

2016-2017 Preliminary Utility Budgets

March 22, 2016

PRELIMINARY BUDGETS

- Wastewater Fund
 - Water Fund
 - Sanitation Fund
 - Cemetery Fund
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- A decorative graphic consisting of several overlapping, wavy, light-colored lines that flow from the bottom left towards the top right, set against a light beige background.

BUDGET ASSUMPTIONS

- ASRS retirement contribution rates to 11.48% from 11.47%.
- 2% health insurance premium increase.
- Currently there are no COLA or Wage Adjustments but the Utility Department is working on a restructuring/reclassification based on certifications to be presented at a later date
- Workers Compensation Experience Modification is expected to drop substantially next fiscal year from an e-mod of 1.14 to .76

WASTEWATER O&M

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
WASTEWATER EXPENSES				
Salaries	\$ 111,546.96	\$106,276.32	\$106,276.32	\$ 106,292.16
Fringes	\$ 58,142.25	\$ 55,314.57	\$ 55,314.57	\$ 55,896.75
Operating Expenses	\$ 42,955.09	\$ 55,767.18	\$ 55,067.18	\$ 46,450.00
Electrical Service	\$ 76,689.97	\$ 68,000.00	\$ 68,000.00	\$ 68,000.00
Liability & Property Insurance	\$ 14,453.40	\$ 17,760.00	\$ 17,760.00	\$ 17,760.00
Professional Service	\$ 1,042.20	\$ 4,300.00	\$ 5,000.00	\$ 5,000.00
Chemicals	\$ 20,383.68	\$ 18,500.00	\$ 18,500.00	\$ 19,500.00
Chemical Testing	\$ 29,978.47	\$ 35,000.00	\$ 35,000.00	\$ 30,000.00
Administration Fee	\$ 34,823.24	\$ 36,111.81	\$ 36,111.81	\$ 34,989.89
Regulatory Fees - ADEQ	\$ 2,500.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
WW Expense Totals	\$ 392,515.26	\$402,029.88	\$402,029.88	\$ 388,888.80
WASTEWATER REVENUES				
User Fees	\$ 545,031.32	\$604,680.00	\$596,160.00	\$ 635,730.00
Late Fees	\$ 9,225.83	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
Misc Fees	\$ 2,555.39	\$ 450.00	\$ 450.00	\$ 500.00
WW Revenue Totals	\$ 556,812.54	\$613,630.00	\$605,110.00	\$ 644,730.00
Transfer to P&E for WIFA Debt	\$ 164,297.28	\$211,600.12	\$203,080.12	\$ 255,841.20
Debt Service and RR	\$ 401,376.00	\$364,534.23	\$364,534.23	\$ 266,180.29
Part of \$800,000 Reserve needed	\$ 237,078.72	\$152,934.11	\$161,454.11	\$ 10,339.09

Shows transfer to P&E towards WIFA debt service and R&R. No rate Increase scheduled.

WW PLANT & EQUIPMENT

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
DF - Offset Remaining	\$ -	\$ 49,278.68	\$ 49,278.68	\$ 49,278.68
Designated -R&R	\$ -	\$ 205,217.02	\$ 205,217.02	\$ 271,715.00
DF - MG Future Construction	\$ -	\$ 201,680.00	\$ 201,680.00	\$ -
Plant Construction	\$ -	\$ -	\$ -	\$ -
Future Construction (MG)	\$ -	\$ 660,640.00	\$ 660,640.00	\$ -
Professional Service	\$ -	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
Debt Service	\$ 991,679.76	\$ 298,221.66	\$ 298,221.66	\$ 221,780.00
Reserve Requirements	\$ -	\$ 66,312.57	\$ 66,312.57	\$ 44,400.00
P&E Expense Totals	\$ 991,679.76	\$ 1,488,849.93	\$ 1,488,849.93	\$ 594,673.68
PLANT & EQUIPMENT REVENUE				
WIFA Loan	\$ 2,974.30	\$ -	\$ -	\$ -
Connection Fees Paid	\$ 3,000.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
Future Construction (MG)	\$ 660,640.00	\$ 660,640.00	\$ 660,640.00	\$ -
Transfer From O&M for Debt	\$ -	\$ 203,080.12	\$ 203,080.12	\$ 255,841.20
DF - Debt Offset to Use	\$ -	\$ 161,454.11	\$ 161,454.11	\$ 10,339.09
Interest	\$ 943.43	\$ -	\$ -	\$ -
Designated R&R	\$ -	\$ 205,217.02	\$ 205,217.02	\$ 271,715.00
DF - Offset Remaining	\$ -	\$ 49,278.68	\$ 49,278.68	\$ 49,278.68
DF - MG Future Construction	\$ -	\$ 201,680.00	\$ 201,680.00	\$ -
P&E Revenue Totals	\$ 667,557.73	\$ 1,488,849.93	\$ 1,488,849.93	\$ 594,673.97

O&M transfer for WIFA loan, use of \$800,000 for WIFA loan - expect to use \$10,340. About \$33,000 remaining.

WW SLUDGE REMOVAL

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
Designated Funds	\$ 5,674.54	\$ 4,800.00	\$ 5,165.37	\$ 5,000.00
Sludge Removal		\$ 20.00	\$ 20.00	\$ 10.00
Department Totals	\$ -	\$ 4,820.00	\$ 5,185.37	\$ 5,010.00
SLUDGE REMOVAL REVENUES				
Sludge Removal Revenue	\$ -	\$ -	\$ -	\$ -
Sludge Removal Interest	\$ 23.59	\$ 20.00	\$ 20.00	\$ 10.00
Designated Funds	\$ -	\$ 9,884.32	\$ 5,165.37	\$ 5,000.00
Department Totals	\$ 23.59	\$ 9,904.32	\$ 5,185.37	\$ 5,010.00
Remaining funds will be used to track costs with new plant.				

WW LINE REPLACEMENT

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
Designated Funds	\$ 8,855.16	\$ 481,109.73	\$ 490,278.73	\$ 504,239.00
Operating Expenses	\$ -	\$ -	\$ -	\$ -
Line Replacement	\$ -	\$ 32,000.00	\$ 32,000.00	\$ 23,180.00
Line Replacement Expense	\$ 8,855.16	\$ 513,109.73	\$ 522,278.73	\$ 527,419.00
LINE REPLACEMENT REVENUE				
Line Replacement Revenue	\$ 31,954.18	\$ 23,130.00	\$ 32,000.00	\$ 23,180.00
Designated Funds	\$ -	\$ 481,109.73	\$ 490,278.73	\$ 504,239.00
Line Replacement Revenue	\$ 31,954.18	\$ 504,239.73	\$ 522,278.73	\$ 527,419.00
2.50 is charged per month and accumulated for future projects				

WW LIFT STATION

Expenditure	2014-2016	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
Operating Expenses	\$ -	\$ 130.00	\$ 130.00	\$ 75.00
Equipment Rental	\$ -	\$ -	\$ -	\$ -
Designated Funds	\$ -	\$52,779.96	\$52,779.96	\$ 52,883.00
Department Totals	\$ -	\$52,909.96	\$52,909.96	\$ 52,958.00
LIFT STATION REVENUE				
Lift Station Fund Interest	\$ 90.96	\$ 75.00	\$ 130.00	\$ 75.00
Designated Funds	\$ -	\$52,779.96	\$52,779.96	\$ 52,883.00
Department Totals	\$ 90.96	\$52,854.96	\$52,909.96	\$ 52,958.00
No additional funds are being contributed at this time.				

WW CAPACITY FEES

WASTEWATER	2014-2015	2015-2016		2016-2017
	Actual	Projected	Budget	Budget
CAPACITY FEE EXPENSE				
WW Capacity Projects	\$0.00	\$25,180.05	\$25,235.00	\$25,271.00
Designated WW Capacity	\$0.00	\$25,180.05	\$25,176.91	\$25,202.00
Department Totals	\$0.00	\$50,360.10	\$50,411.91	\$50,473.00
CAPACITY FEE REVENUES				
WW Capacity Fees	\$10,054.00	\$25,180.05	\$25,135.00	\$25,235.00
Capacity Fee Interest	\$0.00	\$100.00	\$100.00	\$36.00
Designated Capacity Fees	\$0.00	\$25,176.91	\$25,176.91	\$25,202.00
Department Totals	\$10,054.00	\$50,456.96	\$50,411.91	\$50,473.00
Capacity Fee = \$5,027. PTM Reimbursed; MG Paid in advance				

WATER O&M EXPENSE

Expenditures	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
Salaries	\$200,769.45	\$192,475.94	\$192,475.94	\$190,549.84
Fringes	\$101,732.91	\$96,805.50	\$96,805.50	\$96,641.92
Operating Expenses	\$52,992.74	\$71,052.00	\$74,520.00	\$70,250.00
Bad Debt	\$16.01	\$7,000.00	\$7,000.00	\$6,000.00
Electric	\$88,221.64	\$80,000.00	\$83,000.00	\$80,000.00
Professional Service	\$0.00	\$3,500.00	\$3,500.00	\$3,000.00
Equipment	\$17,786.35	\$1,830.00	\$25,312.00	\$12,900.00
Line Repairs	\$22,137.81	\$39,000.00	\$25,000.00	\$25,000.00
Liability & Property Insurance	\$12,777.40	\$13,500.00	\$13,500.00	\$13,500.00
Water Purchase from Cottonw	\$0.00	\$7,500.00	\$2,000.00	\$2,000.00
ADEQ Fees	\$2,500.00	\$5,000.00	\$5,000.00	\$5,000.00
AIAC Obligations	\$751.31	\$950.00	\$500.00	\$950.00
Waterline Taps	\$444.00	\$0.00	\$1,000.00	\$1,000.00
Type A Connection Fee	\$0.00	\$0.00	\$15,000.00	\$10,000.00
Depreciation - Surcharge	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00
Depreciation	\$105,000.00	\$135,000.00	\$135,000.00	\$135,000.00
Chemicals	\$39,595.93	\$35,000.00	\$33,000.00	\$35,000.00
Arsenic O&M	\$2,317.90	\$15,000.00	\$6,000.00	\$15,000.00
Reimbursement Fee to GF	\$55,635.60	\$56,111.34	\$56,111.34	\$54,984.18
Debt Service	\$483,213.39	\$481,352.50	\$481,352.50	\$481,000.00
Water O&M Expense Totals	\$1,225,892.43	\$1,281,077.28	\$1,296,077.28	\$1,277,775.93
5% FTE moved into General Fund				

WATER O&M REVENUE

Revenue	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
WATER OPERATIONS & MAINTENANCE REVENUE				
Water Base/Usage Fees	\$1,178,211.72	\$1,251,000.00	\$1,251,000.00	\$1,251,000.00
System Replacement Surcharg	\$40,441.00	\$40,000.00	\$40,000.00	\$40,000.00
Connection Fee - Type A	\$3,000.00	\$4,000.00	\$15,000.00	\$12,000.00
Tap Fees	\$0.00	\$0.00	\$1,000.00	\$1,000.00
Water Sold to Cottonwood	\$35,323.50	\$10,500.00	\$15,000.00	\$0.00
Late Fees	\$16,497.06	\$16,000.00	\$16,000.00	\$16,000.00
Other Fees	\$9,500.35	\$10,000.00	\$10,000.00	\$9,700.00
Misc Revenue	\$1,610.48	\$8,270.00	\$2.89	\$1.53
Department Totals	\$1,284,584.11	\$1,339,770.00	\$1,348,002.89	\$1,329,701.53
Difference Revenues /Expense	\$58,691.68	\$58,692.72	\$51,925.61	\$51,925.60
Transfer to CIP for Twin 5s Debt		51,925.60	51,925.60	51,925.60

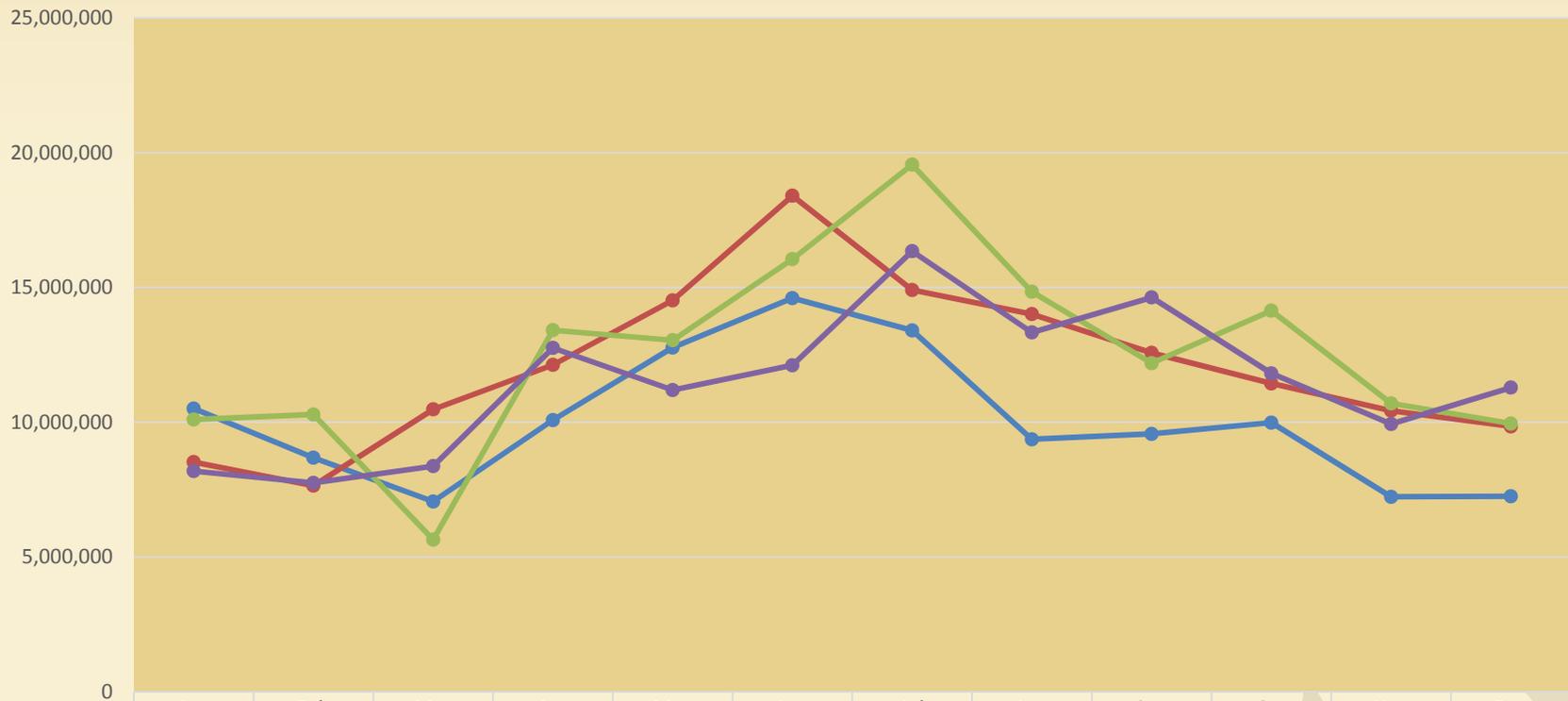
WATER CAPITAL IMPROVEMENT

Expenditures - Revenues	2013-2014	2014-2015		2015-2016
WATER CIP	Actual	Projected	Budget	Budget
WATER CIP EXPENSE				
Adjudication & Settlement	\$0.00	\$74,966.32	\$74,966.32	\$66,238.00
Regional Water Projects	\$0.00	\$26,859.67	\$26,859.67	\$33,193.00
Water Resource Development Projects	\$10,874.00	\$712,269.77	\$712,269.77	\$776,233.00
2006-Series System Improvements	\$0.00	\$0.00	\$0.00	\$0.00
Water Conservation	\$6,378.03	\$24,226.79	\$24,226.79	\$22,476.00
Twin 5s Construction	\$0.00	\$0.00	\$0.00	\$0.00
Twin 5s Debt Service	\$50,469.05	\$51,925.60	\$51,925.60	\$51,925.00
Designated Funds-Depreciation Expense	\$24,012.07	\$477,042.65	\$477,042.65	\$653,127.00
General Water System Improvements	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenses	\$91,733.15	\$1,367,290.80	\$1,367,290.80	\$1,603,192.00
WATER CIP REVENUE				
Water Resource Development Fee	\$72,572.00	\$85,344.00	\$85,344.00	\$85,344.00
Water Conservation	\$4,535.75	\$5,334.00	\$5,334.00	\$5,334.00
Adjudication & Settlement	\$7,438.63	\$8,748.00	\$8,748.00	\$8,748.00
Regional Water Projects	\$6,687.76	\$5,700.00	\$5,700.00	\$5,700.00
Interest	\$1,287.29	\$1,155.00	\$1,155.00	\$1,155.00
Designated Funds-Depreciation	\$0.00	\$477,042.65	\$477,042.65	\$653,127.00
2006-Series system Improvements Interest	\$0.00	\$0.00	\$0.00	\$0.00
DF - Water Resource Development Projects	\$0.00	\$625,975.77	\$625,975.77	\$689,939.00
DF - Adjudication & Settlement	\$0.00	\$66,093.32	\$66,093.32	\$57,365.00
DF - Water Conservation	\$0.00	\$18,842.79	\$18,842.79	\$17,092.00
DF - Regional Water Projects	\$0.00	\$21,129.67	\$21,129.67	\$27,463.00
Twin 5s Construction	\$0.00	\$0.00	\$0.00	\$0.00
Transfer in from Water O&M for WIFA	\$50,469.05	\$51,925.60	\$51,925.60	\$51,925.00
2006-Series System Improvements -Designa	\$0.00	\$0.00	\$0.00	\$0.00
Total Revenues	\$142,990.48	\$1,367,290.80	\$1,367,290.80	\$1,603,192.00

WATER CAPACITY FEES

WATER	2014-2015	2015-2016		2016-2017
	Actual	Projected	Budget	Budget
CAPACITY FEE EXPENSE				
Water Capacity Projects	\$0.00	\$69,860.00	\$69,860.00	\$69,860.00
Designated Capacity Fee	\$0.00	\$55,851.57	\$55,851.57	\$89,575.00
Department Totals	\$0.00	\$125,711.57	\$125,711.57	\$159,435.00
CAPACITY FEE REVENUES				
Water Capacity Fees	\$34,830.00	\$69,660.00	\$69,660.00	\$69,660.00
Capacity Fee Interest	\$298.58	\$200.00	\$200.00	\$200.00
Designated Capacity Fees	\$0.00	\$55,851.57	\$55,851.57	\$89,575.00
Department Totals	\$35,128.58	\$125,711.57	\$125,711.57	\$159,435.00
Capacity Fees start at \$2,322. PTM Reimbursed; MG Town Keeps.				

WATER USE COMPARISON



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	10,506,188	8,683,015	7,056,336	10,078,169	12,770,456	14,603,684	13,405,139	9,365,339	9,565,102	9,983,501	7,229,069	7,250,123
2013	8,518,967	7,643,803	10,476,496	12,126,111	14,521,513	18,402,420	14,905,559	14,009,883	12,572,314	11,438,112	10,425,862	9,844,733
2014	10,096,737	10,284,223	5,641,527	13,414,461	13,041,118	16,050,983	19,557,120	14,842,022	12,190,964	14,137,951	10,697,036	9,950,455
2015	8,186,955	7,748,608	8,370,126	12,755,851	11,192,005	12,112,377	16,345,725	13,331,600	14,628,371	11,812,257	9,932,803	11,284,845

SANITATION FUND

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
SANITATION EXPENDITURES				
Salaries	\$21,488.58	\$21,235.94	\$21,235.94	\$21,242.00
Fringes	\$12,003.46	\$12,654.15	\$12,654.15	\$12,828.39
Operating Expenses	\$9,265.34	\$16,750.00	\$15,830.00	\$19,715.00
Contractual -Trash Pick up	\$205,797.96	\$205,000.00	\$205,000.00	\$205,000.00
Liability & Property Insurance	\$0.00	\$2,520.00	\$2,520.00	\$2,520.00
Contractual - Recycle	\$3,150.00	\$3,600.00	\$3,600.00	\$3,600.00
Administration Fee Transfer	\$25,908.00	\$26,084.01	\$26,084.01	\$26,490.54
Sanitation Total Expenses	\$277,613.34	\$287,844.10	\$286,924.10	\$291,395.93
SANITATION REVENUES				
User Fee's	\$296,184.84	\$288,000.00	\$288,000.00	\$288,000.00
Late Fees	\$5,538.01	\$5,000.00	\$5,000.00	\$5,000.00
Sanitation Total Revenues	\$301,722.85	\$293,000.00	\$293,000.00	\$293,000.00
To Sanitation Capital Fund	24,109.51	5,155.90	6,075.90	1,604.07
Sanitation Capital Fund has \$22,000 remaining at the end of FY 2015/2016 No transfer has been made to the General Fund for Street projects as was done in the past.				

SANITATION CAPITAL FUND

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
SANITATION CAPITAL FUND EXPENSE				
Transfer to HURF Fund		\$0.00	\$0.00	\$0.00
Designated Funds	\$0.00	\$19,380.97	\$19,380.97	\$23,854.07
Transfer to General Fund	\$40,000.00	\$40,000.00	\$40,000.00	\$0.00
Total Expenses	\$40,000.00	\$59,380.97	\$59,380.97	\$23,854.07
SANITATION CAPITAL FUND REVENUES				
Interest Income	\$144.39	\$250.00	\$250.00	\$250.00
Capital Transfers In	\$0.00	\$6,075.90	\$6,075.90	\$1,604.07
Cash - Capital Fund carry over	\$0.00	\$53,055.07	\$53,055.07	\$22,000.00
Total Revenues	\$144.39	\$59,380.97	\$59,380.97	\$23,854.07
Remaining Funds		\$0.00	\$0.00	\$0.00

CEMETERY FUND

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
Salaries	\$21,061.82	\$15,343.19	\$15,343.19	\$15,345.20
Fringes	\$11,889.08	\$9,343.95	\$9,343.95	\$9,474.08
Liability & Property Insurance	\$3,365.64	\$3,650.00	\$3,650.00	\$3,650.00
Operating Expenses	\$8,136.65	\$11,308.31	\$10,458.31	\$9,400.00
Administration Fee Transfer	\$4,100.00	\$3,964.55	\$3,879.55	\$3,786.93
Cemetery Expense Totals	\$48,553.19	\$43,610.00	\$42,675.00	\$41,656.21
CEMETERY REVENUES				
Lot Sales	\$10,560.00	\$14,000.00	\$14,000.00	\$14,000.00
Interment	\$15,900.00	\$16,400.00	\$9,000.00	\$9,000.00
Prepay	\$0.00	\$0.00	\$0.00	\$0.00
Interest	\$95.91	\$35.00	\$0.00	\$0.00
Miscellaneous	\$1,653.40	\$0.00	\$0.00	\$6.21
Grave Liners	\$4,870.00	\$5,000.00	\$4,675.00	\$5,000.00
Perpetual Care Transfer	\$0.00	\$9,000.00	\$15,000.00	\$13,650.00
Revenue Totals	\$33,079.31	\$44,435.00	\$42,675.00	\$41,656.21

CEMETERY – PERPETUAL CARE

Expenditure	2014-2015	2015-2016		2016-2017
Category	Actual	Projected	Budget	Budget
PERPETUAL CARE EXPENSES				
Salaries	\$0.00	\$0.00	\$0.00	\$0.00
Topsoil Additions	\$0.00	\$0.00	\$0.00	\$0.00
Sprinkler System	\$0.00	\$0.00	\$0.00	\$0.00
Designated Funds	\$0.00	\$30,119.10	\$30,119.10	\$17,500.00
Transfer to Cemetery	\$0.00	\$9,000.00	\$15,000.00	\$15,000.00
Perpetual Care Expense Total	\$0.00	\$39,119.10	\$45,119.10	\$32,500.00
PERPETUAL CARE REVENUES				
Perpetual Care Payments	\$5,730.00	\$7,000.00	\$4,500.00	\$0.00
Interest Income	\$0.00	\$50.00	\$50.00	\$50.00
Designated - Perpetual Care	\$0.00	\$40,569.10	\$40,569.10	\$32,500.00
Perpetual Care Revenue Total	\$5,730.00	\$47,619.10	\$45,119.10	\$32,550.00
At the end of FY 2016 approximately \$17,500 Remains - Plan to include in GF 2019				

BUDGET FORECASTS

- Wastewater: Need to address timing of 1% rate increase to cover operations & maintenance.
- Water: Will return to Council when final estimates of refinancing and new construction project costs are finalized with options for department restructuring.
- Sanitation: No Sanitation Capital funds to supplement street projects in 2016-2017
- Cemetery: Budget will be partially funded by GF in 2018-2019

QUESTIONS

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