

ICR Water Users Association  
Income Statement  
For the Ten Months Ending October 31, 2007

CLIENT'S COPY

	Current Month		Year to Date	
<b>Revenues</b>				
421 Accounting Credit Income	\$ 12.21	0.05	\$ 109.99	0.04
419 Interest & Dividend Income	0.00	0.00	171.40	0.07
461 Metered Water Sales ICR	10,467.23	44.30	120,026.53	48.17
461 Metered Water Sales PR	197.42	0.84	2,016.06	0.81
461 Metered Water Sales TRR	7,330.15	31.02	72,133.92	28.95
461 Metered Water Sales WC	1,762.60	7.46	17,048.85	6.84
461.3 Const Water Sales TRR	0.00	0.00	646.75	0.26
474 Other Water Revenue ICR	137.92	0.58	1,043.81	0.42
474 Other Water Revenue PR	0.00	0.00	6.51	0.00
474 Other Water Revenue TRR	212.11	0.90	2,608.28	1.05
474 Other Water Revenue WC	10.24	0.04	64.18	0.03
474 Oper & Maint Rev TRR	2,500.00	10.58	10,000.00	4.01
474 Pump Station Rev TRR	500.00	2.12	2,000.00	0.80
474 Chlorination Rev TRR	500.00	2.12	2,000.00	0.80
474 Income Reimbursed TR	0.00	0.00	19,302.86	7.75
<b>Total Revenues</b>	<b>23,629.88</b>	<b>100.00</b>	<b>249,179.14</b>	<b>100.00</b>
<b>Expenses</b>				
403 Depreciation Expense	11,303.00	47.83	113,030.00	45.36
404 Amort of Contrib	(3,262.83)	(13.81)	(32,628.30)	(13.09)
408.11 Property Taxes ICR	2,450.35	10.37	3,410.27	1.37
408.11 Property Taxes TRR	0.00	0.00	603.42	0.24
409.10 Income Tax Expense	0.00	0.00	45.00	0.02
601 Acct Exp ICR	1,776.90	7.52	14,132.70	5.67
601 Acct Exp TRR	857.60	3.63	6,820.52	2.74
601-1 Accounting Extras ICR	0.00	0.00	8,468.10	3.40
601-1 Accounting Extras TRR	0.00	0.00	3,165.93	1.27
610 Purchased Water ICR	630.64	2.67	5,555.77	2.23
615 Purchased Pumping Pwr ICR	1,226.46	5.19	15,356.00	6.16
618 Chemicals ICR	655.91	2.78	1,162.30	0.47
618 Chemicals TRR	218.64	0.93	910.97	0.37
620 Rep/Maint Material/Supply	0.00	0.00	825.00	0.33
620 Rep/Maint Matl/Supply ICR	0.00	0.00	3,765.62	1.51
620 Rep/Maint Matl/Supply TRR	1,479.80	6.26	28,211.03	11.32
621 Office Expense ICR	0.00	0.00	1,090.70	0.44
621 Office Expense TRR	0.00	0.00	352.96	0.14
630 A-Quality Contract ICR	3,531.00	14.94	24,717.00	9.92
630 A-Quality Contract TRR	2,354.00	9.96	34,958.00	14.03
6301 A-Quality - Other IC	0.00	0.00	1,452.40	0.58
6301 A-Quality - Other TR	0.00	0.00	692.40	0.28
6301 A-Quality - Extras IC	0.00	0.00	38.50	0.02
6301 A-Quality - Extras TR	0.00	0.00	122.09	0.05
630 A-Quality - Billable TR	1,592.00	6.74	2,509.50	1.01
630 Other Vend Outside Svc ICR	55.00	0.23	2,872.40	1.15
630 Other Vend Outside Svc TR	0.00	0.00	592.40	0.24
635 Water Testing ICR	70.00	0.30	665.28	0.27
635 Water Testing TRR	52.50	0.22	1,059.00	0.42
641 Rents ICR	300.00	1.27	3,000.00	1.20
657 Insurance-Gen Liabil ICR	0.00	0.00	3,152.80	1.27
657 Insurance-Gen Liabil TRR	0.00	0.00	4,729.20	1.90
675 Misc Operating Exp ICR	(1.90)	(0.01)	14.04	0.01
68500 Legal & Prof Exp ICR	4,094.29	17.33	5,673.81	2.28
68500 Legal & Prof Exp TR	1,082.16	4.58	3,194.93	1.28
760 Telephone Expense ICR	64.62	0.27	632.76	0.25

For Management Purposes Only

ICR Water Users Association  
Income Statement  
For the Ten Months Ending October 31, 2007

	Current Month		Year to Date	
Total Expenses	30,530.14	129.20	264,354.50	106.09
Net Income	\$ (6,900.26)	(29.20)	\$ (15,175.36)	(6.09)

For Management Purposes Only

November 15, 2007

ICR Water Users Association  
Balance Sheet  
October 31, 2007

ASSETS

Current Assets		
National Operating 0831	\$	84,314.20
ARC Checking Account		10,736.63
CD - National Bank		5,000.00
141 Accounts Receivable		<u>20,303.70</u>
Total Current Assets		120,354.53
Property and Equipment		
101 Utilities Plant in Svc ICR		1,459,100.00
101 Utilities Plant in Svc TRR		2,471,347.06
101 Utilities Plant in Svc WC		1,441,808.47
108 Less: Accum Depr-Util Plan		<u>(714,397.00)</u>
Total Property and Equipment		4,657,858.53
Other Assets		
186.1 Deferred Rate Exp ICR		39,340.60
186.1 Deferred Rate Exp TR		<u>16,066.03</u>
Total Other Assets		<u>55,406.63</u>
Total Assets	\$	<u><u>4,833,619.69</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
23100 Sales Tax Payable	\$	1,354.89
235 Customer Security Dep ICR		6,364.00
235 Customer Security Dep TRR		9,486.00
Suspense-Clearing Account		<u>150.81</u>
Total Current Liabilities		17,355.70
Long-Term Liabilities		
Note Payable to WC		1,436,951.00
Note Payable to TRR		2,435,747.00
252 Advances in Aid of Constr		40,981.79
252 Adv in Aid of Constr ICR		15,758.18
252 Adv in Aid of Constr TRR		21,650.00
271 Contrib in Aid of Constr		1,419,166.88
272 Less: Accum Amort Contrib		<u>(107,256.26)</u>
Total Long-Term Liabilities		<u>5,262,998.59</u>
Total Liabilities		5,280,354.29
Capital		
215 Retained Earnings		(431,559.24)
Net Income		<u>(15,175.36)</u>
Total Capital		<u>(446,734.60)</u>
Total Liabilities & Capital	\$	<u><u>4,833,619.69</u></u>

Unaudited - For Management Purposes Only

**ICR Water Users Association  
Cash Disbursements Journal  
For the Period From Oct 1, 2007 to Oct 31, 2007**

Filter Criteria includes: Report order is by Date. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
10/1/07	1696	60100-IC	ICR Sept 2007 Manager Services	970.90	
		60100-TR	TRR Sept 2007 Manager Services	416.10	
		60100-IC	ICR Sept 2007 Bookkeeping	108.50	
		60100-TR	TRR Sept 2007 Bookkeeping	46.50	
		60100-IC	ICR Sept 2007 Bills	697.50	
		60100-TR	TRR Sept 2007 Bills	395.00	
		10200	MDI Financial Services, Inc		2,634.50
10/1/07	1697	63050-IC	Inv 80541 Monthly assessment	15.00	
		10200	AZ Blue Stake Inc		15.00
10/1/07	1698	10100-TR	TRR Inv 5894336 Misc parts & setter	227.65	
		10100-TR	TRR Inv 5947442 Misc parts & setter	124.25	
		10100-IC	ICR Inv 6032237 meter	68.92	
		10200	HD Supply Waterworks LTD		420.82
10/3/07	1699	63000-IC	ICR Sept 2007 O & M	3,531.00	
		63000-TR	TRR Sept 2007 O & M	2,354.00	
		63020-TR	TRR Meeting with Engineers(Billable)	275.00	
		10200	a Quality Water Co. LLC		6,160.00
10/3/07	1700	68500-IC	ICR Retainer for Procedural Audit	1,050.00	
		68500-TR	TRR Retainer for Procedural Audit	450.00	
		10200	Constance Pinney CPA PC		1,500.00
10/3/07	1701	40811-IC	2007 First half Parcel # 901-10-197 9	2,381.93	
		10200	Ross D. Jacobs		2,381.93
10/3/07	1702	40811-IC	2007 Full payment Parcel# 306-55-372 2	54.14	
		10200	Ross D. Jacobs		54.14
10/10/07	1703	61000-IC	Sept 21007 water pumped	630.64	
		10200	Aqua Meadows LLC		630.64
10/10/07	1704	64100-IC	Conference room rental	300.00	
		10200	Prescott Realty Inc		300.00
10/10/07	1705	63500-IC	ICR Inv. 25175676 water testing	70.00	
		63500-TR	TRR Inv. 25175676 water testing	52.50	
		10200	Western Technologies		122.50
10/10/07	1706	61800-IC	ICR Inv 04293299 Liquid bleach	655.91	
		61800-TR	TRR Inv 04293299 Liquid bleach	218.64	
		10200	Hill Bros. Chemical Co		874.55
10/10/07	1707	76000-IC	Bill date 9/22/07	64.62	
		10200	Qwest		64.62
10/10/07	1708	40811-IC	Full amount Parcel# 306-55-030	7.14	
		10200	Ross D. Jacobs		7.14
10/10/07	1709	40811-IC	Full amount Parcel# 308-55-031	7.14	
		10200	Ross D. Jacobs		7.14
10/17/07	1710	23100	Sept 2007 TPT	1,502.82	
		41000	Accounting credit		12.21
		10200	Arizona Department of Revenue		1,490.61
10/17/07	1711	62000-TR	TRR Inv IN600633 Transducer & cable	1,115.00	
		10200	Instruments Direct		1,115.00
10/17/07	1712	62100-IC	ICR Annual PO Box rental	36.40	
		62100-TR	TRR Annual PO Box rental	15.60	
		10200	Postmaster		52.00

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Cash Disbursements Journal  
For the Period From Oct 1, 2007 to Oct 31, 2007**

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
10/22/07	1713	10100-IC 10200	ICR Inv 468849 Water Level Indicator USA Blue Book	437.50	437.50
10/22/07	1714	18610-IC 18610-TR 10200	ICR Inv 1000002390 Rate Case TRR Inv 1000002390 Rate Case Thomas J Bourassa CPA	224.91 96.39	321.30
10/22/07	1715	68500-TR 68500-IC 10200	TRR Inv 80129 Tax Exempt status ICR Inv 80129 Tax Exempt status Boyle, Pecharich, Cline & Whittington	632.16 3,044.29	3,676.45
10/22/07	1716	63020-TR 10200	TRR Inv 25214 Limited construction observation Civiltec Engineering Inc	1,317.00	1,317.00
10/22/07	1717	61500-IC 61500-IC 61500-IC 10200	#165852284 Plant #362664289 ICR well #074944287 Booster station APS	35.85 642.93 547.68	1,226.46
10/31/07	1718	62000-TR 10200	TRR Inv 472932 Gauge & cable USA Blue Book	364.80	364.80
10/31/07	1719	18610-IC 18610-TR 10200	ICR thru 9/30/07 Rate Case TRR thru 9/30/07 Rate Case Snell & Wilmer	1,759.80 754.20	2,514.00
10/31/07	1720	63050-IC 10200	ICR Hydrant backflow test Tri-City Backflow Testing LLC	40.00	40.00
<b>Total</b>				<b>27,740.31</b>	<b>27,740.31</b>

**ICR Water Users Association  
Check Register  
For the Period From Oct 1, 2007 to Oct 31, 2007**

Filter Criteria includes: Report order is by Check Number.

Check #	Date	Payee	Cash Account	Amount
1696	10/1/07	MDI Financial Services, Inc	10200	2,634.50
1697	10/1/07	AZ Blue Stake Inc	10200	15.00
1698	10/1/07	HD Supply Waterworks LTD	10200	420.82
1699	10/3/07	a Quality Water Co. LLC	10200	6,160.00
1700	10/3/07	Constance Pinney CPA PC	10200	1,500.00
1701	10/3/07	Ross D. Jacobs	10200	2,381.93
1702	10/3/07	Ross D. Jacobs	10200	54.14
1703	10/10/07	Aqua Meadows LLC	10200	630.64
1704	10/10/07	Prescott Realty Inc	10200	300.00
1705	10/10/07	Western Technologies	10200	122.50
1706	10/10/07	Hill Bros. Chemical Co	10200	874.55
1707	10/10/07	Qwest	10200	64.62
1708	10/10/07	Ross D. Jacobs	10200	7.14
1709	10/10/07	Ross D. Jacobs	10200	7.14
1710	10/17/07	Arizona Department of Revenue	10200	1,490.61
1711	10/17/07	Instruments Direct	10200	1,115.00
1712	10/17/07	Postmaster	10200	52.00
1713	10/22/07	USA Blue Book	10200	437.50
1714	10/22/07	Thomas J Bourassa CPA	10200	321.30
1715	10/22/07	Boyle, Pecharich, Cline & Whittington	10200	3,676.45
1716	10/22/07	Civiltec Engineering Inc	10200	1,317.00
1717	10/22/07	APS	10200	1,226.46
1718	10/31/07	USA Blue Book	10200	364.80
1719	10/31/07	Snell & Wilmer	10200	2,514.00
1720	10/31/07	Tri-City Backflow Testing LLC	10200	40.00
<b>Total</b>				<b><u>27,728.10</u></b>