressing short term issues.

FY 2013-14 year-to-date numbers indicate IWA is generally in-line with its budget and on track to end the year within budget. Total operating revenues are at 74.4%, while total operating expenditures are at 72.4% of budgeted amounts. Moving forward with a new rate structure IWA will closely monitor all revenues and expenses while focusing on providing high quality services customers have come to expect. In addition to maintaining current programs, it is critical that we continue to educate residents and business leaders about the importance of water conservation and upcoming regulatory requirements.

**B. CUSTOMER GROWTH**

At the beginning of FY 2013-14, the IWA had 21,247 customers with growth projected to be 200 new accounts for the fiscal year. In the third quarter of the fiscal year, IWA added 101 residential customers and 31 commercial accounts for a total of 132 new accounts. During the third quarter IWA also identified 13 fire detector meters that were added to existing water services.

**Chart 1: Customer Growth Each Quarter by Fiscal Year**



Active residential developments include: Sun City/Shadow Hills, Trilogy, Whittier Ranch, Parkwood Apartments, Aliante, Mountain Estates, Palazzo, Sandstone and Terra Lago Phase II. There have also been meetings between IWA staff and several developers interested in moving forward with various residential tracts, among them Las Plumas on Jackson and Avenue 49, Affresco/Ballare on Jackson

north of Avenue 40, Montevina on Avenue 44 east of Golf Center Parkway, and Haciendas II on Calhoun and Avenue 43.

Commercial development includes Walmart, which completed the installation of their public water improvements and plans have been submitted for a second phase of water improvements for future shops in the north part of the shopping center. IHOP and Yunez Laundromat completed their respective meter installations and All-Inside Storage connected a new fire service. In addition, the new County Law Building and East County Detention Center project have commenced work on installation of new domestic and fire protection services.

The reflection of an unsettled economy is indicated on Chart 1 where customer growth has significantly fluctuated over the last five years. Current growth during the third quarter of FY 2013-14 is distinguishably higher than the last three fiscal years. IWA engineering division has seen an increase in inspections and plan reviews over the last nine months. This trend is expected to continue in Indio for the coming years. IWA infrastructure is in place to meet ongoing demands and will continue to be evaluated as additional resources pull water from our distribution system.

### **C. OPERATING FUND REVENUE**

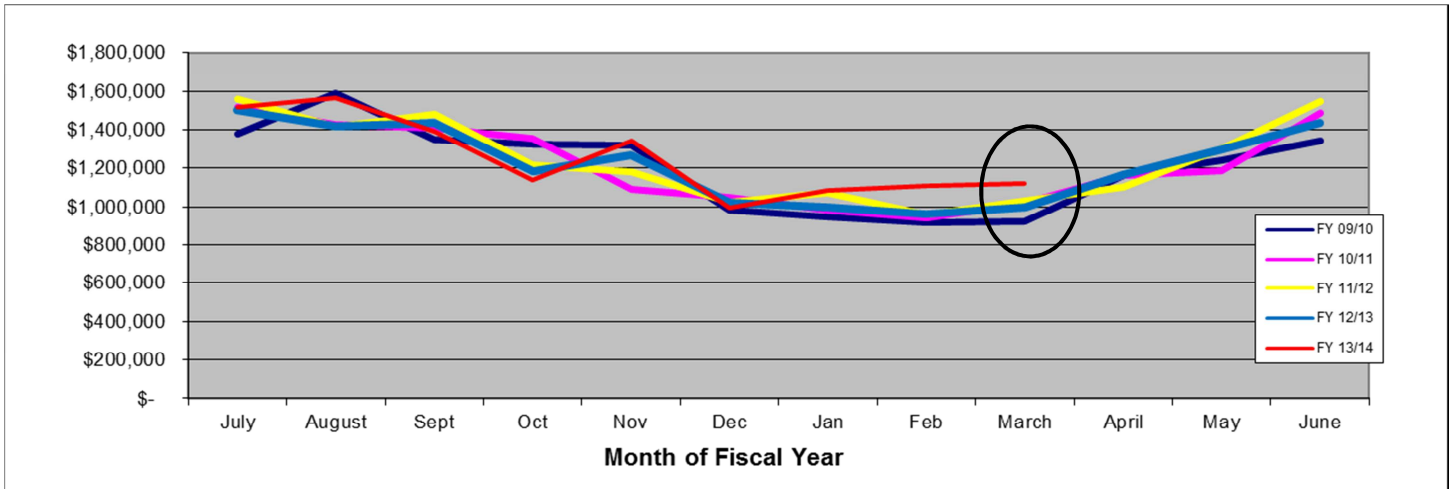
Revenues are delineated by operating revenues and non-operating revenues. The total unaudited operating revenues recorded for this fiscal year after nine months of operation are \$13,208,732 or 76.9% of budget. This is an increase of \$1,275,828 over the prior fiscal year (Attachment A). Water sales make up \$11,258,851 of the revenue earned through March 31, 2014. Water sales are up \$467,710 when compared to last year during the same time frame.

Other operating revenues for FY 2013-14 totaled \$1,949,881 through the third quarter or 104% of the budget (Attachment B). This is an increase of \$808,118 when compared to the third quarter of FY 2012-13. Other operating revenue includes account establishment fees, delinquent account fees, inspection fees, plan checks, backflow fees, replenishment fees passed thru to Coachella Valley Water District, sphere of influence fees and reimbursements. This revenue is higher than last fiscal year due in part to the establishment of a meter downsize program and increased engineering services provided to developers.

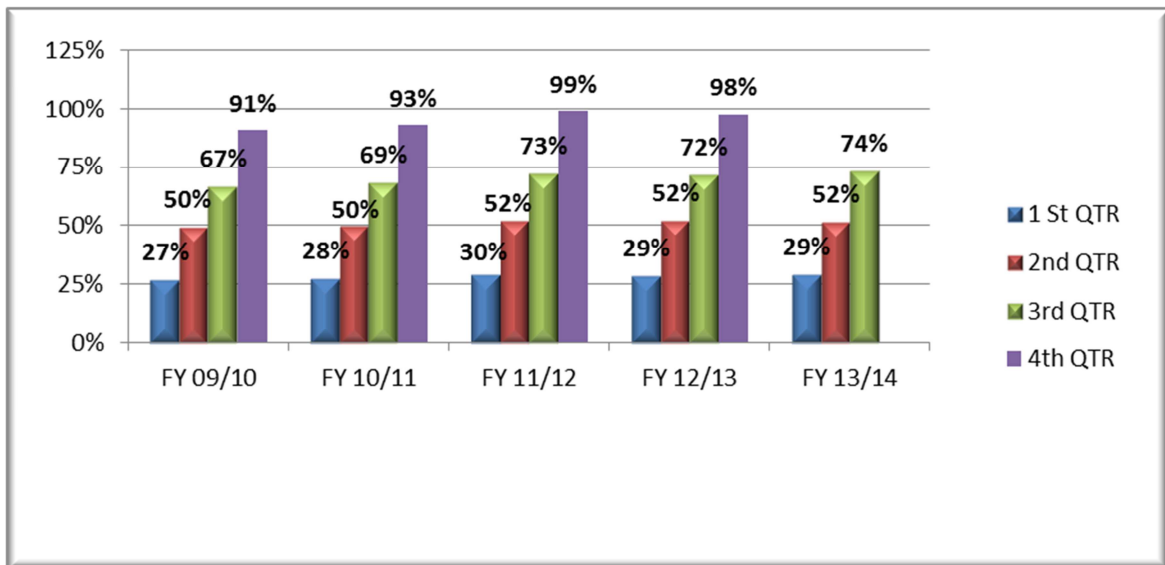


Chart 2 below reflects water sales revenue is higher than last fiscal year. This is attributed to a new rate structure which incorporated a rate increase starting in January 2014. Overall Chart 3 below reflects revenues are on target with historical trends over the last five years and are meeting expected revenues for fiscal year 2014-15.

**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 \$26,778 or 29.8% of the budget. Through the third quarter, investment income decreased by \$12,300 when



compared to the prior year during the same period due to lower interest earnings during the third quarter. To ensure liquidity of funds and a conservative return on investments, IWA finance staff will continue to monitor pooled cash investments with the City of Indio.

**D. OPERATING FUND EXPENDITURES**

The FY 2013-14 operating expenditure budget includes \$4,552,851 in salaries and benefits, \$7,933,616 for services and supplies, \$1,095,426 for capital maintenance and \$4,144,038 for debt service. Table 1 indicates through the end of the third quarter, operating fund expenditures were at 72.4% of the budget or \$12,833,288. Total operating expenditures increased by \$1,350,733 from FY 2012-13 (see Attachment A). This increase is largely attributed to an increase of \$107,819 in replenishment assessment pass thru payments, an increase of \$164,305 in repairs and maintenance, and an increase in projects of \$210,223. Offset by a decrease in utility payments of -\$93,712 and internal service fund costs of -\$113,618.

**Table 1: Operating Fund Expenditures - By Category**

	Budget		Actual	% of
	FY 2013-14		March 31, 2014	Budget
Salaries and Benefits	\$ 4,552,851		\$ 3,371,991	74.1%
Services and Supplies	7,933,616		4,873,038	61.4%
Capital Outlay	1,095,426		451,234	41.2%
Debt Service	4,144,038		4,137,025	99.8%
<b>Total Expenditures</b>	<b>\$ 17,725,931</b>		<b>\$ 12,833,288</b>	<b>72.4%</b>

**Salary and Benefits**

Salary and benefit expenditures through the end of the third quarter were \$3,371,991 or 74.1% of the budget as shown in Table 1. The increase of \$19,133 in salaries and benefits over last fiscal year are associated with an increase in the employer’s contribution rate for California Public Employees’ Retirement System (CalPERS) and unexpected accrued time cash outs by employees. This increase is offset by cost savings from vacant positions in two management positions – Engineering/Water Quality and Finance/Customer Service. The Engineering vacancy was filled in May of 2014 and the other will also be filled in the coming months.

**Services and Supplies**

Services and supplies expenditures are \$4,873,038 or 61.4% of the budget through the third quarter. Each division is responsible for monitoring and adhering to their adopted budget. As shown in Table 2 below, after nine months, all divisions except Information Technology are within a normal expenditure range. Information Technology’s expenditure rate is primarily due to the upgrade of the SunGard billing system as well as annual payment of operational service contracts which are due at the beginning of each fiscal year. IWA will continue to monitor expenses to ensure adherence to the budget. Overall operating expenditures are at 61.4% of the budget and expected to end the year within or under budgeted projections.

**Table 2: Operating Fund Expenditures – Services and Supplies by Division**

	<b>Budget</b>		<b>Actual</b>	<b>% of</b>
	<b>FY 2013-14</b>		<b>March 31, 2014</b>	<b>Budget</b>
Commission	\$ 10,459		\$ 11,400	109.0%
Administration/ Engineering	3,350,213		2,288,142	68.3%
Production	2,966,579		1,498,470	50.5%
Transmission Distribution	643,042		369,794	57.5%
Finance/Customer Service	729,394		505,004	69.2%
Information Technology	233,929		200,228	85.6%
<b>Total Expenditures</b>	<b>\$ 7,933,616</b>		<b>\$ 4,873,038</b>	<b>61.4%</b>

*Administration/Engineering*

During the third quarter IWA announced the recruitment of the Manager of Engineering and Water Quality which was filled during the fourth quarter.

Staff has been preparing for two (2) projects along Highway 111:

- Highway 111 Water Main from Madison Street to Monroe Street consists of installation of approximately 6,400 linear feet of 12-inch water main to support new businesses. The water main and water services will be installed prior to Public Works road widening project. Construction is anticipated to begin in July 2014. The estimated water infrastructure construction cost is \$1,300,000 and is part of the capital improvement program.

- Highway 111 Water Main from Oasis Street to Jackson Street consists of approximately 1,300 linear feet of 12-inch water main supporting ongoing Riverside County projects. Construction is expected to begin in July 2014 at an estimated construction cost of \$250,000.

During the upcoming fiscal year 2014-15 the Engineering and Water Quality division will be created to further distinguish those expenses from administration expenses of IWA.

#### *Production*

IWA has been improving its security system at all the production facilities, from replacing nonfunctioning cameras to installing contact switches at building entry points; the security improvements remotely enable IWA to provide better security control and deter illegal intrusions. In addition to security improvements, Well 3B water column and pump repairs have been completed.

#### *Transmission Distribution*

Operation and maintenance of the water system is comprised of: replacement of polyethylene water services, old meters and damaged valves; dead-end flushing of the water system along with valve exercising to maintain water quality; as well as meter reading which continues to be an evolving achievement of the Distribution division. IWA continues to produce and deliver pristine water to its customers.

#### *Finance/Customer Service*

During the third quarter a data analytics report was created to enhance the meter change out program which resulted in increased efficiency of the program. This fiscal year the meter exchange program has a goal of completing 2,044 replacements by fiscal year-end. This goal was exceeded with a total of 2,148 meters that have been exchanged to date bringing the total of radio-read meters installed to date to 14,967 or 68% of the total 21,933 in-service meters.

Budget tiered rate structure billing successfully commenced in February 2014. To enhance our communication with customers and continue to encourage water conservation IWA has an ongoing commitment to bill inserts, bill messaging, and updated website content. The messaging programs are tailored based on IWA Board and management guidance which met operational goals and objectives of IWA.

#### *Information Technology (IT)*

IWA's Information Technology Division continues to implement enhancements, upgrades, as well as new systems with the objective to improve efficiency, productivity, innovation, and security.

A list of those enhancements is as follows:

- **Business Management Software -**  
IT implemented the latest software enhancements to its business management software. This update ensures upcoming enterprise resource and planning needs are met by IWA.
- **Upgraded backup software–**  
IT upgraded backup software to prevent critical data loss in the event of an emergency and ensure reliability of the system.
- **Upgraded meter reading devices –**  
Meter reading devices were upgraded during the third quarter. In the coming months software enhancements will be incorporated into the billing system. These enhancements will allow staff to view leak indicators from meter reading devices on customer accounts.

Upcoming efforts of the Information Technology division at IWA include upgrades to existing virtual desktop infrastructure, and deploying a new web filter to expose web-borne malware and viruses.

### **Capital Outlay**

Capital Outlay includes the purchase of new capital equipment, new vehicles, and capital infrastructure maintenance projects that are not part of the Capital Improvement Program. The \$1,095,426 capital outlay budget for FY 2013-14 covers a budget tiered rate structure implementation, small and large meter change out program, system software upgrades, machinery as needed to support ongoing operational requirements, and system distribution maintenance.

Below is a summary of capital outlay budget by division for FY 2013-14.

**Table 3: Capital Outlay by Division**

	<b>Budget</b>	<b>Actual</b>	<b>% of</b>
	<b>FY 2013-14</b>	<b>March 31, 2014</b>	<b>Budget</b>
Administration/ Engineering	-	-	0.0%
Production	450,000	267,693	59.5%
Transmission Distribution	520,426	56,589	10.9%
Finance/Customer Service	25,000	27,510	110.0%
Information Technology	100,000	99,442	99.4%
<b>Total Expenditures</b>	<b>\$ 1,095,426</b>	<b>\$ 451,234</b>	<b>41.2%</b>

**Internal Services (IS)**

Internal Service Fund is 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 \$1,242,764. Through the third quarter, internal service expenses total \$924,109 or 74.4% of the budget. A decrease of \$113,618 in internal service fund costs is attributed to additional full-time information technology staff at IWA and a decrease in risk management fees.

**E. EQUIPMENT REPLACEMENT FUND**

IWA 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 2013-14, the balance of this fund is \$691,406. Total budgeted expenses are \$283,601 for FY 2013-14. There have been no expenses through the third quarter due to prolonged use and life of existing equipment and vehicles. Staff continues to evaluate requirements for equipment and vehicle replacements.

Vehicles and equipment are inspected daily and on a monthly basis IWA’s Finance staff reviews a comprehensive list of equipment with depreciation schedules and replacement costs listed by year. Reliable vehicles and equipment ensure the safety and dependability of IWA’s daily operations for effective responses to emergencies.

**F. CAPITAL IMPROVEMENT PROGRAM (CIP)**

This section presents a summary of all CIP projects adopted with the passage of the FY 2013-14 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 2013-14, IWA’s budgeted projects had a remaining total project cost of \$2,802,675 from Water Development impact fees. These available funds have been designated for projects during the current fiscal year. IWA is looking forward to a busy fourth quarter with multiple capital improvement projects underway. These projects include: the design of Plant 2 and Terra Lago Emergency Power, construction of Highway 111 Water Main Improvements from Madison Street to Monroe Street and Oasis Street to Jackson Street, and preparation of Hexavalent Chromium Compliance Study.

**G. RESERVE FUNDS**

Table 4 below is a summarized allocation of reserve funding levels, which were approved by IWA’s Board of Directors on February 7, 2012.

**Table 4: Reserve Funds**

Priority Ranking	Reserve Fund Description	Target Level (Moderate)	Current Balance	(Deficit)/ Surplus
1	Operating Reserve	\$ 4,431,482	\$ 4,188,000	\$ (243,482)
2	Capital Repair and Replacement/System Improvement Reserve	374,080	74,346	(299,734)
3	Equipment Replacement Reserve	500,000	691,406	191,406
4	Rate Stabilization Reserve	330,000	330,316	316
5	Water Transfer Reserve	1,750,000	51,154	(1,698,846)
6	Emergency Reserve	4,904,060	545,920	(4,358,140)
	<b>Total</b>	<b>\$ 12,289,622</b>	<b>\$ 5,881,142</b>	<b>\$ (6,408,480)</b>

These six reserve funds 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. Over the next several years with the implementation of a rate increase IWA expects to decrease the unfunded reserve levels.

**H. 2006 WATER BOND**

The 2006 Water Bond construction account was closed out during the first quarter of the fiscal year. Final proceeds in the amount of \$440,758 have been allocated as approved by the IWA Board on January 7, 2014. Current expenses total \$163,803; the remaining allocated expenses are \$276,954 which will be used for meter replacements, Plant 2 infrastructure upgrades, and the rehabilitation of various well sites.



**ATTACHMENT A: REVENUE AND EXPENDITURE SUMMARY - OPERATING FUNDS**

Indio Water Authority  
 Revenue & Expenditure Summary-Operating Fund  
 Quarter Ending March 31, 2014

75% of Year Elapsed

REVENUES	Revenue through		Variance			
	3/31/2013	3/31/2014	FY 2013 vs. 2014	Percentage Change	Budget FY 2013/14	Percentage FY 2013/14
<b>Operating Revenue</b>						
Water Utility Payments	10,791,141	11,258,851	467,710	4.3%	15,288,538	73.6%
Other Operating						
Water Meters	58,560	322,292	263,732	450.4%	76,125	423.4%
Backflow Charges	138,233	180,703	42,470	30.7%	194,972	92.7%
Fire Protection Charges	66,220	71,890	5,670	8.6%	60,000	119.8%
Replenish Assessment Charge	583,794	712,569	128,775	22.1%	895,000	79.6%
Charges for Services	226,946	459,651	232,705	102.5%	427,200	107.6%
Establishment Fee	59,064	47,033	(12,031)	-20.4%	85,000	55.3%
Reimbursements/Recovery of Labor	8,946	155,743	146,797	1640.9%	145,000	107.4%
<b>Total Operating Revenue</b>	<b>11,932,904</b>	<b>13,208,732</b>	<b>1,275,828</b>	<b>10.7%</b>	<b>17,171,835</b>	<b>76.9%</b>
<b>Non-Operating Revenue</b>						
Interest Earnings	39,078	26,778	(12,300)	-31.5%	90,000	29.8%
Transfers In	-	-	-	0%	530,000	0.0%
<b>Total Non-Operating Revenue</b>	<b>39,078</b>	<b>26,778</b>	<b>(12,300)</b>	<b>-31.5%</b>	<b>620,000</b>	<b>4.3%</b>
<b>Total Revenues</b>	<b>11,971,982</b>	<b>13,235,510</b>	<b>1,263,528</b>	<b>10.6%</b>	<b>17,791,835</b>	<b>74.4%</b>

EXPENDITURES	Expenditures through		Variance			
	3/31/2013	3/31/2014	FY 2013 vs. 2014	Percentage Change	Budget FY 2013/14	Percentage FY 2013/14
<b>Personnel</b>						
Salary and Benefits	3,352,858	3,371,991	19,133	0.6%	4,552,851	74.1%
<b>Total Personnel</b>	<b>3,352,858</b>	<b>3,371,991</b>	<b>19,133</b>	<b>0.6%</b>	<b>4,552,851</b>	<b>74.1%</b>
<b>Services and Supplies</b>						
Legal	56,936	154,271	97,335	171.0%	125,000	123.4%
Professional/Contract Services	216,414	254,497	38,083	17.6%	498,000	51.1%
Regulatory/Government Agency	541,702	649,521	107,819	19.9%	976,000	66.5%
Utilities	877,756	784,044	(93,712)	-10.7%	1,680,000	46.7%
Outside Repair & Maintenance	143,451	307,756	164,305	114.5%	387,750	79.4%
Travel & Training	26,280	11,711	(14,569)	-55.4%	31,500	37.2%
Dues and Subscriptions	6,045	23,311	17,266	285.6%	24,750	94.2%
Postage Freight	89,959	76,716	(13,243)	-14.7%	138,200	55.5%
Conservation Programs	32,189	26,078	(6,111)	-19.0%	178,000	14.7%
Telephones	2,694	1,917	(777)	-28.8%	5,000	38.3%
Cell Phones/Pagers	12,453	12,832	379	3.0%	14,500	88.5%
Taxes	239	-	(239)	-100.0%	0	0.0%
Rents/Leases	1,017,621	1,020,526	2,905	0.3%	1,346,916	75.8%
Printing and Software	22,938	60,689	37,751	164.6%	83,250	72.9%
Water Meters & Small Tools/Equip.	530,972	434,819	(96,153)	-18.1%	757,086	57.4%
Supplies & Safety Equipment	12,923	4,016	(8,907)	-68.9%	11,900	33.7%
Chemical Lab	57,789	51,225	(6,564)	-11.4%	83,000	61.7%
Contingency	-	-	-	0.0%	100,000	0.0%
Internal Service Funds	1,037,727	924,109	(113,618)	-10.9%	1,242,764	74.4%
Transfer Out	75,000	75,000	-	0.0%	250,000	30.0%
<b>Total Services and Supplies</b>	<b>4,761,088</b>	<b>4,873,038</b>	<b>111,950</b>	<b>2.4%</b>	<b>7,933,616</b>	<b>61.4%</b>
<b>Total Operations</b>	<b>8,113,946</b>	<b>8,245,029</b>	<b>131,083</b>	<b>1.6%</b>	<b>12,486,467</b>	<b>66.0%</b>

**ATTACHMENT A: REVENUE AND EXPENDITURE SUMMARY - OPERATING FUNDS**

Continuation of Report:

75% of Year Elapsed

EXPENDITURES	Expenditures through		FY 2013 vs. 2014	Variance		
	3/31/2013	3/31/2014		Percentage Change	Budget FY 2013/14	Percentage FY 2013/14
<b>Capital Outlay</b>						
Equipment	-	-	-	0.0%	-	0%
Projects	241,011	451,234	210,223	87.2%	1,095,426	0%
<b>Total Capital Outlay</b>	<b>241,011</b>	<b>451,234</b>	<b>210,223</b>	<b>87.2%</b>	<b>1,095,426</b>	<b>41.2%</b>
<b>Total Operations and Capital Outlay</b>	<b>8,354,957</b>	<b>8,696,263</b>	<b>341,306</b>	<b>4.1%</b>	<b>13,581,893</b>	<b>64.0%</b>
<b>Debt Service</b>						
Interest - Revenue Bonds	2,137,598	2,737,025	599,427	28%	2,744,038	100%
Principal - Revenue Bonds	990,000	1,400,000	410,000	41%	1,400,000	100%
<b>Total Debt Service</b>	<b>3,127,598</b>	<b>4,137,025</b>	<b>1,009,427</b>	<b>32%</b>	<b>4,144,038</b>	<b>100%</b>
<b>Total Operations, Capital Outlay and Debt Service</b>	<b>11,482,555</b>	<b>12,833,288</b>	<b>1,350,733</b>	<b>36.4%</b>	<b>17,725,931</b>	<b>72.4%</b>

**ATTACHMENT B: THIRD QUARTER BUDGET RECAP**

IWA 3RD QUARTER BUDGET RECAP FY 2013-2014  
 THROUGH MARCH 31, 2014 (9 MONTHS, 75%)  
 SUMMARY REPORT

75% of Year Elapsed

<b>Revenue</b>	<b>Budget FY 13/14</b>	<b>Through 3/31/2014</b>	<b>% Earned</b>
Water Sales	15,288,538	11,258,851	74%
Meter and Service Fees	1,883,297	1,949,881	104%
Non-Operating Revenue	620,000	26,778	4%
<b>Total Revenue</b>	<b>17,791,835</b>	<b>13,235,510</b>	<b>74.4%</b>

<b>Expenditures</b>	<b>Budget FY 13-14</b>	<b>Through 3/31/2014</b>	<b>% Spent</b>
Salary and Benefits	4,552,851	3,371,991	74%
Legal	125,000	154,271	123%
Professional/Contract Services	498,000	254,497	51%
Regulatory/Government Agency	976,000	649,521	67%
Utilities	1,680,000	784,044	47%
Outside Repair & Maintenance	387,750	307,756	79%
Travel & Training	31,500	11,711	37%
Dues and Subscriptions	24,750	23,311	94%
Postage Freight	138,200	76,716	56%
Conservation Programs	178,000	26,078	15%
Telephones	5,000	1,917	38%
Cell Phones/Pagers	14,500	12,832	88%
Rents/Leases	1,346,916	1,020,526	76%
Printing and Software	83,250	60,689	73%
Water Meters & Small Tools/Equip.	757,086	434,819	57%
Supplies & Safety Equipment	11,900	4,016	34%
Chemical Lab	83,000	51,225	62%
Contingency	100,000	-	0%
<b>Internal Service Funds</b>	<b>1,242,764</b>	<b>924,109</b>	<b>74%</b>
<b>Transfer Out</b>	<b>250,000</b>	<b>75,000</b>	<b>30%</b>
<b>Capital Outlay</b>	<b>1,095,426</b>	<b>451,234</b>	<b>41%</b>
<b>Total Operations &amp; Capital Outlay</b>	<b>13,581,893</b>	<b>8,696,263</b>	<b>64.0%</b>
<b>Debt Service</b>	<b>4,144,038</b>	<b>4,137,025</b>	<b>99.8%</b>
<b>Total Operations, Capital Outlay and Debt Service</b>	<b>17,725,931</b>	<b>12,833,288</b>	<b>72.4%</b>
<b>Projected Revenue Over Expenditures (+/ - )</b>	<b>65,904</b>	<b>402,222</b>	