

**HIGHLINE WATER DISTRICT
King County, Washington**

RESOLUTION 14-12-17B

RESOLUTION ADOPTING THE 2015 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 2015 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

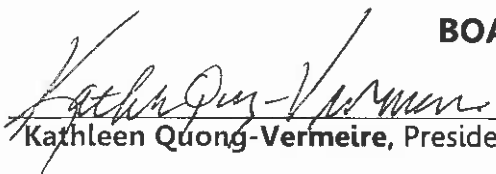
WHEREAS, the Board of Commissioners are satisfied with the 2015 Operating Budget developed by the General Manager and Staff.

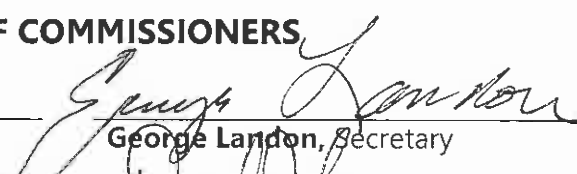
NOW, THEREFORE, BE IT RESOLVED:

The Board of Commissioners hereby approves the 2015 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 **17th** day of **December 2014**.

BOARD OF COMMISSIONERS


Kathleen Quong-Vermeire, President


George Landon, Secretary


Gerald R. Guite, Commissioner


Daniel Johnson, Commissioner


Vince Koester, 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**

**2015
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
2015 Budget

	Budget 2015	2016	Projected 2017	2018
SOURCES OF FUNDS				
<i>Rate Revenues</i>				
Residential	\$7,272,067	\$7,417,508	\$7,565,859	\$7,717,176
Commercial	7,732,915	7,887,573	8,045,324	8,208,231
Stand-By Fire Service	200,074	204,075	208,157	212,320
Total Rate Revenues (detail pages 6-7)	\$15,205,055	\$15,509,157	\$15,819,340	\$16,135,726
<i>Other Revenues</i>				
Hydrant Meter Sales	\$30,000	\$30,600	\$31,212	\$31,838
Street Lights - (Puget Sound Energy)	121,278	123,704	128,178	128,701
Wholesale Water Sales	3,000	3,000	3,000	3,000
Discounts and Adjustments	(30,000)	(30,600)	(31,212)	(31,836)
Meter Applications	75,000	76,600	78,030	79,591
Surcharges	20,375	20,375	20,375	19,000
Other Customer Charges (detail page 9)	272,900	278,358	283,825	289,804
Interest Income (maintenance fund)	53,300	50,000	48,000	47,000
Lease Income	177,700	189,800	195,500	200,600
Other Fees (OE, gain/loss assets, scrap metal, US Bank rebate, etc.)	60,000	60,000	60,000	60,000
Total Other Revenues	\$783,553	\$801,537	\$815,008	\$827,495
Total Sources of Funds	\$15,988,608	\$16,310,693	\$16,634,347	\$16,963,222
APPLICATIONS OF FUNDS				
OPERATION & MAINTENANCE EXPENSES				
<i>Wholesale Water Supply</i>				
Salary & Wages	\$9,130	\$9,130	\$9,313	\$9,499
Retirement	914	932	951	970
Medical, Dental	1,949	2,027	2,108	2,192
Payroll Taxes	875	995	1,014	1,035
Water Purchased - Seattle (detail page 8)	3,821,600	3,821,600	3,821,600	3,836,248
Water Purchased - Other	2,000	2,000	2,000	2,000
Field Services - Water Quality & Sampling (detail page 15)	8,600	8,772	8,947	9,126
Utilities (detail page 28)	80,000	81,800	83,232	84,897
Maintenance (detail page 10)	29,000	29,580	30,172	30,775
Fuel	1,400	1,428	1,457	1,488
Total Supply	\$3,955,568	\$3,958,064	\$3,960,794	\$4,078,228
<i>Pumps, Reservoirs & Telemetry</i>				
Salary & Wages	\$122,202	\$124,648	\$127,139	\$129,682
Retirement	12,239	12,484	12,733	12,988
Medical, Dental	19,898	20,694	21,522	22,383
Payroll Taxes	12,563	12,814	13,071	13,332
Uniforms (detail page 11)	1,260	1,260	1,260	1,260
Maintenance (detail page 10)	45,500	46,410	47,338	48,285
Utilities (detail page 28)	25,500	26,010	26,530	27,061
Telephone (detail page 22)	26,375	26,903	27,441	27,989
Other Outside Services (detail page 28)	5,000	5,000	5,000	5,000
Fuel	5,200	5,304	5,410	5,518
Total Pumps & Wells	\$275,737	\$281,525	\$287,444	\$293,498

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2015 Budget

	Budget 2015	2016	Projected 2017	2018
<i>Wells & Water Treatment</i>				
Salary & Wages	\$187,234	\$190,979	\$194,708	\$198,694
Retirement	18,310	18,676	19,050	19,431
Medical, Dental	37,953	39,471	41,050	42,692
Payroll Taxes	19,914	20,312	20,719	21,133
Chemicals	80,000	81,800	83,232	84,897
Field Services - Water Quality & Sampling (detail page 15)	4,000	4,080	0	0
Maintenance (detail page 10)	84,520	86,210	87,935	89,693
Utilities (detail page 28)	301,000	307,020	313,180	319,424
Fuel	2,700	2,754	2,809	2,865
Total Water Treatment	\$735,831	\$751,103	\$762,753	\$778,829
<i>Transmission & Distribution</i>				
Salary & Wages	\$955,136	\$974,239	\$993,723	\$1,013,598
Retirement	93,153	95,016	96,916	98,855
Medical, Dental	209,926	218,323	227,056	236,138
Payroll Taxes	99,881	101,675	103,708	105,782
Uniforms (detail page 11)	7,200	7,200	7,200	7,200
Supplies (detail page 12)	42,000	42,840	43,897	44,571
Materials (detail page 14)	170,000	173,400	176,868	180,405
Field Services (detail page 15)	43,500	44,370	45,257	46,183
Equipment Maintenance (detail page 10)	63,000	64,260	65,545	66,856
Fuel	33,800	34,272	34,857	35,657
Books Manuals	1,500	1,530	1,561	1,592
Travel (detail page 16)	16,000	16,320	16,646	16,979
Registration, Tuition (detail page 16)	30,000	55,400	32,400	13,000
Permits, Inspections, Licenses, Fees (detail page 17)	77,330	78,877	80,454	82,063
Total Transmission & Distribution	\$1,842,028	\$1,907,721	\$1,925,890	\$1,948,859
<i>Customer Accounts</i>				
Salary & Wages	\$492,597	\$502,449	\$512,498	\$522,748
Retirement	49,344	50,331	51,337	52,364
Medical, Dental	131,633	136,898	142,374	148,069
Payroll Taxes	45,267	46,172	47,098	48,038
Uniforms (detail page 11)	1,040	1,040	1,040	1,040
Fuel	12,900	13,158	13,421	13,690
Printing (detail page 18)	44,000	44,880	45,778	46,693
Postage (detail page 19)	59,000	60,180	61,384	62,611
Other Outside Services (detail page 26)	30,900	31,518	32,148	32,791
Commissions	2,500	2,550	2,601	2,653
Total Customer Accounts	\$889,181	\$889,178	\$909,677	\$930,697
Total O&M Expenses Before A&G	\$7,878,143	\$7,787,588	\$7,846,657	\$8,030,110
<i>Administration & General</i>				
Salary & Wages	\$593,551	\$605,422	\$617,530	\$629,881
Retirement	58,934	60,113	61,315	62,541
Medical, Dental	164,594	171,178	178,025	185,146
Payroll Taxes	46,129	47,052	47,993	48,952
Uniforms (detail page 11)	520	520	520	520
Employee Relations (detail page 20)	10,100	10,302	10,508	10,718

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2015 Budget

	Budget 2015	2016	Projected 2017	2018
Street Light Cost (Puget Sound Energy)	120,000	122,400	124,848	127,345
Fuel	2,000	2,040	2,081	2,122
Postage (detail page 19)	8,800	8,976	9,156	9,338
Dues & Subscriptions (detail page 21)	27,515	28,065	28,627	29,199
Community Relations & Conservation (detail page 13)	3,200	3,264	3,329	3,396
Supplies (detail page 12)	29,000	29,580	30,172	30,775
Printing (detail page 18)	11,000	11,220	11,444	11,673
Telephone (detail page 22)	28,520	29,090	29,672	30,286
Answering Service	2,500	2,550	2,601	2,653
Hardware/Software/Internet (detail page 23)	206,544	180,000	183,800	187,272
Legal Fees (detail page 24)	80,000	65,000	65,000	85,000
Auditing and Accounting Fees	20,000	20,400	20,808	21,224
Engineering Services (detail page 25)	65,000	65,000	65,000	65,000
Other Outside Services (detail page 26)	129,350	131,937	134,576	137,287
Insurance Expense	127,000	129,540	132,131	134,773
Damages	45,000	45,000	45,000	45,000
Office Equipment (detail page 27)	12,680	12,934	13,192	13,456
Communications	10,500	10,710	10,924	11,143
Utilities (detail page 28)	50,950	51,969	53,008	54,069
Building Maintenance (detail page 10)	105,700	107,814	109,970	112,170
Travel (detail page 16)	26,000	26,520	27,050	27,591
Registration, Tuition (detail page 16)	16,000	16,320	16,646	16,979
Permits, Licenses, Fees, Miscellaneous (detail page 17)	94,200	96,084	98,008	99,966
Books, Manuals, etc.	1,000	1,020	1,040	1,061
Election Costs	70,000	0	40,000	0
B&O Tax	763,266	799,333	816,626	831,761
Total Administration & General	\$2,949,553	\$2,891,352	\$2,989,398	\$3,008,259
Total Operation & Maintenance Expense	\$10,627,696	\$10,678,941	\$10,836,054	\$11,038,369
CAPITAL PROJECTS				
12-1 Military Road Water Main Replacement	\$67,997	\$0	\$0	\$0
13-1A Angle Lake Water Main Replacement	1,349,000	765,600	-	-
13-3 City of Sealac 24th/28th Ave S Extension (S 200th St to S 208th St)	359,000	-	-	-
14-1 2015 Comprehensive Water System Plan Update	160,000	-	-	-
14-2 560 Zone (LUD) South Supply	50,000	560,000	-	-
14-3 2015 AC Water Main Replacement	2,900,000	-	-	-
14-4 40th Avenue South Water Main Replacement	371,500	-	-	-
15-1 Tyee Well Rehabilitation Project	250,000	-	-	-
16-1 Emergency Power-Angle Lake Well & DM Treatment Plant	-	100,000	500,000	-
16-2 2016 Water Main Replacement Project	-	2,500,000	-	-
17-1 2017 Water Main Replacement Project	-	-	3,500,000	-
18-1 2018 Water Main Replacement Project	-	-	-	4,000,000
Small Works/Emergency Projects	350,000	350,000	350,000	350,000
Mitigation Improvements	45,000	30,000	30,000	30,000
Meters/Hydrants/Services	790,000	600,000	600,000	600,000
Capital Asset Purchases (detail page 32)	219,000	200,000	225,000	230,000
Total Capital Additions	\$6,911,497	\$5,085,600	\$5,205,000	\$5,210,000

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2015 Budget

	Budget 2015	2016	Projected 2017	2018
Less: Outside Funding Sources				
PWTF Proceeds	\$616,182	\$0	\$0	\$0
GFC/LFC Charges	250,000	275,000	300,000	300,000
Operating Reserves	4,900,000	3,800,000	4,000,000	3,800,000
Construction Fund Reserves	(4,313)	85,600	(46,000)	55,000
Total Outside Funding	\$5,761,869	\$4,160,600	\$4,255,000	\$4,255,000
Total C.I.P From Rates	\$1,149,628	\$925,000	\$950,000	\$955,000
DEBT SERVICE				
Existing Debt				
1995 PWTF - 05-011	98-1 Pump station upgrades	\$97,479	\$0	\$0
1996 PWTF - 06-019	98-3 Crestview Reservoir	102,034	101,034	-
1998 PWTF - 06-020	94-3 Main replacement-Three Tree Point	31,566	31,257	-
1997 PWTF - 07-024	07-1, 07-2, 07-3 Main replacement-Seatac	68,749	68,081	67,414
1998 PWTF - 08-025	99-1 30" Distribution main	261,369	258,856	256,342
1998 PWTF - 08-026	98-1 & 98-2 Main replacements	42,741	42,330	41,819
2000 PWTF - 00-025	00-1 Normandy Park watermain replacements	132,260	129,898	127,536
2001 PWTF - 01-029	01-1 Various watermain replacements	95,848	95,186	94,724
2002 PWTF - 02-023	02-2 Three Tree Pl WM Replc/N Hill Booster	74,845	74,485	74,125
2003 PWTF - 03-113	03-4 600 Zone & main replacement	46,338	45,121	44,904
2004 DWSRF	03-4 600 Zone & main replacement	7,842	7,739	7,635
2004 PWTF - 04-034	02-4 SW Suburban WM replacement	46,417	45,200	44,984
2006 PWTF - 06-117	07-1 490 Zone& Pressure Reducing	37,632	37,454	37,277
2008 PWTF - 08-951	07-1 490 Zone& Pressure Reducing	163,272	162,509	161,746
2012 PWTF -	13-1 Angle Lake Water Main Replacement	92,530	134,757	134,775
Total Existing Debt		\$1,298,722	\$1,233,907	\$1,093,381
Total Debt Service		\$1,298,722	\$1,233,907	\$1,093,381
TOTAL REVENUE REQUIREMENTS		\$13,076,046	\$12,837,848	\$12,879,435
Total Operating Reserves (decrease) Increase		\$2,912,562	\$3,472,845	\$3,754,912

HIGHLINE WATER DISTRICT
Sources and Applications of Funds
2015 Budget

	Budget 2015	2016	Projected 2017	2018
Operating Reserves:				
Beginning Balance	\$13,803,503	\$11,816,065	\$11,488,910	\$11,243,822
Plus: Year End Increase (Decrease)	2,912,562	3,472,845	3,754,912	3,952,095
Less: Uses of Funds Capital	(4,900,000)	(3,800,000)	(4,000,000)	(3,900,000)
Ending Balance	\$11,816,065	\$11,488,910	\$11,243,822	\$11,285,917
Construction Fund:				
Beginning Balance	\$3,074,718	\$3,094,415	\$3,024,073	\$3,084,306
Plus: Additional Funds	6,915,810	5,000,000	5,260,000	5,155,000
Plus: Interest	15,384	15,258	15,233	15,284
Less: Uses of Funds	(6,911,497)	(5,085,600)	(5,205,000)	(5,210,000)
Ending Balance	\$3,094,415	\$3,024,073	\$3,084,306	\$3,044,590
Financial Reserve Policy Targets:				
Operating Fund	\$5,313,848	\$5,339,470	\$5,418,027	\$5,519,185
Construction Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Policy/Target Reserves	\$8,313,848	\$8,339,470	\$8,418,027	\$8,519,185
Total Funds Projected Ending Balance:	\$14,910,481	\$14,512,984	\$14,328,129	\$14,340,507
Sources of Funds				
Rate Revenue	\$15,205,055	\$15,509,157	\$15,819,340	\$16,135,726
Other Revenue	783,553	801,537	815,008	827,495
Total Revenue	\$15,988,608	\$16,310,693	\$16,634,347	\$16,963,222
Applications of Funds				
Purchased Water	\$3,821,800	\$3,821,600	\$3,821,600	\$3,836,248
O&M Expenses	6,022,830	6,058,008	6,198,830	6,270,381
Taxes	783,286	799,333	815,825	831,761
Debt Service Existing	1,298,722	1,233,807	1,093,381	1,017,758
Operating Reserves for Capital Projects	4,900,000	3,800,000	4,000,000	3,900,000
Capital Projects from Rates	1,149,828	925,000	950,000	955,000
Total Revenue Requirement	\$17,976,046	\$16,837,848	\$16,879,435	\$16,911,127
Total Balance/(Deficiency) of Funds	(\$1,987,438)	(\$327,155)	(\$245,088)	\$52,095
Rate Adjustment Required	13.1%	2.1%	1.5%	-0.3%
Total Operation & Maintenance + Capital Projects + Debt Service	\$18,837,915	\$16,998,448	\$17,134,435	\$17,266,127

HIGHLINE WATER DISTRICT
 Water Revenues -NO RATE INCREASE
 2016

		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Annual Total
RESIDENTIAL														
Meter Size	Rate													
5/8" - Discounted	\$9.36	254	254	254	254	254	254	254	254	254	254	254	254	254
3/4" - Discounted	\$9.36	18	18	18	18	18	18	18	18	18	18	18	18	18
5/8"	\$14.40	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809	11,809
3/4"	\$14.40	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884	2,884
1"	\$25.01	849	849	849	849	849	849	849	849	849	849	849	849	849
1 1/2"	\$43.47	28	28	28	28	28	28	28	28	28	28	28	28	28
2"	\$68.72	5	5	5	5	5	5	5	5	5	5	5	5	5
Meter Count		15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827	15,827
Total Residential Meter Revenue		\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$237,131	\$2,845,569
Usage-Winter (ccf)	\$3.55	102,393	82,143	85,843	85,479	89,031	0	0	0	0	107,501	90,515	77,087	728,791
Usage-Summer (S ccf)	\$3.55						79,135	79,135	79,135	79,135				318,540
Usage-Summer (S+ ccf)	\$4.20	0	0	0	0	0	16,139	38,474	77,085	39,832	0	0	0	189,530
Total Residential Usage Revenue		\$363,484	\$291,807	\$339,532	\$303,449	\$316,059	\$348,712	\$434,118	\$804,888	\$448,224	\$381,827	\$321,328	\$273,660	\$4,426,498
Total Residential Revenue		\$600,625	\$528,738	\$578,663	\$540,580	\$553,190	\$585,843	\$871,249	\$841,817	\$885,355	\$618,758	\$558,458	\$510,791	\$7,272,067
COMMERCIAL (Includes multi-family)														
Meter Size	Rate													
5/8"	\$21.90	188	188	188	188	188	188	188	188	188	188	188	188	188
3/4"	\$21.90	147	147	147	147	147	147	147	147	147	147	147	147	147
1"	\$44.25	481	481	481	481	481	481	481	481	481	481	481	481	481
1 1/2"	\$80.87	873	873	873	873	873	873	873	873	873	873	873	873	873
2"	\$129.27	315	315	315	315	315	315	315	315	315	315	315	315	315
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		1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915	1,915
Total Comm. Meter Revenue		\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$1,940,410
Usage-Winter (ccf)	\$3.55	100,850	88,700	94,170	117,834	118,312	0	0	0	0	107,842	107,428	108,235	653,291
Usage-Summer (S ccf)	\$3.55						9,578	9,575	9,575	9,575				38,300
Usage-Summer (S+ ccf)	\$4.20	0	0	0	0	0	111,677	149,342	139,731	130,984	0	0	0	531,734
Total Comm. Usage Revenue		\$358,373	\$350,385	\$334,304	\$418,311	\$420,007	\$503,038	\$681,229	\$820,881	\$584,124	\$382,130	\$381,389	\$384,308	\$5,398,433
Total Commercial Revenue		\$520,073	\$512,088	\$498,004	\$580,012	\$581,708	\$684,738	\$822,930	\$782,582	\$745,824	\$543,830	\$543,070	\$548,008	\$7,338,843
Total Comm & MF Residential Meter Revenue		\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$181,701	\$1,940,410
Total Comm & MF Residential Usage Revenue		\$358,373	\$350,385	\$334,304	\$418,311	\$420,007	\$503,038	\$681,229	\$820,881	\$584,124	\$382,130	\$381,389	\$384,308	\$5,398,433
Total Comm & MF Residential Revenue		\$520,073	\$512,088	\$498,004	\$580,012	\$581,708	\$684,738	\$822,930	\$782,582	\$745,824	\$543,830	\$543,070	\$548,008	\$7,338,843

HIGHLINE WATER DISTRICT
 Water Revenues -NO RATE INCREASE
 2016

Irrigation - (commercial)

		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Annual Total
Meter Size	Rate													
5/8"	\$21.90	15	15	15	15	15	15	15	15	15	15	15	15	
3/4"	\$21.90	33	33	33	33	33	33	33	33	33	33	33	33	
1"	\$44.25	91	91	91	91	91	91	91	91	91	91	91	91	
1 1/2"	\$80.67	64	64	64	64	64	64	64	64	64	64	64	64	
2"	\$129.27	61	61	61	61	61	61	61	61	61	61	61	61	
Meter Count		264	264	264	264	264	264	264	264	264	264	264	264	264
Total Irrigation Meter Revenue		\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$17,943	\$215,320
Usage- (cfd)	\$4.20	300	300	330	330	600	2,000	8,000	19,000	14,000	2,000	1,200	300	42,560
Total Irrigation Usage Revenue		\$1,260	\$1,260	\$1,386	\$1,386	\$2,520	\$8,400	\$33,600	\$58,600	\$58,600	\$8,400	\$5,040	\$1,260	\$178,762
Total Irrigation Revenue		\$19,203	\$19,203	\$19,329	\$19,329	\$21,303	\$26,343	\$51,543	\$72,543	\$76,743	\$26,343	\$22,983	\$19,203	\$394,072
Total Commercial Includes Multi-family & Irrigation		\$539,277	\$531,289	\$515,334	\$599,341	\$603,012	\$691,080	\$874,473	\$855,105	\$822,568	\$870,174	\$568,053	\$565,210	\$7,732,918

STAND-BY FIRE SERVICE

		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Annual Total
Meter Size	Rate													
1 1/2"	\$9.28	44	44	44	44	44	44	44	44	44	44	44	44	
2"	\$12.30	67	67	67	67	67	67	67	67	67	67	67	67	
2 1/2"	\$18.08	14	14	14	14	14	14	14	14	14	14	14	14	
3"	\$34.45	1	1	1	1	1	1	1	1	1	1	1	1	
4"	\$42.70	71	71	71	71	71	71	71	71	71	71	71	71	
6"	\$81.85	93	93	93	93	93	93	93	93	93	93	93	93	
8"	\$83.76	64	64	64	64	64	64	64	64	64	64	64	64	
10"	\$108.33	9	9	9	9	9	9	9	9	9	9	9	9	
Meter Count		353	353	353	353	353	353	353	353	353	353	353	353	353
Total SBF Meter Revenue		\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$18,515	\$186,185
Usage-Winter	\$3.55	5	8	14	14	12					13	95	325	487
Usage-Summer	\$4.20						13	8	4	13				38
Total SBF Usage Revenue		\$18	\$32	\$50	\$50	\$43	\$55	\$34	\$17	\$55	\$48	\$337	\$1,154	\$1,888
Total Stand-by Fire Revenue		\$18,533	\$18,547	\$18,565	\$18,565	\$18,558	\$18,570	\$18,549	\$18,532	\$18,570	\$18,562	\$18,853	\$17,669	\$200,074
Total Meters		18,359	18,369	18,358	18,359	18,359	18,359	18,359	18,359	18,359	18,359	18,359	18,359	18,359
Total Usage		203,648	181,182	180,167	203,857	208,155	218,536	282,534	318,530	273,539	217,156	199,238	185,966	2,682,271
Total Meter Charges		\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$433,290	\$5,100,484
Total Usage Charges		\$723,145	\$643,284	\$675,271	\$723,198	\$739,469	\$860,202	\$1,128,981	\$1,260,165	\$1,091,202	\$772,203	\$706,074	\$660,380	\$10,005,571
Total Revenues - All Classes		\$1,156,435	\$1,076,574	\$1,100,605	\$1,156,488	\$1,172,760	\$1,293,493	\$1,662,272	\$1,713,455	\$1,524,493	\$1,208,493	\$1,141,364	\$1,063,670	\$18,208,688

HIGHLINE WATER DISTRICT
Purchased Water Costs
CY 2015 Projection

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Total
Projected Water Supply Purchases													
Total Production & Purchases CCF	225,000	200,000	210,000	225,000	230,000	250,000	310,000	350,000	300,000	240,000	220,000	205,000	2,865,000
District Wells & Other	75,000	70,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	75,000	840,000
Seattle Water Purchases	150,000	130,000	130,000	145,000	150,000	170,000	230,000	270,000	220,000	160,000	140,000	130,000	2,025,000
Total Sales	225,000	200,000	210,000	225,000	230,000	250,000	310,000	350,000	300,000	240,000	220,000	205,000	2,865,000
Seattle Water Contract													
Rates:						On-Peak (May 15th-Sept. 15th)							
System Base Rates (per ccf)					avg				avg				
Supply	\$1.58	\$1.58	\$1.58	\$1.58	\$2.03	\$2.28	\$2.28	\$2.28	\$2.03	\$1.58	\$1.58	\$1.58	
Total Seattle Water Charges													
Supply	\$237,000	\$205,400	\$205,400	\$228,100	\$304,500	\$384,200	\$519,800	\$610,200	\$448,600	\$252,800	\$221,200	\$205,400	\$3,821,600

2015

Other Customer Charges

Description		
Delinquent lock/unlock revenue	\$	58,000
NSF charges		2,180
Lien interest charges		6,200
Late charges		135,000
*Miscellaneous customer service revenue		38,000
Final bill fees		31,000
Embezzlement recovery - (1997 Audit Report)		2,520
	\$	<u>272,900</u>

***Miscellaneous customer service revenue**

- Water availability certificates
- Plans & specifications
- Damage repair fees
- Lien filing fees
- Meter tampering
- Requested locks

Highline Water District
 2015 Budget
 Maintenance

	Wholesale Water Supply	Pumps Reservoirs & Telemetry	Wells & Water Treatment	Transmission & Distribution	Administration	Total
<u>Maintenance</u>						
Maintenance of office building					\$ 60,000	\$ 60,000
Building Janitorial service					18,600	18,600
Emergency generators maintenance	\$ 4,000	\$ 4,000	\$ 2,600		1,500	12,100
Facility Repair-Wells, Pumps, Treatment		8,500	30,500			39,000
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	48,500	5,000	5,000	107,500
Vehicle Repair & Maintenance				50,000		50,000
	<u>\$ 29,000</u>	<u>\$ 37,500</u>	<u>\$ 84,100</u>	<u>\$ 63,000</u>	<u>\$ 92,800</u>	<u>\$ 306,200</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>\$ 600</u>	<u>\$ 1,020</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>\$ 84,520</u>	<u>\$ 63,000</u>	<u>\$ 106,700</u>	<u>\$ 327,720</u>

**Highline Water District
2015 Budget
Uniforms**

	Pumps, Reservoirs & Telemetry	Transmission & Distribution	Customer Service	Administration	Total
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	\$ 1,260	\$ 7,200	\$ 1,040	\$ 520	\$ 10,020

**Highline Water District
2015 Budget
Supplies**

	<u>Administration</u>	<u>Transmission & Distribution</u>	<u>Total</u>
Safety Supplies/First Aid Supplies	\$ 1,000	\$ 7,000	\$ 8,000
Field Tools & Minor Equipment		20,000	20,000
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	5,000		5,000
Supplies-Other	3,000		3,000
Emergency Management Supplies	1,000		1,000
Total Supplies	<u>\$ 29,000</u>	<u>\$ 42,000</u>	<u>\$ 71,000</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
2015 Budget
Community Relations & Conservation**

<u>Conservation/Community Relations</u>	<u>Administration</u>
Supplies	\$ 500
Calendar Contest (printing & gift cards)	1,200
Other events	1,500
Total Community Relations & Conservation	<u>\$ 3,200</u>

**Highline Water District
2015 Budget
Materials**

	<u>Transmission & Distribution</u>
Chemicals	\$ 1,500
Asphalting/Concrete	75,000
Parts & other supplies	30,000
Meters, hydrants & hardware	35,000
Rock, Gravel etc	28,500
Total Materials	<u>\$ 170,000</u>

**Highline Water District
2015 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	\$ 4,000	19,100
Field Services-Other	10,000			10,000
Total Field Services	<u>\$ 43,500</u>	<u>\$ 8,600</u>	<u>\$ 4,000</u>	<u>\$ 56,100</u>

**Highline Water District
2015 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	30,000	46,000
Total Training and Travel	<u>\$ 42,000</u>	<u>\$ 46,000</u>	<u>\$ 88,000</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
2015 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
Dept. of Health Permit		30,000	30,000
Permits & Inspections-Developer Extensions		5,000	5,000
Other Miscellaneous Permits	\$ 1,450	30	1,480
	<u>\$ 1,450</u>	<u>\$ 70,030</u>	<u>\$ 71,480</u>
<u>Licenses & Certifications</u>			
DOH certifications.		\$ 1,100	\$ 1,100
Certification exam fees		500	500
CDL fees		500	500
Other Licenses & Certifications		200	200
		<u>\$ 2,300</u>	<u>\$ 2,300</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)	2,000		2,000
Bank fees	60,000		60,000
Invoice Cloud - processing fees	9,500		
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	500		500
Midway Parking Fee	1,200		1,200
Title Reports/Property Research	1,000		1,000
	<u>\$ 77,450</u>		<u>\$ 67,950</u>
<u>Miscellaneous</u>			
	\$ 200		\$ 200
<u>Vehicle Licensing</u>	<u>\$ 100</u>		<u>\$ 100</u>
<u>Fees - Liens & Easements</u>	<u>\$ 15,000</u>		<u>\$ 15,000</u>
Total Permits, Licenses, Fees and Misc.	<u><u>\$ 94,200</u></u>	<u><u>\$ 77,330</u></u>	<u><u>\$ 171,530</u></u>

**Highline Water District
2015 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	1,500		1,500
Consumables	1,500		1,500
Other printing	800		800
Engineering printing	3,200		3,200
Total Printing	<u>\$ 11,000</u>	<u>\$ 44,000</u>	<u>\$ 55,000</u>

**Highline Water District
2015 Budget
Postage**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing Statements		\$ 55,000	\$ 55,000
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>\$ 59,000</u>	<u>\$ 67,800</u>

**Highline Water District
2015 Budget
Employee Relations**

	<u>Adminstration</u>
Employee awards/incentives	\$ 3,000
Employee Assistance-Far West Family Svcs	3,600
Miscellaneous	<u>3,500</u>
Total Employee Relations	<u>\$ 10,100</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
2015 Budget
Dues & Subscriptions**

	<u>Adminstration</u>
<u>Subscriptions</u>	
Keep Up-to-Date on Payroll	\$ 230
Daily Journal of Commerce	220
Seattle Times	350
Safety Alert for Supervisors	325
Top Health	320
GAAFR Review Newsletter	60
Total Subscriptions	<u>\$ 1,505</u>
 <u>Dues WASWD</u>	
WASWD	<u>\$ 17,610</u>
 <u>Dues-other</u>	
AWWA-Membership	\$ 3,450
Washington Water Utilities Council/PNWS-AWWA	1,500
SW King County Chamber of Commerce	400
Kent Chamber of Commerce	475
National Safety Council	400
American Public Works Association	200
Highline Water District - GMPC	1,000
Evergreen Rural Membership	700
Government Finance Officer's Association (GFOA)	160
Miscellaneous Dues	115
Total Dues other	<u>\$ 8,400</u>
Total Dues & Subscriptions	<u><u>\$ 27,515</u></u>

**Highline Water District
2015 Budget
Telephone**

	<u>Administration</u>	<u>Pumps Reservoirs & Telemetry</u>	<u>Total</u>
Cellular	\$ 10,800		\$ 10,800
Wireless	3,100	\$ 1,500	4,600
Local Service	14,500	24,875	39,375
Long Distance	120		120
Total Telephone	<u>\$ 28,520</u>	<u>\$ 26,375</u>	<u>\$ 54,895</u>

**Highline Water District
2015 Budget
Hardware/Software/Internet**

	<u>Administration</u>
<u>Computers-Software Maintenance Support</u>	
Annual support on Harris Northstar	\$ 26,970
Harris system Cognos data dictionary support	1,275
Harris system Cognos - Reports Anywhere	2,750
EDOCS Annual Maintenance	1,840
Harris Ecare	3,885
Harris/GBA integration support	890
Harris M-Care Annual Maintenance	4,775
Annual support - GEMS Financials	45,100
Annual support - Unisys Corp (3rd party GEMS)	2,275
Annual support on Lucity (GBA)	17,100
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	2,000
Carahsoft Tech annual maint for MAP2PDF ARCGIS	575
Security Software maintenance (upgrade) fee	1,000
SiteProtector Server Anti-Virus Service	2,235
SiteProtector Workstations & Mobile Device Anti-Virus Service	7,485
Remote Backup Service (OBM)	2,300
SiteProtector Backup Licenses	1,970
SRA 4200 (Secure Remote Access) - Sonic Wall	0
SRA 4600 (Secure Remote Access) - Sonic Wall	1,005
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	3,550
FME Global Software annual maintenance	500
WIN-911 annual maintenance	395
Invoice Cloud (new service)	840
Office 365	7,820
	<u>\$ 150,685</u>
 <u>Computer Hardware - Minor Assets</u>	
Replacement PC's (6) & 1-laptop replacement	\$ 6,000
Monitors & video cards	2,000
Samsung 845DC Enterprise (Server Hard-drives)	6,560
MS Windows and SQL Servers Upgrades	16,500
I-Pads for Admin and Field use (5)	0
Miscellaneous Minor Hardware	5,000
	<u>\$ 36,060</u>
 <u>Miscellaneous</u>	
Internet fees	\$ 1,700
Hardware Preventive Maintenance	600
Hardware Repairs	1,000
Email Archiving	10,000
Other software & miscellaneous computer related	6,500
	<u>\$ 19,800</u>
Total Hardware/Software/Internet	<u>\$ 206,544</u>

**Highline Water District
2015 Budget
Legal Fees**

	<u>Administration</u>
General District Business	\$ 70,000
Human Resources	5,000
Water Issues	5,000
Total Legal Fees	<u><u>\$ 80,000</u></u>

**Highline Water District
2015 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
2015 Budget
Outside Services**

	Administration	Customer Accounts	Pumps, Reservoirs & Telemetry	Total
<u>Consulting Services</u>				
General computer consulting	\$ 69,200			\$ 69,200
Miscellaneous	10,000			10,000
Core software consulting/training	21,500			21,500
Records Retention	10,000			10,000
Telemetry consulting			\$ 5,000	5,000
	<u>\$ 110,700</u>		<u>\$ 5,000</u>	<u>\$ 115,700</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		16,900		16,900
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>\$ 30,900</u>		<u>\$ 44,100</u>
Total Outside Services	<u><u>\$ 129,350</u></u>	<u><u>\$ 30,900</u></u>	<u><u>\$ 5,000</u></u>	<u><u>\$ 165,250</u></u>

**Highline Water District
2015 Budget
Office Equipment**

	<u>Administration</u>
<u>Office Equipment Preventive Maintenance</u>	
Annual maintenance on main copier	\$ 2,700
Annual maintenance on Pitney Bowes folder/insertter	500
Maintenance for Altura telephone system	2,880
Annual maintenance on postage machine	2,175
HP Printer/Plotter/Scanner maintenance - HP T2300	2,600
Annual maint on Const Svc copier-Konica Minolta	450
	<u>\$ 11,305</u>
 <u>Office Equipment Rental & Lease</u>	 <u>\$ 875</u>
 <u>Office Equipment Repair</u>	 <u>\$ 500</u>
 Total Office Equipment	 <u><u>\$ 12,680</u></u>

**Highline Water District
2015 Budget
Utilities**

	<u>Supply</u>	<u>Pumps, Reservoirs & Telemetry</u>	<u>Wells & Water Treatment</u>	<u>Administration</u>	<u>Total</u>
Garbage & Recycling				\$ 3,550	\$ 3,550
Natural Gas				13,000	13,000
Real Estate Tax				5,000	5,000
Storm/Surface Water Management				6,350	6,350
Power	\$ 80,000	\$ 25,000	\$ 288,000	22,500	415,500
Sewer		500		550	1,050
Sewer - Backwash			13,000		13,000
Total Utilities	<u>\$ 80,000</u>	<u>\$ 25,500</u>	<u>\$ 301,000</u>	<u>\$ 50,950</u>	<u>\$ 457,450</u>

*Power - Supply=Pump stations #'s 2, 3, 5, & 6

- Pumps Reservoirs & Telemetry = Pump stations #'s 1, 4, 7 & reservoirs

Highline Water District
2015 Capital Asset Purchase Budget
Individual budget amounts do not include sales tax

Line	Asset	Cost
1	Color copier (replace KONI)	15,000
2	Replacement Meter Tech Vehicle	35,000
3	Diluter System-Caustic Soda, Tye	30,000
4	Headquarters Improvements - fencing, lighting & patio cover	120,000
5		
6		
7		
8		

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

Agenda Item No.: 5.2

Agenda Date: 12/17/2014

Reviewed By: M.E.

Subject: Adopt 2015 Operating Budget

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

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

- Attachments
1. Resolution #14-12-17B
 2. Exhibit A – 2015 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.