

# **2018 OPERATIONS BUDGET**

**For Fiscal Year 2018**

**Begins on July 1, 2017**

**Ends on June 30, 2018**

**Prepared by**

**Darron Anglin**

**District Manager**

Adopted:

June 20, 2017

## **BUDGET SCHEDULES**

BUDGET SUMMARY

SOURCE OF REVENUE

OPERATING EXPENSE

RESERVE FUNDS

**SMCFD No. 1  
Fiscal Year 2018 Budget  
Budget Summary**

<u><b>BUDGET SUMMARY</b></u>	<u>FY 2017 ADOPTED</u>	<u>FY 2018 ADOPTED</u>
 <u><b>SOURCE OF REVENUE</b></u>		
Service Charges	\$ 6,059,633	\$ 6,254,329
Connection Fees	\$ 147,805	\$ 125,126
Other Revenue	\$ 806,015	\$ 752,095
Restricted Use Revenue	\$ -	\$ -
<b>TOTAL SOURCES</b>	<u>\$ 7,013,453</u>	<u>\$ 7,131,550</u>
 <u><b>USE OF REVENUE</b></u>		
Debt Service	\$ 2,391,329	\$ 2,714,088
<u>Operating Expenses</u>		
<i>Labor &amp; Benefits</i>	\$ 2,358,780	\$ 2,406,025
<i>Administration</i>	\$ 838,385	\$ 666,285
<i>Plant O&amp;M</i>	\$ 765,440	\$ 730,780
Total Operating Expenses	<u>\$ 3,962,605</u>	<u>\$ 3,803,090</u>
<u>Reserve Fund Contributions</u>		
<i>Operations Reserve Fund</i>	\$ -	\$ -
<i>Capital &amp; Replacement Fund</i>	\$ 581,759	\$ 580,948
<i>Debt Service Reserve Fund</i>	\$ -	\$ -
<i>District Reserve Fund</i>	\$ 77,760	\$ 33,424
Total Reserve Contributions	<u>\$ 659,519</u>	<u>\$ 614,372</u>
<b>TOTAL USES</b>	<u>\$ 7,013,453</u>	<u>\$ 7,131,550</u>

Rate Covenant Coverage Ratio: 1.28 1.23

**MEETS TERMS OF RATE  
COVENANT**

The District must maintain a ratio of Net Revenues to Bond Service Charges of 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 2018 Budget**  
**Source of Revenue**

<u>SOURCE OF REVENUE</u>	FY 2017 ADOPTED	FY 2018 ADOPTED
<b><u>Charges for Service</u></b>		
Single Family Service	\$ 3,191,478	\$ 3,331,050
Multi-Family Service	\$ 513,331	\$ 415,251
Undeveloped Land Charges	\$ 27,304	\$ 26,980
Recreational Vehicle Park Service	\$ 651,960	\$ 755,460
Manufactured Home Park Service	\$ 820,800	\$ 839,856
Church/Governmental Service	\$ 184,800	\$ 181,269
Commercial Service	\$ 582,720	\$ 599,340
Heavy Commercial Service	\$ 87,240	\$ 105,123
Industrial Service	\$ -	\$ -
<b>Subtotal - Service Charges</b>	<b>\$ 6,059,633</b>	<b>\$ 6,254,329</b>
<b><u>Connection Fees</u></b>		
Single Family	\$ 85,080	\$ 100,451
Multi-Family	\$ -	\$ -
RV Park and Manufactured Home Park	\$ 20,185	\$ 14,040
All Other Commercial	\$ 42,540	\$ 10,635
<b>Subtotal - Connection Fees</b>	<b>\$ 147,805</b>	<b>\$ 125,126</b>
<b><u>Other Revenue</u></b>		
On-site Work Surcharges	\$ 64,000	\$ 30,000
Application Fees	\$ 39,475	\$ 34,920
Late/Interest Charges	\$ 30,520	\$ 26,110
Disconnection Fees	\$ 26,460	\$ 26,460
Reconnection Fees	\$ 5,340	\$ 5,340
Miscellaneous Revenues	\$ 7,830	\$ 18,155
Septage Disposal Fees	\$ 470,120	\$ 461,580
Effluent Sales	\$ 147,470	\$ 143,255
Interest Earned on Reserve Funds	\$ 14,800	\$ 6,275
<b>Subtotal - Other Revenue</b>	<b>\$ 806,015</b>	<b>\$ 752,095</b>
<b>TOTAL REVENUE</b>	<b>\$ 7,013,453</b>	<b>\$ 7,131,550</b>

**SMCFD No. 1**  
**Fiscal Year 2018 Budget**  
**Operating Expense**

<b><u>OPERATING EXPENSE</u></b>	<b>FY 2017 ADOPTED</b>	<b>FY 2018 ADOPTED</b>
<b><u>Labor &amp; Benefits</u></b>		
Labor Wages	\$ 1,678,105	\$ 1,696,010
Benefits & Payroll Taxes	\$ 680,675	\$ 710,015
<b>Subtotal - Labor &amp; Benefits</b>	<b>\$ 2,358,780</b>	<b>\$ 2,406,025</b>
<b><u>Administration</u></b>		
Employee Development	\$ 44,720	\$ 49,820
Office Expense	\$ 246,030	\$ 220,680
Legal & Professional	\$ 425,200	\$ 289,360
Other Expense - Administration	\$ 122,435	\$ 106,425
<b>Subtotal - Administration</b>	<b>\$ 838,385</b>	<b>\$ 666,285</b>
<b><u>Plant Operation and Maintenance</u></b>		
Repair and Maintenance	\$ 397,700	\$ 330,120
Utilities	\$ 214,450	\$ 225,220
Laboratory	\$ 58,250	\$ 74,030
Chemicals, Fuels, & Lubricants	\$ 58,540	\$ 55,540
Other Expense - O&M	\$ 36,500	\$ 45,870
<b>Subtotal - Plant Operation &amp; Maintenance</b>	<b>\$ 765,440</b>	<b>\$ 730,780</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 3,962,605</b>	<b>\$ 3,803,090</b>

**SMCFD No. 1  
Fiscal Year 2018 Budget  
Reserve Funds**

<u>RESERVE FUNDS</u>		FY 2017 ADOPTED	FY 2018 ADOPTED
<b>Debt Service Funds (Principal &amp; Interest)</b>			
Estimated Carryover from prior year	(a)	\$ 198,944	\$ 226,174
Cash Deposits		\$ 2,391,329	\$ 2,714,088
Estimated Interest & Dividends		\$ -	\$ -
Estimated Service Charges		\$ -	\$ -
Estimated Transfers to Other Funds		\$ -	\$ -
Scheduled Disbursements		\$ (2,391,436)	\$ (2,714,088)
<b>Balance, End of Fiscal Year</b>		<u>\$ 198,836</u>	<u>\$ 226,173</u>
<b>Operations Reserve Fund</b>			
Estimated Carryover from prior year	(a)	\$ 751,603	\$ 750,284
Cash Deposits		\$ -	\$ -
Estimated Interest & Dividends		\$ 4,948	\$ 2,252
Estimated Service Charges		\$ (120)	\$ -
Estimated Transfer to Other Funds		\$ (4,017)	\$ (1,410)
<b>Balance, End of Fiscal Year</b>		<u>\$ 752,414</u>	<u>\$ 751,126</u>
<b>Capital &amp; Replacement Fund</b>			
Estimated Carryover from prior year	(a)	\$ 1,279,441	\$ 1,222,052
Cash Deposits		\$ 581,759	\$ 580,948
Transfer from Reserves		\$ 479,800	\$ 520,000
Estimated Interest & Dividends		\$ 1,338	\$ 1,798
Estimated Service Charges		\$ -	\$ -
Estimated Disbursements		\$ (1,341,000)	\$ (1,323,000)
<b>Balance, End of Fiscal Year</b>		<u>\$ 1,001,338</u>	<u>\$ 1,001,798</u>
<b>Debt Service Reserve Fund</b>			
Estimated Carryover from prior year	(a)	\$ 1,252,712	\$ 625,197
Cash Deposits		\$ -	\$ -
Estimated Interest & Dividends		\$ 8,247	\$ 1,876
Estimated Service Charges		\$ (120)	\$ -
Estimated Transfers to Other Funds		\$ (6,775)	\$ (1,135)
<b>Balance, End of Fiscal Year</b>		<u>\$ 1,254,064</u>	<u>\$ 625,938</u>
<b>District Reserve Fund</b>			
Estimated Carryover from prior year	(a)	\$ 479,811	\$ 627,271
Cash Deposits		\$ 77,760	\$ 33,424
Estimated Interest & Dividends		\$ 264	\$ 345
Estimated Service Charges		\$ -	\$ -
Transfer to Capital Improvement Fund		\$ (479,800)	\$ (520,000)
<b>Balance, End of Fiscal Year</b>		<u>\$ 78,036</u>	<u>\$ 141,041</u>

(a) Amounts shown are estimates only. Actual amounts remaining in the reserve funds as of June 30, 2017 will carryover into the new fiscal year beginning July 1, 2017.

## **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 2018 Budget**  
**Rate Summary**

**SEWER SERVICE CHARGES**

Service Class	FY 2017 Monthly Minimum	ADOPTED FY 2018 Monthly Minimum	\$ Increase	% Increase	Rate Per 100 Gallons
Single Family	\$ 42.95	\$ 43.35	\$ 0.40	0.93%	
Multi-Family	\$ 35.15	\$ 32.25	\$ (2.90)	-8.25%	
Recreational Vehicle Parks	\$ 10.15	\$ 13.65	\$ 3.50	34.48%	
Manufactured Home Parks	\$ 22.05	\$ 26.45	\$ 4.40	19.95%	
Church/Government	\$ 42.95	\$ 43.35	\$ 0.40	0.93%	0.070
Commercial ( <i>Note 1</i> )	\$ 51.15	\$ 52.00	\$ 0.85	1.66%	0.079
Water, Ice, and Nurseries		\$ 52.00	n/a	n/a	0.039
Heavy Commercial	\$ 63.85	\$ 65.05	\$ 1.20	1.88%	0.105
Industrial	\$ 152.90	\$ 151.70	\$ (1.20)	-0.78%	0.245
Undeveloped Land	\$ 9.90	\$ 10.00	\$ 0.10	1.01%	

**CONNECTION PERMIT FEES**

Service Class	FY 2017 Connection Permit Fee	ADOPTED FY 2018 Connection Permit Fee	\$ Increase	% Increase
Single Family	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%
Multi-Family	\$ 2,915.00	\$ 2,635.00	\$ (280.00)	-9.61%
Recreational Vehicle Parks	\$ 850.00	\$ 1,115.00	\$ 265.00	31.18%
Manufactured Home Parks	\$ 1,835.00	\$ 2,160.00	\$ 325.00	17.71%
Church/Government	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%
Commercial ( <i>Note 1</i> )	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%
Water, Ice, and Nurseries	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%
Heavy Commercial	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%
Industrial	\$ 3,545.00	\$ 3,545.00	\$ -	0.00%

**SEPTAGE RATES**

Service Class	FY 2017 Rate per Gallon	ADOPTED FY 2018 Rate per Gallon	\$ Increase	% Increase	FY 2017 Minimum Charge	ADOPTED FY 2018 Minimum Charge	\$ Increase	% Increase
Type 1 - Low Strength	\$ 0.0305	\$ 0.0305	\$ -	0.00%	\$ 91.50	\$ 91.50	\$ -	0.00%
Type 2 - Medium Strength	\$ 0.0810	\$ 0.0810	\$ -	0.00%	\$ 91.50	\$ 91.50	\$ -	0.00%
Type 3 - High Strength	\$ 0.2315	\$ 0.2315	\$ -	0.00%	\$ 115.75	\$ 115.75	\$ -	0.00%

Note 1: Light Commercial and Medium Commercial Service Classes were combined into Commercial in FY18



**SMCFD No. 1**  
**Fiscal Year 2018 Budget**  
**Fee Summary**

	FY 2017 Fees	ADOPTED FY 2018 Fees	\$ Change	% Change
<b>Application Fees</b>				
Application Processing	\$ 40.00	\$ 40.00	\$ -	0.00%
<b>Materials</b>				
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
<b>Design Review</b>				
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%
<b>Construction Inspection</b>				
Service Line Installation, per 200 ft section	\$ 125.00	\$ 125.00	\$ -	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%
<b>Disconnect Processing</b>				
Disconnect Processing	\$ 35.00	\$ 35.00	\$ -	0.00%
Disconnection Fee	\$ 105.00	\$ 105.00	\$ -	0.00%
Additional Costs	@ cost	@ cost	n/a	n/a
<b>Reconnection Fees</b>				
Reconnection Fee	\$ 45.00	\$ 45.00	\$ -	0.00%
Reconnection Fee - Same Day / After Hours	\$ 155.00	\$ 155.00	\$ -	0.00%
<b>Disconnect Damage Fees</b>				
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
<b>Other Fees</b>				
Camera Inspection Fee, per hour	\$ 160.00	\$ 160.00	\$ -	0.00%
Commercial Inspection Fee	n/a	\$ 11.75	n/a	n/a
Compost, per cubic yard	\$ 10.00	\$ 10.00	\$ -	0.00%
Copy Fee, per page	\$ 0.25	\$ 2.00	\$ 1.75	700.00%
Delinquent/Late Fee, per occurrence	20.00%	20.00%	- %	0.00%
Disconnection Plug	\$ 20.00	\$ 20.00	\$ -	0.00%
Disconnection Valves	\$ 45.00	\$ 45.00	\$ -	0.00%
Dormancy Fee	\$ 50.00	\$ 50.00	\$ -	0.00%
Easement Relinquishment	\$ 110.00	\$ 110.00	\$ -	n/a
Foreign Item Fee	@ cost	@ cost	n/a	n/a
Marker Device	\$ 10.00	\$ 10.00	\$ -	0.00%
Permit Reissue Fee	\$ 25.00	\$ 50.00	\$ 25.00	100.00%
Pretreatment Reinspection Fee	\$ 125.00	\$ 125.00	\$ -	0.00%
Reestablishment Fee	\$ 20.00	\$ 20.00	\$ -	0.00%
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%
Site Visit Fee	\$ 95.00	\$ 95.00	\$ -	0.00%
Vacuum Truck Service Fee, per hour	\$ 160.00	\$ 160.00	\$ -	0.00%
Valve Box Monument	\$ 60.00	\$ 60.00	\$ -	0.00%
<b>Yard Waste, per delivery, City residents</b>				
≤ 1 cubic yard	\$ 5.00	\$ 5.00	\$ -	0.00%
between 1 and 3 cubic yards	\$ 10.00	\$ 10.00	\$ -	0.00%
> 3 cubic yards	\$ 25.00	\$ 25.00	\$ -	0.00%
Non-Resident Surcharge, per delivery	\$ 10.00	\$ 10.00	\$ -	0.00%

**SMCFD No. 1**  
**Fiscal Year 2018 Budget**  
**Employee Classification**

	FY 2018	FY 2017 ADOPTED		FY 2018 ADOPTED		FY 2018 ADOPTED	
	ADOPTED FTE	ANNUAL COMPENSATION		ANNUAL COMPENSATION		HOURLY COMPENSATION	
		MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM
<b><u>EXECUTIVE DIVISION</u></b>							
District Manager	1	\$ 104,145.60	\$ 157,759.75	\$ 104,145.60	\$ 157,759.75	\$ 50.07	\$ 75.85
Executive Assistant	1	\$ 59,217.60	\$ 82,908.80	\$ 59,217.60	\$ 82,908.80	\$ 28.47	\$ 39.86
Management Analyst	0.625	\$ 76,065.60	\$ 106,496.00	\$ 76,065.60	\$ 106,496.00	\$ 36.57	\$ 51.20
<b>TOTAL EXECUTIVE DIVISION</b>	<b>2.625</b>						
<b><u>ADMINISTRATIVE DIVISION</u></b>							
Financial Services Supervisor	1	\$ 68,806.40	\$ 96,324.80	\$ 68,806.40	\$ 96,324.80	\$ 33.08	\$ 46.31
Accountant	0	\$ 62,337.60	\$ 87,276.80	\$ 62,337.60	\$ 87,276.80	\$ 29.97	\$ 41.96
Accounting Technician	1	\$ 46,176.00	\$ 64,646.40	\$ 46,176.00	\$ 64,646.40	\$ 22.20	\$ 31.08
Purchasing Specialist	1	\$ 43,971.20	\$ 61,568.00	\$ 43,971.20	\$ 61,568.00	\$ 21.14	\$ 29.60
Business Services Supervisor	1	\$ 62,337.60	\$ 87,276.80	\$ 62,337.60	\$ 87,276.80	\$ 29.97	\$ 41.96
Operations Support Specialist	1	\$ 48,505.60	\$ 67,912.00	\$ 48,505.60	\$ 67,912.00	\$ 23.32	\$ 32.65
Business Services Clerk - II	0	\$ 39,644.80	\$ 55,494.40	\$ 39,644.80	\$ 55,494.40	\$ 19.06	\$ 26.68
Business Services Clerk - I	1	\$ 34,153.60	\$ 47,819.20	\$ 34,153.60	\$ 47,819.20	\$ 16.42	\$ 22.99
Customer Service Supervisor	1	\$ 62,337.60	\$ 87,276.80	\$ 62,337.60	\$ 87,276.80	\$ 29.97	\$ 41.96
Customer Service Representative - II	2	\$ 46,176.00	\$ 64,646.40	\$ 46,176.00	\$ 64,646.40	\$ 22.20	\$ 31.08
Customer Service Representative - I	0.625	\$ 36,025.60	\$ 50,440.00	\$ 36,025.60	\$ 50,440.00	\$ 17.32	\$ 24.25
<b>TOTAL ADMINISTRATIVE DIVISION</b>	<b>9.625</b>						
<b><u>OPERATIONS DIVISION</u></b>							
Operations Manager	0	\$ 97,240.00	\$ 136,136.00	\$ 97,240.00	\$ 136,136.00	\$ 46.75	\$ 65.45
Inspector	1	\$ 48,505.60	\$ 67,912.00	\$ 48,505.60	\$ 67,912.00	\$ 23.32	\$ 32.65
Engineering Technician	1	\$ 48,505.60	\$ 67,912.00	\$ 48,505.60	\$ 67,912.00	\$ 23.32	\$ 32.65
Operations Superintendent	1	\$ 76,065.60	\$ 106,496.00	\$ 76,065.60	\$ 106,496.00	\$ 36.57	\$ 51.20
Administrative Assistant	1	\$ 41,745.60	\$ 58,448.00	\$ 41,745.60	\$ 58,448.00	\$ 20.07	\$ 28.10
Maintenance Supervisor	1	\$ 62,337.60	\$ 87,276.80	\$ 62,337.60	\$ 87,276.80	\$ 29.97	\$ 41.96
Collections System Technician - II	2	\$ 43,971.20	\$ 61,568.00	\$ 43,971.20	\$ 61,568.00	\$ 21.14	\$ 29.60
Collections System Technician - I	2	\$ 39,644.80	\$ 55,494.40	\$ 39,644.80	\$ 55,494.40	\$ 19.06	\$ 26.68
Collections System Worker	1	\$ 36,025.60	\$ 50,440.00	\$ 36,025.60	\$ 50,440.00	\$ 17.32	\$ 24.25
Mechanic - II	1	\$ 46,176.00	\$ 64,646.40	\$ 46,176.00	\$ 64,646.40	\$ 22.20	\$ 31.08
Utility Maintenance Technician - I	1	\$ 43,971.20	\$ 61,568.00	\$ 43,971.20	\$ 61,568.00	\$ 21.14	\$ 29.60
Operations Supervisor	0	\$ 62,337.60	\$ 87,276.80	\$ 62,337.60	\$ 87,276.80	\$ 29.97	\$ 41.96
Solids Process Operator	2	\$ 41,745.60	\$ 58,448.00	\$ 41,745.60	\$ 58,448.00	\$ 20.07	\$ 28.10
<b>TOTAL OPERATIONS DIVISION</b>	<b>14</b>						
<b>TOTAL Full Time Equivalents</b>	<b>26.25</b>						

Ranges do not reflect the cell phone stipend paid to the District Manager and other approved personnel. The stipend is \$25.45 per pay period for fiscal years 2017 and 2018.

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. Maximums are set at 1.4 times the starting salaries for all positions except the District Manager.

**SMCFD No. 1**  
**Fiscal Year 2018 Budget**  
**Administration, Labor and Benefits Expense**

<u>ADMIN, LABOR &amp; BENEFITS EXPENSE</u>	FY 2017 ADOPTED	FY 2018 ADOPTED
<b><u>LABOR &amp; BENEFITS EXPENSE</u></b>		
Labor - Permanent Employees	\$ 1,678,105	\$ 1,696,010
Payroll Taxes	\$ 125,330	\$ 126,565
Workers Comp Insurance	\$ 29,075	\$ 24,900
ASRS & LTD	\$ 194,370	\$ 196,770
Group Insurance	\$ 316,370	\$ 340,000
Employee Expenses	\$ 15,530	\$ 21,780
Temporary Labor	\$ -	\$ -
<b>TOTAL LABOR &amp; BENEFITS EXPENSE</b>	<b>\$ 2,358,780</b>	<b>\$ 2,406,025</b>
<b><u>ADMINISTRATION EXPENSE</u></b>		
<b><u>Employee Development</u></b>		
Team Building & Service Incentives	\$ 2,900	\$ 4,000
Professional Dues and Subscriptions	\$ 4,320	\$ 7,180
Travel & Mileage	\$ 11,550	\$ 15,960
Conferences, Training and Education	\$ 25,950	\$ 22,680
<b>Subtotal - Employee Development</b>	<b>\$ 44,720</b>	<b>\$ 49,820</b>
<b><u>Office Expense</u></b>		
Repairs & Maintenance	\$ 5,630	\$ 5,030
Outside Services	\$ 53,310	\$ 50,310
Telephone	\$ 32,220	\$ 26,620
Office Supplies	\$ 14,060	\$ 13,160
Hardware & Software	\$ 135,810	\$ 120,560
Furniture & Fixtures & Equipment (non-capital)	\$ 5,000	\$ 5,000
<b>Subtotal - Office Expense</b>	<b>\$ 246,030</b>	<b>\$ 220,680</b>
<b><u>Legal &amp; Professional</u></b>		
Accounting / Audit	\$ 16,000	\$ 18,400
Engineering	\$ 7,000	\$ 7,000
Insurance	\$ 87,200	\$ 85,500
District Counsel	\$ 65,000	\$ 60,000
Professional Fees	\$ 250,000	\$ 118,460
<b>Subtotal - Legal &amp; Professional</b>	<b>\$ 425,200</b>	<b>\$ 289,360</b>
<b><u>Other Expense - Administration</u></b>		
Advertising	\$ 1,500	\$ 1,500
Bad Debt Expense	\$ -	\$ -
Bank Service Charges	\$ 37,600	\$ 25,440
Licenses & Fees	\$ 39,800	\$ 35,820
Miscellaneous	\$ -	\$ -
Postage	\$ 33,110	\$ 31,120
Freight	\$ 125	\$ 125
Public Relations	\$ 9,500	\$ 11,500
Recruiting & Pre-employment	\$ 800	\$ 920
<b>Subtotal - Other Expense</b>	<b>\$ 122,435</b>	<b>\$ 106,425</b>
<b>TOTAL ADMINISTRATION EXPENSE</b>	<b>\$ 838,385</b>	<b>\$ 666,285</b>
<b>TOTAL ADMINISTRATION, LABOR &amp; BENEFITS</b>	<b>\$ 3,197,165</b>	<b>\$ 3,072,310</b>

**SMCFD No. 1**  
**Fiscal Year 2018 Budget**  
**Plant Operation & Maintenance Expense**

<b><u>PLANT O&amp;M EXPENSE</u></b>	<b>FY 2017 ADOPTED</b>	<b>FY 2018 ADOPTED</b>
<b><u>Repair &amp; Maintenance</u></b>		
Hand Tools & Equipment (non-capital)	\$ 8,000	\$ 10,280
Collections System - R&M	\$ 120,750	\$ 82,210
Service Lines - R&M	\$ 93,000	\$ 86,000
Baseline Pump Station - R&M	\$ 9,400	\$ 8,750
Process Equipment & Structures - R&M	\$ 19,300	\$ 27,280
Comm, Comp, Electrical & Instrument. - R&M	\$ 30,000	\$ 20,000
Buildings & Grounds - R&M	\$ 23,950	\$ 19,300
Rolling Stock - R&M	\$ 35,500	\$ 41,500
Effluent Recharge and Disposal R&M	\$ 16,000	\$ 6,000
Sludge Facilities R&M	\$ 37,800	\$ 25,500
Septage Facilities R&M	\$ 4,000	\$ 3,300
<b>Subtotal - Repair &amp; Maintenance</b>	<b>\$ 397,700</b>	<b>\$ 330,120</b>
<b><u>Utilities</u></b>		
Power - WRF	\$ 194,000	\$ 190,000
Water	\$ 12,500	\$ 16,300
Grit & Trash Hauling	\$ 7,950	\$ 18,920
<b>Subtotal - Utilities</b>	<b>\$ 214,450</b>	<b>\$ 225,220</b>
<b><u>Laboratory</u></b>		
Laboratory Services (outside)	\$ 43,250	\$ 64,830
Laboratory Supplies	\$ 15,000	\$ 9,200
<b>Subtotal - Laboratory</b>	<b>\$ 58,250</b>	<b>\$ 74,030</b>
<b><u>Chemicals &amp; Fuels</u></b>		
Disinfection Chemicals	\$ 27,000	\$ 29,000
Welding Supplies & Gases	\$ 1,540	\$ 1,540
Fuel - Gas & Diesel	\$ 30,000	\$ 25,000
<b>Subtotal - Chemicals &amp; Fuels</b>	<b>\$ 58,540</b>	<b>\$ 55,540</b>
<b><u>Other Expense - O&amp;M</u></b>		
Biosolids Processing & Disposal	\$ -	\$ -
Small Claims Expense	\$ -	\$ -
Health & Safety Supplies	\$ 11,400	\$ 21,390
Security Service - WRF	\$ 12,680	\$ 9,780
Janitorial Supplies	\$ 12,420	\$ 14,700
Equipment Scrapped or Abandoned	\$ -	\$ -
<b>Subtotal - Other Expense</b>	<b>\$ 36,500</b>	<b>\$ 45,870</b>
<b>TOTAL PLANT O&amp;M</b>	<b>\$ 765,440</b>	<b>\$ 730,780</b>

**SMCFD No. 1  
Fiscal Year 2018 Budget  
Capital Expenditures**

<b>Project Title</b>	<b>Project Amount</b>
Recharge bed construction	375,000
Standby generator replacement - plant	250,000
Pump station improvements	150,000
Monitoring wells (2)	100,000
Sludge storage area	60,000
Swamp cooler - blower room	15,000
Air conditioning unit replacements	14,000
Compost drainage improvements	50,000
Deskings south solar drying bed refurbishment	45,000
Security cameras	45,000
Electrical improvements - Baseline pump station	35,000
Bio Barge	25,000
Deskings north solar drying bed refurbishment	25,000
Requisition software	9,000
Sport utility vehicle with 3rd row seating	40,000
Truck - four door quad cab	40,000
Collection system extensions, unspecified	30,000
Collection system repairs, unspecified	15,000

TOTAL Treatment Plant Assets	729,000
TOTAL Collection System and Pump Station Assets	230,000
TOTAL Machinery & Equipment	355,000
TOTAL Office Equipment, Furniture & Software	9,000

<b>TOTAL CAPITAL ADDITIONS</b>	<b><u>1,323,000</u></b>
--------------------------------	-------------------------

Uncommitted Capital Improvement Fund Balance Carried Over	
From Prior Fiscal Year	1,222,052
Transfer of Excess Funds from District Reserve	520,000
Target Minimum Balance at End of Fiscal Year	<b><u>(1,000,000)</u></b>

<b>REQUIRED FUNDING</b>	<b><u>\$ 580,948</u></b>
-------------------------	--------------------------

**SMCFD No. 1  
Fiscal Year 2018 Budget  
Customer Growth**

**FY 2018 CUSTOMER GROWTH ESTIMATE**

<b>New Connections by Service Class</b>	<b>Units</b>	<b>Connection Fees</b>
<b>Single Family: Full Price</b>		
Bel Agave	8	\$ 28,360
Bella Corona	0	\$ -
Lantana Villas	0	\$ -
Village at Ironwood	0	\$ -
Other full price connections	10	\$ 35,450
<b>Subtotal Single Family: Full Price</b>	<b>18</b>	<b>\$ 63,810</b>
<b>Single Family: Half Price</b>		
Stagecoach Trails	8	\$ 18,916
Other half price connections	10	\$ 17,725
<b>Subtotal Single Family: Half Price</b>	<b>18</b>	<b>\$ 36,641</b>
<b>Total Single Family Connections</b>	<b>36</b>	<b>\$ 100,451</b>
<b>Multi-Family</b>	<b>0</b>	<b>\$ -</b>
<b>Recreational Vehical Parks</b>	<b>0</b>	<b>\$ -</b>
<b>Manufactured Home Parks</b>	<b>10</b>	<b>\$ 14,040</b>
Apache Gardens (@ half price)	7	\$ 7,560
Dolce Vita, phase 6	3	\$ 6,480
<b>Church/Government</b>	<b>0</b>	<b>\$ -</b>
<b>Commercial</b>	<b>3</b>	<b>\$ 10,635</b>
<b>Water, Ice and Nurseries</b>	<b>0</b>	<b>\$ -</b>
<b>Industrial</b>	<b>0</b>	<b>\$ -</b>
<b>Total Connections other than SF</b>	<b>13</b>	<b>\$ 24,675</b>
<b>Total New Connections</b>	<b>49</b>	<b>\$ 125,126</b>