

**HIGHLINE WATER DISTRICT
King County, Washington**

RESOLUTION 13-12-4B

RESOLUTION ADOPTING THE 2014 OPERATING BUDGET

WHEREAS, Staff and the Board of Commissioners hold annual workshop meetings to establish a Budget, a Capital Improvement Program and set Goals for the upcoming year; and

WHEREAS, the Highline Water District 2014 Operating Budget and Rate Schedule are necessary to meet operating expenses and maintain service within the Highline Water District, including, but not limited to: 1) payment of debt service for capital projects; 2) manage capital improvement program; 3) continue preventive maintenance programs; 4) meet water conservation and regional planning goals; and 5) maintain prudent reserves; and

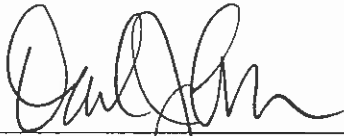
WHEREAS, the Board of Commissioners are satisfied with the 2014 Operating Budget developed by the General Manager and Staff.

NOW, THEREFORE, BE IT RESOLVED:

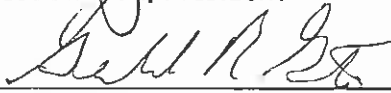
The Board of Commissioners hereby approves the 2014 Operating Budget attached as Exhibit A and incorporated herein by this reference.

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at an open public meeting held this **4th** day of **December 2013**.

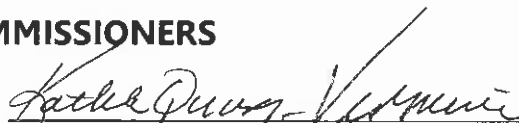
BOARD OF COMMISSIONERS



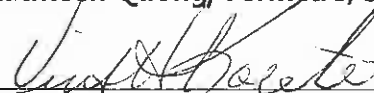
Daniel Johnson, President



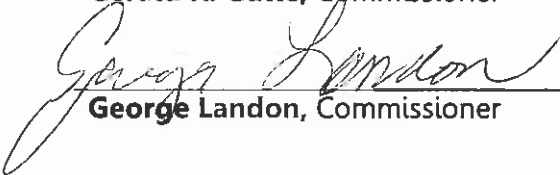
Gerald R. Guite, Commissioner



Kathleen Quong Vermeire, Secretary



Vince Koester, Commissioner



George Landon, Commissioner

*Board of
Commissioners*

Gerald R. Guite

Daniel Johnson

Vince Koester

George Landon

Kathleen Quong-Vermeire

GENERAL MANAGER
Matt Everett

ENGINEERING MANAGER
Jeremy DelMar

ADMINISTRATIVE MANAGER
Debbie Prior

2014
Budget



HIGHLINE WATER DISTRICT
23828 30TH AVE SOUTH
KENT, WA

SERVING THE SW METROPOLITAN AREA SINCE 1946

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HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2014 Budget

	Budget 2014	2015	Projected 2016	2017
SOURCES OF FUNDS				
Rate Revenues				
Residential	\$7,087,497	\$7,285,947	\$7,489,953	\$7,699,672
Commercial	7,631,524	7,845,206	8,064,872	8,290,688
Stand-By Fire Service	199,424	205,008	210,748	216,649
Total Rate Revenues (detail pages 6-7)	\$14,918,445	\$15,336,161	\$15,765,574	\$16,207,010
Other Revenues				
Hydrant Meter Sales	\$30,000	\$30,840	\$31,704	\$32,591
Street Lights - (Puget Sound Energy)	121,278	123,704	126,178	128,701
Wholesale Water Sales	3,000	3,000	3,000	3,000
Discounts and Adjustments	(30,000)	(30,840)	(31,704)	(32,591)
Meter Applications	60,000	61,800	63,654	65,564
Surcharges	20,375	20,375	20,375	20,375
Other Customer Charges (detail page 9)	281,000	289,430	298,113	307,056
Interest Income (maintenance fund)	45,000	45,000	65,000	62,000
Lease Income	165,700	169,000	172,000	177,000
Fees	75,000	75,000	75,000	75,000
Total Other Revenues	\$771,353	\$787,309	\$823,320	\$838,696
Total Sources of Funds	\$15,689,798	\$16,123,470	\$16,588,893	\$17,045,706
APPLICATIONS OF FUNDS				
OPERATION & MAINTENANCE EXPENSES				
Wholesale Water Supply				
Salary & Wages	\$8,951	\$9,220	\$9,496	\$9,781
Retirement	878	904	931	959
Medical, Dental	1,853	1,946	2,043	2,145
Payroll Taxes	962	991	1,021	1,051
Water Purchased - Seattle (detail page 8)	3,738,130	3,962,418	4,041,666	4,122,499
Water Purchased - Other	2,000	2,000	2,000	2,000
Field Services - Water Quality & Sampling (detail page 15)	8,600	8,858	9,124	9,397
Utilities (detail page 28)	80,000	82,400	84,872	87,418
Maintenance (detail page 10)	29,000	29,000	29,000	29,000
Fuel	2,000	2,060	2,122	2,185
Total Supply	\$3,872,374	\$4,099,796	\$4,182,275	\$4,266,437
Pumps, Reservoirs & Telemetry				
Salary & Wages	\$120,487	\$124,102	\$127,825	\$131,659
Retirement	11,820	12,175	12,540	12,916
Medical, Denial	18,907	19,852	20,845	21,887
Payroll Taxes	12,436	12,809	13,193	13,589
Uniforms (detail page 11)	1,260	1,260	1,260	1,260
Maintenance (detail page 10)	45,500	46,865	48,271	49,719
Utilities (detail page 28)	25,500	26,265	27,053	27,865
Telephone (detail page 22)	25,500	26,265	27,053	27,865
Other Outside Services (detail page 26)	5,000	5,150	5,305	5,464
Fuel	6,000	6,180	6,365	6,556
Total Pumps & Wells	\$272,410	\$280,923	\$289,710	\$298,780

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2014 Budget

	Budget		Projected	
	2014	2015	2016	2017
<i>Wells & Water Treatment</i>				
Salary & Wages	\$183,500	\$189,005	\$194,675	\$200,515
Retirement	17,612	18,140	18,685	19,245
Medical, Dental	36,074	37,878	39,772	41,760
Payroll Taxes	19,670	20,260	20,868	21,494
Chemicals	80,000	82,400	84,872	87,418
Field Services - Water Quality & Sampling (detail page 15)	7,183	1,533	0	0
Maintenance (detail page 10)	48,920	50,388	51,899	53,456
Utilities (detail page 28)	263,000	295,310	355,237	365,894
Fuel	2,800	3,214	4,001	4,121
Total Water Treatment	\$658,759	\$698,128	\$770,008	\$793,903
<i>Transmission & Distribution</i>				
Salary & Wages	\$934,594	\$962,632	\$991,511	\$1,021,256
Retirement	91,467	94,211	97,037	99,948
Medical, Dental	213,173	223,832	235,023	246,774
Payroll Taxes	98,052	100,994	104,023	107,144
Uniforms (detail page 11)	7,200	7,200	7,200	7,200
Supplies (detail page 12)	46,500	47,895	49,332	50,812
Materials (detail page 14)	170,000	175,100	180,353	185,764
Field Services (detail page 15)	43,500	44,805	46,149	47,534
Equipment Maintenance (detail page 10)	63,000	64,890	66,837	68,842
Fuel	33,000	33,990	35,010	36,060
Books Manuals	1,500	1,545	1,591	1,639
Travel (detail page 16)	16,000	16,480	16,974	17,484
Registration, Tuition (detail page 16)	12,000	12,360	12,731	13,113
Permits, Inspections, Licenses, Fees (detail page 17)	77,780	80,113	82,517	84,992
Total Transmission & Distribution	\$1,807,766	\$1,866,046	\$1,926,288	\$1,988,562
<i>Customer Accounts</i>				
Salary & Wages	\$481,602	\$496,050	\$510,932	\$526,260
Retirement	46,743	48,145	49,590	51,077
Medical, Dental	126,309	132,624	139,256	146,218
Payroll Taxes	44,295	45,624	46,993	48,402
Uniforms (detail page 11)	1,040	1,040	1,040	1,040
Fuel	12,000	12,360	12,731	13,113
Printing (detail page 18)	44,000	45,320	46,680	48,080
Postage (detail page 19)	64,000	65,920	67,898	69,935
Other Outside Services (detail page 26)	30,500	31,415	32,357	33,328
Commissions	2,500	2,575	2,583	2,590
Total Customer Accounts	\$852,989	\$881,074	\$910,058	\$940,044
Total O&M Expenses Before A&G	\$7,464,298	\$7,825,967	\$8,078,338	\$8,287,726
<i>Administration & General</i>				
Salary & Wages	\$594,946	\$612,794	\$631,178	\$650,114
Retirement	56,524	58,220	59,966	61,765
Medical, Dental	157,338	165,205	173,465	182,138
Payroll Taxes	46,339	44,195	45,521	46,886
Uniforms (detail page 11)	520	1,420	1,420	1,420
Employee Relations (detail page 20)	11,000	11,330	11,670	12,020

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2014 Budget

	Budget		Projected	
	2014	2015	2016	2017
Street Light Cost (Puget Sound Energy)	109,000	112,270	115,638	119,107
Fuel	2,500	2,575	2,652	2,732
Postage (detail page 19)	8,800	9,064	9,336	9,616
Dues & Subscriptions (detail page 21)	28,245	29,092	29,965	30,864
Community Relations & Conservation (detail page 13)	2,200	2,266	2,334	2,404
Supplies (detail page 12)	39,000	40,170	41,375	42,616
Printing (detail page 18)	13,500	13,905	14,322	14,752
Telephone (detail page 22)	30,520	31,436	32,379	33,350
Answering Service	2,500	2,575	2,652	2,732
Hardware/Software/Internet (detail page 23)	154,980	159,629	164,418	169,351
Legal Fees (detail page 24)	65,000	66,950	68,959	71,027
Auditing and Accounting Fees	20,000	20,600	21,218	21,855
Engineering Services (detail page 25)	65,000	66,950	68,959	71,027
Other Outside Services (detail page 26)	115,150	90,000	92,700	95,481
Insurance Expense	125,000	128,750	132,613	136,591
Damages	45,000	45,000	45,000	45,000
Office Equipment (detail page 27)	6,940	7,148	7,363	7,584
Communications	10,500	10,815	11,139	11,474
Utilities (detail page 28)	49,500	50,985	52,515	54,090
Building Maintenance (detail page 10)	53,900	55,517	57,183	58,898
Travel (detail page 16)	26,000	26,780	27,583	28,411
Registration, Tuition (detail page 16)	16,000	16,480	16,974	17,484
Permits, Licenses, Fees, Miscellaneous (detail page 17)	73,390	75,592	77,859	80,195
Books, Manuals, etc.	1,000	1,030	1,061	1,093
Election Costs	0	70,000	0	40,000
B&O Tax	768,633	789,927	812,170	834,647
Total Administration & General	\$2,698,925	\$2,818,670	\$2,831,588	\$2,956,723
Total Operation & Maintenance Expense	\$10,163,223	\$10,644,637	\$10,909,926	\$11,244,449
CAPITAL PROJECTS				
11-3 Des Moines Gateway - (24th Ave S) Segment 1	\$622,492	\$0	\$0	\$0
12-1 Military Road Water Main Replacement	1,223,174	-	-	-
13-1A Angle Lake Water Main Replacement	1,520,350	1,214,500	-	-
13-1B Angle Lake at Military Rd Water Main Replacement	1,023,362	-	-	-
13-2 DM Trmt Plant Onsite Hypochlorite Generation Project	329,650	-	-	-
13-3 City of Seatac 24th/28th Ave S Extension (S 200th St to S 208th St)	50,000	350,000	-	-
13-5 S 179th St Water Main Replacement	528,192	-	-	-
14-1 2015 Comprehensive Water System Plan Update	150,000	100,000	-	-
14-2 560 Zone (LUD) South Supply	-	100,000	500,000	-
14-3 2015 AC Water Main Replacement	-	2,000,000	900,000	-
15-1 Tyee Well Rehabilitation Project	30,000	250,000	-	-
16-1 Emergency Power-Angle Lake Well & DM Treatment Plant	-	-	100,000	500,000
16-2 2016 Water Main Replacement Project	-	50,000	2,500,000	-
17-2 2017 Water Main Replacement Project	-	-	-	3,500,000
Small Works/Emergency Projects	350,000	350,000	375,000	375,000
Mitigation Improvements	25,000	25,000	30,000	30,000
Meters/Hydrants/Services	425,000	500,000	550,000	600,000
Capital Asset Purchases (detail page 29)	219,165	220,000	225,000	230,000
Total Capital Additions	\$6,496,385	\$5,159,500	\$5,180,000	\$5,235,000

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2014 Budget

	Budget	Projected		
	2014	2015	2016	2017
Less: Outside Funding Sources				
PWTF Proceeds	\$1,800,000	\$410,000	\$0	\$0
GFC/LFC Charges	250,000	250,000	250,000	250,000
Operating Reserves	3,000,000	3,600,000	4,000,000	4,000,000
Construction Fund Reserves	661,592	54,500	30,000	30,000
Total Outside Funding	\$5,711,592	\$4,314,500	\$4,280,000	\$4,280,000
Total C.I.P From Rates	\$784,793	\$845,000	\$900,000	\$955,000
DEBT SERVICE				
Existing Debt				
1994 PWTF - 94-014	95-1 Angle Lake Well	\$68,238	\$0	\$0
1995 PWTF - 95-011	96-1 Pump station upgrades	98,445	97,479	-
1996 PWTF - 96-019	96-3 Crestview Reservoir	103,035	102,034	101,034
1996 PWTF - 96-020	94-3 Main replacement-Three Tree Point	31,876	31,566	31,257
1997 PWTF - 97-024	97-1, 97-2, 97-3 Main replacement-Seatac	69,416	68,749	68,081
1998 PWTF - 98-025	99-1 30" Distribution main	263,882	261,369	258,856
1998 PWTF - 98-026	98-1 & 98-2 Main replacements	43,152	42,741	42,330
2000 PWTF - 00-025	00-1 Normandy Park watermain replacements	134,621	132,260	129,898
2001 PWTF - 01-029	01-1 Various watermain replacements	96,110	95,648	95,186
2002 PWTF - 02-023	02-2 Three Tree Pl WM Replc/N Hill Booster	75,205	74,845	74,485
2003 PWTF - 03-113	03-4 600 Zone & main replacement	45,555	45,338	45,121
2004 DWSRF	03-4 600 Zone & main replacement	7,946	7,842	7,739
2004 PWTF - 04-034	02-4 SW Suburban WM replacement	45,633	45,417	45,200
2006 PWTF - 06-117	07-1 490 Zone& Pressure Reducing	37,809	37,632	37,454
2008 PWTF - 08-951	07-1 490 Zone& Pressure Reducing	164,034	163,272	162,509
2012 PWTF -	13-1 Angle Lake Water Main Replacement	-	126,841	126,784
Total Existing Debt		\$1,284,957	\$1,333,032	\$1,225,934
Total Debt Service		\$1,284,957	\$1,333,032	\$1,225,934
TOTAL REVENUE REQUIREMENTS		\$12,232,973	\$12,822,669	\$13,035,860
Total Operating Reserves (decrease) increase		\$3,456,825	\$3,300,801	\$3,553,033

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2014 Budget

	Budget 2014	2015	Projected 2016	2017
Operating Reserves:				
Beginning Balance	\$11,391,314	\$11,848,139	\$11,548,939	\$11,101,973
Plus: Year End Increase (Decrease)	3,456,825	3,300,801	3,553,033	3,761,448
Less: Uses of Funds Capital	(3,000,000)	(3,600,000)	(4,000,000)	(4,000,000)
Ending Balance	\$11,848,139	\$11,548,939	\$11,101,973	\$10,863,420
Construction Fund:				
Beginning Balance	\$3,688,973	\$3,044,172	\$3,004,756	\$3,004,654
Plus: Additional Funds	5,834,793	5,105,000	5,150,000	5,205,000
Plus: Interest	16,791	15,085	29,898	29,897
Less: Uses of Funds	(6,496,385)	(5,159,500)	(5,180,000)	(5,235,000)
Ending Balance	\$3,044,172	\$3,004,756	\$3,004,654	\$3,004,551
Financial Reserve Policy Targets:				
Operating Fund	\$5,081,611	\$5,322,319	\$5,454,963	\$5,622,224
Construction Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Policy/Target Reserves	\$8,081,611	\$8,322,319	\$8,454,963	\$8,622,224
Total Funds Projected Ending Balance:	\$14,892,310	\$14,553,696	\$14,106,627	\$13,867,971
Sources of Funds				
Rate Revenue	\$14,918,445	\$15,336,161	\$15,765,574	\$16,207,010
Other Revenue	771,353	787,309	823,320	838,696
Total Revenue	\$15,689,798	\$16,123,470	\$16,588,893	\$17,045,706
Applications of Funds				
Purchased Water	\$3,738,130	\$3,962,418	\$4,041,666	\$4,122,499
O&M Expenses	5,656,460	5,892,292	6,056,089	6,287,302
Taxes	768,633	789,927	812,170	834,647
Debt Service Existing	1,284,957	1,333,032	1,225,934	1,084,809
Operating Reserves for Capital Projects	3,000,000	3,600,000	4,000,000	4,000,000
Capital Projects from Rates	784,793	845,000	900,000	955,000
Total Revenue Requirement	\$15,232,973	\$16,422,669	\$17,035,860	\$17,284,258
Total Balance/(Deficiency) of Funds	\$456,825	(\$299,199)	(\$446,967)	(\$238,552)
Rate Adjustment Required	-3.1%	2.0%	2.8%	1.5%
Total Operation & Maintenance + Capital Projects + Debt Service	\$17,944,565	\$17,137,169	\$17,315,860	\$17,564,258

HIGHLINE WATER DISTRICT

Water Revenues ~2.2%

2014

		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Annual Total
RESIDENTIAL														
Meter Size	Rate													
5/8" - Discounted	\$9.36	272	272	272	272	272	272	272	272	272	272	272	272	272
3/4" - Discounted	\$9.36	23	23	23	23	23	23	23	23	23	23	23	23	23
5/8"	\$14.40	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795	11,795
3/4"	\$14.40	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745	2,745
1"	\$25.61	828	828	828	828	828	828	828	828	828	828	828	828	828
1 1/2"	\$43.47	29	29	29	29	29	29	29	29	29	29	29	29	29
2"	\$66.72	6	6	6	6	6	6	6	6	6	6	6	6	6
Meter Count		15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698	15,698
Total Residential Meter Revenue		\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$235,003	\$2,820,039
		14,970,2656												
Usage-Winter (ccf)	\$3.55	93,767	77,665	81,613	78,466	90,335	0	0	0	0	110,001	93,192	91,530	716,569
UsageSummer (5 ccf)	\$3.55						78,490	78,490	78,490	78,490				313,960
UsageSummer (6+ ccf)	\$4.20	0	0	0			4,014	33,859	69,260	37,886	0	0	0	145,019
Total Residential Usage Revenue		\$332,874	\$275,712	\$289,726	\$278,553	\$320,688	\$295,500	\$420,849	\$569,530	\$437,759	\$390,504	\$330,833	\$324,930	\$4,267,458
Total Residential Revenue		\$567,877	\$510,716	\$524,729	\$513,556	\$555,691	\$530,504	\$655,852	\$804,533	\$672,762	\$625,508	\$565,836	\$559,933	\$7,087,497
COMMERCIAL (includes multi-family)														
5/8"	\$21.90	188	188	188	188	188	188	188	188	188	188	188	188	188
3/4"	\$21.90	148	148	148	148	148	148	148	148	148	148	148	148	148
1"	\$44.25	478	478	478	478	478	478	478	478	478	478	478	478	478
1 1/2"	\$80.67	676	676	676	676	676	676	676	676	676	676	676	676	676
2"	\$126.27	317	317	317	317	317	317	317	317	317	317	317	317	317
3"	\$263.28	73	73	73	73	73	73	73	73	73	73	73	73	73
4"	\$399.15	28	28	28	28	28	28	28	28	28	28	28	28	28
6"	\$772.49	8	8	8	8	8	8	8	8	8	8	8	8	8
8"	\$1,219.28	2	2	2	2	2	2	2	2	2	2	2	2	2
Meter Count		1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918	1,918
Total Comm. Meter Revenue		\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$1,945,014
Usage-Winter (ccf)	\$3.55	108,433	93,035	102,557	114,704	111,365	0	0	0	0	103,999	103,608	92,670	830,371
UsageSummer (5 ccf)	\$3.55						9,590	9,590	9,590	9,590				38,360
UsageSummer (6+ ccf)	\$4.20	0	0	0	0	0	112,306	140,061	144,660	130,034	0	0	0	527,061
Total Comm. Usage Revenue		\$384,936	\$330,273	\$364,077	\$407,201	\$395,347	\$505,728	\$622,299	\$641,618	\$580,189	\$369,196	\$367,807	\$328,980	\$5,297,651
Total Commercial Revenue		\$547,021	\$492,357	\$526,162	\$569,285	\$557,432	\$667,812	\$784,384	\$803,702	\$742,274	\$531,280	\$529,891	\$491,065	\$7,242,665
Total Comm & MF Residential Meter Revenue		\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$162,085	\$1,945,014
Total Comm & MF Residential Usage Revenue		\$384,936	\$330,273	\$364,077	\$407,201	\$395,347	\$505,728	\$622,299	\$641,618	\$580,189	\$369,196	\$367,807	\$328,980	\$5,297,651
Total Comm & MF Residential Revenue		\$547,021	\$492,357	\$526,162	\$569,285	\$557,432	\$667,812	\$784,384	\$803,702	\$742,274	\$531,280	\$529,891	\$491,065	\$7,242,665

HIGHLINE WATER DISTRICT
Water Revenues -2.2%
2014

Irrigation - (commercial)

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Annual Total
Meter Size	Rate												
5/8"	14	14	14	14	14	14	14	14	14	14	14	14	14
3/4"	33	33	33	33	33	33	33	33	33	33	33	33	33
1"	90	90	90	90	90	90	90	90	90	90	90	90	90
1 1/2"	61	61	61	61	61	61	61	61	61	61	61	61	61
2"	60	60	60	60	60	60	60	60	60	60	60	60	60
Meter Count	258	258	258	258	258	258	258	258	258	258	258	258	258
Total Irrigation Meter Revenue	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$17,509	\$210,106
Usage- (ccf)	\$4.20												
	300	300	330	330	800	2,000	8,000	13,000	14,000	2,000	1,200	300	42,560
Total Irrigation Usage Revenue	\$1,260	\$1,260	\$1,386	\$1,386	\$3,360	\$8,400	\$33,600	\$54,600	\$58,800	\$8,400	\$5,040	\$1,260	\$178,752
Total Irrigation Revenue	\$18,769	\$18,769	\$18,895	\$18,895	\$20,869	\$25,909	\$51,109	\$72,109	\$76,309	\$25,909	\$22,549	\$18,769	\$388,858
Total Commercial	\$565,789	\$511,126	\$545,057	\$588,180	\$578,301	\$693,721	\$835,493	\$875,811	\$818,582	\$557,189	\$552,440	\$509,833	\$7,631,524
<i>Includes Multi-family & Irrigation</i>													

STAND-BY FIRE SERVICE

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Annual Total
Meter Size	Rate												
1 1/2"	44	44	44	44	44	44	44	44	44	44	44	44	44
2"	57	57	57	57	57	57	57	57	57	57	57	57	57
2 1/2"	13	13	13	13	13	13	13	13	13	13	13	13	13
3"	1	1	1	1	1	1	1	1	1	1	1	1	1
4"	69	69	69	69	69	69	69	69	69	69	69	69	69
6"	93	93	93	93	93	93	93	93	93	93	93	93	93
8"	64	64	64	64	64	64	64	64	64	64	64	64	64
10"	9	9	9	9	9	9	9	9	9	9	9	9	9
Meter Count	350	350	350	350	350	350	350	350	350	350	350	350	350
Total SBF Meter Revenue	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$16,412	\$196,944
Usage-Winter	\$3.55												
	121	172	49	73	31					10	41	61	558
Usage-Summer	\$4.20												
						14	21	28	56				119
Total SBF Usage Revenue	\$430	\$611	\$174	\$259	\$110	\$59	\$88	\$118	\$235	\$36	\$146	\$217	\$2,481
Total Stand-by Fire Revenue	\$16,842	\$17,023	\$16,586	\$16,671	\$16,522	\$16,471	\$16,500	\$16,530	\$16,647	\$16,447	\$16,558	\$16,629	\$199,424
Total Meters	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224	18,224
Total Usage	202,621	171,172	184,549	193,573	202,531	206,414	270,021	315,028	270,056	216,010	198,041	184,561	2,614,577
Total Meter Charges	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$431,009	\$5,172,103
Total Usage Charges	\$719,500	\$607,856	\$655,363	\$687,399	\$719,505	\$809,687	\$1,076,836	\$1,265,866	\$1,076,983	\$768,136	\$703,826	\$655,387	\$9,746,342
Total Revenues - All Classes	\$1,150,508	\$1,038,864	\$1,086,372	\$1,118,407	\$1,150,514	\$1,240,695	\$1,507,845	\$1,696,874	\$1,507,992	\$1,199,144	\$1,134,834	\$1,086,395	\$14,918,445

HIGHLINE WATER DISTRICT
Purchased Water Costs
CY 2014 Projection

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
Projected Water Supply Purchases													
Total Production & Purchases CC	225,000	190,000	205,000	215,000	225,000	240,000	300,000	350,000	300,000	240,000	220,000	205,000	2,915,000
District Wells & Other	80,000	75,000	80,000	80,000	82,000	82,000	82,000	82,000	82,000	80,000	80,000	75,000	960,000
Seattle Water Purchases	145,000	115,000	125,000	135,000	143,000	158,000	218,000	268,000	218,000	160,000	140,000	130,000	1,955,000
Total Sales	225,000	190,000	205,000	215,000	225,000	240,000	300,000	350,000	300,000	240,000	220,000	205,000	2,915,000
Seattle Water Contract Rates:													
						On-Peak (May 16th-Sept. 15th)							
System Base Rates (per ccf)					avg				avg				
Supply	\$1.60	\$1.60	\$1.60	\$1.60	\$1.97	\$2.34	\$2.34	\$2.34	\$1.97	\$1.60	\$1.60	\$1.60	
Total Seattle Water Charges													
Supply	\$232,000	\$184,000	\$200,000	\$216,000	\$281,710	\$369,720	\$510,120	\$627,120	\$429,460	\$256,000	\$224,000	\$208,000	\$3,738,130

2014 Budget
Other Customer Charges

<u>Description</u>	
Delinquent lock/unlock revenue	\$ 55,000
NSF charges	1,600
Lien interest charges	7,000
Late charges	132,000
*Miscellaneous customer service revenue	53,000
Final bill fees	30,000
Embezzlement recovery	2,400
	<u>\$ 281,000</u>

*Miscellaneous customer service revenue
Water availability certificates
Plans & specifications
Damage repair fees
Lien filing fees
Meter tampering
Requested locks

Highline Water District
 2014 Budget
 Maintenance

	Wholesale Water Supply	Pumps Reservoirs & Telemetry	Wells & Water Treatment	Transmission & Distribution	Administration	Total
<u>Maintenance</u>						
Maintenance of office building					\$ 25,000	\$ 25,000
Building janitorial service					1,500	1,500
Emergency generators maintenance	\$ 4,000	\$ 4,000	\$ 2,000		1,500	11,500
Facility Repair-Wells, Pumps, Treatment		8,500	5,500			14,000
Security maintenance		1,000	2,500		5,500	9,000
Equipment Rental & Lease				\$ 8,000	2,000	10,000
Equipment Maintenance & Repair	25,000	24,000	38,500	5,000	5,000	97,500
Vehicle Repair & Maintenance				50,000		50,000
	<u>\$ 29,000</u>	<u>\$ 37,500</u>	<u>\$ 48,500</u>	<u>\$ 63,000</u>	<u>\$ 40,500</u>	<u>\$ 218,500</u>
<u>Landscaping</u>		<u>\$ 8,000</u>			<u>\$ 9,500</u>	<u>\$ 17,500</u>
<u>Building Alarm monitoring</u>			<u>\$ 420</u>		<u>\$ 900</u>	<u>\$ 1,320</u>
<u>Facility Preventive Maintenance</u>						
Annual maintenance - HVAC system					\$ 3,000	\$ 3,000
Total Maintenance	<u>\$ 29,000</u>	<u>\$ 45,500</u>	<u>\$ 48,920</u>	<u>\$ 63,000</u>	<u>\$ 53,900</u>	<u>\$ 240,320</u>

**Highline Water District
2014 Budget
Uniforms**

	<u>Pumps, Reservoirs & Telemetry</u>	<u>Transmission & Distribution</u>	<u>Customer Service</u>	<u>Administration</u>	<u>Total</u>
3 Employees @ \$420 each	\$ 1,260				\$ 1,260
11 Employees @ \$420 each		\$ 4,620			4,620
2 Employees @ \$420 each			\$ 840		840
1 Employee @ \$420 each				\$ 420	420
Miscellaneous		2,580	200	100	2,880
Total Uniforms	<u>\$ 1,260</u>	<u>\$ 7,200</u>	<u>\$ 1,040</u>	<u>\$ 520</u>	<u>\$ 10,020</u>

**Highline Water District
2014 Budget
Supplies**

	<u>Administration</u>	<u>Transmission & Distribution</u>	<u>Total</u>
Safety Supplies/First Aid Supplies	\$ 1,000	\$ 6,500	\$ 7,500
Field Tools & Minor Equipment		25,000	25,000
Other Field Supplies		15,000	15,000
Janitorial Supplies	4,000		4,000
Office Supplies-Consumables	10,000		10,000
Office Supplies-Minor Assets	5,000		5,000
Supplies-Minor Assets	15,000		15,000
Supplies-Other	3,000		3,000
Emergency Management Supplies	1,000		1,000
Total Supplies	<u>\$ 39,000</u>	<u>\$ 46,500</u>	<u>\$ 85,500</u>

Field Tools & Equip includes: all electronic & manual tools used by the field & operation crews that are not capital assets

Other Field Supplies includes: hoses, solvents, propane & other gas refills, brass meter tags, rags, label machine tape, bug killer, paint & painting tools, tapping team supplies & other items that don't fall into the tool category

Safety Supplies includes: medical supplies, traffic signs, cones, respirators, safety glasses, gloves & safety vests (see uniforms for other outdoor gear), etc.

**Highline Water District
2014 Budget
Community Relations & Conservation**

<u>Conservation/Community Relations</u>	<u>Administration</u>
Supplies	\$ 500
Calendar Contest (printing & gift cards)	1,200
Other events	500
Total Community Relations & Conservation	<u>\$ 2,200</u>

**Highline Water District
2014 Budget
Materials**

	<u>Transmission & Distribution</u>
Asphalting/Concrete	\$ 70,000
Parts & other supplies	30,000
Meters, hydrants & hardware	40,000
Rock, Gravel etc	30,000
Total Materials	<u><u>\$ 170,000</u></u>

Highline Water District
 2014 Budget
 Field Services

	Transmission & Distribution	Wholesale Water Supply	Wells and Water Treatment	Total
<u>Field Services</u>				
Field Services-Dumping & Recycling	\$ 10,000			\$ 10,000
Field Services-Leak Detection	3,000			3,000
Field Services-Locating/Potholing	5,000			5,000
Field Services-Tapping	9,000			9,000
Field Services-Water Quality & Sampling	6,500	\$ 8,600	\$ 7,183	22,283
Field Services-Other	10,000			10,000
Total Field Services	<u>\$ 43,500</u>	<u>\$ 8,600</u>	<u>\$ 7,183</u>	<u>\$ 59,283</u>

**Highline Water District
2014 Budget
Training/Travel & Meals**

	<u>Administration</u>	<u>Transmission & Distribution</u>	<u>Total</u>
Travel & Meals for Training	\$ 26,000	\$ 16,000	\$ 42,000
Tuition & Registration Fees	16,000	12,000	28,000
Total Training and Travel	<u>\$ 42,000</u>	<u>\$ 28,000</u>	<u>\$ 70,000</u>

Conferences

National

AWWA Conference
 AWWA Distribution Conference
 AWWA Customer Conference
 Harris Pacific Users Group
 Harris Users Conference
 Lucity Users Conference
 Sensys National Users Conference
 Other

Local

WASWD Spring Conference
 WASWD Fall Conference
 PNWS-AWWA Conference
 WOW Conference
 Rural Water Association Conference
 Other

**Highline Water District
2014 Budget
Permits, Licenses, Fees & Misc**

	<u>Administration</u>	<u>Transmission & Distribution</u>	<u>Total</u>
<u>Permits</u>			
Various Construction Permits		\$ 34,500	\$ 34,500
King County Operating Permit		500	500
Seatac Hazardous Materials Permit		30	30
Dept. of Health Permit		30,200	30,200
Permits & Inspections-Developer Extensions		5,000	5,000
Other Miscellaneous Permits	\$ 1,540		1,540
	<u>\$ 1,540</u>	<u>\$ 70,230</u>	<u>\$ 71,770</u>
<u>Licenses & Certifications</u>			
DOH certifications.		\$ 1,200	\$ 1,200
Ceritification exam fees		500	500
CDL fees		500	500
Professional license fee-engineering		150	150
Other Licenses & Certifications		200	200
		<u>\$ 2,550</u>	<u>\$ 2,550</u>
<u>Inspections</u>			
		<u>\$ 5,000</u>	<u>\$ 5,000</u>
<u>Fees-Other</u>			
Retrospective Rating Program fee (L & I)	\$ 2,300		\$ 2,300
Post office box fees (PO boxes and safe deposit boxes)	1,700		1,700
Bank fees	43,000		43,000
Paypal Teleworks Gateway fee	725		725
Costco membership with credit privileges	125		125
Dept of L & I-Right-to-Know fee	100		100
Misc. minor fees	600		600
Midway Parking Fee	1,200		1,200
Network Solutions SSL Certificate	900		900
Title Reports/Property Research	1,000		1,000
	<u>\$ 51,650</u>		<u>\$ 51,650</u>
<u>Miscellaneous</u>			
	<u>\$ 200</u>		<u>\$ 200</u>
<u>Vehicle Licensing</u>			
	<u>\$ 200</u>		<u>\$ 200</u>
<u>Fees - Liens & Easements</u>			
	<u>\$ 19,800</u>		<u>\$ 19,800</u>
Total Permits, Licenses, Fees and Misc.	<u><u>\$ 73,390</u></u>	<u><u>\$ 77,780</u></u>	<u><u>\$ 151,170</u></u>

**Highline Water District
2014 Budget
Printing**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing statements		\$ 42,000	\$ 42,000
Billing related inserts		2,000	2,000
Newsletters	\$ 4,000		4,000
CCR report	4,000		4,000
Consumables	1,500		1,500
Other printing	800		800
Engineering printing	3,200		3,200
Total Printing	<u>\$ 13,500</u>	<u>\$ 44,000</u>	<u>\$ 57,500</u>

**Highline Water District
2014 Budget
Postage**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing Statements		\$ 60,000	\$ 60,000
Rate increase newsletter, & other bulk mail		4,000	4,000
CCR	\$ 4,000		4,000
General	4,500		4,500
Overnight Charges	300		300
Total Postage	<u>\$ 8,800</u>	<u>\$ 64,000</u>	<u>\$ 72,800</u>

**Highline Water District
2014 Budget
Employee Relations**

	<u>Adminstration</u>
Employee awards/incentives	\$ 3,000
Employee Assistance-Far West Family Svcs	4,500
Miscellaneous	<u>3,500</u>
Total Employee Relations	<u>\$ 11,000</u>

Miscellaneous =

- Plaques-committee members etc
- B-Days
- Christmas Party
- Meeting exp -donuts etc
- Misc employee lunches
- Illness new baby marriage etc
- Popcorn, coffee
- Retirement, going away etc. parties
- Holiday candy, etc
- Etc

**Highline Water District
2014 Budget
Dues & Subscriptions**

	<u>Adminstration</u>
<u>Subscriptions</u>	
Keep Up-to-Date on Payroll	\$ 230
Daily Journal of Commerce	220
Seattle Times	325
Safety Alert for Supervisors	350
Top Health	375
Standard Plans Book-Washington State DOT	100
Westside Weekly	75
GAAFR Review Newsletter	60
Total Subscriptions	<u>\$ 1,735</u>
<u>Dues WASWD</u>	
WASWD	<u>\$ 17,610</u>
<u>Dues-other</u>	
AWWA-Membership	\$ 3,300
Washington Water Utilities Council/PNWS-AWWA	1,500
SW King County Chamber of Commerce	400
Kent Chamber of Commerce	500
National Safety Council	375
American Public Works Association	200
Washington Wastewater Collection Personnel Assoc.	15
Highline Water District - GMPC	2,000
Evergreen Rural Membership	350
Washington Finance Officer's Association (WFOA)	50
Government Finance Officer's Association (GFOA)	160
Vermeire-Tukwila Emergency Communications Team	25
Vermeire-HAM Radio Dues	25
Total Dues other	<u>\$ 8,900</u>
Total Dues & Subscriptions	<u><u>\$ 28,245</u></u>

Highline Water District
 2014 Budget
 Telephone

	Administration	Pumps Reservoirs & Telemetry	Total
Cellular	\$ 13,000		\$ 13,000
Wireless	2,520	\$ 1,500	4,020
Local Service	15,000	24,000	39,000
Total Telephone	\$ 30,520	\$ 25,500	\$ 56,020

**Highline Water District
2014 Budget
Hardware/Software/Internet**

Administration

Computers-Software Maintenance Support

Annual support on Harris Northstar	\$	24,300
Harris system Cognos - Reports Anywhere		2,700
EDOCS Annual Maintenance		1,615
Harris Ecare		3,960
Harris/GBA integration support		780
Harris M-Care Annual Maintenance		4,580
Annual support - GEMS Financials		38,675
Annual support - Unisys Corp (3rd party GEMS)		2,170
Annual support on Lucity (GBA)		16,850
Annual support on ESRI GIS system		4,600
Annual support on Innovyze H2O Net Hydraulic Model		1,925
Sensus support		1,760
WA State Info Systems Autocad renewal/support		1,910
Carahsoft Tech annual maint for MAP2PDF ARCGIS		575
Security Software maintenance (upgrade) fee		1,000
SiteProtector Server Anti-Virus Service		1,315
SiteProtector Workstations Anti-Virus Service		6,800
Remote Backup Service (OBM)		2,300
SiteProtector Backup Licenses		1,970
SonicWall Comprehensive Gateway Security Suite		2,375
Pathfinder Office Software annual support for Trimble GPS		295
Terra Synch Software annual support for Trimble GPS		295
BPMS Software annual maintenance (Backflow Prevention)		900
Teleworks - Annual Fee Outbound Notification System		3,450
FME Global Software annual maintenance		500
	\$	127,600

Computer Hardware - Minor Assets

Replacement PC's (6) & 1-laptop replacement	\$	7,000
Monitors & video cards		2,000
I-Pads for Admin and Field use (5)		4,380
Miscellaneous Minor Hardware		5,000
	\$	18,380

Miscellaneous

Internet fees	\$	1,500
Hardware Repairs		1,000
Other software & miscellaneous computer related		6,500
	\$	9,000

Total Hardware/Software/Internet	\$	154,980
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**Highline Water District
2014 Budget
Legal Fees**

Administration

General District Business	\$ 55,000
Human Resources	5,000
Water Issues	<u>5,000</u>
Total Legal Fees	<u>\$ 65,000</u>

**Highline Water District
2014 Budget
Engineering Services**

	<u>Administration</u>
Studies - supply, water rights, hydraulic analysis	\$ 50,000
Misc-legal descriptions, easements, etc.	<u>15,000</u>
Total Engineering Services	<u><u>\$ 65,000</u></u>

Highline Water District
 2014 Budget
 Outside Services

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Pumps, Reservoirs & Telemetry</u>	<u>Total</u>
<u>Consulting Services</u>				
General computer consulting	\$ 56,500			\$ 56,500
Miscellaneous	10,000			10,000
Core software consulting/training	10,000			10,000
Records Retention	20,000			20,000
Telemetry consulting			\$ 5,000	5,000
	<u>\$ 96,500</u>		<u>\$ 5,000</u>	<u>\$ 101,500</u>
<u>Human Resource Services</u>				
WE Employers Service	\$ 2,200			\$ 2,200
HR Services-Other	250			250
HR Services-Medical	3,000			3,000
	<u>\$ 5,450</u>			<u>\$ 5,450</u>
<u>Other Services</u>				
Teleworks - Hosted vCARE NorthStar IVR		\$ 14,000		\$ 14,000
Lockbox Payment Processing		16,500		16,500
Courier Service	\$ 5,200			5,200
Advertising	2,000			2,000
Document Imaging (archives)	3,000			3,000
Other Services	3,000			3,000
	<u>\$ 13,200</u>	<u>\$ 30,500</u>		<u>\$ 43,700</u>
 Total Outside Services	 <u>\$ 115,150</u>	 <u>\$ 30,500</u>	 <u>\$ 5,000</u>	 <u>\$ 150,650</u>

**Highline Water District
2014 Budget
Office Equipment**

	<u>Administration</u>
<u>Office Equipment Preventive Maintenance</u>	
Annual maintenance on main copier-Konica Minolta	\$ 2,500
Annual maintenance on Pitney Bowes folder/insertter	500
Maintenance for Altura telephone system	350
Annual maintenance on postage machine	2,025
Annual maint on Const Svc copier-Konica Minolta	450
	<u>\$ 5,825</u>
 <u>Office Equipment Rental & Lease</u>	 <u>\$ 865</u>
 <u>Office Equipment Repair</u>	 <u>\$ 250</u>
 Total Office Equipment	 <u><u>\$ 6,940</u></u>

**Highline Water District
2014 Budget
Utilities**

	<u>Supply</u>	<u>Pumps, Reservoirs & Telemetry</u>	<u>Wells & Water Treatment</u>	<u>Administration</u>	<u>Total</u>
Garbage & Recycling				\$ 3,300	\$ 3,300
Natural Gas				13,000	13,000
Real Estate Tax				4,600	4,600
Storm/Surface Water Management				6,050	6,050
Power	\$ 80,000	\$ 25,000	\$ 250,000	22,000	377,000
Sewer		500		550	1,050
Sewer - Backwash			13,000		13,000
Total Utilities	<u>\$ 80,000</u>	<u>\$ 25,500</u>	<u>\$ 263,000</u>	<u>\$ 49,500</u>	<u>\$ 418,000</u>

*Power - Supply=Pump stations #'s 2, 3, 5, & 6
 - Pumps Reservoirs & Telemetry = Pump stations #'s 1, 4, 7 & reservoirs

Highline Water District
2014 Capital Asset Purchase Budget
Individual budget amounts do not include sales tax

Line	Asset	Cost
1	Vehicle - Admin	25,000
2	Vehicle - Field, on-call	30,000
3	Diluter System-Caustic Soda, Tye	18,000
4	Office chairs - sm conf rm, adjournment rm , and multiple desks	10,000
5	Harris - Customer Connect - Online account access	48,000
6	Carpet-State Contract \$~30 SY installed (Edging \$1.80 LF)	31,000
7	Headquarters-yard improvements - Carport	30,000
8	Headquarters-yard improvements - Asphalt	8,000

Subtotal	<u>\$ 200,000</u>
Plus: Sales tax	<u>\$ 19,165</u>
Total Capital Asset purchases	<u><u>\$ 219,165</u></u>

Agenda Item No.: 5.1
Agenda Date: 12/04/2013
Reviewed By: M. E.

Subject: Adopt 2014 Operating Budget

CATEGORY	
<i>Executive</i>	<input type="checkbox"/>
<i>Administrative</i>	<input checked="" type="checkbox"/>
<i>Engineering/Operations</i>	<input checked="" type="checkbox"/>

FINANCIAL			
<i>Expenditures?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<i>Budgeted?</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<i>Amount: \$</i>			<u> </u>
<i>Plus WSST</i>			

- Attachments**
1. Resolution #13-12-4B
 2. Exhibit A – 2014 Operating Budget

COMMENTS:

Each year staff and the Commissioners review the needs of the District and establish an Operating Budget (attached to the resolution as Exhibit A).

Staff recommends approval of this resolution.