

2016 OPERATIONS BUDGET

For Fiscal Year 2016

Begins on July 1, 2015

Ends on June 30, 2016

Prepared by

Darron Anglin

District Manager

Adopted:

June 26, 2015

BUDGET SCHEDULES

BUDGET SUMMARY

SOURCE OF REVENUE

OPERATING EXPENSE

RESERVE FUNDS

**SMCFD No. 1
Fiscal Year 2016 Budget
Budget Summary**

<u>BUDGET SUMMARY</u>	<u>FY 2015 Adopted</u>	<u>FY 2016 ADOPTED</u>
 <u>SOURCE OF REVENUE</u>		
Service Charges	\$ 5,827,980	\$ 5,980,165
Connection Fees	\$ 149,155	\$ 76,170
Other Revenue	\$ 772,605	\$ 700,050
Restricted Use Revenue	\$ -	\$ -
TOTAL SOURCES	<u>\$ 6,749,740</u>	<u>\$ 6,756,385</u>
 <u>USE OF REVENUE</u>		
Debt Service	\$ 2,108,489	\$ 2,385,437
<u>Operating Expenses</u>		
<i>Labor & Benefits</i>	\$ 2,632,484	\$ 2,379,246
<i>Administration</i>	\$ 645,050	\$ 710,820
<i>Plant O&M</i>	\$ 753,720	\$ 719,670
Total Operating Expenses	<u>\$ 4,031,254</u>	<u>\$ 3,809,736</u>
<u>Reserve Fund Contributions</u>		
<i>Operations Reserve Fund</i>	\$ -	\$ -
<i>Capital Improvement Fund</i>	\$ 570,460	\$ 457,584
<i>Debt Service Reserve Fund</i>	\$ -	\$ -
<i>District Reserve Fund</i>	\$ 39,537	\$ 103,628
Total Reserve Contributions	<u>\$ 609,997</u>	<u>\$ 561,212</u>
TOTAL USES	<u>\$ 6,749,740</u>	<u>\$ 6,756,385</u>

Rate Covenant Coverage Ratio: 1.29 1.24

**MEETS TERMS OF RATE
COVENANT**

Per the terms of Resolution 13-01 Section 6.03 *Rate Covenant*, the ratio of Net Revenues to Bond Service Charges must be 1.20 or greater. Net Revenues are defined as Gross Revenues after deducting Operation and Maintenance Expenses. On this exhibit, Net Revenues are calculated as Total Sources minus Total Operating Expenses.

SMCFD No. 1
Fiscal Year 2016 Budget
Source of Revenue

<u>SOURCE OF REVENUE</u>	FY 2015 Adopted	FY 2016 ADOPTED
<u>Charges for Service</u>		
Single Family Service	\$ 3,088,993	\$ 3,130,720
Multi-Family Service	\$ 437,140	\$ 447,441
Undeveloped Land Charges	\$ 26,707	\$ 27,264
RV Park Service	\$ 678,000	\$ 735,720
Mobile Home Park Service	\$ 692,700	\$ 733,500
Church/Governmental Service	\$ 187,800	\$ 199,800
Light Commercial Service	\$ 274,800	\$ 252,000
Medium Commercial Service	\$ 324,120	\$ 324,120
Heavy Commercial Service	\$ 117,720	\$ 129,600
Industrial Service	\$ -	\$ -
Subtotal - Service Charges	\$ 5,827,980	\$ 5,980,165
<u>Connection Fees</u>		
Single Family	\$ 106,175	\$ 49,070
Multi-Family	\$ 11,280	\$ -
RV Park and Mobile Home Park	\$ 24,850	\$ 23,595
All Other Commercial	\$ 6,850	\$ 3,505
Subtotal - Connection Fees	\$ 149,155	\$ 76,170
<u>Other Revenue</u>		
On-site Work Surcharges	\$ 31,000	\$ 55,000
Application Fees	\$ 35,130	\$ 24,320
Late/Interest Charges	\$ 28,050	\$ 33,360
Disconnection Fees	\$ 30,960	\$ 18,900
Reconnection Fees	\$ 8,280	\$ 3,480
Miscellaneous Revenues	\$ 8,000	\$ 4,790
Septage Disposal Fees	\$ 419,355	\$ 401,320
Effluent Sales	\$ 193,360	\$ 144,220
Interest Earned on Reserve Funds	\$ 18,470	\$ 14,660
Subtotal - Other Revenue	\$ 772,605	\$ 700,050
TOTAL REVENUE	\$ 6,749,740	\$ 6,756,385

**SMCFD No. 1
Fiscal Year 2016 Budget
Operating Expense**

<u>OPERATING EXPENSE</u>	<u>FY 2015 Adopted</u>	<u>FY 2016 ADOPTED</u>
<u>Labor & Benefits</u>		
Labor Wages	\$ 1,796,939	\$ 1,667,056
Benefits & Payroll Taxes	\$ 835,545	\$ 712,190
Subtotal - Labor & Benefits	\$ 2,632,484	\$ 2,379,246
<u>Administration</u>		
Employee Development	\$ 43,920	\$ 41,765
Office Expense	\$ 220,730	\$ 271,295
Legal & Professional	\$ 224,000	\$ 273,250
Other Expense - Administration	\$ 156,400	\$ 124,510
Subtotal - Administration	\$ 645,050	\$ 710,820
<u>Plant Operation and Maintenance</u>		
Repair and Maintenance	\$ 370,020	\$ 356,300
Utilities	\$ 205,200	\$ 217,530
Laboratory	\$ 64,500	\$ 51,580
Chemicals, Fuels, & Lubricants	\$ 80,500	\$ 58,240
Other Expense - O&M	\$ 33,500	\$ 36,020
Subtotal - Plant Operation & Maintenance	\$ 753,720	\$ 719,670
TOTAL OPERATING EXPENSE	\$ 4,031,254	\$ 3,809,736

**SMCFD No. 1
Fiscal Year 2016 Budget
Reserve Funds**

RESERVE FUNDS		FY 2015 Adopted	FY 2016 ADOPTED
Debt Service Funds (Principal & Interest)			
Estimated Carryover from prior year	(a)	\$ 186,645	\$ 175,766
Cash Deposits		\$ 2,108,489	\$ 2,385,437
Estimated Interest & Dividends		\$ -	\$ -
Estimated Service Charges		\$ -	\$ -
Estimated Transfers to Other Funds		\$ -	\$ -
Scheduled Disbursements		\$ (2,119,368)	\$ (2,362,259)
Balance, End of Fiscal Year		\$ 175,766	\$ 198,944
Operations Reserve Fund			
Estimated Carryover from prior year	(a)	\$ 751,827	\$ 751,573
Cash Deposits		\$ -	\$ -
Estimated Interest & Dividends		\$ 5,078	\$ 4,948
Estimated Service Charges		\$ (120)	\$ (120)
Estimated Transfer to Other Funds		\$ (4,307)	\$ (3,986)
Balance, End of Fiscal Year		\$ 752,478	\$ 752,414
Capital & Replacement Fund			
Estimated Carryover from prior year	(a)	\$ 497,686	\$ 1,520,416
Cash Deposits		\$ 570,460	\$ 457,584
Transfer from Reserves		\$ 761,845	\$ 105,000
Estimated Interest & Dividends		\$ 4,763	\$ 1,316
Estimated Service Charges		\$ (120)	\$ -
Estimated Disbursements		\$ (1,580,000)	\$ (1,083,000)
Balance, End of Fiscal Year		\$ 254,634	\$ 1,001,316
Debt Service Reserve Fund			
Estimated Carryover from prior year	(a)	\$ 1,253,091	\$ 1,252,661
Cash Deposits		\$ -	\$ -
Estimated Interest & Dividends		\$ 8,199	\$ 8,247
Estimated Service Charges		\$ (120)	\$ (120)
Estimated Transfers to Other Funds		\$ (7,000)	\$ (6,724)
Balance, End of Fiscal Year		\$ 1,254,170	\$ 1,254,064
District Reserve Fund			
Estimated Carryover from prior year	(a)	\$ 761,845	\$ 124,913
Cash Deposits		\$ 39,537	\$ 103,628
Estimated Interest & Dividends		\$ 430	\$ 145
Estimated Service Charges		\$ (120)	\$ -
Transfer to Capital Improvement Fund		\$ (761,845)	\$ (105,000)
Balance, End of Fiscal Year		\$ 39,847	\$ 123,687

(a) Amounts shown are estimates only. Actual amounts remaining in the reserve funds as of June 30, 2014 will carryover into the new fiscal year beginning July 1, 2014.

BUDGET DETAIL

RATE SUMMARY

EMPLOYEE CLASSIFICATION & COMPENSATION

ADMINISTRATION, LABOR & BENEFITS EXPENSES

PLANT OPERATION & MAINTENANCE EXPENSES

CAPITALIZED EXPENDITURES

CUSTOMER GROWTH ESTIMATE

**SMCFD No. 1
Fiscal Year 2016 Budget
Rate Summary**

Sewer Service Charges	Service Class	FY 2015 Monthly Minimum	ADOPTED FY 2016 Monthly Minimum	\$ Increase	% Increase	Rate Per 100 Gallons
	Single Family	\$ 41.55	\$ 42.50	\$ 0.95	2.29%	
	Multi-Family	\$ 33.95	\$ 34.75	\$ 0.80	2.36%	
	RV Parks	\$ 9.80	\$ 10.05	\$ 0.25	2.55%	0.064
	MH Parks	\$ 21.30	\$ 21.80	\$ 0.50	2.35%	0.064
	Church/Government	\$ 41.55	\$ 42.50	\$ 0.95	2.29%	0.064
	Light Commercial	\$ 49.45	\$ 50.60	\$ 1.15	2.33%	0.076
	Medium Commercial	\$ 55.45	\$ 56.75	\$ 1.30	2.34%	0.085
	Heavy Commercial	\$ 61.75	\$ 63.15	\$ 1.40	2.27%	0.095
	Industrial	\$ 147.85	\$ 151.25	\$ 3.40	2.30%	0.227
Undeveloped Land	\$ 9.60	\$ 9.80	\$ 0.20	2.08%		

Connection Permit Fees	Service Class	FY 2015 Connection Permit Fee	ADOPTED FY 2016 Connection Permit Fee	\$ Increase	% Increase	FY 2015 Unit Rate	ADOPTED FY 2016 Unit Rate	\$ Increase	% Increase
	Single Family	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%				
	Multi-Family	\$ 2,820.00	\$ 2,885.00	\$ 65.00	2.30%				
	RV Parks	\$ 820.00	\$ 840.00	\$ 20.00	2.44%				
	MH Parks	\$ 1,775.00	\$ 1,815.00	\$ 40.00	2.25%				
	Church/Government	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%	\$ 8.14	\$ 8.33	\$ 0.19	2.33%
	Light Commercial	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%	\$ 8.14	\$ 8.33	\$ 0.19	2.33%
	Medium Commercial	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%	\$ 8.14	\$ 8.33	\$ 0.19	2.33%
	Heavy Commercial	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%	\$ 8.14	\$ 8.33	\$ 0.19	2.33%
	Industrial	\$ 3,425.00	\$ 3,505.00	\$ 80.00	2.34%	\$ 8.14	\$ 8.33	\$ 0.19	2.33%

Septage Rates	Service Class	FY 2015 Rate per Gallon	ADOPTED FY 2016 Rate per Gallon	\$ Increase	% Increase	FY 2015 Minimum Charge	ADOPTED FY 2016 Minimum Charge	\$ Increase	% Increase
	Type 1 - Low Strength	\$ 0.0300	\$ 0.0300	\$ -	0.00%	\$ 90.00	\$ 90.00	\$ -	0.00%
	Type 2 - Medium Strength	\$ 0.0800	\$ 0.0800	\$ -	0.00%	\$ 90.00	\$ 90.00	\$ -	0.00%
	Type 3 - High Strength	\$ 0.2290	\$ 0.2290	\$ -	0.00%	\$ 114.50	\$ 114.50	\$ -	0.00%

**SMCFD No. 1
Fiscal Year 2016 Budget
Fee Summary**

Application Fees	FY 2015 Fees	ADOPTED FY 2016 Fees	\$ Change	% Change
Application Processing	\$ 40.00	\$ 40.00	\$ -	0.00%
Materials				
Disconnection Valves	\$ 45.00	\$ 45.00	\$ -	0.00%
Marker Device	\$ 10.00	\$ 10.00	\$ -	0.00%
Valve Box Monument	\$ 60.00	\$ 60.00	\$ -	0.00%
Additional Costs	@ cost	@ cost	n/a	n/a
Design Review				
500 gpd or less	\$ 720.00	\$ 720.00	\$ -	0.00%
501 gpd to 1,000 gpd	\$ 1,200.00	\$ 1,200.00	\$ -	0.00%
1,001 gpd to 5,000 gpd	\$ 2,400.00	\$ 2,400.00	\$ -	0.00%
5,001 gpd and greater	\$ 4,320.00	\$ 4,320.00	\$ -	0.00%
Construction Inspection				
Service Line Installation, per 200 ft section	\$ 165.00	\$ 165.00	\$ -	0.00%
Manholes, each	\$ 260.00	\$ 260.00	\$ -	0.00%
Sewer Main Cleanouts, each	\$ 65.00	\$ 65.00	\$ -	0.00%
Grease & Lint Interceptors, each	\$ 285.00	\$ 285.00	\$ -	0.00%
Sewer Mains, per 100 ft section	\$ 205.00	\$ 205.00	\$ -	0.00%
Pump Stations, each	\$ 480.00	\$ 480.00	\$ -	0.00%
Dump Stations, each	\$ 480.00	\$ 480.00	\$ -	0.00%
Disconnect Processing				
Disconnect Processing	\$ 35.00	\$ 35.00	\$ -	0.00%
Disconnection Fee	\$ 100.00	\$ 105.00	\$ 5.00	5.00%
Disconnection - Level 2	\$ 265.00	eliminated	n/a	n/a
Disconnection - Temporary Plug	\$ 135.00	eliminated	n/a	n/a
Disconnection - Excavate/Valve	\$ 790.00	eliminated	n/a	n/a
Additional Costs	@ cost	@ cost	n/a	n/a
Reconnection Fees				
Reconnection Fee	\$ 45.00	\$ 45.00	\$ -	0.00%
Reconnection Fee - After Hours	\$ 155.00	\$ 155.00	\$ -	0.00%
Disconnect Damage Fees				
Damage - Replace plug, per occurrence	\$ 180.00	\$ 180.00	\$ -	0.00%
Damage - Clear debris, per occurrence	\$ 325.00	\$ 325.00	\$ -	0.00%
Damage - Tampering, per occurrence	\$ 765.00	\$ 765.00	\$ -	0.00%
Additional Costs	@ cost	@ cost	n/a	n/a
Other Fees				
Camera Inspection Fee, per hour	\$ 160.00	\$ 160.00	\$ -	0.00%
Compost, per cubic yard	\$ -	\$ 10.00	\$ 10.00	n/a
Copy Fee, per page	\$ 0.25	\$ 0.25	\$ -	0.00%
Courtesy Site Visit Fee	\$ 105.00	\$ 105.00	\$ -	0.00%
Delinquent/Late Fee, per annum	20.00%	20.00%	- %	0.00%
Disconnection Plug	\$ -	\$ 20.00	\$ 20.00	n/a
Disconnection Valves	\$ 45.00	\$ 45.00	\$ -	0.00%
Dormancy Fee	\$ 50.00	\$ 50.00	\$ -	0.00%
Foreign Item Fee	@ cost	@ cost	\$ -	n/a
Marker Device	\$ 10.00	\$ 10.00	\$ -	0.00%
Permit Reissue Fee	\$ 25.00	\$ 25.00	\$ -	0.00%
Pretreatment Reinspection Fee	\$ 65.00	\$ 65.00	\$ -	0.00%
Reestablishment Fee	\$ 41.55	\$ 20.00	\$ (21.55)	-51.87%
Remote Access Key Fee	\$ 60.00	\$ 60.00	\$ -	0.00%
Research Fee, per hour	\$ 40.00	\$ 40.00	\$ -	0.00%
Returned Item Fee	\$ 30.00	\$ 30.00	\$ -	0.00%
Vacuum Truck Service Fee, per hour	\$ 160.00	\$ 160.00	\$ -	0.00%
Valve Box Monument	\$ 60.00	\$ 60.00	\$ -	0.00%
Web Pay Credit Card Convenience Fee	@ cost	@ cost	n/a	n/a
Web Pay Check Convenience Fee	@ cost	eliminated	n/a	n/a
Yard Waste, per delivery, City residents				
≤ 1 cubic yard (*)	\$ -	\$ 5.00	\$ 5.00	n/a
between 1 and 3 cubic yards	\$ -	\$ 10.00	\$ 10.00	n/a
> 3 cubic yards	\$ -	\$ 25.00	\$ 25.00	n/a
Non-Resident Surcharge, per delivery	\$ -	\$ 10.00	\$ 10.00	n/a

(*) The approximate capacity of one pick up truck

SMCFD No. 1

Fiscal Year 2016 Budget

Employee Classification

<u>EMPLOYEE CLASSIFICATION & COMPENSATION</u>	FY 2016	FY 2015 Adopted		FY 2016 ADOPTED		FY 2016 ADOPTED	
	ADOPTED	ANNUAL COMPENSATION		ANNUAL COMPENSATION		HOURLY COMPENSATION	
	FTE	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM
<u>EXECUTIVE DIVISION</u>							
District Manager	1	\$ 101,000.00	\$ 153,000.00	\$ 102,918.40	\$ 155,906.00	\$ 49.48	\$ 74.95
Executive Assistant	1	\$ 49,483.20	\$ 69,276.00	\$ 50,419.20	\$ 70,587.00	\$ 24.24	\$ 33.94
TOTAL EXECUTIVE DIVISION	2						
<u>ADMINISTRATIVE DIVISION</u>							
Financial Services Manager	0.8	\$ 85,800.00	\$ 120,120.00	\$ 87,422.40	\$ 122,391.00	\$ 42.03	\$ 58.84
Financial Services Supervisor	1	\$ 66,726.40	\$ 93,417.00	\$ 67,995.20	\$ 95,193.00	\$ 32.69	\$ 45.77
Accountant	0	\$ 60,444.80	\$ 84,623.00	\$ 61,588.80	\$ 86,224.00	\$ 29.61	\$ 41.45
Accounting Technician	1	\$ 44,782.40	\$ 62,695.00	\$ 45,635.20	\$ 63,889.00	\$ 21.94	\$ 30.72
Purchasing Specialist	1	\$ 42,640.00	\$ 59,696.00	\$ 43,451.20	\$ 60,832.00	\$ 20.89	\$ 29.25
Business Services Supervisor	1	\$ 60,444.80	\$ 84,623.00	\$ 61,588.80	\$ 86,224.00	\$ 29.61	\$ 41.45
Operations Support Specialist	1	\$ 47,028.80	\$ 65,840.00	\$ 47,923.20	\$ 67,092.00	\$ 23.04	\$ 32.26
Business Services Clerk - II	1	\$ 38,438.40	\$ 53,814.00	\$ 39,166.40	\$ 54,833.00	\$ 18.83	\$ 26.36
Business Services Clerk - I	1	\$ 33,134.40	\$ 46,388.00	\$ 33,758.40	\$ 47,262.00	\$ 16.23	\$ 22.72
Customer Service Supervisor	1	\$ 60,444.80	\$ 84,623.00	\$ 61,588.80	\$ 86,224.00	\$ 29.61	\$ 41.45
Customer Service Representative - II	1	\$ 44,782.40	\$ 62,695.00	\$ 45,635.20	\$ 63,889.00	\$ 21.94	\$ 30.72
Customer Service Representative - I	1.6	\$ 34,923.20	\$ 48,892.00	\$ 35,588.80	\$ 49,824.00	\$ 17.11	\$ 23.95
TOTAL ADMINISTRATIVE DIVISION	11.4						
<u>OPERATIONS DIVISION</u>							
Manager, Operations	0	\$ 94,307.20	\$ 132,030.00	\$ 96,096.00	\$ 134,534.00	\$ 46.20	\$ 64.68
Administrative Assistant	1	\$ 40,476.80	\$ 56,668.00	\$ 41,246.40	\$ 57,745.00	\$ 19.83	\$ 27.76
Inspector	1	\$ 47,028.80	\$ 65,840.00	\$ 47,923.20	\$ 67,092.00	\$ 23.04	\$ 32.26
Engineering Technician	1	\$ 44,782.40	\$ 62,695.00	\$ 45,635.20	\$ 63,889.00	\$ 21.94	\$ 30.72
Maintenance Supervisor	1	\$ 60,444.80	\$ 84,623.00	\$ 61,588.80	\$ 86,224.00	\$ 29.61	\$ 41.45
Collections System Technician - II	1	\$ 42,640.00	\$ 59,696.00	\$ 43,451.20	\$ 60,832.00	\$ 20.89	\$ 29.25
Collections System Technician - I	2	\$ 38,438.40	\$ 53,814.00	\$ 39,166.40	\$ 54,833.00	\$ 18.83	\$ 26.36
Collections System Worker	2	\$ 34,923.20	\$ 48,892.00	\$ 35,588.80	\$ 49,824.00	\$ 17.11	\$ 23.95
Mechanic - II	2	\$ 44,782.40	\$ 62,695.00	\$ 45,635.20	\$ 63,889.00	\$ 21.94	\$ 30.72
Operations Supervisor	1	\$ 60,444.80	\$ 84,623.00	\$ 61,588.80	\$ 86,224.00	\$ 29.61	\$ 41.45
Solids Process Operator	2	\$ 40,476.80	\$ 56,668.00	\$ 41,246.40	\$ 57,745.00	\$ 19.83	\$ 27.76
TOTAL OPERATIONS DIVISION	14						
TOTAL Full Time Equivalents	27.4						

Compensation ranges for fiscal year 2016 reflect a CPI adjustment of 1.9%. Ranges do not reflect the cell phone stipend paid to the District Manager and other approved personnel. The stipend is \$25.45 for fiscal years 2015 and 2016.

District minimums for all positions have been set at the average for comparable positions at 5 cities (Chandler, Gilbert, Mesa, Phoenix & Scottsdale) within the Phoenix metropolitan area with a base year of 2012. The base year wage range is updated yearly by the annual increase in the CPI - West Urban as published by the US Department of Labor, Bureau of Labor Statistics. Following common practice, maximums are set at 1.4 times the starting salaries for all positions except the District Manager.

SMCFD No. 1
Fiscal Year 2016 Budget
Administration, Labor and Benefits Expense

<u>ADMIN, LABOR & BENEFITS EXPENSE</u>	FY 2015 Adopted	FY 2016 ADOPTED
<u>LABOR & BENEFITS EXPENSE</u>		
Labor - Permanent Employees	\$ 1,791,939	\$ 1,667,056
Payroll Taxes	\$ 133,825	\$ 128,360
Workers Comp Insurance	\$ 23,148	\$ 28,250
ASRS & LTD	\$ 211,773	\$ 192,930
Group Insurance	\$ 451,799	\$ 346,000
Employee Expenses	\$ 15,000	\$ 16,650
Temporary Labor	\$ 5,000	\$ -
TOTAL LABOR & BENEFITS EXPENSE	\$ 2,632,484	\$ 2,379,246
<u>ADMINISTRATION EXPENSE</u>		
<u>Employee Development</u>		
Team Building & Service Incentives	\$ 4,000	\$ 3,000
Professional Dues & Subscriptions	\$ 5,920	\$ 5,125
Travel & Mileage	\$ 10,000	\$ 9,250
Conferences, Training and Education	\$ 24,000	\$ 24,390
Subtotal - Employee Development	\$ 43,920	\$ 41,765
<u>Office Expense</u>		
Repairs & Maintenance	\$ 5,130	\$ 6,210
Outside Services	\$ 37,250	\$ 60,700
Telephone	\$ 20,500	\$ 22,720
Office Supplies	\$ 14,000	\$ 13,920
Hardware & Software	\$ 133,850	\$ 157,745
Furniture & Fixtures & Equipment (non-capital)	\$ 10,000	\$ 10,000
Subtotal - Office Expense	\$ 220,730	\$ 271,295
<u>Legal & Professional</u>		
Accounting / Audit	\$ 15,500	\$ 16,000
Engineering	\$ 7,500	\$ 7,000
Insurance	\$ 89,000	\$ 91,250
District Counsel	\$ 72,000	\$ 84,000
Professional Fees	\$ 40,000	\$ 75,000
Subtotal - Legal & Professional	\$ 224,000	\$ 273,250
<u>Other Expense - Administration</u>		
Advertising	\$ 2,000	\$ 8,000
Bad Debt Expense	\$ -	\$ -
Bank Service Charges	\$ 38,000	\$ 37,600
Licenses & Fees	\$ 53,200	\$ 35,450
Miscellaneous	\$ -	\$ -
Postage	\$ 33,000	\$ 32,560
Freight	\$ 200	\$ 200
Public Relations	\$ 5,000	\$ 7,700
Recruiting & Pre-employment	\$ 25,000	\$ 3,000
Subtotal - Other Expense	\$ 156,400	\$ 124,510
TOTAL ADMINISTRATION EXPENSE	\$ 645,050	\$ 710,820
TOTAL ADMINISTRATION, LABOR & BENEFITS	\$ 3,277,534	\$ 3,090,066

SMCFD No. 1
Fiscal Year 2016 Budget
Plant Operation & Maintenance Expense

<u>PLANT O&M EXPENSE</u>	FY 2015 Adopted	FY 2016 ADOPTED
<u>Repair & Maintenance</u>		
Hand Tools & Equipment (non-capital)	\$ 14,100	\$ 12,000
Collections System - R&M	\$ 65,000	\$ 86,250
Service Lines - R&M	\$ 45,020	\$ 46,500
Baseline Pump Station - R&M	\$ 15,600	\$ 10,200
Process Equipment & Structures - R&M	\$ 37,300	\$ 28,500
Comm, Comp, Electrical & Instrument. - R&M	\$ 28,200	\$ 16,200
Buildings & Grounds - R&M	\$ 49,000	\$ 52,250
Rolling Stock - R&M	\$ 45,600	\$ 45,500
Effluent Recharge and Disposal R&M	\$ 33,600	\$ 27,000
Sludge Facilities R&M	\$ 30,600	\$ 25,700
Septage Facilities R&M	\$ 6,000	\$ 6,200
Subtotal - Repair & Maintenance	\$ 370,020	\$ 356,300
<u>Utilities</u>		
Power - WRF	\$ 180,000	\$ 189,000
Water	\$ 12,000	\$ 11,900
Grit & Trash Hauling	\$ 13,200	\$ 16,630
Subtotal - Utilities	\$ 205,200	\$ 217,530
<u>Laboratory</u>		
Laboratory Services (outside)	\$ 48,000	\$ 37,480
Laboratory Supplies	\$ 16,500	\$ 14,100
Subtotal - Laboratory	\$ 64,500	\$ 51,580
<u>Chemicals & Fuels</u>		
Disinfection Chemicals	\$ 36,000	\$ 24,000
Welding Supplies & Gases	\$ 2,500	\$ 2,040
Fuel - Gas & Diesel	\$ 42,000	\$ 32,200
Subtotal - Chemicals & Fuels	\$ 80,500	\$ 58,240
<u>Other Expense - O&M</u>		
Biosolids Processing & Disposal	\$ 1,500	\$ -
Small Claims Expense	\$ -	\$ -
Health & Safety Supplies	\$ 10,000	\$ 10,100
Security Service - WRF	\$ 10,000	\$ 13,500
Janitorial Supplies	\$ 12,000	\$ 12,420
Equipment Scrapped or Abandoned	\$ -	\$ -
Subtotal - Other Expense	\$ 33,500	\$ 36,020
TOTAL PLANT O&M	\$ 753,720	\$ 719,670

**SMCFD No. 1
Fiscal Year 2016 Budget
Capital Expenditures**

CAPITAL IMPROVEMENTS

Water Reclamation Facility Improvements

Aeration Basin Improvements	\$	350,000	
Effluent Filter - Interim Design	\$	100,000	
Reclaimed Water System Improvements, Phase I	\$	80,000	
Reclaimed Water System Improvements, Phase II	\$	20,000	
Dechlorination Improvements	\$	50,000	
WRF Road Repairs & Improvements	\$	20,000	
Total Water Reclamation Facility Improvements			<u>\$ 620,000</u>

Collection System Improvements

Collection System Extensions, unspecified	\$	50,000	
Collection System Repairs, unspecified	\$	15,000	
Total Collection System Improvements			<u>\$ 65,000</u>
TOTAL CAPITAL IMPROVEMENTS			<u>\$ 685,000</u>

CAPITAL EQUIPMENT

O&M Equipment

Aeration Blower Upgrades	\$	200,000	
Grit Pump Replacement, Phase II	\$	75,000	
Supernate Flow Meter Replacement	\$	8,000	
Office Furniture, Equipment & Software			
Asset Management Software	\$	100,000	
Software and Hardware Updates	\$	15,000	
TOTAL CAPITAL EQUIPMENT			<u>\$ 398,000</u>

**SMCFD No. 1
Fiscal Year 2016 Budget
Customer Growth**

FY 2016 CUSTOMER GROWTH ESTIMATE

New Connections by Service Class	Net Change	Connection Fees
Single Family: Full Price		
Bel Agave	0	\$ -
Coyote Run	0	\$ -
Haystacks	0	\$ -
Lantana Villas	0	\$ -
Terra Morado	0	\$ -
Villagio	0	\$ -
Other full price connections	10	\$ 35,050
Subtotal Single Family: Full Price	10	\$ 35,050
Single Family: Half Price		
Jacob's Ranch	0	\$ 14,020
Stagecoach Trails	0	\$ -
Other half price connections	0	\$ -
Subtotal Single Family: Half Price	0	\$ 14,020
Total Single Family Connections		
	10	\$ 49,070
Multi-Family		
(to be determined)	0	\$ -
(to be determined)	0	\$ -
RV Parks		
(to be determined)	0	\$ -
Mobile Home Parks		
Apache Gardens	2	\$ 23,595
Dolce Vita, phases 1 through 6	0	\$ 19,965
	2	\$ 3,630
Church/Government		
(to be determined)	0	\$ -
(to be determined)	0	\$ -
Light Commercial		
(to be determined)	1	\$ 3,505
(to be determined)	1	\$ 3,505
(to be determined)	0	\$ -
Medium Commercial		
(to be determined)	0	\$ -
(to be determined)	0	\$ -
Heavy Commercial		
(to be determined)	0	\$ -
Industrial		
(to be determined)	0	\$ -
(to be determined)	0	\$ -
Total Connections other than SF	3	\$ 27,100
Total New Connections	13	\$ 76,170