BLUE RIDGE
DOMESTIC WATER IMPROVEMENT DISTRICT
2297 Starlight Drive
Happy Jack, AZ 86024

June 2026 Financial Report

Financial Summary for the period ending June 30, 2026.

- Completed WIFA Loan principle, interest, and fees payment of $137,118.47 on July 1st. This is principle payment #4 since January 2024. We are now fully back on track with this WIFA Loan.
- Worked with Bakertilly CPA on WIFA's Loan audit.
  - For Loan #920331-21, the variance from what WIFA reports as principal balance is the forgiven principal amount variance. We take the full $402,500 as we are meeting all the terms of the loan. WIFA is reporting $392,156.67. The auditor will discuss this variance with Jane Thompson, Controller for WIFA.
  - For Loan 942035-26, the balance is off by a few pennies, so we are provided the data to reflect actuals to get this trued up.
- Initiated annual financial review with Haynie & Company. Cost is slightly higher than last year, but is less expensive than other firms I talked to (Saunders, Heinfeld Meech & Co., Stevens CPA). Estimate for a full audit is ~$18K that includes a deeper dive into operational processes, detailed testing of asset valuations and rules surrounding new assets, and independent financial confirmations with our banking institution and WIFA for the loans. May consider a full audit next year after getting a full year of operating "normally" with AUBS.

Bank Balances end of June 2026:

6897-NBAZ WIFA Debt Service	$80,302.49	contributing $3,305/month – on target to meet loan reserve requirement
6905 NBAZ Capital Improvement	$105,798.31	contributing $10,587/month
6913 NBAZ WIFA L/P Savings	$21,855.19	contributing $13,222/month – balance after 7/01 payment of $137,118.47
6889 NBAZ Operating Account	$70,526.60	

Highlights:

- 826 Active Accounts plus 7 accounts in process of transferring to new owner.
- Significant Expenditures:
  - $6,087.00 - week two of valve exercise program
  - $137,118.47 - WIFA Loan principle, interest, and fees payment

Revenues:

Metered Water Sales	$62,759.93	
Interest:	$2.81	
Other Water Revenue	$4,284.11	Late fees, meter installs
Other Income	$42.79	Misc income, ADOR credit
Total Income:	***$67,089.64***	

Expenses:

Management Fees:	$6,996.79	DM & Utility Billing
Loan fees, insurance, int exp	$20,753.66	
Other Contractual Services	$0.00	Legal Expense
Office Supplies & Expenses:	$890.06	NBAZ account fees, dues, website
Operations/Field Work:	$20,907.40	Operator and repairs
Other Expenses:	$17,679.19	Refunds, depreciation
Total Expenses:	***$67,227.10***	

Net Income: **-$137.46**

BLUE RIDGE DWID
Balance Sheet
As of June 30, 2026

	Jun 30, 26
ASSETS	
Current Assets	
Checking/Savings	
NATIONAL BANK OF ARIZONA ACCTS	
6897-NBAZ WIFA Debt Service	80,302.49
6905 NBAZ Capital Improvement	105,798.31
6913 NBAZ WIFA L/P Savings	21,855.19
6889 NBAZ Operating Account	70,526.60
Total NATIONAL BANK OF ARIZONA ACCTS	278,482.59
Total Checking/Savings	278,482.59
Other Current Assets	
13-1411-Customer A/R	28,957.88
13-1412 Allowence for Cr Loss	-5,000.00
13-1413 CONVERSION DIFFERENCES	823.10
PREPAID ACCOUNTS	
162.2 Prepaid Insurance	336.44
Total PREPAID ACCOUNTS	336.44
Total Other Current Assets	25,117.42
Total Current Assets	303,600.01
Fixed Assets	
303 FIXED ASSETS	
303 Land & Land Rights	16,000.00
304 Structures & Improvements	58,954.49
307 Wells & Springs	118,651.98
311 Pumping Equipment	71,820.85
330.1 Storage Tanks	219,039.96
331 Transmission & Distribution	1,051,979.60
333 Services	92,501.17
334 Meters & Meter Installation	448,401.91
335 Hydrants	142,092.40
340 Office Furnature/Equip	2,152.42
341 Transportation Equipment	1,385.08
348 Other Tangible Property	94.64
Total 303 FIXED ASSETS	2,223,074.50
ACCUMULATED DEPRECIATION	
108-304 A/D-Structures & Improv	-22,438.98
108-307 A/D Wells & Springs	-26,590.58
108-311 A/D Pumping Equipment	-25,214.33
108-330.1 A/D Storage Tanks	-37,993.45
108-331 A/D Transmission/Distri	-110,192.05
108-333 A/D Services	-10,827.12
108-334 A/D Meter & Meter Insta	-12,491.72
108-335 A/D Hydrants	-22,523.91
108-341 A/D Transportation	3,067.38
108-343 A/D Tools/Shop/Garage	-750.41
108-348 A/D Other Tangible	-19.49
Total ACCUMULATED DEPRECIATION	-265,974.66
Total Fixed Assets	1,957,099.84
Other Assets	
174 Goodwill	1,021,660.41
174.2 A/D Goodwill	-285,781.23
Total Other Assets	735,879.18
TOTAL ASSETS	**2,996,579.03**
LIABILITIES & EQUITY	
Liabilities	

BLUE RIDGE DWID
Balance Sheet
As of June 30, 2026

	Jun 30, 26
Current Liabilities	
Accounts Payable	
Accounts Payable	23,443.66
Total Accounts Payable	23,443.66
Other Current Liabilities	
13-2341 Meter Deposit	38,351.00
13-2361 Accrued Sales Tax	-4,338.68
13-2362-Incorrect Sales Tax	-5,027.16
13-2363 Cust Security Deposits	14,959.51
25500 · Sales Tax Payable	4,338.68
Total Other Current Liabilities	48,283.35
Total Current Liabilities	71,727.01
Long Term Liabilities	
224 L/T Loan WIFA	1,994,888.19
225 · L/T WIFA #2 (450K)	449,999.51
271 Contributions in Aid Const	402,500.00
Total Long Term Liabilities	2,847,387.70
Total Liabilities	2,919,114.71
Equity	
Retained Earnings	35,212.24
Net Income	42,252.08
Total Equity	77,464.32
TOTAL LIABILITIES & EQUITY	**2,996,579.03**

BLUE RIDGE DWID
Profit & Loss YTD Comparison
June 2026

	Jun 26	Jul '25 - Jun 26
Ordinary Income/Expense		
Income		
13-460 Metered Water Sales	62,759.93	727,620.02
13-4600 Metered Water Revenue	0.00	0.00
45000 · Investments		
45030 · Interest-Savings, Short-term CD	2.81	17.67
Total 45000 · Investments	2.81	17.67
46400 · Other Types of Income		
46430 · Miscellaneous Revenue	0.00	735.00
Total 46400 · Other Types of Income	0.00	735.00
OTHER WATER REVENUE		
13-4231 Late Fee	434.11	3,069.89
13-4602 Hookup Fees	2,000.00	23,400.00
13-4603 Meter Install Fees	1,250.00	13,850.00
13-4621 Establishment Fees	600.00	4,800.00
Total OTHER WATER REVENUE	4,284.11	45,119.89
Total Income	67,046.85	773,492.58
Gross Profit	67,046.85	773,492.58
Expense		
428- · WIFA Loan Fees	15,911.97	31,823.94
427 · .1 WIFA- Loan Interest	4,841.69	9,683.38
Interest Exp, (Deposit Refunds)	0.00	9.01
Cleraring/Refunds	0.00	0.00
657 Insurance General Liability	0.00	10,840.50
657.1 Director/Officer Ins.	0.00	895.76
665 Commission Expense	0.00	250.00
9999 SUSPENSE	0.00	0.00
CONTRACTUAL SERVICES		
632 Accounting	0.00	11,500.00
633 Legal Fees	0.00	7,842.58
634 · Contractual Other	0.00	2,559.19
Total CONTRACTUAL SERVICES	0.00	21,901.77
MANAGEMENT FEES		
634.1 Management Fees SUM	0.00	18,603.74
634.2 District Manager	2,073.14	44,424.31
634.2 Management Fees AUBS	4,923.65	51,146.35
Total MANAGEMENT FEES	6,996.79	114,174.40
OFFICE SUPPLIES & EXPENSE		
621.2 Postage & Delivery	0.00	1,891.60
621.4 Forms,supplies,bank fee	0.00	2,067.12
621.5 Termination Notices	0.00	25.92
621.7 Dues/Subscriptions/Permit	150.00	852.25
621.8 Bank Service Charges	139.04	1,629.05
636.2 Website	601.02	1,850.18
Total OFFICE SUPPLIES & EXPENSE	890.06	8,316.12
65000 · Operations		
65020 · Postage, Mailing Service	0.00	0.00
65050 · Telephone, Telecommunications	0.00	1,174.83
Total 65000 · Operations	0.00	1,174.83
OPERATIONS/FIELD WORK		
620 · Materials & Supplies	0.00	8,735.73
615 Purchased Power	3,879.90	36,734.50
620.1 Repairs & Maintenance	7,362.50	151,413.08
635 Water Testing	120.00	2,905.41

BLUE RIDGE DWID
Profit & Loss YTD Comparison
June 2026

	Jun 26	Jul '25 - Jun 26
636.3 Field Operator	9,545.00	121,738.00
Total OPERATIONS/FIELD WORK	20,907.40	321,526.72
65100 · Other Types of Expenses	0.00	96.06
Total Expense	49,547.91	520,692.49
Net Ordinary Income	17,498.94	252,800.09
Other Income/Expense		
Other Income		
9990- · Misc Income	0.00	300.00
419 Interest Income	0.62	763.52
422 Acctg Credit ADOR	42.17	538.75
Total Other Income	42.79	1,602.27
Other Expense		
690.1 Depreciation Expense	9,165.35	109,984.20
690.2 Depreciation Exp Goodwill	8,513.84	102,166.08
Total Other Expense	17,679.19	212,150.28
Net Other Income	-17,636.40	-210,548.01
Net Income	**-137.46**	**42,252.08**

BLUE RIDGE DWID
Profit & Loss Budget Performance
June 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Jun 26 Actual	Jun 26 Budget	$ Over Budget	% of Budget	Jul '25 - Jun 26 Actual	YTD Budget	$ Over Budget	% of Budget	Annual Budget	% of Budget
Ordinary Income/Expense										
Income										
13-460 Metered Water Sales	62,759.93	67,877.00	-5,117.07	92.46%	727,620.02	753,087.00	-25,466.98	96.62%	753,087.00	96.62%
13-4614 · Hydrant/Bulk Sales	0.00	100.00	-100.00	0.0%	0.00	500.00	-500.00	0.0%	500.00	0.00%
13-4600 Metered Water Revenue	0.00				0.00					
45000 · Investments										
45030 · Interest-Savings, Short-term CD	2.81				17.67					
Total 45000 · Investments	2.81				17.67					
46400 · Other Types of Income										
46430 · Miscellaneous Revenue	0.00				735.00					
Total 46400 · Other Types of Income	0.00				735.00					
OTHER WATER REVENUE										
13-4231 Late Fee	434.11	0.00	434.11	100.0%	3,069.89	0.00	3,069.89	100.0%	0.00	
13-4602 Hookup Fees	2,000.00	0.00	2,000.00	100.0%	23,400.00	16,000.00	7,400.00	146.25%	16,000.00	146.25%
13-4603 Meter Install Fees	1,250.00	0.00	1,250.00	100.0%	13,850.00	10,000.00	3,850.00	138.5%	10,000.00	138.50%
13-4621 Establishment Fees	600.00	0.00	600.00	100.0%	4,800.00	800.00	4,000.00	600.0%	800.00	600.00%
Total OTHER WATER REVENUE	4,284.11	0.00	4,284.11	100.0%	45,119.89	26,800.00	18,319.89	168.36%	26,800.00	168.36%
Total Income	67,046.85	67,977.00	-930.15	98.63%	773,492.58	780,387.00	-6,894.42	99.12%	780,387.00	99.12%
Gross Profit	67,046.85	67,977.00	-930.15	98.63%	773,492.58	780,387.00	-6,894.42	99.12%	780,387.00	99.12%
Expense										
428- · WIFA Loan Fees	15,911.97				31,823.94					
427 · .1 WIFA- Loan Interest	4,841.69				9,683.38					
Interest Exp, (Deposit Refunds)	0.00				9.01					
Cleraring/Refunds	0.00				0.00					
657 Insurance General Liability	0.00	1,331.00	-1,331.00	0.0%	10,840.50	15,972.00	-5,131.50	67.87%	15,972.00	67.87%
657.1 Director/Officer Ins.	0.00				895.76					
665 Commission Expense	0.00				250.00					
9999 SUSPENSE	0.00				0.00					

BLUE RIDGE DWID
Profit & Loss Budget Performance
June 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Jun 26 Actual	Jun 26 Budget	$ Over Budget	% of Budget	Jul '25 - Jun 26 Actual	YTD Budget	$ Over Budget	% of Budget	Annual Budget	% of Budget
62100 · Contract Services										
62110 · Accounting Fees	0.00				0.00	0.00	0.00	0.0%	0.00	
62140 · Legal Fees	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
Total 62100 · Contract Services	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
CONTRACTUAL SERVICES										
632 Accounting	0.00	0.00	0.00	0.0%	11,500.00	12,000.00	-500.00	95.83%	12,000.00	95.83%
633 Legal Fees	0.00	0.00	0.00	0.0%	7,842.58	9,000.00	-1,157.42	87.14%	9,000.00	87.14%
634 · Contractual Other	0.00	600.00	-600.00	0.0%	2,559.19	7,200.00	-4,640.81	35.54%	7,200.00	35.54%
Total CONTRACTUAL SERVICES	0.00	600.00	-600.00	0.0%	21,901.77	28,200.00	-6,298.23	77.67%	28,200.00	77.67%
MANAGEMENT FEES										
634.1 Management Fees SUM	0.00				18,603.74	15,672.00	2,931.74	118.71%	15,672.00	118.71%
634.2 District Manager	2,073.14	2,000.00	73.14	103.66%	44,424.31	24,000.00	20,424.31	185.1%	24,000.00	185.10%
634.2 Management Fees AUBS	4,923.65	4,684.00	239.65	105.12%	51,146.35	42,024.00	9,122.35	121.71%	42,024.00	121.71%
Total MANAGEMENT FEES	6,996.79	6,684.00	312.79	104.68%	114,174.40	81,696.00	32,478.40	139.76%	81,696.00	139.76%
OFFICE SUPPLIES & EXPENSE										
621.2 Postage & Delivery	0.00	0.00	0.00	0.0%	1,891.60	0.00	1,891.60	100.0%	0.00	
621.4 Forms,supplies,bank fee	0.00	1,000.00	-1,000.00	0.0%	2,067.12	12,000.00	-9,932.88	17.23%	12,000.00	17.23%
621.5 Termination Notices	0.00	0.00	0.00	0.0%	25.92	0.00	25.92	100.0%	0.00	
621.7 Dues/Subscriptions/Permit	150.00	0.00	150.00	100.0%	852.25	100.00	752.25	852.25%	100.00	852.25%
621.8 Bank Service Charges	139.04	0.00	139.04	100.0%	1,629.05	0.00	1,629.05	100.0%	0.00	
636.2 Website	601.02	0.00	601.02	100.0%	1,850.18	0.00	1,850.18	100.0%	0.00	
Total OFFICE SUPPLIES & EXPENSE	890.06	1,000.00	-109.94	89.01%	8,316.12	12,100.00	-3,783.88	68.73%	12,100.00	68.73%
65000 · Operations										
65020 · Postage, Mailing Service	0.00				0.00					
65050 · Telephone, Telecommunications	0.00				1,174.83					
Total 65000 · Operations	0.00				1,174.83					
OPERATIONS/FIELD WORK										
620 · Materials & Supplies	0.00	300.00	-300.00	0.0%	8,735.73	3,600.00	5,135.73	242.66%	3,600.00	242.66%

BLUE RIDGE DWID
Profit & Loss Budget Performance
June 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Jun 26 Actual	Jun 26 Budget	$ Over Budget	% of Budget	Jul '25 - Jun 26 Actual	YTD Budget	$ Over Budget	% of Budget	Annual Budget	% of Budget
615 Purchased Power	3,879.90	4,582.00	-702.10	84.68%	36,734.50	33,000.00	3,734.50	111.32%	33,000.00	111.32%
620.1 Repairs & Maintenance	7,362.50	4,800.00	2,562.50	153.39%	151,413.08	73,500.00	77,913.08	206.0%	73,500.00	206.00%
635 Water Testing	120.00	100.00	20.00	120.0%	2,905.41	5,500.00	-2,594.59	52.83%	5,500.00	52.83%
636.3 Field Operator	9,545.00	9,908.00	-363.00	96.34%	121,738.00	138,318.00	-16,580.00	88.01%	138,318.00	88.01%
Total OPERATIONS/FIELD WORK	20,907.40	19,690.00	1,217.40	106.18%	321,526.72	253,918.00	67,608.72	126.63%	253,918.00	126.63%
65100 · Other Types of Expenses										
65120 · Insurance - Liability, D and O	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
65100 · Other Types of Expenses - Other	0.00				96.06					
Total 65100 · Other Types of Expenses	0.00	0.00	0.00	0.0%	96.06	0.00	96.06	100.0%	0.00	
Total Expense	49,547.91	29,305.00	20,242.91	169.08%	520,692.49	391,886.00	128,806.49	132.87%	391,886.00	132.87%
Net Ordinary Income	17,498.94	38,672.00	-21,173.06	45.25%	252,800.09	388,501.00	-135,700.91	65.07%	388,501.00	65.07%
Other Income/Expense										
Other Income										
9990- · Misc Income	0.00				300.00					
419 Interest Income	0.62				763.52					
422 Acctg Credit ADOR	42.17				538.75					
Total Other Income	42.79				1,602.27					
Other Expense										
690.1 Depreciation Expense	9,165.35	10,587.00	-1,421.65	86.57%	109,984.20	127,044.00	-17,059.80	86.57%	127,044.00	86.57%
690.2 Depreciation Exp Goodwill	8,513.84				102,166.08					
Total Other Expense	17,679.19	10,587.00	7,092.19	166.99%	212,150.28	127,044.00	85,106.28	166.99%	127,044.00	166.99%
Net Other Income	-17,636.40	-10,587.00	-7,049.40	166.59%	-210,548.01	-127,044.00	-83,504.01	165.73%	-127,044.00	165.73%
Net Income	**-137.46**	**28,085.00**	**-28,222.46**	**-0.49%**	**42,252.08**	**261,457.00**	**-219,204.92**	**16.16%**	**261,457.00**	16.16%

BRDWID - CUSTOMER COUNTS			2026			
	JAN	FEB	MAR	APR	MAY	JUN
ACTIVE	823	826	825	824	831	826
OUT WITH BALANCE	2	4	2	4	3	7
CREDIT CARD PMTS	168	170	216	192	196	200
ONLINE ELECTRONIC PMTS	138	143	164	169	179	185
CHECKS RECEIVED	337	372	455	424	281	488
LATE FEES	100	87	67	64	57	67
USPS	650	638	638	637	636	624
EMAIL	175	187	189	191	198	209
30 DAYS A/R	44	54	18	27	22	24
60 DAYS A/R	12	7	5	4	5	5
90 DAYS A/R	4	3	1	3	3	3
120 DAYS A/R	4	4	3	3	3	3
DISCONNECTION LETTERS	10	10	37	19	11	0