



2297 Starlight Drive
Happy Jack, AZ 86024

September 2026 Financial Report

Received the final financial review report for FY2025-26 prepared by Haynie & Company. A few comments from the report:

- The report references financial reports issued on or before September 4, 2026. The period from July 1 through September 4 was when the questions/answers were posed during the report preparation and to work on the asset listing (write-off old meters). The financial reports by AUBS have always been on time. The CPA commented that this year's financial review project went 10x's better than last year with much better reporting since September 2025.
- Asset valuation listing was adjusted for the new meters, depreciable assets, and formally removing old meters that had been replaced with the electronic units.
- The WIFA Loan forgivable amount was reduced by WIFA from \$402,500 to \$392,157 due to not taking the entire \$2.9M. We are working with WIFA to get the remaining \$50k.
- Custodial Credit Risk is an identified risk in this report. The refers to our bank balances that exceed the insured amounts by FDIC. This is a project for this year to get the funds set aside for long-term reserves put into an interest-bearing MM or some other investment vehicle acceptable to WIFA .

Financial Summary for the period ending September 30, 2026.

- Revenues are ~10.5% (-\$7,842.02) less than budget plan for September. Contributing factors include the reverse flow meters, 44 late paying customers, and 0 meters installed vs 2 in budget plan.
- Expenses are ~15% (-\$4,881.97) under budget plan.

Bank Balances at the end of September 2026:

6897-NBAZ WIFA Debt Service	\$90,219.62	contributing \$3,305/month – on target to meet loan reserve requirement
6905 NBAZ Capital Improvement	\$142,293.35	contributing \$12,164/month
6913 NBAZ WIFA L/P Savings	\$61,522.13	contributing \$13,222/month. Over funded – moving \$21k to Capital Improvement.
6889 NBAZ Operating Account	\$58,821.01	

Highlights:

- 833 Active Accounts plus 2 accounts transferring to new owners. 21 delinquent accounts with 18 disconnection letters sent. After disconnection letters are sent, customers are called directly to advise their water will be shut off in 7 days from phone call. This has proved to be quite effective.
- Significant Expenditures for September (accrued in August):
 - \$16,904 – mainline repairs, check valve installations, and ARV replacements in SP .
 - \$7,295.03 – generator PM's.
 - \$3,850.00 – replace tank sensors at SP storage tank.

Revenues:

Metered Water Sales	\$64,095.15	
Interest:	\$2.23	
Other Water Revenue	\$820.60	Late fees, meter installs
Other Income	\$0.00	Misc income, ADOR credit

Total Income:**\$64,917.98****Expenses:**

Management Fees:	\$6,735.67	DM & Utility Billing
Loan fees, insurance, int exp	\$0.00	
Other Contractual Services	\$0.00	Legal Expense
Office Supplies & Expenses:	\$922.39	NBAZ account fees, dues, website
Operations/Field Work:	\$20,503.71	Operator, supplies, power, and repairs
Other Expenses:	\$23,952.63	

Total Expenses:**\$52,114.40****Net Other Income:****\$43.07****Net Income:****\$12,846.65**

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Accrual Basis

BLUE RIDGE DWID
Balance Sheet
As of September 30, 2026

	Sep 30, 26
ASSETS	
Current Assets	
Checking/Savings	
NATIONAL BANK OF ARIZONA ACCTS	
6897-NBAZ WIFA Debt Service	90,219.62
6905 NBAZ Capital Improvement	142,293.35
6913 NBAZ WIFA L/P Savings	61,522.13
6889 NBAZ Operating Account	58,821.01
Total NATIONAL BANK OF ARIZONA ACCTS	352,856.11
Total Checking/Savings	352,856.11
Other Current Assets	
13-1411-Customer A/R	31,275.04
13-1412 Allowence for Cr Loss	-5,000.00
PREPAID ACCOUNTS	
162.2 Prepaid Insurance	336.44
Total PREPAID ACCOUNTS	336.44
Total Other Current Assets	26,611.48
Total Current Assets	379,467.59
Fixed Assets	
303 FIXED ASSETS	
303 Land & Land Rights	16,000.00
304 Structures & Improvements	58,954.49
307 Wells & Springs	166,254.98
311 Pumping Equipment	74,311.97
330.1 Storage Tanks	219,039.96
331 Transmission & Distribution	1,074,570.07
333 Services	80,304.49
334 Meters & Meter Installation	447,779.71
335 Hydrants	142,092.40
340 Office Furniture/Equip	2,152.42
341 Transportation Equipment	3,160.00
343 Tools, Shop & Garage Equip	1,385.08
Total 303 FIXED ASSETS	2,286,005.57
ACCUMULATED DEPRECIATION	
108-304 A/D-Structures & Improv	-24,444.59
108-307 A/D Wells & Springs	-29,760.56
108-311 A/D Pumping Equipment	-19,370.53
108-330.1 A/D Storage Tanks	-41,061.29
108-331 A/D Transmission/Distri	-121,192.60
108-333 A/D Services	-13,512.07
108-334 A/D Meter & Meter Insta	-41,799.95
108-335 A/D Hydrants	-24,537.13
108-343 A/D Tools/Shop/Garage	-831.75
Total ACCUMULATED DEPRECIATION	-316,510.47
Total Fixed Assets	1,969,495.10
Other Assets	
174 Goodwill	1,021,660.41
174.2 A/D Goodwill	-311,322.75
Total Other Assets	710,337.66
TOTAL ASSETS	3,059,300.35
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	

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Accrual Basis

BLUE RIDGE DWID
Balance Sheet
As of September 30, 2026

	Sep 30, 26
Accounts Payable	29,841.33
Total Accounts Payable	29,841.33
Other Current Liabilities	
13-2341 Meter Deposit	38,351.00
13-2363 Cust Security Deposits	17,659.51
Total Other Current Liabilities	56,010.51
Total Current Liabilities	85,851.84
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	2,933,239.54
Equity	
Retained Earnings	19,802.22
32000 - Unrestricted Net Assets	78,508.22
Net Income	27,750.37
Total Equity	126,060.81
TOTAL LIABILITIES & EQUITY	3,059,300.35

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Accrual Basis

BLUE RIDGE DWID
Profit & Loss YTD Comparison
September 2026

	Sep 26	Jul - Sep 26
Ordinary Income/Expense		
Income		
13-460 Metered Water Sales	64,095.15	195,002.65
45000 · Investments		
45030 · Interest-Savings, Short-term CD	2.23	6.11
Total 45000 · Investments	2.23	6.11
46400 · Other Types of Income		
46430 · Miscellaneous Revenue	0.00	430.00
Total 46400 · Other Types of Income	0.00	430.00
OTHER WATER REVENUE		
13-4231 Late Fee	320.60	859.99
13-4602 Hookup Fees	0.00	2,000.00
13-4603 Meter Install Fees	0.00	1,250.00
13-4621 Establishment Fees	500.00	2,000.00
Total OTHER WATER REVENUE	820.60	6,109.99
Total Income	64,917.98	201,548.75
Gross Profit	64,917.98	201,548.75
Expense		
Clearing/Refunds	0.00	0.00
657 Insurance General Liability	0.00	10,145.00
MANAGEMENT FEES		
634.2 District Manager	2,045.75	6,194.71
634.2 Management Fees AUBS	4,689.92	14,182.18
Total MANAGEMENT FEES	6,735.67	20,376.89
OFFICE SUPPLIES & EXPENSE		
621.8 Bank Service Charges	94.22	278.06
636.2 Website	828.17	828.17
Total OFFICE SUPPLIES & EXPENSE	922.39	1,106.23
OPERATIONS/FIELD WORK		
620 · Materials & Supplies	2,609.97	3,710.76
615 Purchased Power	3,603.01	11,059.19
620.1 Repairs & Maintenance	4,125.73	26,335.30
635 Water Testing	620.00	860.00
636.3 Field Operator	9,545.00	28,635.00
Total OPERATIONS/FIELD WORK	20,503.71	70,600.25
Total Expense	28,161.77	102,228.37
Net Ordinary Income	36,756.21	99,320.38
Other Income/Expense		
Other Income		
419 Interest Income	0.00	1.31
422 Acctg Credit ADOR	43.07	131.03
Total Other Income	43.07	132.34
Other Expense		
690.1 Depreciation Expense	15,438.79	46,160.83
690.2 Depreciation Exp Goodwill	8,513.84	25,541.52
Total Other Expense	23,952.63	71,702.35
Net Other Income	-23,909.56	-71,570.01
Net Income	12,846.65	27,750.37

BLUE RIDGE DWID
Profit & Loss Budget Performance
September 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Sep 26	Sep 26	\$ Over	% of	Jul - Sep 26	YTD	\$ Over	% of	Annual	% of
	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget	Budget	Budget
Ordinary Income/Expense										
Income										
13-460 Metered Water Sales	64,095.15	65,960.00	-1,864.85	97.17%	195,002.65	204,636.00	-9,633.35	95.29%	764,648.00	25.5%
13-4614 · Hydrant/Bulk Sales	0.00	0.00	0.00	0.0%	0.00	200.00	-200.00	0.0%	400.00	100.0%
45000 · Investments										
45030 · Interest-Savings, Short-term CD	2.23				6.11					
Total 45000 · Investments	2.23				6.11					
46400 · Other Types of Income										
46430 · Miscellaneous Revenue	0.00				430.00					
Total 46400 · Other Types of Income	0.00				430.00					
OTHER WATER REVENUE										
13-4231 Late Fee	320.60	100.00	220.60	320.6%	859.99	300.00	559.99	286.66%	1,200.00	71.67%
13-4602 Hookup Fees	0.00	4,000.00	-4,000.00	0.0%	2,000.00	8,000.00	-6,000.00	25.0%	16,000.00	12.5%
13-4603 Meter Install Fees	0.00	2,500.00	-2,500.00	0.0%	1,250.00	5,000.00	-3,750.00	25.0%	10,000.00	12.5%
13-4621 Establishment Fees	500.00	200.00	300.00	250.0%	2,000.00	400.00	1,600.00	500.0%	800.00	250.0%
Total OTHER WATER REVENUE	820.60	6,800.00	-5,979.40	12.07%	6,109.99	13,700.00	-7,590.01	44.6%	28,000.00	21.82%
Total Income	64,917.98	72,760.00	-7,842.02	89.22%	201,548.75	218,536.00	-16,987.25	92.23%	793,048.00	25.41%
Gross Profit	64,917.98	72,760.00	-7,842.02	89.22%	201,548.75	218,536.00	-16,987.25	92.23%	793,048.00	25.41%
Expense										
Cleraring/Refunds	0.00				0.00					
667-Interest Expense	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
657 Insurance General Liability	0.00	958.33	-958.33	0.0%	10,145.00	2,875.03	7,269.97	352.87%	11,500.00	88.22%
62100 · Contract Services										
62140 · Legal Fees	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
62150 · Outside Contract Services	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%	0.00	0.00	0.00	0.0%	11,500.00	0.0%

BLUE RIDGE DWID

Profit & Loss Budget Performance

September 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Sep 26	Sep 26	\$ Over	% of	Jul - Sep 26	YTD	\$ Over	% of	Annual	% of
	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget	Budget	Budget
633 Legal Fees	0.00	0.00	0.00	0.0%	0.00	4,000.00	-4,000.00	0.0%	8,000.00	0.0%
634 · Contractual Other	0.00	1,600.00	-1,600.00	0.0%	0.00	1,600.00	-1,600.00	0.0%	1,600.00	0.0%
Total CONTRACTUAL SERVICES	0.00	1,600.00	-1,600.00	0.0%	0.00	5,600.00	-5,600.00	0.0%	21,100.00	0.0%
62800 · Facilities and Equipment										
62810 · Depr and Amort - Allowable	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
Total 62800 · Facilities and Equipment	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
MANAGEMENT FEES										
634.2 District Manager	2,045.75	5,600.00	-3,554.25	36.53%	6,194.71	16,800.00	-10,605.29	36.87%	67,200.00	9.22%
634.2 Management Fees AUBS	4,689.92	4,933.00	-243.08	95.07%	14,182.18	14,764.00	-581.82	96.06%	59,328.00	23.9%
Total MANAGEMENT FEES	6,735.67	10,533.00	-3,797.33	63.95%	20,376.89	31,564.00	-11,187.11	64.56%	126,528.00	16.1%
OFFICE SUPPLIES & EXPENSE										
621.2 Postage & Delivery	0.00	638.00	-638.00	0.0%	0.00	1,908.00	-1,908.00	0.0%	7,676.00	0.0%
621.4 Forms,supplies,bank fee	0.00	250.00	-250.00	0.0%	0.00	750.00	-750.00	0.0%	3,000.00	0.0%
621.5 Termination Notices	0.00	30.00	-30.00	0.0%	0.00	90.00	-90.00	0.0%	360.00	0.0%
621.7 Dues/Subscriptions/Permit	0.00	50.00	-50.00	0.0%	0.00	150.00	-150.00	0.0%	700.00	0.0%
621.8 Bank Service Charges	94.22	95.00	-0.78	99.18%	278.06	285.00	-6.94	97.57%	1,140.00	24.39%
636.2 Website	828.17	400.00	428.17	207.04%	828.17	1,200.00	-371.83	69.01%	4,800.00	17.25%
Total OFFICE SUPPLIES & EXPENSE	922.39	1,463.00	-540.61	63.05%	1,106.23	4,383.00	-3,276.77	25.24%	17,676.00	6.26%
65000 · Operations										
65040 · Supplies	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
Total 65000 · Operations	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
OPERATIONS/FIELD WORK										
620 · Materials & Supplies	2,609.97	0.00	2,609.97	100.0%	3,710.76	0.00	3,710.76	100.0%	0.00	
615 Purchased Power	3,603.01	3,500.33	102.68	102.93%	11,059.19	10,501.03	558.16	105.32%	42,004.00	26.33%
620.1 Repairs & Maintenance	4,125.73	5,000.00	-874.27	82.52%	26,335.30	15,000.00	11,335.30	175.57%	60,000.00	43.89%
635 Water Testing	620.00	490.08	129.92	126.51%	860.00	1,470.28	-610.28	58.49%	5,881.00	14.62%
636.3 Field Operator	9,545.00	9,499.00	46.00	100.48%	28,635.00	28,428.00	207.00	100.73%	114,264.00	25.06%
Total OPERATIONS/FIELD WORK	20,503.71	18,489.41	2,014.30	110.89%	70,600.25	55,399.31	15,200.94	127.44%	222,149.00	31.78%

BLUE RIDGE DWID

Profit & Loss Budget Performance

September 2026

	MONTHLY BUDGET VS. ACTUAL				YEAR TO DATE BUDGET VS. ACTUAL				ANNUAL BUDGET	
	Sep 26	Sep 26	\$ Over	% of	Jul - Sep 26	YTD	\$ Over	% of	Annual	% of
	Actual	Budget	Budget	Budget	Actual	Budget	Budget	Budget	Budget	Budget
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	
65160 · Other Costs	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
Total 65100 · Other Types of Expenses	0.00	0.00	0.00	0.0%	0.00	0.00	0.00	0.0%	0.00	
Total Expense	28,161.77	33,043.74	-4,881.97	85.23%	102,228.37	99,821.34	2,407.03	102.41%	398,953.00	25.62%
Net Ordinary Income	36,756.21	39,716.26	-2,960.05	92.55%	99,320.38	118,714.66	-19,394.28	83.66%	394,095.00	25.2%
Other Income/Expense										
Other Income										
419 Interest Income	0.00				1.31					
422 Acctg Credit ADOR	43.07				131.03					
Total Other Income	43.07				132.34					
Other Expense										
690.1 Depreciation Expense	15,438.79	12,164.00	3,274.79	126.92%	46,160.83	36,492.00	9,668.83	126.5%	145,968.00	31.62%
690.2 Depreciation Exp Goodwill	8,513.84				25,541.52					
Total Other Expense	23,952.63	12,164.00	11,788.63	196.91%	71,702.35	36,492.00	35,210.35	196.49%	145,968.00	49.12%
Net Other Income	-23,909.56	-12,164.00	-11,745.56	196.56%	-71,570.01	-36,492.00	-35,078.01	196.13%	-145,968.00	49.03%
Net Income	12,846.65	27,552.26	-14,705.61	46.63%	27,750.37	82,222.66	-54,472.29	33.75%	248,127.00	11.18%

BRDWID - CUSTOMER COUNTS			2026						
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
ACTIVE	823	826	825	824	831	826	830	835	833
OUT WITH BALANCE	2	4	2	4	3	7	2	2	2
CREDIT CARD PMTS	168	170	216	192	196	200	202	204	192
ONLINE ELECTRONIC PMTS	138	143	164	169	179	185	187	196	196
CHECKS RECEIVED	337	372	455	424	281	488	413	342	394
LATE FEES	100	87	67	64	57	67	48	39	44
USPS	650	638	638	637	636	624	622	619	617
EMAIL	175	187	189	191	198	209	210	216	218
30 DAYS A/R	44	54	18	27	22	24	19	29	31
60 DAYS A/R	12	7	5	4	5	5	6	7	12
90 DAYS A/R	4	3	1	3	3	3	2	5	5
120 DAYS A/R	4	4	3	3	3	3	2	2	4
DISCONNECTION LETTERS	10	10	37	19	11	11	18	12	18
						**			
** JUNE'S LETTERS WERE DONE THE FIRST WEEK OF JULY									