

Revenues

Overview

The District’s budget preparations begin with revenue projections in February each year. To make those projections as accurate as possible, we review each revenue source and make determinations based on key economic factors, historical trends, and specific program trends.

ACHD Major Source Revenue Chart

ACHD has a variety of revenue sources that are both steady (i.e. property taxes) and fluctuating (i.e. development impact fees). ACHD has four major revenue sources: Property Taxes, Highway Users Fund, Registration Fees, and Development Impact Fees. These revenues represent more than 75 percent of the total revenue ACHD receives. Development Impact Fees are the most volatile source of revenue we have, and are directly related to economic conditions. This chart illustrates actual revenues ACHD has received from our four major revenue sources.

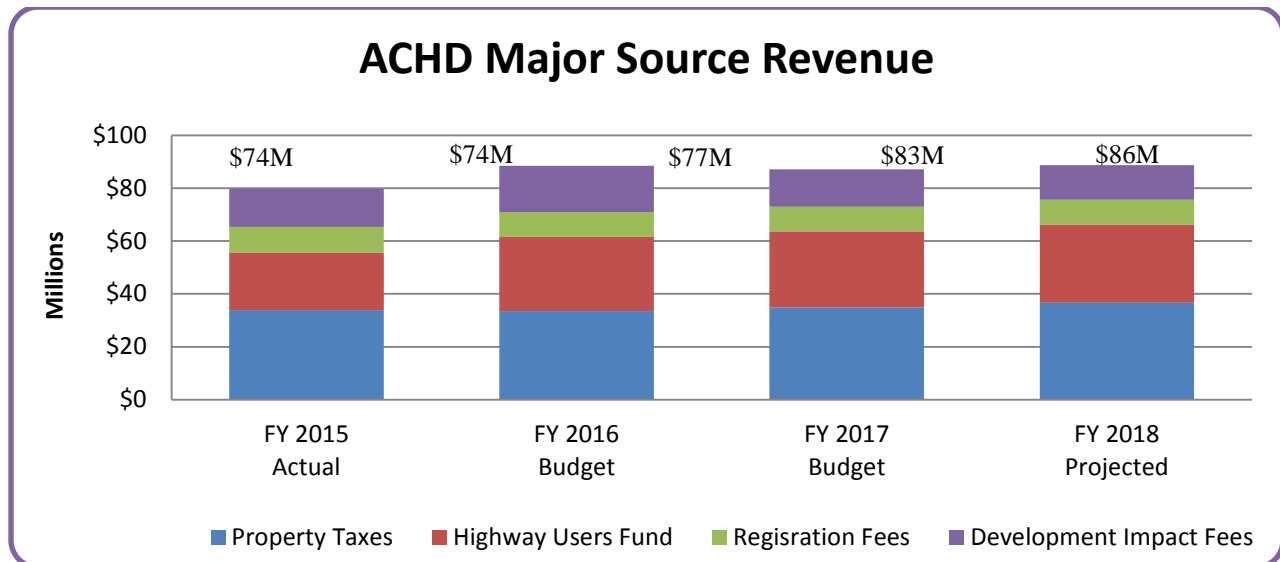


Chart 4

Revenue Descriptions

Property Taxes

Property taxes remain the single largest General Fund revenue of the Highway District. Property taxes are assessed to taxpayers based on “taxable market value” of properties and upon a rate formula prescribed in Idaho Code 63-802. This revenue is limited to a 3 percent increase plus a growth amount for new construction, per year by Idaho Statute. Property taxes are recognized as revenue when the amount of taxes levied is measurable, and tax proceeds are available to finance current period expenditures.

All taxable property in Idaho must be appraised annually to reflect market value. All property is physically inspected every five years and values adjusted accordingly.

ACHD Historical Property Tax Certification					
FY	Tax Certification	Mil Levy Rate	New Construction Roll Value	Taxable Market Value	ACHD Budget
2014	\$ 32,314,123	0.001194139	\$ 482,194,205	\$27,060,608,991	\$ 93,252,000
2015	\$ 33,280,460	0.001083315	\$ 809,254,882	\$30,720,935,294	\$ 96,562,155
2016	\$ 33,280,460	0.001008965	\$ 809,254,882	\$32,984,745,427	\$ 98,229,600
2017	\$ 35,518,535	0.000982336	\$1,227,073,786	\$36,157,229,106	\$103,235,200

Table 4

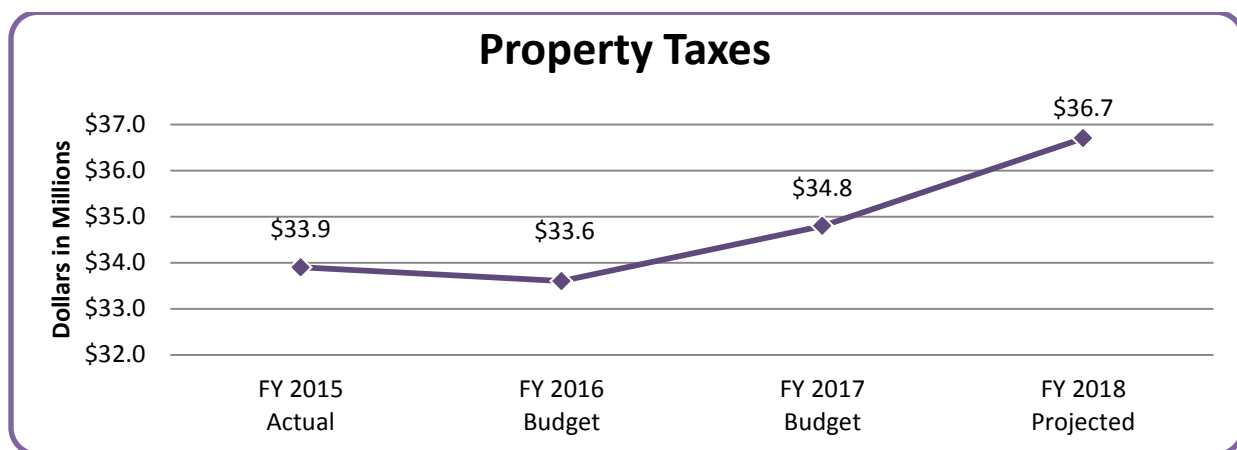


Chart 5

Highway User’s Fund

The Highway User’s Fund (HUF) is limited by Idaho Statute (IC40-701) and is tied directly to gasoline tax and vehicle registration. Idaho charges a fuels tax on various types of motor fuels. “Motor fuels” refers to gasoline, gasohol, special fuels, or any other fuel used to operate motor vehicles, boats, or aircraft. The fuels tax is included in the price paid for delivered fuel or fuel purchased at the pump. The fuels tax collected provides funding for building and maintaining Idaho roads, bridges, and recreational areas.

This revenue source has increased approximately 3 percent over the past five years. It is anticipated to continue increasing at a slower rate over the next few years with fewer vehicles on the road, higher gasoline prices, and vehicles becoming more fuel efficient. Therefore, we are expecting a slight increase in FY2017, with perhaps another slight increase in FY2017 as the economy continues to turns around.

In addition to the continued Highway User’s Fund revenue, in 2015 Idaho Legislature passed House Bill 312 that increased fuel taxes by seven cents. Ada County Highway District is anticipating an additional \$6.4M in revenue for FY17 and forward related to this legislation.

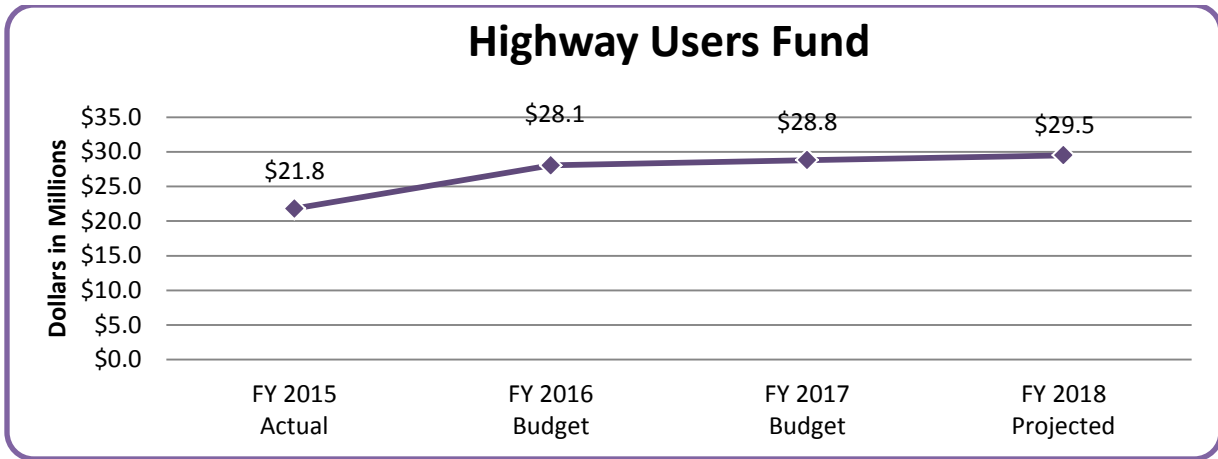


Chart 6

Ada County Vehicle Registration Fees

Registration Fees are collected by Idaho Transportation Department for vehicle registrations within Ada County, Idaho. The revenue from fees in Ada County is then apportioned to various entities with ACHD receiving a statutory (IC40-801) amount. Registration fee revenue is derived from the number of vehicles registered and the age of those vehicles. With the addition of the option to register a vehicle for two years, the amount of the fee might fluctuate more from year to year.

We anticipate a slight increase for our projection for FY2017, as individuals are purchasing newer, more fuel efficient vehicles. As the economy continues to improve, we anticipate another small increase for FY2018.

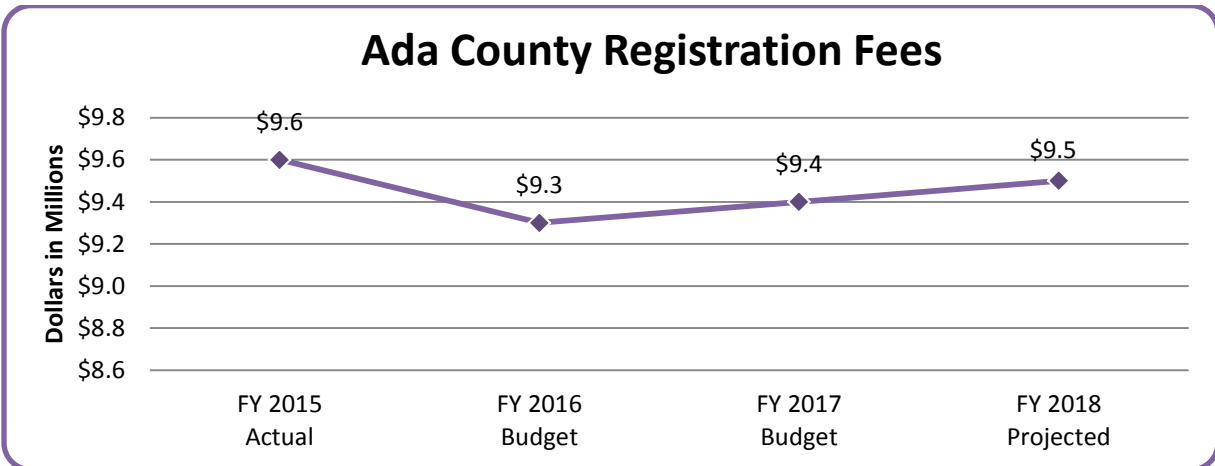


Chart 7

Development Impact Fees

Development Impact Fee revenue is collected from developers to ensure they pay for their proportionate share of system improvement costs associated with development. The District establishes the rates based on the Capital Improvements Plan. This revenue is tied directly to development; therefore, it is not considered a stable income source.

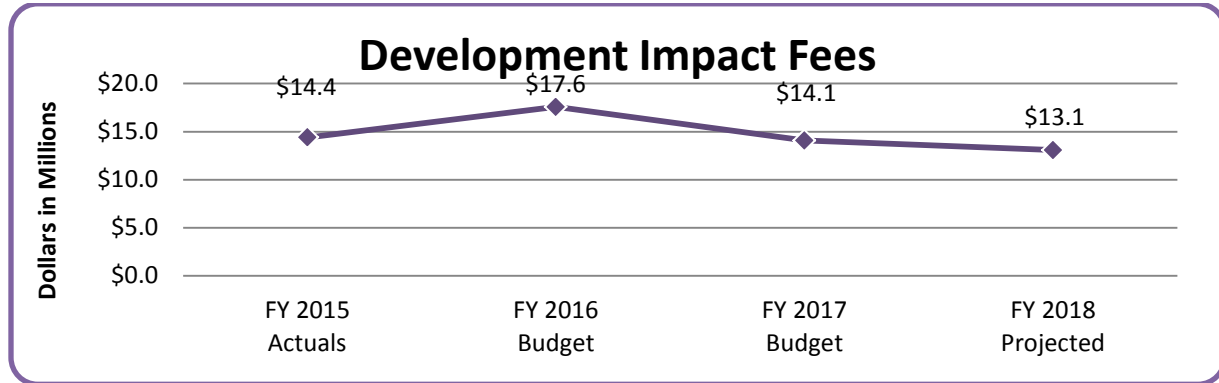


Chart 8

FY2017 Impact Fee Projections (Exhibit A)

The District monitors the Development Impact Fee revenues and expenditures according to State Statute. This table represents the impact fee status and the projected loan balance. Projects may vary and/or eligibility amount may change during the year.

Project Name	Projected Beginning Balance	Projected Collections	Less Corridor Preservation	Estimated Project Costs	Impact Fee Eligible Costs	Ending Balance
	(\$25,148,453)	\$14,000,000	(\$1,571,300)			(\$12,719,753)
213046 Cloverdale Rd, Ustick Rd / McMillan Rd					627,000	(\$13,346,753)
214036 Cole Rd, I-84 / Franklin Rd					199,160	(\$13,545,913)
215014 Linder Rd, Franklin Rd / Pine Ave					316,450	(\$13,862,363)
302044 Maple Grove Rd, Victory Rd / Overland Rd					320,500	(\$14,182,863)
312026 Pine Ave, Meridian Rd / Locust Grove Rd					150,000	(\$14,332,863)
313035 Ustick Rd, Linder Rd / Meridian Rd					1,171,920	(\$15,504,783)
313039 Ustick Rd, Meridian Rd / Locust Grove Rd					1,283,640	(\$16,788,423)
315021 Cole Rd and Franklin Rd					512,320	(\$17,300,743)
316024 Cole Rd and McMullen Rd					156,280	(\$17,457,023)
506002 Cole Rd and Victory Rd					626,400	(\$18,083,423)
511031 Fairview Ave and Cole Rd					1,598,850	(\$19,682,273)
511031 State St and Pierce Park Ln					56,400	(\$19,738,673)
511031 State St and Veterans Memorial Pkwy					1,009,300	(\$20,747,973)
511031 Ustick Rd and Meridian Rd					3,043,200	(\$23,791,173)
512008 Ten Mile Rd and Amity Rd					5,850	(\$23,797,023)
512016 Cole Rd Bridge #281, 1700' S/O Franklin Rd					20,000	(\$23,817,023)
512041 Eagle Rd Bridge #247P, 1/2 mile N/O Amity Rd					307,900	(\$24,124,923)
					Subtotal	\$11,405,170
					10% Tax Credit	1,297,647
Totals	(\$25,148,453)	\$14,000,000	(\$1,571,300)	\$0	\$10,107,523	(\$22,827,276)
					Loan Amount	(\$22,827,276)

Table 5

State Sales Tax

Idaho established a State Sales Tax in 1965 at 3 percent for sale, rental, or lease of tangible personal property and some services. Sales Tax revenue is highly sensitive to economic conditions and reflects the factors that drive taxable sales, consumer confidence, per-capita income, and business investment. In 2006, Idaho increased the sales tax to six cents on each dollar of taxable sales within the State of Idaho.

Cost Sharing

Over the years ACHD has strived to develop cost sharing agreements with other entities on roadway projects. Simultaneously constructing sewer, utilities, and roadways reduces the cost to taxpayers and avoids multiple disruptions of roadways. ACHD’s revenue for cost sharing varies greatly depending on the projects planned, participants, and project phase.

Federal Grants

ACHD applies for federal funding to support the costs of projects that improve and preserve arterial and collector roadways. Meeting Idaho’s increasing transportation needs with limited financial resources is difficult when other government entities are vying for the same funding. ACHD continues to receive a portion of federal funding, because of our fiscal restraint and sound management philosophy. Some construction contract expenditures for federally funded projects are paid by the Idaho Transportation Department (ITD), and are not run through our financial system nor included in our budget. ACHD’s local portion/percentage is paid directly to ITD for federally funded projects. For phases other than construction, or for construction inspection costs, ACHD pays the costs upfront and then is reimbursed through ITD, which is where the federal grant revenue amount in our budget comes from.

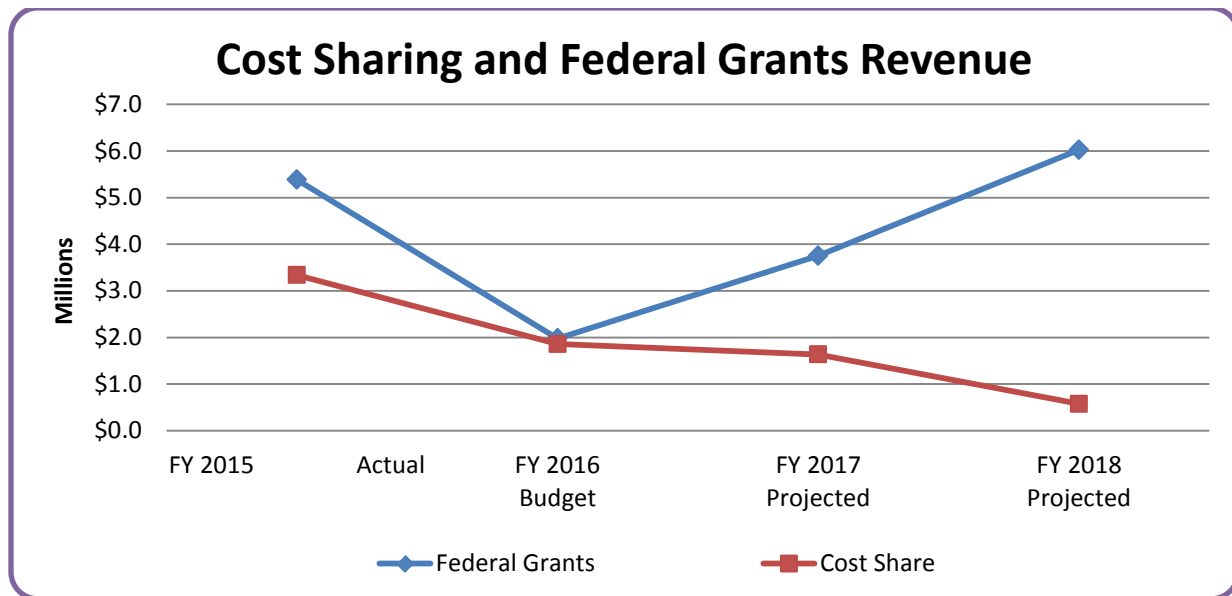


Chart 9

Services & Fees

ACHD charges fees for services provided to the community. These charges are not intended to fund projects, but to offset the cost of providing services such as permit inspections. They are revenue neutral in that expenses equate to the revenue received.

Interest Revenue

Idaho Statute authorizes highway districts to invest in obligations and investments. The interest on those investments is recorded as revenue for the District. Based on economic conditions and interest rates, this amount will vary.

Other Revenue

The District collects a variety of other revenue, not otherwise categorized. Other revenue is typically an estimate of possible miscellaneous funds which could include restitution, personal (vehicles) or real (real estate) property sales, enhanced inspection fees, etc. This amount varies from year to year and normally a rather flat budgetary amount is set for other revenue.

Commuteride

This section is operated and accounted for in similar fashion to a private business in that costs of providing goods and/or services to the general public are financed primarily through user charges. The revenue includes both user charges and federal funding for van acquisition, employer assistance programs, and program administration. FY2017's revenue is projected to be approximately 24 percent lower than the prior year due to a decrease in vans ridership. Staff is continually researching additional funding sources in order to be more self-sufficient.

Carryover Funds

Carryover funds consist of current year cash reserves that will be available for future expenditures. The amount of available cash reserves is determined through analysis of existing cash availability. Current year budgeted funds follow the projects into the next year creating a zero balance for revenue and expenditures for these rescheduled projects.

Revenue Highlights

ACHD has set a revenue projection for FY2017 at \$103.2 million. The revenue will be monitored monthly and adjusted at the two opportunities through-out the fiscal year, should it be necessary.

- Property Tax Certification increased by \$1.2M related to the New Construction Roll that the Commission elected to take.
- Highway Users Fund shows a slight increase over FY16 related to the HB312 affect as well as the increase in travel by the public.
- Ada County Registration Fees – small increase for slight economic improvement, and increase in the registration of new, fuel efficient vehicles
- Development Impact Fees – FY17 will see a decrease from the FY16 budget. There were two large deferred agreements that were collected in FY16 as well as a large number of building permits.

The following charts and graphs provide more detailed information on ACHD's revenues.
ACHD Revenue Sources (General and Enterprise Fund)

ADA COUNTY HIGHWAY DISTRICT				
Revenue Projections				
	2015	2016	2017	2018
Account Description	Actual	Budget	Proposed	Proposed
PROPERTY TAXES	33,865,055	33,555,000	34,795,000	36,675,000
PENALTIES & INTEREST	212,198	200,000	200,000	200,000
HIGHWAY USERS FUND	21,840,105	27,250,000	28,800,000	29,500,000
AG TAX REPLACEMENT	13,554	15,000	15,000	15,000
STATE SALES TAX	1,628,502	1,600,000	1,650,000	1,700,000
FOREST RESERVE	4,069	4,000	4,000	4,000
REGISTRATION FEES	9,644,507	9,300,000	9,400,000	9,500,000
Taxes	67,207,990	71,924,000	74,864,000	77,594,000
RENTAL PROPERTY	162,603	150,000	150,000	150,000
STREET NAME SIGNS	245,135	200,000	202,000	204,000
LICENSE AGREEMENTS	113,006	100,000	100,000	100,000
PLAT REVIEW FEES	105,075	100,000	103,000	106,000
STREET VACATION FEES	237,823	238,000	200,000	200,000
ZONE INSPECTION FEES	707,318	675,000	695,000	716,000
SUB INSPECTION/TESTING FEES	408,373	350,000	361,000	372,000
STREET PLAN & PROFILE	107,328	100,000	103,000	106,000
Services & Fees	2,086,661	1,913,000	1,914,000	1,954,000
INTEREST	36,681	37,000	38,000	39,000
SERVICE REIMBURSEMENT	120,164	100,000	75,000	75,000
MISCELLANEOUS	91,481	116,000	128,000	128,000
EQUIPMENT DISP.	304,518	350,000	350,000	350,000
PROPERTY DISP.	1,191,229	500,000	300,000	300,000
Miscellaneous	1,744,073	1,103,000	891,000	892,000
COST SHARE PAYMENTS	418,901	435,000	425,000	425,000
COST SHARE PAYMENTS - JOBS	2,918,940	823,600	1,210,000	150,000
FEDERAL GRANTS		0	0	0
FEDERAL GRANTS - Jobs	5,385,508	2,915,100	3,753,900	6,027,700
Specific Funding	8,723,349	4,173,700	5,388,900	6,602,700
IMPACT FEES	14,277,067	13,675,000	14,000,000	13,000,000
EXTROADINARY IF	114,540	75,000	75,000	75,000
Impact Fees	14,391,607	13,750,000	14,075,000	13,075,000
Projected Revenue	94,153,680	92,863,700	97,132,900	100,117,700
Carryover Funds		1,380,000	1,313,800	
Rescheduled Projects		2,082,500	2,333,500	
Notes Payable				
Encumbrances		1,326,000		
Cash in Bank	0	4,788,500	3,647,300	0
Enterprise Fund (Commuteride)	2,381,018	3,337,600	2,455,000	3,145,000
Total Revenue	96,534,698	100,989,800	103,235,200	103,262,700

Table 6

Summary Revenue

ACHD's revenue is summarized below.

Ada County Highway District	FY 2015	FY2016	FY2017	FY2018
	Actual	Budget	Proposed	Proposed
Revenues				
Property Taxes	33,865,055	33,555,000	34,795,000	36,675,000
State Highway Users Fund	21,840,105	22,550,000	22,400,000	23,100,000
House Bill 312		5,500,000	6,400,000	6,400,000
Ada County Registration Fees	9,644,507	9,300,000	9,400,000	9,500,000
Impact Fees	14,391,607	17,575,000	14,075,000	13,075,000
Federal & State Grants	5,385,508	1,980,000	3,753,900	6,027,700
Cost Sharing Payments	418,901	687,100	425,000	425,000
Cost Sharing Payments- Jobs	2,918,940	1,171,700	1,210,000	150,000
State Sales Tax	1,628,502	1,800,000	1,650,000	1,700,000
Fees and Services	2,086,661	2,188,000	1,914,000	1,954,000
Other	1,973,894	3,099,300	1,110,000	1,111,000
Subtotal	94,153,680	99,406,100	97,132,900	100,117,700
Commuteride	2,381,018	3,247,900	2,455,000	3,145,000
Carryover/Other Funds		1,380,000	1,313,800	
Rescheduled Projects		2,082,500	2,333,500	
Total Revenue	96,534,698	106,116,500	103,235,200	103,262,700

Table 7

This chart shows ACHD's FY207 revenue sources with budget amounts as a percentage of the total revenue budget.

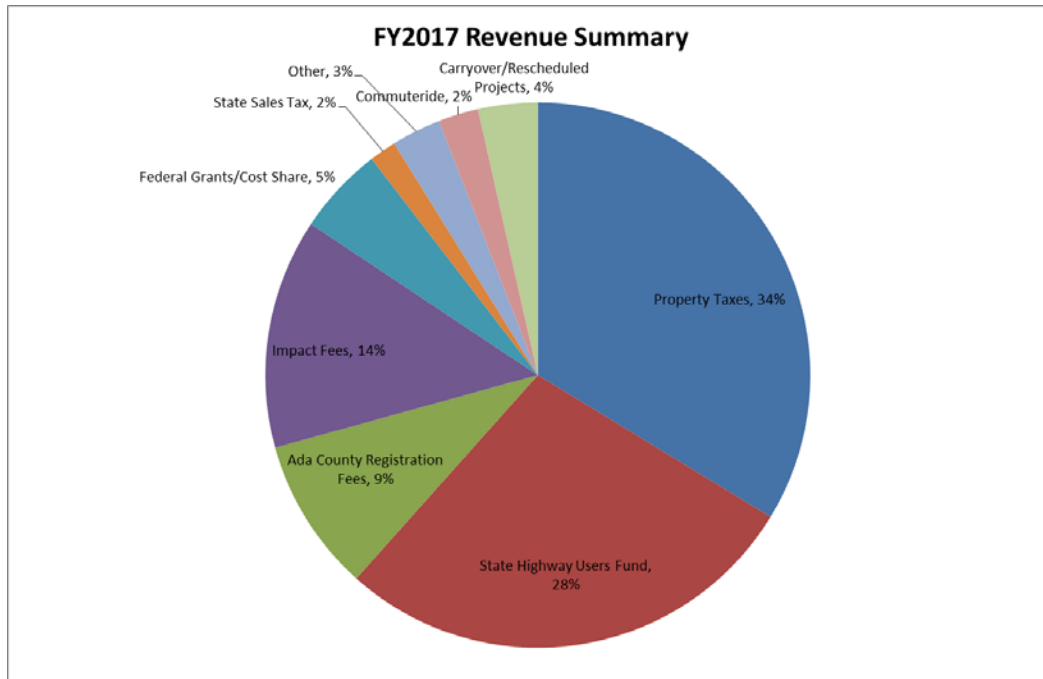


Chart 10

Expenditures

Organization

ACHD's budget is designed so all expenditures are aligned to meet with anticipated revenue, thereby eliminating the need for bonds to finance capital projects. ACHD only incurs leases for our maintenance equipment (i.e. sweepers, loaders, etc.). Expenditures are divided into two parts: Operational Budget and Capital Budget. The Operational budget includes labor costs and day-to-day maintenance, programs, and services. The Capital Budget is for ACHD's infrastructure system. More detailed information is located in the Capital section.

Economic Issues

The FY2017 budget was based on the general economic assumption that Ada County would experience minimal growth.

Adjustments

Deputies and managers review the budget monthly and request adjustments twice per year. These requests for adjustments are compiled, reviewed, and prioritized for management review and funded accordingly as revenues permit, and presented to the Commission for approval.

Operational Budget

The District uses line item budgeting for the Operational budget. ACHD's Operational budget includes labor, materials, supplies, and equipment needed to maintain the roadways such as chip sealing materials, street sweeping, and construction inspection and administration operations. Specific line items are tracked as inventory and/or fixed assets, i.e. buildings. The Operational budget is organized as follows:

Categories

Labor
Buildings & Grounds
Insurances & Bonds
Equipment
Materials & Supplies
Contracts
Operational Overhead

Divisions/Departments

Commission
Director
Administration
Legal
Human Resources
Communications
Commuteride
Planning & Project Management Division
Maintenance Division
Engineering Division

Budget Highlights

The Operational budget is 5.2 percent greater than prior fiscal year. This increase is related to an increase in Maintenance related activities.

Operational Categories

The Operational categories were created in order to lump like items together to get a better idea of the expenditures for each category.

- Labor – includes all personnel salary (\$17.1M), insurances (\$6.1M), taxes, retirement, as well as temporary and overtime staffing needs.
- Buildings & Grounds – contains all expenses related to maintaining our facilities
- Insurances & Bonds – District required insurances
- Equipment – all capital assets with the exception of infrastructure (Infrastructure is classified as Capital)
- Materials & Supplies – includes all materials and supplies that are needed for roadway maintenance and office support
- Contracts – external contracts to consultants/contractors for professional, contractual, and/or other services
- Operational Overhead – items not otherwise categorized

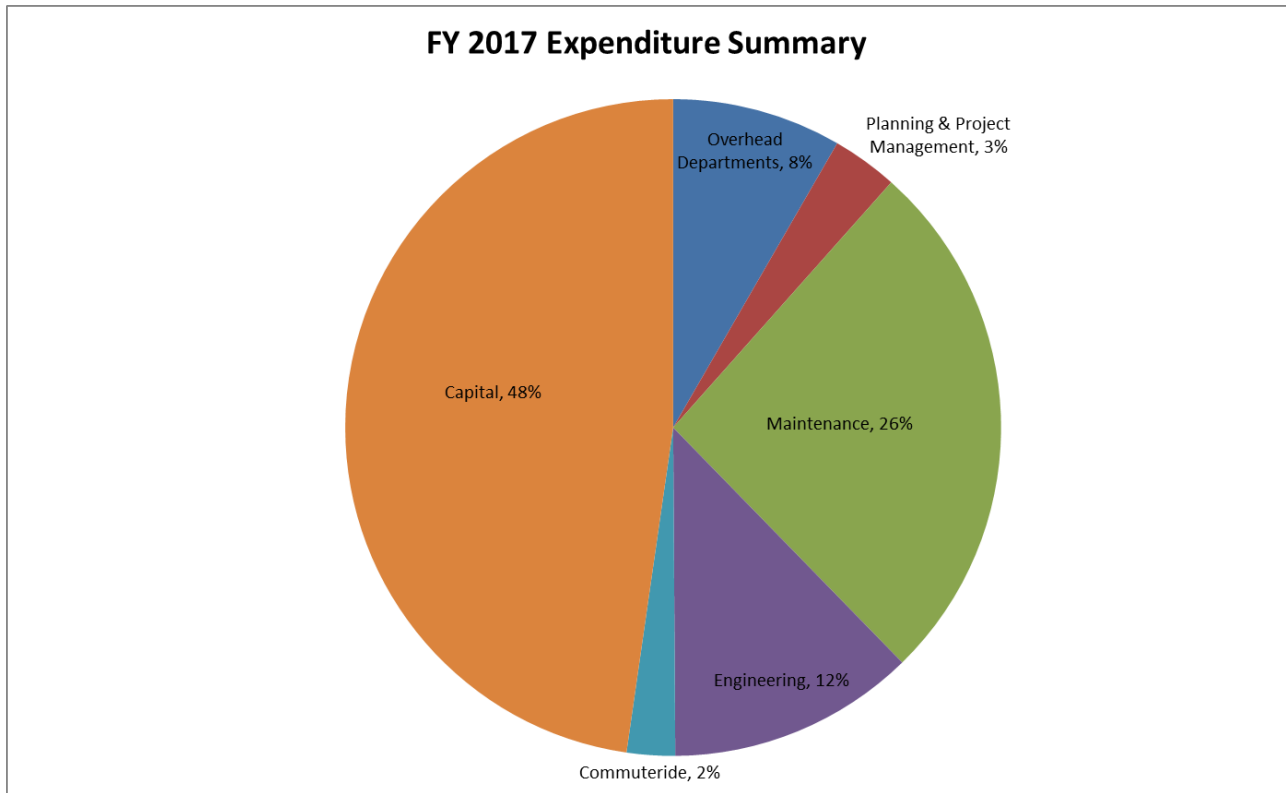


Chart 11

Budget Distribution by Category

	FY 2015	FY 2016	FY 2017		FY 2018	
	Actuals	Budget	Projected	% of Total Budget	Projected	% of Total Budget
Labor	25,288,919	27,173,500	28,046,700	27%	29,578,400	29%
Operational	26,622,875	24,920,700	23,465,200	23%	22,560,900	22%
Capital	45,927,491	46,497,100	48,854,500	48%	47,978,400	46%
Commuteride	2,381,018	3,247,900	2,455,000	2%	3,145,000	3%
Total Budget	100,220,303	101,839,200	102,821,400		103,262,700	
Operational						
Capital				% of Capital Budget		% of Capital Budget
Roadways	14,465,490	11,686,750	7,821,200	16%	5,891,000	12%
Concept Design	135,083	133,000	72,000	0%	8,000	0%
Intersections	7,193,620	8,837,650	12,824,200	26%	11,069,400	23%
Bridges	1,150,268	1,851,250	2,826,300	6%	2,910,500	6%
Traffic	412,632	757,000	1,184,700	2%	1,361,000	3%
Maintenance	11,532,515	8,690,400	11,292,000	23%	15,486,000	32%
Cooperative/Development	2,828,155	4,347,900	2,071,300	4%	3,029,900	6%
Community Programs	5,873,756	7,660,900	9,562,800	19%	8,022,600	17%
Miscellaneous	2,335,972	-	200,000	0%	200,000	0%
Facilities	-	-	1,413,800	3%	-	0%
Total Capital Projects	45,927,491	43,964,850	49,268,300		47,978,400	

Table 8

Personnel (Labor)

The Commissioners must continually weigh the cost/benefit analysis of adding new positions as labor and fringe benefit costs continue to increase. The Commission determines the full-time equivalent (FTE) allocation each year. As positions become available, the Executive Team reviews the top priority positions and determines if the position should be filled, if there should be a lateral move of the FTE, or an elimination of the position altogether. Human Resources works carefully to manage positions as experienced employees retire, economic conditions slow down, and budget constraints affect workforce management. The District also uses temporaries in a position of seasonal, intermittent, sporadic or short-term employment to meet specific periods of peak workload for short durations.

Tracking for Success

The District is committed to continually improving its services for the community. We also have a strong commitment to customer service which is seen in our efforts to offer workshops and develop more opportunities for public feedback.

Service Standard

ACHD customers are the people and organizations that use, pay for, or are affected by roadways and related services within ACHD's scope of responsibility. Our service philosophy is:

- Good service is a combination of courtesy, creativity and flexibility. In all of our dealings with others, we will endeavor to be polite and respectful, to look beyond policy and standard practice (if appropriate) and to approach issues with an open mind.
- Good service is not an automatic yes or rubber stamp; however, we must try to accommodate requests within the bounds of law and policy, public safety and common sense. When we say “no”, we must say it with a sufficient explanation and justification to allow the customer to know their request was comprehensively and fairly evaluated.

Service Principles

ACHD Service Standards serve as a blueprint for how District employees will relate and communicate with the public, co-workers and employees of other units of government. The following are ACHD’s Service Principles:

- **Smile**– when talking, it puts others at ease and comes through your voice.
- **Escort**– people through the District whether physically, on a map or over the phone. When possible, physically and figuratively walk them through the process.
- **Respect**– customers, callers and co-workers; treat them the way in which you’d like to be treated.
- **Voice**– your thanks and encouragement for a job well done; we all support one another.
- **Involve**– yourself in issues brought to you by customers and co-workers; inattention and indifference can create lasting negative feedback.
- **Call**– back within one day; if put on voice mail, leave your name and telephone number.
- **Educate**– customers on what they need to know to get the information/answer they desire.

ACHD Organizational Chart

This organizational chart shows the main divisions and departments. For more detailed information, refer to each separate division.

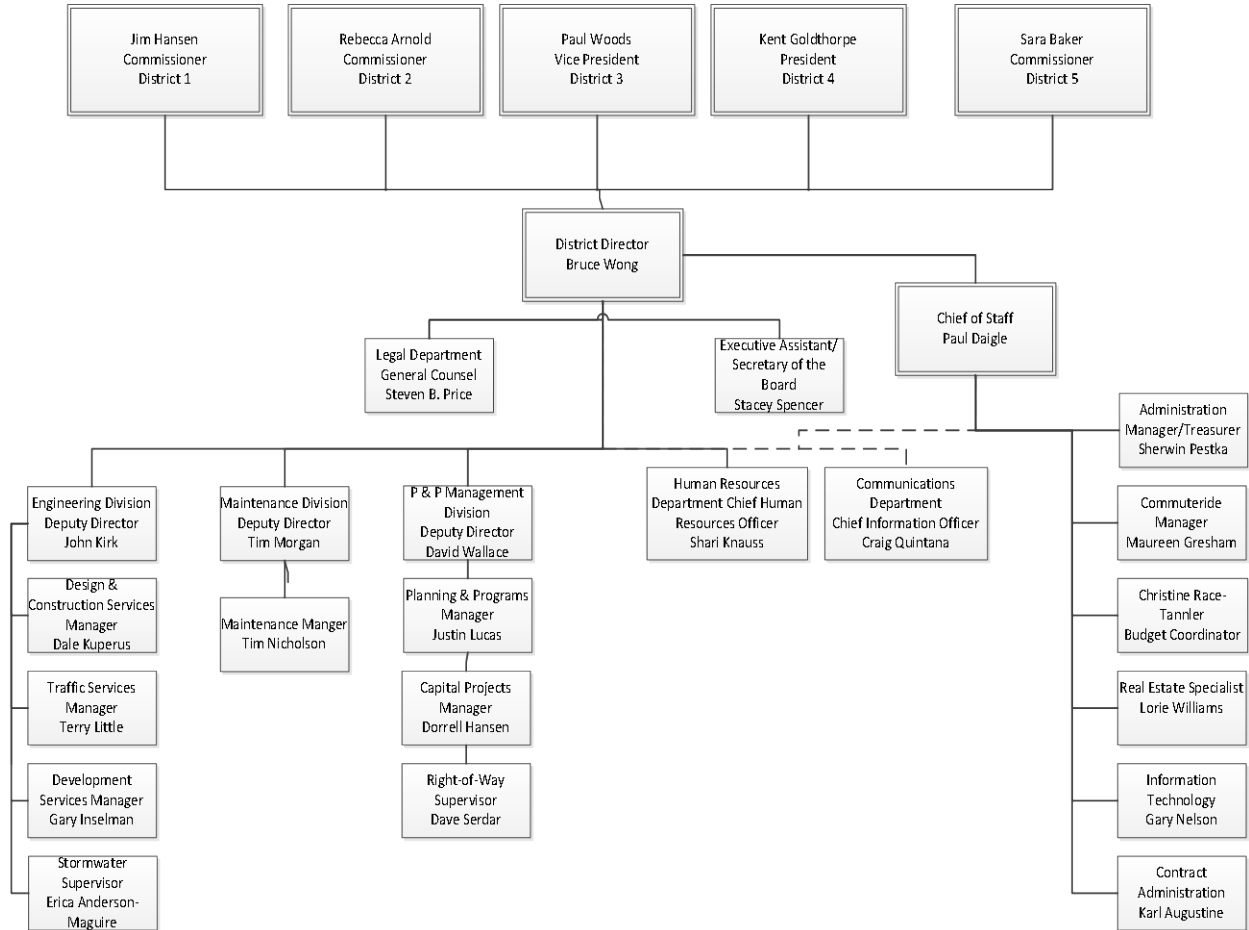


Figure 6

ACHD Staffing Status

The budgeted personnel positions are shown here by Fiscal Year.

Note: FTE positions may fluctuate throughout the year as workload needs vary.

ACHD Staffing Status					
Budget					
Division		FY 2015	FY 2016	FY 2017	FY 2018
Administration					
		54	54	53	53
1075	Director	3	3	2	2
1150	Administration	28	28	28	28
1160	Legal	4	4	4	4
1200	Human Resources	6	6	6	6
1400	Communications	5	5	5	5
7000	Commuteride	8	8	8	8
Planning & Projects					
		31	31	31	30
1170	Administration	2	2	2	2
1180	Planning	8	8	8	8
1195	Capital Projects	14	14	14	14
5320	Right-of-Way	7	7	7	6
Maintenance					
		125	130	131	131
4300	Administration	7	7	8	8
4350	Equipment Services	11	11	11	11
4351	Adams	54	54	54	54
4352	Cloverdale	53	58	58	58
Engineering					
		111.5	111.5	110.5	110.5
2310	Design Services	14	14	14	14
2312	Stormwater	7	7	7	7
2315	Construction Services	15	15	15	15
3341	Traffic Operations	29	29	29	29
3342	Traffic Engineering	18.5	18.5	18.5	18.5
5345	Development Review	28	28	27	27
Total Staff Positions					
		321.5	326.5	325.5	324.5
1050	Commission	5	5	5	5
Total for District					
		326.5	331.5	330.5	329.5

Table 9

Full-Time Equivalent (FTE) Positions

The Commission has authorized 330.5 FTE's positions for FY2017. This chart shows the FTE positions allocated by division.

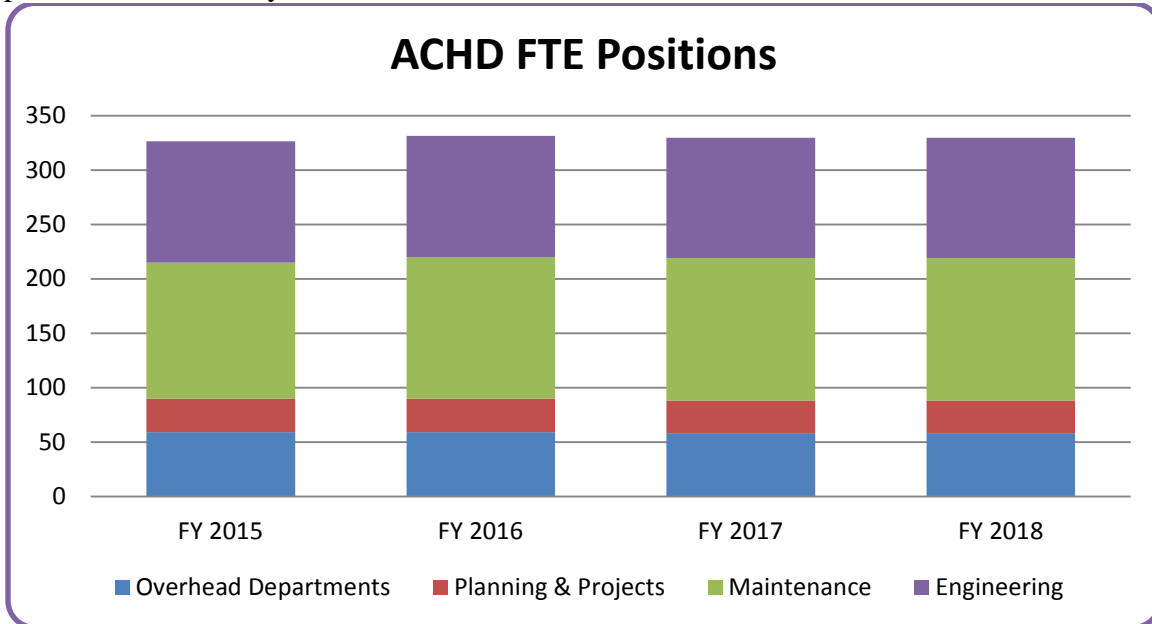


Chart 12

Personnel Allocation Charts

This chart provides the visual breakdown of the FTE positions by Division for FY2017.

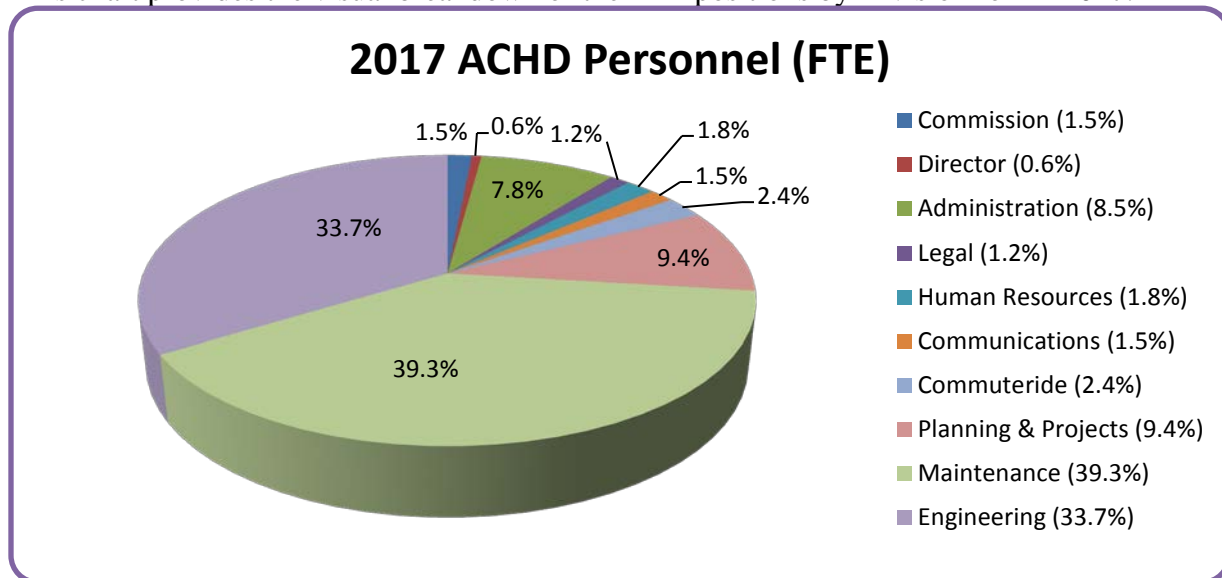


Chart 13

Human Resource Impacts

Labor costs for FY2017 have increased 3.2 percent from FY2016 – a total of 27 percent of the entire budget. Factors driving the personnel budget are listed below.

- Staffing Positions - The District has budgeted no increase in positions from FY16.
- Temporary Staffing - Temporary expenses are slated to decrease slightly over FY2016. The majority of the temporaries are utilized for Chip Seal area that the Maintenance and Traffic departments will be doing in FY2017.
- Salary & Merit - All employees are eligible for a pay-for-performance salary adjustment. This adjustment is based on evaluations.
- Overtime – Every effort is made to keep overtime at a minimum level and is limited to District critical events. Alternative schedules are utilized to help decrease the need for overtime.
- Economic Adjustments – Fringe benefits are adjusted for all employees annually. Insurances are evaluated and adjusted to market conditions. This year the medical insurance saw approximately a 8.6 percent increase.

Buildings & Grounds

The Buildings & Grounds Budget is intended for maintenance of the District's facilities. The District maintains five facility locations: Administration, Commuteride, Adams, Cloverdale, and White Pit buildings to house materials, equipment and personnel. This category includes lawn maintenance, building improvements, storage tanks for materials and any other improvements to our buildings.

Insurance & Bonds

The District maintains a full range of insurance services such as property liability insurance, and bonds if necessary. The insurance is necessary for loss control prevention, risk management, claims and other coverage necessary in ACHD's line of business.

Equipment

The District has both routine and capital expenditures for equipment.

- Routine - These expenditures are for small equipment, office furniture and recurring expenses such as printers.
- Capital Expenditures - These include expenditures for large equipment purchases. Examples would be vehicles, dump trucks and specialty construction equipment (chip spreaders).

Currently, routine expenditures are small enough that there is little effect to the overall budget. However, the non-routine capital expenditures have become quite expensive as equipment costs increase. As our focus shifts from expanding our roadway system to maintaining our current roadway system, it will be necessary to increase staffing and capital outlay expenditures. The District continually reviews whether it is more cost effective to purchase specialty equipment or lease it.

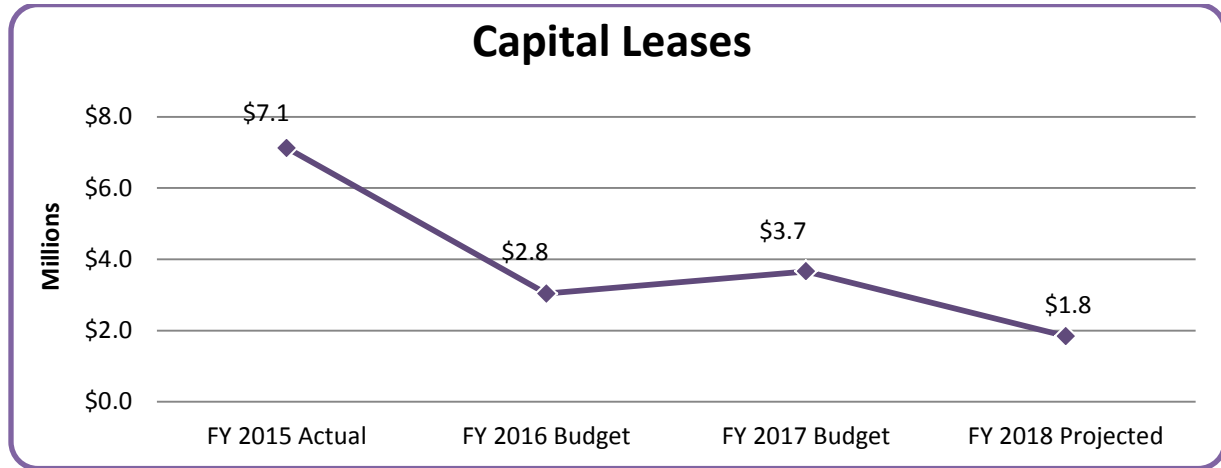


Chart 14

ACHD’s equipment capital outlay is summarized below:

	Equipment Capital Outlay	FY2015 Actual	FY2016 Budget	FY2017 Budget	FY2018 Projected
640	Office Equipment	\$ 131,229	\$ 148,000	\$ 415,000	\$ 183,000
650	Maintenance Equipment	681,225	448,200	342,000	265,000
670	Mobile Equipment	6,311,249	2,419,000	2,905,200	1,394,800
690	Radio Equipment	-	20,000	-	-
	Total Capital Outlay	\$ 7,123,703	\$ 3,035,200	\$ 3,662,200	\$ 1,842,800

Table 10

Stormwater Costs

The District is required to be permit holders for stormwater infrastructure, therefore, must continue to adapt and implement requirements handed down by the EPA. The NPDES (National Pollutant Discharge Elimination System) regulations are unfunded mandates that ACHD must comply with. Below is a chart of the anticipated *additional* costs the district must fund.

Stormwater NPDES Permit Costs			
Department/Section	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017-forward</i>
	<i>Budget</i>	<i>Budget</i>	<i>Projected</i>
Maintenance Department			
Storm Drain System Cleaning			
Staff		350,000	350,000
Equipment & Materials		873,725	50,000
Contracts		0	0
<i>Storm Drain Cleaning Totals</i>	0	1,223,725	400,000
Street Sweeping			
Staff	475,000	475,000	475,000
Equipment & Materials	478,480	478,480	478,480
Contracts	1,050	1,050	1,050
<i>Street Sweeping Totals</i>	954,530	954,530	954,530
Pond Maintenance			
Maintenance & Operations Totals	954,530	2,178,255	1,354,530
Capital Projects			
GSI Pilot Design & Construction	87,000		
Capital Project Total			
Total	\$ 954,530	\$ 2,178,255	\$ 1,354,530

Table 11

Materials & Supplies

The District, specifically the Maintenance and Traffic departments, purchase inventory materials to maintain stock on hand for roadway repairs and signal upgrades/repairs. This benefits both the developers and community in that we can expedite maintenance on our infrastructure with minimal disruption to service. Supplies are necessary for day-to-day functions of the District such as tools, paint, and paper products.

Contracts

There are several times when it is not feasible, legal, and/or economical for the District to provide maintenance or services, so we contract out for these services. For example, to satisfy statutory requirements, ACHD contracts auditing services with a firm that specializes in that area. Contracts are also arranged for professional design and construction services on specific capital projects. The amount ACHD expends in local contracts greatly benefits the economy.

Operational Overhead

Operational overhead includes several items that are not otherwise categorized such as safety equipment. The large overhead items (advertising, utilities and printing/postage) are listed separately for comparative analysis purposes.

Operational Divisions

The Operational budget is organized into divisions and departments. There are three divisions, they are: Planning & Project Management, Maintenance, and Engineering.

Planning & Project Management division handles the planning and programming processes related to projects. Maintenance handles the maintenance of the roadway system. The Engineering division includes all engineering, development, and traffic services.

Commission, Director, Administration, Legal, Human Resources, Communications, and Commuteride departments are not listed under a division; they are listed separately in the organizational structure based on their unique functions and reporting authority.

Division deputies and department managers are held accountable for spending 100 percent of their operational budgets to meet the Director's goals. Specific information about each division/department is located in their respective budget sections below.

Budget Distribution by Divisions

Division	FY 2015	FY 2016	FY 2017		FY 2018	
Department	Actual	Budget	Budget	% Inc / Dec	Proposed	% Inc / Dec
Commission	\$ 207,513	\$ 224,000	\$ 233,300	3.99%	\$ 247,700	5.81%
Director	\$ 656,514	\$ 654,100	\$ 652,100	-0.31%	\$ 667,100	2.25%
Administration	\$ 4,083,256	\$ 4,756,200	\$ 5,187,800	8.32%	\$ 5,167,300	-0.40%
Legal	\$ 747,270	\$ 911,900	\$ 914,000	0.23%	\$ 943,050	3.08%
Human Resource	\$ 846,225	\$ 911,300	\$ 944,550	3.52%	\$ 975,600	3.18%
Communications	\$ 592,216	\$ 691,100	\$ 678,100	-1.92%	\$ 711,500	4.69%
Commuteride	\$ 2,446,435	\$ 3,247,900	\$ 2,455,000	-32.30%	\$ 3,145,000	21.94%
Subtotal	9,579,429	11,396,500	11,064,850	-3.00%	11,857,250	6.68%
Planning & Project Management						
P & P Admin	209,031	226,500	241,700	6.29%	253,200	4.54%
Planning	1,191,460	1,055,600	1,138,450	7.28%	1,346,500	15.45%
Projects	1,278,411	1,460,200	1,413,850	-3.28%	1,422,850	0.63%
Right-of-Way	553,842	592,400	611,800	3.17%	577,700	-5.90%
Subtotal	3,232,744	3,334,700	3,405,800	2.09%	3,600,250	5.40%
Maintenance						
Maint Admin	1,747,818	2,258,400	2,749,800	17.87%	2,471,000	-11.28%
Equip Services	10,439,581	7,030,600	7,385,400	4.80%	5,830,000	-26.68%
Adams	8,723,922	8,668,800	9,347,900	7.26%	9,694,300	3.57%
Cloverdale	6,272,267	7,254,100	7,411,900	2.13%	7,799,400	4.97%
Subtotal	27,183,588	25,211,900	26,895,000	6.26%	25,794,700	-4.27%
Engineering						
Design	1,326,554	1,349,800	1,516,000	10.96%	1,489,000	-1.81%
Stormwater	943,863	1,029,100	995,700	-3.35%	1,037,400	4.02%
Construction	1,283,692	1,341,000	1,421,100	5.64%	1,492,500	4.78%
Traffic Ops	4,015,052	4,028,900	4,139,800	2.68%	4,291,500	3.53%
Traffic Eng	1,923,607	2,083,400	2,091,650	0.39%	2,159,550	3.14%
Planning Review	-	-	-		-	
Dev Review	2,304,248	2,450,600	2,437,000	-0.56%	2,562,150	4.88%
Subtotal	11,797,016	12,282,800	12,601,250	2.53%	13,032,100	3.31%
Operational Subtotal	51,792,777	52,225,900	53,966,900	3.23%	54,284,300	0.58%
Capital Project Subtotal	45,927,491	44,989,350	49,268,300	8.68%	47,978,400	-2.69%
Future Needs Allocation	2,500,037	-	-		1,000,000	
Total Budget	\$ 100,220,305	\$ 97,215,250	\$ 103,235,200	5.8%	\$ 103,262,700	0.0%

Table 12