

Financial Considerations  
for Contracting Manager  
for FPOA

**Summary:**

To meet the town's yearly expenses, assessments and Reserve Study Funding, monthly fees would need to increase \$14.29 per household each month for \$600/mo. manager or total monthly fee of \$149.30.

For a manager costing \$700/ month, the monthly increase per household would be \$16.67 or monthly fee of \$151.67.

## Floriston Manager's Duties

### Monthly Time Estimates

(from Rick Gardner~ prev. Manager/ Time needed estimated by Treasurer)

1 <sup>st</sup> of every month	1.0 hr	(1.0 Treasurer)
1. Print AR summary		
2. Enter late fees		
3. Print invoices		
4. Mail invoices with return envelopes		
5. Bill AT&T		
10 <sup>th</sup> of the month	1.5hr	(1.5 Treasurer)
Download bank statements		
1. Reconcile accounts		
2. Enter invoices to be paid		
3. Scan invoices & e-mail to Treasurer		
4. Print checks		
5. Send checks to Treasurer		
6. Print Detailed P&L		
7. Email detailed P&L to Treasurer		
25 <sup>th</sup> of the month	1.0 hr	(1.0 Treasurer)
1. Enter invoices to be paid		
2. Scan invoices & e-mail to Treasurer (or Board Member)		
3. Print checks		
4. Send checks to Treasurer		
Before a meeting	1.5 hrs	(1.0 President) (.5 Treasurer)
1. Draft agenda		
2. Send agenda to Board for amendments/approval		
3. Finalize agenda		
4. Print financials		
5. Board packet to Board		
1 <sup>st</sup> of every quarter		
1. Add boil water notice to invoices		
2. Fax boil water confirmation to Nevada County		
Take notes for monthly meeting/creating minutes	4.0 hrs	(1.5 hrs Secretary)

**Manager Total time 8.5 hrs**

**VS**

### Board Member's Time Commitment Outside Meetings

<b>President</b>	<b>1 hr</b>
<b>Secretary</b>	<b>1.5 hrs</b>
<b>Treasurer</b>	<b>4 hrs</b>

## Operating Budget to Meet 29 year Plan

### Income 2015

Membership Income	\$68,580.00
A/R	\$ 3,000.00
AT&T	\$12,000.00
Cell Tower Elec	\$ 6,594.00

Total Income                      \$90,174.00   / 43 Memberships=                      \$174.76

42 Membership      pays \$1620.00/ year  
1 Membership      pays \$ 540.00/year (1/3 fees)

	Annual	42 1/3M/mo	43M/Mo
<u>Administration Costs</u>	\$25,000.00	\$49.22	\$48.45

### Water Treatment Plant

Operation and Maintenance cost	\$25,000.00	\$49.22	
Reserve	\$ 9,652.00	\$19.00	
Assessment:40% USDA Loan(ends 2037)	\$ 5,435.00	\$10.70	
Total	\$40,087.00	\$78.92	\$77.69

### Sewer

Operation and Maintenance cost	\$2,000.00	\$ 3.94	
Reserve	\$1,875.00	\$ 3.69	
Assessment : 60% USDA Loan (ends 2037)	\$8,153.00	\$16.05	
Total	\$12,028.00	\$23.68	\$23.31

### Roads

Yearly Repair and Maintenance	\$1,000.00	\$ 1.97	
Snow Plowing	\$9,000.00	\$17.72	
Reserve Account	\$6,200.00	\$12.21	
Total	\$ 16,200.00	\$31.90	\$31.40

<b>Totals</b>	<b>\$93,315.00</b>	<b>\$183.72*</b>	<b>\$180.85*</b>
<b>(*Minus Extra Income Above)</b>			

Total Income	\$90,174.00		
Budget	\$93,315.00		
Deficit per year	-\$3,141.00		
Deficit per Membership		\$6.18/mo	\$6.09/mo

### **Yearly Reserve Expenses for Next 29 years\***

<b><u>Roads</u></b>	<b><u>Needed</u></b>	<b><u>Cost</u></b>	<b><u>Reserve Needed</u></b>
Overlay (every 15 years)	NOW	\$25K	\$3400
Slurry (every 10 yrs)	NOW	\$20-28K	\$2800
<b>Total Yearly contribution</b>			<b>\$6200</b>

<b><u>Water</u></b>	<b><u>Needed</u></b>	<b><u>Cost</u></b>	<b><u>Reserve Needed</u></b>
Fire Hydrant Overhaul 12%	3 yrs	\$1,100	\$ 367
Water Return Line-Repl/Repair	5 yrs	\$3,495	\$ 700
Water Tank Cleaned/Inspected	5 yrs	\$2,500	\$ 500
2 Micro Filters Replaced	5 yrs	\$6,600	\$1,320
1 Micro Filter Replaced	6 yrs	\$6,600	\$1,100
Chlorinator and Tank Repl	10 yrs	\$2,800	\$ 280
Water Level Monitor	10 yrs	\$1,350	\$ 135
Sand Filters Repl	15 yrs	\$11,250	\$ 750
Main Distrib Line 4"	18 yrs	\$31,500	\$1,750
<u>Water Operation Controls</u>	20 yrs	\$55,000	\$2,750
<b>Total Yearly contribution</b>			<b>\$9652</b>

<b><u>Sewer</u></b>	<b><u>Needed</u></b>	<b><u>Cost</u></b>	<b><u>Reserve Needed</u></b>
Septic Tank Pumped	5 yrs	\$3,000	\$600
Sewer Lines Rep/Repl	6 yrs	\$5,400	\$900
<u>Leach Field Rep &amp; Main</u>	10 yrs	\$3,750	\$375
<b>Total Yearly contribution</b>			<b>\$1875</b>

**Yearly Reserve Contributions Needed**

**\$17,727**

**\* Not included**

Mailbox Structure (16 yrs)

Street Signs (17 yrs)

Schoolhouse Main. + Foundation \$60-70K

**Water Collection Vault (\$65K) and Water Storage Tank Replacement (\$125K)**  
due in 30+ years can be collected in 14 years following end of USDA Loan in 2037  
(@ \$13,588 year).

## 2015 Expected Administrative Expenses

Equipment Rental	\$1,000
Liability Insurance	\$2,419
Town Events	\$ 500
Licenses and Permits	\$2,400
Legal Fees	\$2,000
Accounting	\$3,665
Filing Fees	\$ 35
Bank Service Chgs	\$ 125
Office Supplies	\$ 100
Postage and Delivery	\$ 500
Printing and Reproduction	\$ 500
Town Equipment	\$1,000
Property Taxes	\$ 775
State Taxes	\$ 20
Gas and Elec	\$5,600
Workman's Comp Insurance	\$1,000
Payroll Taxes	\$2,000
Town Cleanup	\$1,250
Fire Protection	\$ 130
<b>Total Yearly Administrative Costs</b>	<b>\$25,019.00</b>

**Town Manager**  
**\$600/ mo x 12 = \$7200**

**\$7200/ 42= \$14.29 mo.**

Each Household would need to pay an additional \$14.29 month

New statements charges would be \$ 149.29 mo.