



# *Utilities*



## Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>GAS FUND</u>						
<u>OPERATING</u>						
50-34-10100	GAS SALES - WILLCOX	930,057	938,136	1,100,000	888,620	1,056,758
50-34-90100	ACCOMODATION FEES	5,367	0	10,000	0	12,000
50-34-90200	PENALTY FEES	20,799	22,391	22,000	25,103	15,000
50-34-90300	NEW CONNECTIONS	4,198	9,560	10,000	4,894	5,000
50-34-90400	RECONNECT FEES	0	30	0	0	0
50-34-90500	TRANSFER FEES	0	20	0	0	0
	OPERATING Totals:	960,421	970,137	1,142,000	918,617	1,088,758
<u>OTHER</u>						
50-37-90100	INTEREST INCOME	8,368	3,493	5,000	9,096	9,698
50-37-93500	MUNIGAS DISCOUNT	64,605	29,754	25,000	23,844	20,000
50-37-95000	MISCELLANEOUS RECEIPTS	1,223	3,679	0	12,190	2,000
	OTHER Totals:	74,196	36,926	30,000	45,130	31,698
<u>FINANCING</u>						
50-38-10000	BOND REVENUE	0	0	3,000,000	0	3,000,000
	FINANCING Totals:	0	0	3,000,000	0	3,000,000
<u>APPROPRIATIONS</u>						
50-39-99800	FUND BALANCE APPROPRIATIONS	0	0	67,579	0	99,557
	Revenue:	1,034,617	1,007,063	4,239,579	963,747	4,220,013
	APPROPRIATIONS Totals:	0	0	67,579	0	99,557
<u>COST OF GOODS SOLD</u>						
50-450-1050	GAS PURCHASES	496,567	491,801	650,000	406,331	603,379
	COST OF GOODS SOLD Totals:	496,567	491,801	650,000	406,331	603,379

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>GAS FUND</u>						
<u>PERSONNEL</u>						
50-451-1101	SALARIES	53,880	45,379	102,234	82,024	101,367
	Budget Notes					
	Dept. capital project costs are reclassified from expense to capital.					
50-451-1105	OVERTIME	6,215	6,662	7,059	3,658	7,098
50-451-1201	INDUSTRIAL INSURANCE	4,301	3,031	4,231	4,671	4,194
50-451-1202	MEDICAL INSURANCE	17,044	20,223	14,003	13,632	15,757
50-451-1203	FICA	8,777	9,408	8,361	6,352	8,298
50-451-1204	ARS	10,473	11,850	10,765	8,546	10,960
50-451-1205	UNEMPLOYMENT	174	407	509	255	448
50-451-1207	LIFE INSURANCE	239	269	277	271	277
50-451-1208	HEALTH REIMB ALLOWANCE	0	0	3,547	3,240	3,482
50-451-1209	BENEFITS FEES	0	0	467	378	467
	PERSONNEL Totals:	101,103	97,229	151,453	123,027	152,348

OPERATING EXPENSES

50-452-2102	UNIFORMS	912	1,245	1,500	620	1,000
50-452-2111	SHOP SUPPLIES	1,648	1,178	1,500	1,058	1,800
50-452-2113	PIPE AND FITTINGS	0	( 310 )	25,000	27,794	28,000
50-452-2115	EQUIPMENT REPAIR/MAINTENANCE	1,326	0	6,000	4,867	6,000
50-452-2116	SMALL EQUIPMENT PURCHASES	1,456	0	5,000	4,135	5,500
50-452-2190	OTHER SUPPLIES AND MATERIALS	1,694	333	4,800	2,700	4,800
50-452-2401	RADIO	415	0	1,000	763	500
50-452-2402	TELEPHONE	807	944	900	928	900
50-452-2403	POSTAGE	155	133	300	92	300
50-452-2404	UTILITIES	1,887	1,768	2,000	2,590	2,464
50-452-2590	CONTRACT SERVICES	0	0	45,000	7,971	15,000
50-452-2601	FUEL AND OIL	1,173	0	10,000	6,379	8,000
50-452-2602	TIRES AND TUBES	0	0	1,500	970	1,500
50-452-2603	VEHICLE REPAIR/MAINTENANCE	1,444	645	2,500	1,512	2,500
50-452-2700	TRAVEL AND TRAINING	5,312	3,167	5,000	1,782	4,000
50-452-2702	MANDATORY/CERTIFICATION	3,000	2,182	4,500	2,109	4,500
50-452-2703	DRUG TESTING	1,439	1,030	1,000	994	1,000
50-452-2802	FORT GRANT CONTRACT	811	1,270	1,000	2,583	2,500
50-452-2804	SUBSCRIPTIONS/MEMBERSHIPS	600	1,036	1,100	903	1,100
50-452-2810	BLUE STAKE	1,421	580	1,500	851	1,500
50-452-2851	STATE LAND PAYMENTS	0	0	1,800	0	1,800
50-452-2853	LOSS ON INVESTMENT	6,863	0	0	0	0
50-452-2858	DEPRECIATION EXPENSE	23,791	30,994	0	0	0
50-452-2870	EQUIPMENT LEASES	0	0	4,000	0	2,000
50-452-9201	GENERAL INSURANCE	26,419	26,191	26,326	16,128	6,237
50-452-9601	ADVERTISING	2,228	3,069	3,000	3,000	2,500
50-452-9603	CONTINGENCY	0	0	25,000	0	25,000
50-452-9611	COLLECTION EXPENSE	1,203	1,780	1,500	762	1,000
50-452-9612	BAD DEBT EXPENSE	111	24,039	200	8,279	200
50-452-9690	MISC EXPENSE	74	125	5,000	1,437	5,000

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>GAS FUND</u>						
<u>OPERATING EXPENSES (Cont.)</u>						
50-452-9802	LEAKAGE SURVEY	5,346	6,804	7,000	5,188	6,500
50-452-9803	CATHODIC PROTECTION	2,301	967	2,500	1,758	2,500
OPERATING EXPENSES Totals:		93,836	109,170	197,426	108,153	145,601
<u>TRANSFERS</u>						
50-453-4000	CHARGES TO ADMIN SVS	132,000	145,200	145,200	145,200	190,735
TRANSFERS Totals:		132,000	145,200	145,200	145,200	190,735
<u>CAPITAL OUTLAY</u>						
50-459-9901	CAPITAL PURCHASES	137	194	20,500	0	58,450
50-459-9902	CAPITAL IMPROVEMENTS	0	0	65,000	56,256	67,000
50-459-9907	REGULATOR STATION	0	0	3,000,000	0	3,000,000
50-459-9911	NEW SERVICE INSTALLATION	0	0	10,000	29	2,500
CAPITAL OUTLAY Totals:		137	194	3,095,500	56,285	3,127,950
GAS FUND Revenue Totals:		1,034,617	1,007,063	4,239,579	963,747	4,220,013
GAS FUND Expenditure Totals:		823,643	843,594	4,239,579	838,996	4,220,013
Expenditure:		( 823,643 )	( 843,594 )	( 4,239,579 )	( 838,996 )	( 4,220,013 )
Grand Totals:		210,974	163,469	0	124,751	0

Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

## Public Services and Works - Gas

<b>Budget Summary</b>	<b>FY 08/09 Actual</b>	<b>FY 09/10 Actual</b>	<b>FY 10/11 Budget</b>	<b>FY 10/11 Actual @ 5/13/11</b>	<b>FY 11/12 Budget</b>
<b>Expenditures</b>					
Gas Purchases	\$ 496,567	\$ 491,801	\$ 650,000	\$ 365,257	\$ 603,379
Salaries & Benefits	\$ 101,103	\$ 158,258	\$ 151,453	\$ 109,771	\$ 152,348
Supplies	\$ 3,342	\$ 3,535	\$ 6,300	\$ 3,274	\$ 6,600
Maintenance	\$ 2,770	\$ 6,319	\$ 8,500	\$ 4,850	\$ 8,500
Other Services	\$ 219,724	\$ 289,346	\$ 327,826	\$ 222,140	\$ 321,236
<b>Total Operating Cost</b>	\$ 823,506	\$ 949,259	\$ 1,144,079	\$ 705,292	\$ 1,092,063
Capital Outlay	\$ 137	\$ 59,669	\$ 3,095,500	\$ 18,691	\$ 3,127,950
<b>Total Expenditures</b>	\$ 823,643	\$ 1,008,928	\$ 4,239,579	\$ 723,983	\$ 4,220,013
<b>Staffing Level</b>					
Supervisor - shared 1/3	0.3	0.3	0.3	0.3	0.3
Utility Worker III	1.0	1.0	1.0	1.0	1.0
Utility Worker II	1.0	1.0	1.0	1.0	1.0
Administrative Asst - shared 1/3	0.3	0.3	0.3	0.3	0.3
<b>Division Total</b>	2.7	2.7	2.7	2.7	2.7

**Note:**

The salaries and benefits of the Supervisor and Administrative Assistant are spread equally between the Gas, Water, and Wastewater utilities.



# City of Willcox Gas Utility FY 2011-2012

The Gas budget contains funding for 1/3 of the Utility Supervisor and Administrative Assistant salary and benefits. It also funds a Utility Worker III position along with the Meter Reader.

The Gas system consists of 44 miles of gas mains serving 1,245 residential customers and 233 commercial customers. Currently, 605 services have been upgraded to electronic read and 643 of the meters are new; both of which improve reading efficiency and accuracy.

Many of the issues in the Gas system are regulatory in nature and controlled by the Arizona Corporation Commission (ACC) and the Federal Pipeline Safety Commission. Internal training and inspections by the ACC are critical events. We hire an outside consultant to perform a leak survey each year. We are required to have this done by outside consultants every three years in residential areas and once a year in commercial areas. However, due to the number of leaks found during the surveys in the past we are performing the survey on an annual basis. We are in our fifth year of being able to successfully eliminate all of the leaks located by the consultant. As the number of leaks detected decreases, and the replacement of steel gas lines with PE lines increases, the more likely it will be that the time between surveys will increase.

The current billing system is based on a meter fee plus a cost per unit of gas sold. The unit cost covers both fixed and variable expenses. This presents an issue with regard to managing the utility's revenue stream and its ability to cover fixed costs. In warm years, sales are lower and may not cover all of the utility's fixed costs. The cost of the gas is a variable cost that is passed through to the customers. The amount budgeted for Gas Purchases is shown in the line for account no. 50-450-1050 on Page 180. The cost of the gas will be reflected in revenues as a part of the budget line for account no. 50-34-10100, Gas Sales, of the budget.

The main issue facing the gas system is the gas main from El Paso Natural Gas and the Regulator station. Future rate analysis will include a more realistic timeline for implementing new equipment.

City of Willcox  
 Capital & Program Improvement/Capital Purchase  
 2011/2012

## Gas

### Small Equipment Purchase

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Gas Identifier	Replace oldest machine. Not able to calibrate	Small Equipment Purchase	Gas 50-452-2116	\$5,500	The "Eagles" are used to locate gas leaks in and around residences. The existing "Eagles" have been refurbished various times.
<b>TOTAL</b>				<b>\$5,500</b>	

190

### Capital Purchases

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
¾ Ton Ford F250 Service Truck	Replace/upgrade worn equipment.	Capital Purchases	50-459-9901	\$28,000 estimated	In an effort to maintain our amortization schedule, Utilities are replacing the oldest trucks in the fleet. The old trucks are passed to the Parks Department to replace even older trucks.
Handheld Meter Reading Upgrade	Upgrade Handheld	Capital Purchase	Gas 50-459-9901	\$3,150 estimated (split with water)	The ERTs have been upgraded and the current handheld is incapable of programming both the old style ERTs and new style ERT's.
Heath <u>DP-IR</u> Locator	Locate natural gas leaks inside and outside	Capital Purchase	50-459-9901	\$11,000 estimated	The Heath DP-IR Locator_Ser # 102390- 0_ could be utilized to conduct our Annual Leak survey on a bi-annual basis, saving the City approximately \$6,200 every-other year.
					An additional benefit of the Heath <u>DP-</u>

					<p>IR, Ser # 102390-0 is that it is not only a Combustible Gas Indicator (CGI), but also a Flame Pack which is utilized to locate possible gas leaks outside. The two Flame Packs the City utilizes were purchased in 1978 and 1979 and periodically require extensive and expensive repairs. The equipment is confined space rated.</p>
Heath Ethane Identifier	Determine difference between Methane gas in sewer system from Natural Gas	Capital Purchase	50-452-9901	\$5,800 estimated	<p>Leaked natural gas can and will migrate to the sewer system, creating a dangerous atmosphere, putting the public at risk. Currently, the Utilities Division does not have any equipment to differentiate methane gas from natural gas. The Ethane Identifier would be utilized to detect and differentiate the two gasses, thus reducing the possibility of a natural gas incident.</p>
Caselle Clarity Update	Purchase Caselle Clarity	Capital Purchase	Gas 50-459-9901 Water 51-459-9901 Sewer 52-459-9901	\$10,500 (split among gas, water, and sewer)	<p>The updated software will make billing more efficient and cost effective for the City.</p>
<b>TOTAL</b>			<b>50-459-9901</b>	<b>\$58,450</b>	

## Capital Improvements

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Gas Meter Upgrade/Replacement	Upgrade gas meters to more accurate meters and to the Radio Read program.	Capital Improvements	50-459-9902	\$45,000	Replace gas meters and regulators throughout the City. Approximately 300 meters and regulators per year would be replaced in accordance with Pipeline Safety regulations. As of March 1, 2011, 689 gas meters have been replaced. The continuing meter replacement would increase the revenue in the gas department due to the new meters being more accurate.
Railroad Avenue/Haskell Avenue Gas Project	Provide safe delivery of natural gas to the customers while preventing additional leaks from developing on the old steel gas main.	Capital Improvements	50-459-9902	\$22,000	Replace approximately 4,000 feet of deteriorated steel gas main with polyethylene in the alley between Railroad Avenue and Haskell Avenue, from Maley Street north to Jesse St. This area is prone to gas leaks.
<b>TOTAL</b>			<b>50-459-9902</b>	<b>\$67,000</b>	

**Future Major Projects  
Funding Undetermined**

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Natural Gas Regulator Station and Main	Construct new natural gas regulator station and install new main	Regulator Station	50-459-9907	\$3,000,000 – estimated	The natural gas regulator station was installed at its current location in the mid 1960's, thus repair parts are becoming more difficult to locate. The 4 inch gas supply main was installed in 1946 and is of thin-wall steel. Due to the age and composition of the main, it has the possibility to develop substantial leaks and become dangerous to operate.

## Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>WATER FUND</u>						
<u>OPERATING</u>						
51-34-20000	WATER SALES	716,841	712,091	750,000	759,024	685,000
51-34-20500	CONSTRUCTION WATER SALES	192	13,205	0	2,410	0
51-34-90100	ACCOMODATION FEES	37,435	0	20,000	0	12,000
51-34-90300	NEW CONNECTIONS	3,205	9,602	10,000	7,555	5,000
	OPERATING Totals:	757,673	734,898	780,000	768,989	702,000
<u>OTHER</u>						
51-37-90100	INTEREST INCOME	8,916	4,270	5,000	11,490	13,548
51-37-95000	MISCELLANEOUS RECEIPTS	3,360	25	0	10,272	2,000
	OTHER Totals:	12,276	4,295	5,000	21,762	15,548
<u>FINANCING</u>						
51-38-10000	BONDS AND GRANTS	256	131,954	2,125,116	0	0
51-38-75500	TRANSFERS IN	0	0	0	3,940	0
	FINANCING Totals:	256	131,954	2,125,116	3,940	0
<u>APPROPRIATIONS</u>						
51-39-99800	FUND BALANCE APPROPRIATIONS	0	0	116,561	0	18,741
	Revenue:	770,205	871,147	3,026,677	794,691	736,289
	APPROPRIATIONS Totals:	0	0	116,561	0	18,741
<u>PERSONNEL</u>						
51-451-1101	SALARIES	124,011	114,947	124,989	118,606	121,284
51-451-1105	OVERTIME	5,112	5,827	8,315	5,809	8,361
51-451-1201	INDUSTRIAL INSURANCE	5,762	4,426	6,110	5,117	5,928
51-451-1202	MEDICAL INSURANCE	26,946	29,444	21,152	20,655	24,057
51-451-1203	FICA	12,709	9,776	10,198	9,229	9,918
51-451-1204	ARS	13,929	12,251	13,130	12,406	13,101
51-451-1205	UNEMPLOYMENT	389	782	661	397	582
51-451-1207	LIFE INSURANCE	362	369	382	341	382
51-451-1208	HEALTH REIMB ALLOWANCE	0	0	4,877	4,122	4,788

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>WATER FUND</u>						
<u>PERSONNEL (Cont.)</u>						
51-451-1209	BENEFITS FEES	0	0	642	484	642
	PERSONNEL Totals:	189,220	177,822	190,456	177,166	189,043
<u>OPERATING EXPENSES</u>						
51-452-2102	UNIFORMS	1,457	1,404	1,500	1,353	1,500
51-452-2104	CLEANING & CHEMICAL	2,489	2,022	6,000	3,078	3,500
51-452-2113	PIPE AND FITTINGS	16,848	0	35,000	43,458	35,000
51-452-2115	EQUIPMENT REPAIR/MAINTENANCE	2,244	20	5,500	4,440	5,500
51-452-2116	SMALL EQUIPMENT PURCHASES	1,246	3,182	5,000	4,438	5,000
51-452-2402	TELEPHONE	2,589	3,239	3,000	3,370	3,000
51-452-2403	POSTAGE	29	34	100	19	100
51-452-2404	UTILITIES	46,884	45,746	44,000	54,266	58,331
51-452-2590	CONTRACT SERVICES	21,396	1,676	5,000	2,790	5,000
51-452-2601	FUEL AND OIL	7,129	841	10,000	8,038	8,500
51-452-2602	TIRES AND TUBES	597	352	1,500	1,495	1,500
51-452-2603	VEHICLE REPAIR/MAINTENANCE	4,435	1,536	3,500	2,535	3,500
51-452-2700	TRAVEL AND TRAINING	514	887	2,500	1,773	2,500
51-452-2702	MANDATORY/CERTIFICATION	870	954	1,000	731	1,000
51-452-2802	FORT GRANT CONTRACT	812	1,277	1,000	2,583	2,000
51-452-2804	SUBSCRIPTIONS/MEMBERSHIPS	0	250	250	213	250
51-452-2806	AZ STATE FEE - DWR	0	0	0	0	5,236
51-452-2810	BLUE STAKE	426	670	1,000	778	1,000
51-452-2811	WATER SAMPLES	1,870	2,533	16,000	6,936	10,000
51-452-2851	STATE LAND PAYMENTS	6,600	4,800	10,000	4,800	8,000
51-452-2853	LOSS ON INVESTMENT	7,312	0	0	0	0
51-452-2858	DEPRECIATION EXPENSE	67,789	110,605	0	0	0
51-452-9201	GENERAL INSURANCE	22,305	18,401	14,782	11,831	9,071
51-452-9601	ADVERTISING	403	95	1,500	185	1,000
51-452-9603	CONTINGENCY	0	0	15,000	17	15,000
51-452-9611	COLLECTION EXPENSE	7	0	400	0	400
51-452-9612	BAD DEBT EXPENSE	119	9,212	200	3,654	200
51-452-9690	MISC EXPENSE	2,190	1,087	4,000	3,873	4,500
	OPERATING EXPENSES Totals:	218,560	210,823	187,732	166,654	190,588
<u>TRANSFERS/FINANCING</u>						
51-453-4000	CHARGES TO ADMIN SVS	165,000	181,500	181,500	181,500	126,543
51-453-9735	TRANSFER TO DEBT SERVICE	5,400	5,150	6,000	5,000	5,700
51-453-9897	PRINCIPAL	0	0	22,000	22,000	22,000
51-453-9898	INTEREST	39,764	38,239	37,373	37,373	36,465
	TRANSFERS/FINANCING Totals:	210,164	224,889	246,873	245,873	190,708

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>WATER FUND</u>						
<u>CAPITAL OUTLAY</u>						
51-459-9901	CAPITAL PURCHASES	138	0	20,500	0	115,950
51-459-9902	CAPITAL IMPROVEMENTS	0	0	2,241,000	75,011	40,000
51-459-9903	WATER WELL #2 CONSTRUCTION	0	0	125,116	0	0
51-459-9911	NEW SERVICE INSTALLATION	0	0	15,000	756	10,000
	CAPITAL OUTLAY Totals:	138	0	2,401,616	75,767	165,950
	WATER FUND Revenue Totals:	770,205	871,147	3,026,677	794,691	736,289
	WATER FUND Expenditure Totals:	618,082	613,534	3,026,677	665,460	736,289
	Expenditure:	( 618,082 )	( 613,534 )	( 3,026,677 )	( 665,460 )	( 736,289 )
	Grand Totals:	152,123	257,613	0	129,231	0

## Report Criteria:

Account Termination Date = {Is NULL}

Account Detail

## Water FY 2011-2012

The Water budget contains funding for 1/3 of the Utility Supervisor and Administrative Assistant salary and benefits. It also funds one Utility Worker II position and two Utility I positions. The water system is regulated by the Arizona Department of Environmental Quality (ADEQ). There are currently 43 miles of water mains, 1,231 residential services and 307 Commercial or Multi-family services.

The water system continues to undergo improvements with the completion of Well #2 and the Reservoir. Well # 1 and Well #3 will soon come online with new pump equipment and controls as well as radio control of Well #1 from the Utility office at Public Services & Works.

Drinking water regulations continue to become more stringent. The water quality and capacity in Willcox is the envy of every water system in Arizona. None of the critical testing parameters are an issue. However, we do have a concern regarding the implementation of new coliform and E. coli testing procedures. The standard states that one positive test result for coliform or E. coli will require five other tests and notification of the results to every resident. While this may be an important safety issue, the test results may show a positive even when the water is not contaminated. If the wind happens to be blowing it could contaminate the sample. If the operator fails to prepare the test equipment or bottles, or forgets to wash his hands, the sample could be contaminated. A false positive could create unwarranted public mistrust of the water system which may cause additional testing costs to be incurred.

The meter replacement project will continue as it has each year for the past five years to upgrade the meters to electronic read which improves efficiency and accuracy. New meters also insure that customers are being billed for all of the water that is used as meters lose reading efficiency as they age.

The Fire hydrant replacement project has been completed. Hydrants will continue to undergo inspection and be exercised to insure proper operation when needed.

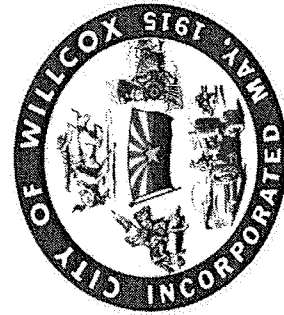
The City received its 100 year water adequacy report from ADWR.

## Public Services and Works - Water

<b>Budget Summary</b>	<b>FY 08/09 Actual</b>	<b>FY 09/10 Actual</b>	<b>FY 10/11 Budget</b>	<b>FY 10/11 Actual @ 5/13/11</b>	<b>FY 11/12 Budget</b>
<b>Expenditures</b>					
Salaries & Benefits	\$ 189,220	\$ 196,875	\$ 190,456	\$ 151,192	\$ 189,043
Supplies	\$ 19,337	\$ 17,184	\$ 41,000	\$ 42,030	\$ 38,500
Maintenance	\$ 6,679	\$ 3,532	\$ 9,000	\$ 5,967	\$ 9,000
Other Services	\$ 402,708	\$ 346,582	\$ 384,605	\$ 333,128	\$ 333,796
<b>Total Operating Cost</b>	\$ 617,944	\$ 564,173	\$ 625,061	\$ 532,317	\$ 570,339
Capital Outlay	\$ 138	\$ 18,886	\$ 2,401,616	\$ 54,741	\$ 165,950
<b>Total Expenditures</b>	\$ 618,082	\$ 583,059	\$ 3,026,677	\$ 587,058	\$ 736,289
<b>Staffing Level</b>					
Supervisor - shared 1/3	0.3	0.3	0.3	0.3	0.3
Utility Worker II	1.0	1.0	1.0	1.0	1.0
Utility Worker I	1.0	1.0	1.0	1.0	1.0
Meter Reader	1.0	1.0	1.0	1.0	1.0
Administrative Asst - shared 1/3	0.3	0.3	0.3	0.3	0.3
<b>Division Total</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>

**Note:**

The salaries and benefits of the Supervisor and Administrative Assistant are spread equally between the Gas, Water, and Wastewater utilities.



City of Willcox  
 Capital & Program Improvement/Capital Purchase  
 2011/2012

## Water

### Capital Purchases

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
¾ Ton F250 Ford Service Truck	Replace/Upgrade worn equipment	Capital Purchases		\$28,000 estimated	In an effort to maintain our amortization schedule, Utilities are replacing the oldest trucks in the fleet. The old trucks are passed to the Parks Department to replace even older trucks.
Handheld Meter Reading Upgrade	Upgrade Handheld	Capital Purchase	Water 51-459-9901	\$3,150 (split with gas)	The ERTs have been upgraded and the current handheld is incapable of programming both the old style ERTs and new style ERT's.
"Water General" Water Fill Station	A central location to better control and bill for construction water sold.	Capital Purchase	Water 51-459-9901	\$46,300 estimated	Installation will help track water sales and eliminate hydrant meters which pose a possible contamination threat. A hydrant with a meter installed also is considered "out of service" by the Fire Department causing a possible Public Safety issue. We should also see an increase in water sales as well as reduction in labor.  In 2010/2011, the City pumped approx. 1.15 million gallons of water from both hydrant meters and from Well 13. The set up time for a hydrant meter is approximately 30 minutes while Well 13 fill-time averages from 30 minutes to 1 hour, dependant upon size of the water tank. This does not take into consideration the withdrawal of man hours from assigned duties fill the tank.

Back up Pump System for Water System	Purchase and install back-up Natural Gas powered, right angle drive	Capital Purchase	51-459-9901	\$28,000	If power is lost to wells, then the citizens will not have a water supply. The purchase of a natural gas powered right angle drive will insure a water supply during power loss.
Caselle Clarity Update	Purchase Caselle Clarity	Capital Purchase	Gas 50-459-9901 Water 51-459-9901 Sewer 52-459-9901	\$10,500 (split among gas, water, and sewer)	The updated software will make billing more efficient and cost effective for the City.
<b>TOTAL</b>			<b>51-459-9901</b>	<b>\$115,950</b>	

### Capital Improvements

Project Title	Description/Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Automatic Meter Reading – Meter Conversion	Increase meter accuracy and reduce meter reading time by replacing the old water meters to the automatic meter reading system.	Capital Improvements	51-459-9902	\$40,000	Continue with the meter replacement program approved by Council in 2005. Staff proposes replacing approximately 200 water meters. With 494 water meters replaced, the meter reading time has been reduced and accuracy has been improved.
<b>Capital Improvement Total</b>				<b>\$40,000</b>	

**Future Major Projects  
Funding Undetermined**

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Water Transmission Main	Install a secondary water transmission main from Well #1, Well #2, and possibly Well #3 into Willcox.	New  <b>PROJECT DEFERRED: NOT IN FY12 BUDGET</b>	51-459-9902	\$2,096,000 – estimated	With only one 16 inch water transmission main into Willcox, should the main develop a leak or rupture, the City will be left without any water until repairs are made. The new transmission main down Circle I Road from the wells would not only provide a second water supply but will also provide additional infrastructure for future development as well as balanced system pressure.
Quail Drive Water Main Expansion Project – Phase 1	Install approximately 3000 feet C900 water main from approximately Ironwood Drive, west, under Interstate 10, for future looping of the water system (from Fort Grant Road south to Airport Road).	Capital Improvements  Contract Services	51-459-9902  51-452-2590	\$145,000  \$30,000	Install approximately 3000 feet C900 water main from approximately Ironwood Drive, west under Interstate 10, for future looping of the water system (from Fort Grant Road south to Airport Road).  NOTE: The boring under Interstate 10 would be contracted out due to the size and length and will require engineering services. All prices are estimated.

		Water 2005	
Year	#51-453-9897 Principal	#51-453-9898 Interest	
2005/06	16,000.00	5,825.10	
2006/07	18,000.00	28,485.00	
2007/08	19,000.00	39,847.50	
2008/09	20,000.00	39,063.76	
2009/10	21,000.00	38,238.76	
2010/11	22,000.00	37,372.50	
<b>2011/12</b>	<b>22,000.00</b>	<b>36,465.00</b>	
2012/13	23,000.00	35,557.50	
2013/14	24,000.00	34,608.76	
2014/15	25,000.00	33,618.76	
2015/16	26,000.00	32,587.50	
2016/17	27,000.00	31,515.00	
2017/18	28,000.00	30,401.26	
2018/19	30,000.00	29,246.26	
2019/20	31,000.00	28,008.76	
2020/21	32,000.00	26,730.00	
2021/22	33,000.00	25,410.00	
2022/23	35,000.00	24,048.76	
2023/24	36,000.00	22,605.00	
2024/25	38,000.00	21,120.00	
2025/26	39,000.00	21,120.00	
2026/27	41,000.00	17,943.76	
2027/28	43,000.00	16,252.50	
2028/29	44,000.00	14,478.76	
2029/30	46,000.00	12,663.76	
2030/31	48,000.00	10,766.25	
2031/32	50,000.00	8,786.25	
2032/33	52,000.00	6,723.75	
2033/34	54,000.00	4,578.75	
2034/35	57,000.00	2,351.25	
2035/36			
Total	1,000,000.00	716,420.21	

## Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<b>SEWER FUND</b>						
<b>OPERATING</b>						
52-34-40000	SEWER REVENUE	703,465	693,099	690,000	701,447	685,000
52-34-70000	SEWER CONNECTION FEES	2,464	253	10,000	9,828	10,000
	OPERATING Totals:	705,929	693,352	700,000	711,275	695,000
<b>OTHER</b>						
52-37-90100	INTEREST INCOME	670	1,794	1,000	6,703	6,269
52-37-90900	BAD DEBT RECOVERY	0	0	0	0	0
52-37-95000	MISCELLANEOUS RECEIPTS	( 15 )	0	0	9,170	700
	OTHER Totals:	655	1,794	1,000	15,873	6,969
<b>FINANCING</b>						
52-38-10000	SEWER LOAN	0	0	15,000,000	189,112	15,000,000
52-38-20000	WIFA GRANT	0	85,000	0	0	1,000,000
52-38-75500	TRANSFERS IN	0	0	0	3,117	0
	FINANCING Totals:	0	85,000	15,000,000	192,229	16,000,000
<b>APPROPRIATIONS</b>						
52-39-99800	FUND BALANCE APPROPRIATIONS	0	0	0	0	28,896
	Revenue:	706,584	780,146	15,701,000	919,377	16,730,865
	APPROPRIATIONS Totals:	0	0	0	0	28,896
<b>PERSONNEL</b>						
52-451-1101	SALARIES	97,071	92,806	120,163	116,865	115,233
52-451-1105	OVERTIME	2,589	2,741	6,140	4,839	6,174
52-451-1201	INDUSTRIAL INSURANCE	5,127	4,680	6,009	4,674	5,755
52-451-1202	MEDICAL INSURANCE	17,042	18,910	18,975	19,317	21,264
52-451-1203	FICA	8,083	7,551	9,662	9,239	9,288
52-451-1204	ARS	9,550	9,432	12,441	12,128	12,268
52-451-1205	UNEMPLOYMENT	183	407	661	416	582
52-451-1207	LIFE INSURANCE	222	232	382	332	382
52-451-1208	HEALTH REIMB ALLOWANCE	0	0	4,877	4,452	4,788

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>SEWER FUND</u>						
<u>PERSONNEL (Cont.)</u>						
52-451-1209	BENEFITS FEES	0	0	642	519	642
	PERSONNEL Totals:	139,867	136,759	179,952	172,781	176,376
<u>OPERATING EXPENSES</u>						
52-452-2102	UNIFORMS	542	782	1,000	1,176	1,200
52-452-2104	CLEANING & CHEMICAL	20,207	9,559	28,000	11,282	18,000
52-452-2113	PIPE AND FITTINGS	4,973	0	27,256	7,282	14,000
52-452-2115	EQUIPMENT REPAIR/MAINTENANCE	5,822	11,062	30,000	31,478	35,000
52-452-2116	SMALL EQUIPMENT PURCHASES	3,878	4,696	5,000	5,190	2,500
52-452-2402	TELEPHONE	1,714	1,649	2,000	1,699	2,000
52-452-2403	POSTAGE	47	26	300	486	600
52-452-2404	UTILITIES	77,102	47,179	84,000	74,399	77,092
52-452-2503	ENGINEER FEES	0	368	20,000	22,914	20,000
52-452-2590	CONTRACT SERVICES	3,828	25,533	30,000	13,846	30,000
52-452-2601	FUEL AND OIL	3,836	2,969	4,000	4,447	4,000
52-452-2602	TIRES AND TUBES	0	1,077	1,000	912	1,000
52-452-2603	VEHICLE REPAIR/MAINTENANCE	1,045	1,276	2,000	1,107	2,000
52-452-2700	TRAVEL AND TRAINING	1,746	1,580	2,500	610	2,500
52-452-2702	MANDATORY/CERTIFICATION	470	895	1,000	674	1,000
52-452-2802	FORT GRANT CONTRACT	812	942	1,000	2,583	2,500
52-452-2804	SUBSCRIPTIONS/MEMBERSHIPS	0	250	200	138	200
52-452-2810	BLUE STAKE	312	662	1,200	581	1,200
52-452-2812	SEWER SAMPLES	18,452	9,447	25,000	13,378	25,000
52-452-2858	DEPRECIATION EXPENSE	90,699	90,569	0	0	0
52-452-9201	GENERAL INSURANCE	18,881	14,777	20,000	8,833	6,977
52-452-9603	CONTINGENCY	0	0	15,000	2,500	15,000
52-452-9604	LABORATORY SUPPLIES	1,872	4,116	15,000	7,962	15,000
52-452-9606	ANNUAL LABORATORY CERTIFICATIO	0	4,417	4,000	2,126	4,000
52-452-9611	COLLECTION EXPENSE	11	0	0	0	0
52-452-9612	BAD DEBT EXPENSE	115	9,854	0	3,923	0
52-452-9619	ADEQ PERMITS	1,061	1,122	10,000	4,110	7,000
52-452-9690	MISC EXPENSE	2,835	3,787	5,000	2,754	5,000
52-452-9695	EFFLUENT WATER SPREAD	10,000	0	10,920	0	10,920
	OPERATING EXPENSES Totals:	270,260	248,594	345,376	226,390	303,689
<u>TRANSFERS/FINANCING</u>						
52-453-4000	CHARGES TO ADMIN SVS	78,000	85,800	85,800	85,800	115,228
52-453-9891	RESERVE FOR DEBT SERVICE	0	0	7,300	0	0
52-453-9892	BOND ISSUANCE COSTS	2,083	2,083	10,232	10,232	0
52-453-9897	PRINCIPAL	0	0	39,985	39,985	41,576
52-453-9898	INTEREST	35,086	33,616	32,087	32,091	30,496

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>SEWER FUND</u>						
<u>TRANSFERS/FINANCING (Cont.)</u>						
	TRANSFERS/FINANCING Totals:	115,169	121,499	175,404	168,108	187,300
<u>CAPITAL OUTLAY</u>						
52-459-9901	CAPITAL PURCHASES	138	0	10,500	0	38,500
52-459-9902	CAPITAL IMPROVEMENTS	719	0	14,989,768	179,163	25,000
52-459-9905	SEWER PLANT CONSTRUCTION	16,236	83,380	0	18	16,000,000
	CAPITAL OUTLAY Totals:	17,093	83,380	15,000,268	179,181	16,063,500
	SEWER FUND Revenue Totals:	706,584	780,146	15,701,000	919,377	16,730,865
	SEWER FUND Expenditure Totals:	542,389	590,232	15,701,000	746,460	16,730,865
	Expenditure:	( 542,389 )	( 590,232 )	( 15,701,000 )	( 746,460 )	( 16,730,865 )
	Grand Totals:	164,195	189,914	0	172,917	0

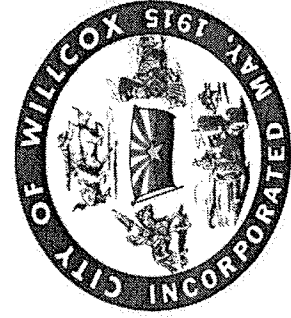
Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

## Public Services and Works - Sewer

<b>Budget Summary</b>	<b>FY 08/09 Actual</b>	<b>FY 09/10 Actual</b>	<b>FY 10/11 Budget</b>	<b>FY 10/11 Actual @ 5/13/11</b>	<b>FY 11/12 Budget</b>
<b>Expenditures</b>					
Salaries & Benefits	\$ 139,867	\$ 148,957	\$ 179,952	\$ 147,166	\$ 176,376
Supplies	\$ 25,180	\$ 17,561	\$ 55,256	\$ 13,679	\$ 32,000
Maintenance	\$ 6,867	\$ 21,197	\$ 32,000	\$ 31,751	\$ 37,000
Other Services	\$ 353,382	\$ 264,740	\$ 433,524	\$ 312,548	\$ 421,989
<b>Total Operating Cost</b>	\$ 525,296	\$ 452,455	\$ 700,732	\$ 505,144	\$ 667,365
Capital Outlay	\$ 17,093	\$ 106,623	\$ 15,000,268	\$ 52	\$ 16,063,500
<b>Total Expenditures</b>	\$ 542,389	\$ 559,078	\$ 15,701,000	\$ 505,196	\$ 16,730,865
<b>Staffing Level</b>					
Supervisor - shared 1/3	0.3	0.3	0.3	0.3	0.3
Utility Worker III	1.0	1.0	1.0	1.0	1.0
Utility Worker I	2.0	2.0	2.0	2.0	2.0
Administrative Asst - shared 1/3	0.3	0.3	0.3	0.3	0.3
<b>Division Total</b>	3.6	3.6	3.6	3.6	3.6

**Note:**  
The salaries and benefits of the Supervisor and Administrative Assistant are spread equally between the Gas, Water, and Wastewater utilities.



City of Willcox  
 Capital & Program Improvement/Capital Purchase  
 2011/2012

## Sewer

### Small Equipment Purchase

Project Title	Description/Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
"Hach" Ammonia Identifier	To perform lab tests required by ADHS	Small Equipment Purchase Equipment	52-452-2116	\$2,500 estimated	The ammonia test equipment is required as part of the lab testing. Required for compliance with our AZPDES permit.
<b>Small Equipment Purchases Total</b>				<b>\$2,500</b>	

### Contract Services

Project Title	Description/Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Clean Sewer Mains & Lift Stations	General Maintenance	Contract Services	52-452-2590	\$30,000	2 of the 4 lift stations have not been cleaned of grit in three years. Removal will add to pump life at lift stations and WWTP.
<b>TOTAL</b>				<b>\$30,000</b>	

### Capital Purchases

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
¾ Ton Ford F250 Service Truck	Replace – Upgrade worn equipment	Capital Purchase	52-459-9901	\$28,000	In an effort to maintain our amortization schedule, Utilities are replacing the oldest trucks in the fleet. The old trucks are passed to the Parks Department to replace even older trucks
Caselle Clarity Update	Purchase Caselle Clarity	Capital Purchase	Gas 50-459-9901 Water 51-459-9901 Sewer 52-459-9901	\$10,500 (split among gas, water, and sewer)	The updated software will make billing more efficient and cost effective for the City.
<b>Capital Purchases Total</b>				<b>\$38,500</b>	

208

### Capital Improvements

Project Title	Description/ Justification	Category or Program	Account Number	Purchase Cost	Notes: History, Special Request
Renovate R/R Ave lift station	Replace existing pumps	Capital Improvements	52-459-9902	\$25,000 estimated	The Railroad Lift Station services the South half of the City and is prone to “ragging” and clogged pumps causing sewer line backups. Installing new “grinder” pumps will help solve this issue.
<b>TOTAL</b>				<b>\$25,000</b>	

**Future Major Projects  
Funding Undetermined**

Sewer

<b>Project Title</b>	<b>Description/ Justification</b>	<b>Category or Program</b>	<b>Account Number</b>	<b>Purchase Cost</b>	<b>Notes: History, Special Request</b>
Waste Water Treatment Plant Renovation or Re-Design	Construct a 1 million gallon treatment/processing plant or make significant improvements to existing treatment facility dependant upon Tetra Tech Engineering recommendation.	New	52-459-XXXX	\$16,000,000	Several Notices of Violation have been issued for operational, maintenance and testing result exceedances at the waste water treatment plant. During the submission of the budget, TetraTech Engineering began evaluating the plant, operations, testing results, etc. for compliance with ADEQ and EPA standards and requirements. This project will be dependant upon Tetra Tech's evaluation, ADEQ/EPA approval and possible grant funding from Border Environmental Cooperation Commission (BECC) and/or Water Infrastructure Finance Authority (WIFA) Grants.

Year	Sewer 2001A		Rural 2001B		Total Sewer	
	#52-453-9897	#52-453-9898	#52-453-9897	#52-453-9898	#52-453-9897	#52-453-9898
	Principal	Interest	Principal	Interest	Principal	Interest
2005/06	18,758.00	26,480.06	14,154.00	6,339.62	32,912.00	32,819.68
2006/07	19,602.00	25,635.96	14,614.00	12,219.24	34,216.00	37,855.20
2007/08	20,484.00	24,753.87	15,089.00	11,744.30	35,573.00	36,498.17
2008/09	21,406.00	23,832.09	15,579.00	11,253.91	36,985.00	35,086.00
2009/10	22,369.00	22,868.82	16,086.00	10,747.59	38,455.00	33,616.41
2010/11	23,376.00	21,862.22	16,609.00	10,224.79	39,985.00	32,087.01
<b>2011/12</b>	<b>24,428.00</b>	<b>20,810.30</b>	<b>17,148.00</b>	<b>9,685.00</b>	<b>41,576.00</b>	<b>30,495.30</b>
2012/13	25,527.00	19,711.04	17,706.00	9,127.69	43,233.00	28,838.73
2013/14	26,676.00	18,562.32	18,281.00	8,552.25	44,957.00	27,114.57
2014/15	27,876.00	17,361.90	18,875.00	7,958.11	46,751.00	25,320.01
2015/16	29,130.00	16,107.48	19,489.00	7,344.68	48,619.00	23,452.16
2016/17	30,441.00	14,796.63	20,122.00	6,711.28	50,563.00	21,507.91
2017/18	31,811.00	13,426.79	20,776.00	6,057.32	52,587.00	19,484.10
2018/19	33,242.00	11,995.29	21,451.00	5,382.10	54,693.00	17,377.39
2019/20	34,738.00	10,499.40	22,148.00	4,684.94	56,886.00	15,184.34
2020/21	36,302.00	8,936.19	22,868.00	3,965.13	59,170.00	12,901.32
2021/22	37,935.00	7,302.60	23,611.00	3,221.92	61,546.00	10,524.52
2022/23	39,642.00	5,595.53	24,379.00	2,454.56	64,021.00	8,050.09
2023/24	41,426.00	3,811.64	25,171.00	1,662.25	66,597.00	5,473.88
2024/25	43,277.00	1,947.47	25,975.00	844.19	69,252.00	2,791.65
2025/26						
2026/27						
2027/28						
2028/29						
2029/30						
2030/31						
2031/32						
2032/33						
2033/34						
2034/35						
2035/36						
<b>Total</b>	<b>588,446.00</b>	<b>316,297.57</b>	<b>390,131.00</b>	<b>140,180.85</b>	<b>978,577.00</b>	<b>456,478.41</b>

## Report Criteria:

Account Termination Date = {Is NULL}  
Account Detail

Acct No	Account Description	2008-09 Pri Year 3 Actual	2009-10 Pri Year 2 Actual	2010-11 Pri Year Budget	13/11 Pri Year Actual	2011-12 Cur Year Budget
<u>REFUSE FUND</u>						
<u>OPERATING</u>						
53-34-30100	REFUSE COLLECTION	569,339	567,306	575,000	548,260	663,986
	OPERATING Totals:	569,339	567,306	575,000	548,260	663,986
<u>Department 53-452</u>						
		Revenue:				
53-452-9612	BAD DEBT EXPENSE	569,339 0	567,306 4,983	575,000 0	548,260 2,345	663,986 0
	Department 53-452 Totals:	0	4,983	0	2,345	0
<u>REFUSE COLLECTION</u>						
53-458-2590	CONTRACT SERVICES	502,179	297,394	318,748	299,655	337,519
53-458-2595	LANDFILL FEES	0	172,708	203,452	173,410	190,536
53-458-9612	BAD DEBT EXPENSE	63	0	0	0	0
53-458-9690	MISC EXPENSE	0	0	0	3,738	0
53-458-9695	GENERAL FUND LOAN REPAYMENT	0	0	0	0	35,799
53-458-9712	CHARGES FROM ADMIN SVS	48,000	52,800	52,800	52,800	100,132
	REFUSE COLLECTION Totals:	550,242	522,902	575,000	529,603	663,986
	REFUSE FUND Revenue Totals:	569,339	567,306	575,000	548,260	663,986
	REFUSE FUND Expenditure Totals:	550,242	527,885	575,000	531,948	663,986
	Expenditure:	( 550,242 )	( 527,885 )	( 575,000 )	( 531,948 )	( 663,986 )
	Grand Totals:	19,097	39,421	0	16,312	0

**Public Services and Works - Refuse**

<b>Budget Summary</b>	<b>FY 08/09 Actual</b>	<b>FY 09/10 Actual</b>	<b>FY 10/11 Budget</b>	<b>FY 10/11 Actual @ 5/13/11</b>	<b>FY 11/12 Budget</b>
<b>Expenditures</b>					
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Other Services	\$ 550,242	\$ 527,885	\$ 575,000	\$ 455,125	\$ 663,986
<b>Total Operating Cost</b>	\$ 550,242	\$ 527,885	\$ 575,000	\$ 455,125	\$ 663,986
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	\$ 550,242	\$ 527,885	\$ 575,000	\$ 455,125	\$ 663,986
<b>Staffing Level</b>					
<b>Division Total</b>	-	-	-	-	-

