

**HIGHLINE WATER DISTRICT  
King County, Washington**

**RESOLUTION 15-12-16A**

**RESOLUTION ADOPTING THE 2016 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 2016 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

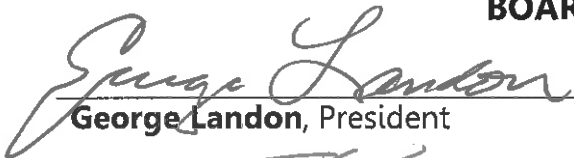
**WHEREAS**, the Board of Commissioners are satisfied with the 2016 Operating Budget developed by the General Manager and Staff.

**NOW, THEREFORE, BE IT RESOLVED:**

The Board of Commissioners hereby approves the 2016 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 **16th** day of **December 2015**.

**BOARD OF COMMISSIONERS**

  
George Landon, President

  
Vince Koester, Secretary

  
Todd Fultz, Commissioner

  
Daniel Johnson, Commissioner

  
Kathleen Quong-Vermeire, Commissioner

2016

EXHIBIT A

# BUDGET



*Our mission is to provide high quality water and excellent customer service while effectively managing District infrastructure for a reliable water system today and for future generations.*

## Board of Commissioners

Todd Fultz | Dan Johnson | Vince Koester  
George Landon | Kathleen Quong-Vermeire

## Staff

Matt Everett, General Manager 206-592-8902  
Jeremy DelMar P.E., Engineering Manager 206-592-8904  
Debbie Prior, Administrative Manager 206-592-8906

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**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2016 Budget**

	Budget 2016	2017	Projected 2018	2019
<b>SOURCES OF FUNDS</b>				
<b>Rate Revenues</b>				
Residential	\$7,275,471	\$7,420,980	\$7,569,400	\$7,720,788
Commercial	7,743,152	7,898,015	8,055,975	8,217,095
Stand-By Fire Service	201,908	205,944	210,083	214,264
<b>Total Rate Revenues (detail pages 6-7)</b>	<b>\$15,220,529</b>	<b>\$15,524,939</b>	<b>\$15,835,438</b>	<b>\$16,152,147</b>
<b>Other Revenues</b>				
Hydrant Meter Sales	\$30,000	\$30,600	\$31,212	\$31,836
Street Lights - (Puget Sound Energy)	129,863	129,863	129,863	132,460
Wholesale Water Sales	3,000	3,000	3,000	3,000
Discounts and Adjustments	(30,000)	(30,600)	(31,212)	(31,838)
Meter Applications	75,000	76,500	78,030	79,591
Surcharges	20,375	20,375	19,000	-
Other Customer Charges (detail page 8)	274,270	279,755	285,351	291,058
Interest Income (maintenance fund)	92,500	108,700	120,000	120,000
Lease Income	171,607	179,091	184,573	185,218
Other Fees (DE, gain/loss assets, scrap metal, US Bank rebate, etc.)	100,000	80,000	80,000	80,000
<b>Total Other Revenues</b>	<b>\$868,615</b>	<b>\$877,284</b>	<b>\$899,817</b>	<b>\$891,326</b>
<b>Total Sources of Funds</b>	<b>\$16,087,144</b>	<b>\$16,402,224</b>	<b>\$16,735,255</b>	<b>\$17,043,473</b>
<b>APPLICATIONS OF FUNDS</b>				
<b>OPERATION &amp; MAINTENANCE EXPENSES</b>				
<b>Wholesale Water Supply</b>				
Salary & Wages	\$9,278	\$9,462	\$9,651	\$9,844
Retirement	1,020	1,040	1,061	1,082
Medical, Dental	1,759	1,829	1,903	1,979
Payroll Taxes	902	920	938	957
Water Purchased - Seattle (detail page 9)	3,988,600	3,850,000	3,965,500	4,084,465
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)	81,500	83,130	84,793	86,488
Maintenance (detail page 10)	29,000	29,580	30,172	30,775
Fuel	1,200	1,224	1,248	1,273
<b>Total Supply</b>	<b>\$4,123,957</b>	<b>\$3,987,957</b>	<b>\$4,106,213</b>	<b>\$4,227,990</b>
<b>Pumps, Reservoirs &amp; Telemetry</b>				
Salary & Wages	\$124,950	\$127,449	\$129,998	\$132,598
Retirement	13,745	14,020	14,300	14,586
Medical, Dental	17,691	18,399	19,135	19,900
Payroll Taxes	11,791	12,027	12,267	12,513
Uniforms (detail page 11)	1,350	1,350	1,350	1,350
Maintenance (detail page 10)	47,500	48,450	49,419	50,407
Utilities (detail page 28)	25,500	26,010	26,530	27,061
Telephone (detail page 22)	31,815	32,247	32,892	33,550
Fuel	4,500	4,590	4,682	4,775
<b>Total Pumps &amp; Wells</b>	<b>\$278,642</b>	<b>\$284,542</b>	<b>\$290,573</b>	<b>\$296,741</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2016 Budget**

	Budget 2016	2017	Projected 2018	2019
<b><i>Wells &amp; Water Treatment</i></b>				
Salary & Wages	\$188,889	\$192,667	\$196,520	\$200,451
Retirement	20,407	20,815	21,231	21,656
Medical, Dental	34,033	35,394	36,810	38,282
Payroll Taxes	18,310	18,676	19,050	19,431
Chemicals	65,000	81,600	83,232	84,897
Maintenance (detail page 10)	54,020	55,100	56,202	57,326
Utilities (detail page 28)	271,000	307,000	313,140	319,403
Fuel	2,300	2,346	2,393	2,441
<b>Total Water Treatment</b>	<b>\$653,959</b>	<b>\$713,599</b>	<b>\$728,579</b>	<b>\$743,886</b>
<b><i>Transmission &amp; Distribution</i></b>				
Salary & Wages	\$1,002,083	\$1,022,125	\$1,042,587	\$1,074,163
Retirement	107,513	109,863	111,857	114,094
Medical, Dental	206,579	214,842	223,436	232,373
Payroll Taxes	90,228	92,033	93,873	95,751
Uniforms (detail page 11)	7,500	7,500	7,500	7,500
Supplies (detail page 12)	47,000	47,940	48,899	49,877
Materials (detail page 14)	179,500	183,090	188,752	190,487
Field Services (detail page 15)	49,600	50,592	51,804	52,636
Equipment Maintenance (detail page 10)	63,000	64,260	65,545	66,856
Fuel	16,000	16,320	16,646	16,979
Books Manuals	1,000	1,020	1,040	1,061
Travel (detail page 16)	16,000	16,320	16,646	16,979
Registration, Tuition (detail page 16)	45,000	32,000	12,000	12,240
Permits, Inspections, Licenses, Fees (detail page 17)	87,725	89,480	91,269	93,094
<b>Total Transmission &amp; Distribution</b>	<b>\$1,918,728</b>	<b>\$1,947,184</b>	<b>\$1,969,635</b>	<b>\$2,024,091</b>
<b><i>Customer Accounts</i></b>				
Salary & Wages	\$515,943	\$526,262	\$538,787	\$550,923
Retirement	55,871	58,988	58,128	59,291
Medical, Dental	140,198	145,806	151,638	157,704
Payroll Taxes	45,130	46,033	46,953	47,892
Uniforms (detail page 11)	1,350	1,350	1,350	1,350
Fuel	10,000	10,200	10,404	10,612
Printing (detail page 18)	42,000	42,840	43,697	44,571
Postage (detail page 19)	59,000	60,180	61,384	62,611
Other Outside Services (detail page 26)	36,250	36,975	37,715	38,469
Commissions	2,500	2,550	2,601	2,653
<b>Total Customer Accounts</b>	<b>\$908,242</b>	<b>\$929,184</b>	<b>\$950,657</b>	<b>\$976,075</b>
<b>Total O&amp;M Expenses Before A&amp;G</b>	<b>\$7,883,428</b>	<b>\$7,862,466</b>	<b>\$8,045,656</b>	<b>\$8,268,784</b>
<b><i>Administration &amp; General</i></b>				
Salary & Wages	\$603,095	\$615,157	\$627,460	\$640,009
Retirement	65,281	66,566	67,898	69,255
Medical, Dental	169,227	175,996	183,036	190,357
Payroll Taxes	45,658	46,571	47,503	48,453
Uniforms (detail page 11)	450	450	450	450
Employee Relations (detail page 20)	10,100	10,302	10,508	10,716

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2016 Budget**

	<b>Budget 2016</b>	<b>2017</b>	<b>Projected 2018</b>	<b>2019</b>
Street Light Cost (Puget Sound Energy)	121,200	123,824	126,096	128,618
Fuel	2,000	2,040	2,081	2,122
Postage (detail page 19)	7,000	7,140	7,283	7,428
Dues & Subscriptions (detail page 21)	29,010	29,590	30,182	30,786
Community Relations & Conservation (detail page 13)	6,700	6,834	6,971	7,110
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)	29,530	30,121	30,723	31,337
Answering Service	2,500	2,550	2,601	2,653
Hardware/Software/Internet (detail page 23)	192,724	196,578	200,510	204,520
Legal Fees (detail page 24)	100,000	100,000	70,000	70,000
Auditing and Accounting Fees	25,000	20,000	20,000	20,000
Engineering Services (detail page 25)	65,000	65,000	65,000	65,000
Other Outside Services (detail page 26)	140,450	143,259	146,124	149,047
Insurance Expense	130,693	133,306	135,972	138,692
Damages	45,000	45,000	45,000	45,000
Office Equipment (detail page 27)	8,415	8,583	8,755	8,930
Communications	11,300	11,526	11,757	11,982
Utilities (detail page 28)	53,350	54,417	55,505	56,615
Building Maintenance (detail page 10)	86,300	88,026	89,787	91,582
Travel (detail page 16)	26,000	26,520	27,050	27,581
Registration, Tuition (detail page 16)	16,000	16,320	16,646	16,979
Permits, Licenses, Fees, Miscellaneous (detail page 17)	89,200	90,984	92,804	94,660
Books, Manuals, etc.	1,000	1,000	1,000	1,000
Election Costs	0	40,000	0	70,000
B&O Tax	787,440	843,408	882,401	830,161
<b>Total Administration &amp; General</b>	<b>\$2,909,602</b>	<b>\$3,041,670</b>	<b>\$3,052,719</b>	<b>\$3,113,517</b>
<b>Total Operation &amp; Maintenance Expense</b>	<b>\$10,793,030</b>	<b>\$10,904,136</b>	<b>\$11,096,375</b>	<b>\$11,382,301</b>
<b>CAPITAL PROJECTS</b>				
13-1A Angle Lake Water Main Replacement	\$1,455,000	\$0	\$0	\$0
13-3 City of Seatac 24th/28th Ave S Extension (S 200th St to S 206th St)	281,500	-	-	-
14-1 2015 Comprehensive Water System Plan Update	35,000	-	-	-
14-2 560 Zone (LUD) South Supply	125,000	475,000	-	-
14-3 Manhattan View Water Main Replacement	3,037,150	-	-	-
14-4 40th Avenue South Water Main Replacement	255,000	-	-	-
15-1 Tyea Well Rehabilitation Project	140,000	-	-	-
16-1 Emergency Power-Angle Lake Well & DM Treatment Plant	-	100,000	485,000	-
16-2 Pump Station No. 8 (Crestview)	250,000	1,544,000	-	-
16-3 Mansion Hill Reservoir Relocation	250,000	3,000,000	3,500,000	-
16-4 Sound Transit Transmission Main Relocation	-	50,000	1,036,000	-
17-1 2017 Pipeline Improvement Projects	-	2,500,000	2,000,000	-
18-2 Asset Management Plan Update	-	-	50,000	-
19-1 2019 Water Main Replacement Project	-	-	-	4,500,000
Small Works/Emergency Projects	350,000	350,000	350,000	350,000
Mitigation Improvements	40,000	30,000	30,000	30,000
Meters/Hydrants/Services	1,000,000	1,000,000	1,000,000	1,000,000
Capital Asset Purchases (detail page 29)	188,231	225,000	225,000	230,000
<b>Total Capital Additions</b>	<b>\$7,406,881</b>	<b>\$9,274,000</b>	<b>\$8,676,000</b>	<b>\$6,110,000</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2016 Budget**

	Budget 2016	2017	Projected 2018	2019
<b>Less: Outside Funding Sources</b>				
PWTF Proceeds	\$76,615	\$0	\$0	\$0
General Facility (GFC) Charges	350,000	300,000	300,000	300,000
Developer Reimbursement	250,000	3,000,000	4,538,000	-
Operating Reserves	4,900,000	4,500,000	2,300,000	4,500,000
Construction Fund Reserves	501,407	124,000	190,000	(45,000)
<b>Total Outside Funding</b>	<b>\$6,078,022</b>	<b>\$7,924,000</b>	<b>\$7,326,000</b>	<b>\$4,755,000</b>
<b>Total C.I.P From Rates</b>	<b>\$1,328,859</b>	<b>\$1,350,000</b>	<b>\$1,350,000</b>	<b>\$1,355,000</b>
<b>DEBT SERVICE</b>				
<b>Existing Debt</b>				
1996 PWTF - 96-019 96-3 Crestview Reservoir	\$101,034	\$0	\$0	\$0
1996 PWTF - 96-020 94-3 Main replacement-Three Tree Point	31,257	-	-	-
1997 PWTF - 97-024 97-1, 97-2, 97-3 Main replacement-Seattle	68,081	87,414	-	-
1998 PWTF - 98-025 99-1 30" Distribution main	258,856	256,342	253,829	-
1998 PWTF - 98-026 98-1 & 98-2 Main replacements	42,330	41,919	41,508	-
2000 PWTF - 00-025 00-1 Normandy Park watermain replacements	129,888	127,536	125,174	122,812
2001 PWTF - 01-029 01-1 Various watermain replacements	95,188	94,724	94,282	93,800
2002 PWTF - 02-023 02-2 Three Tree Pt WM Replc/N Hill Booster	74,485	74,125	73,785	73,405
2003 PWTF - 03-113 03-4 600 Zone & main replacement	45,121	44,904	44,688	44,471
2004 DWSRF 03-4 600 Zone & main replacement	7,739	7,635	7,531	7,428
2004 PWTF - 04-034 02-4 SW Suburban WM replacement	45,200	44,984	44,788	44,551
2006 PWTF - 06-117 07-1 490 Zone& Pressure Reducing	37,454	37,277	37,099	36,922
2008 PWTF - 08-951 07-1 490 Zone& Pressure Reducing	162,509	161,746	160,983	160,220
2012 PWTF - 13-1 Angle Lake Water Main Replacement	134,715	134,775	134,151	133,527
<b>Total Existing Debt</b>	<b>\$1,233,865</b>	<b>\$1,093,381</b>	<b>\$1,017,758</b>	<b>\$717,136</b>
<b>Total Debt Service</b>	<b>\$1,233,865</b>	<b>\$1,093,381</b>	<b>\$1,017,758</b>	<b>\$717,136</b>
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$13,355,754</b>	<b>\$13,347,517</b>	<b>\$13,466,133</b>	<b>\$13,454,437</b>
<b>Total Operating Reserves (decrease) increase</b>	<b>\$2,731,390</b>	<b>\$3,054,707</b>	<b>\$3,269,121</b>	<b>\$3,589,036</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2016 Budget**

	Budget 2016	2017	Projected 2018	2019
<b>Operating Reserves:</b>				
Beginning Balance	\$16,518,481	\$14,349,871	\$12,904,578	\$13,873,699
Plus: Year End Increase (Decrease)	2,731,390	3,054,707	3,269,121	3,589,038
Less: Uses of Funds Capital	(4,900,000)	(4,500,000)	(2,300,000)	(4,500,000)
Ending Balance	\$14,349,871	\$12,904,578	\$13,873,699	\$12,962,738
<b>Construction Fund:</b>				
Beginning Balance	\$3,868,917	\$3,389,219	\$3,291,837	\$3,130,609
Plus: Additional Funds	6,905,474	9,150,000	8,486,000	6,155,000
Plus: Interest	21,709	26,618	28,772	28,378
Less: Uses of Funds	(7,408,881)	(9,274,000)	(8,676,000)	(6,110,000)
Ending Balance	\$3,389,219	\$3,291,837	\$3,130,609	\$3,203,987
<b>Financial Reserve Policy Targets:</b>				
Operating Fund	\$5,396,515	\$5,452,068	\$5,549,188	\$5,691,150
Construction Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Policy/Target Reserves	\$8,396,515	\$8,452,068	\$8,549,188	\$8,691,150
<b>Total Funds Projected Ending Balance:</b>	<b>\$17,739,090</b>	<b>\$16,196,415</b>	<b>\$17,004,308</b>	<b>\$16,166,722</b>



**HIGHLINE WATER DISTRICT**  
**Water Revenues -NO RATE INCREASE**  
**2018**

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Annual Total
<b>RESIDENTIAL</b>													
Meter Size	Rate												
5/8" - Discounted	251	251	251	251	251	251	251	251	251	251	251	251	251
3/4" - Discounted	22	22	22	22	22	22	22	22	22	22	22	22	22
5/8"	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791	11,791
3/4"	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863	2,863
1"	874	874	874	874	874	874	874	874	874	874	874	874	874
1 1/2"	28	28	28	28	28	28	28	28	28	28	28	28	28
2"	5	5	5	5	5	5	5	5	5	5	5	5	5
Meter Count	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832	15,832
Total Residential Meter Revenue	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$237,420	\$2,848,098
Usage-Winter (ccf)	102,393	82,143	85,643	85,479	89,091	0	0	0	0	107,501	90,515	77,087	729,791
UsageSummer (5 ccf)	0	0	0	0	0	79,160	79,160	79,160	79,160	0	0	0	316,640
UsageSummer (6+ ccf)	0	0	0	0	0	16,114	38,449	77,060	39,807	0	0	0	169,430
Total Residential Usage Revenue	\$363,484	\$291,607	\$339,532	\$303,449	\$316,059	\$348,888	\$434,102	\$604,670	\$448,208	\$391,627	\$321,328	\$273,660	\$4,426,433
Total Residential Revenue	\$600,914	\$529,027	\$576,952	\$540,869	\$653,479	\$686,116	\$871,522	\$842,090	\$886,628	\$619,047	\$558,746	\$511,080	\$7,275,471
<b>COMMERCIAL (Includes multi-family)</b>													
5/8"	186	186	186	186	186	186	186	186	186	186	186	186	186
3/4"	145	145	145	145	145	145	145	145	145	145	145	145	145
**	479	479	479	479	479	479	479	479	479	479	479	479	479
1 1/2"	672	672	672	672	672	672	672	672	672	672	672	672	672
2"	316	316	316	316	316	316	316	316	316	316	316	316	316
3"	74	74	74	74	74	74	74	74	74	74	74	74	74
4"	28	28	28	28	28	28	28	28	28	28	28	28	28
6"	8	8	8	8	8	8	8	8	8	8	8	8	8
8"	2	2	2	2	2	2	2	2	2	2	2	2	2
Meter Count	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910	1,910
Total Comm. Meter Revenue	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$1,942,003
Usage-Winter (ccf)	100,860	98,700	94,170	117,834	118,312	0	0	0	0	107,642	107,428	108,255	853,291
UsageSummer (5 ccf)	0	0	0	0	0	9,550	8,550	8,550	9,550	0	0	0	38,200
UsageSummer (6+ ccf)	0	0	0	0	0	111,702	149,367	139,756	131,009	0	0	0	591,834
Total Comm. Usage Revenue	\$358,373	\$350,385	\$334,304	\$418,311	\$420,007	\$503,052	\$661,246	\$620,878	\$584,140	\$382,130	\$381,369	\$384,306	\$5,388,498
Total Commercial Revenue	\$620,206	\$512,219	\$496,137	\$580,144	\$581,841	\$684,886	\$823,070	\$782,711	\$745,973	\$543,963	\$543,203	\$546,139	\$7,340,501
Total Comm & MF Residential Meter Reven	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$181,834	\$1,942,003
Total Comm & MF Residential Usage Reven	\$558,373	\$350,385	\$334,304	\$418,311	\$420,007	\$503,052	\$661,246	\$620,878	\$584,140	\$382,130	\$381,369	\$384,306	\$5,388,498
Total Comm & MF Residential Revenue	\$620,206	\$512,219	\$496,137	\$580,144	\$581,841	\$684,886	\$823,070	\$782,711	\$745,973	\$543,963	\$543,203	\$546,139	\$7,340,501

**HIGHLINE WATER DISTRICT**  
**Water Revenues -NO RATE INCREASE**  
**2016**

Irrigation - (commercial)		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Annual Total
<b>Meter Size</b>	<b>Rate</b>													
5/8"	\$21.90	17	17	17	17	17	17	17	17	17	17	17	17	
3/4"	\$21.90	35	35	35	35	35	35	35	35	35	35	35	35	
1"	\$44.25	84	84	84	84	84	84	84	84	84	84	84	84	
1 1/2"	\$80.67	67	67	67	67	67	67	67	67	67	67	67	67	
2"	\$126.27	63	63	63	63	63	63	63	63	63	63	63	63	
<b>Meter Count</b>		276	276	276	276	276	276	276	276	276	276	276	276	276
<b>Total Irrigation Meter Revenue</b>		\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$18,658	\$223,899
<b>Usage - (ccf)</b>	<b>\$4.20</b>	300	300	330	330	800	2,000	8,000	13,000	14,000	2,000	1,200	300	42,580
<b>Total Irrigation Usage Revenue</b>		\$1,260	\$1,260	\$1,386	\$1,386	\$3,360	\$8,400	\$33,600	\$54,600	\$58,800	\$8,400	\$5,040	\$1,260	\$178,762
<b>Total Irrigation Revenue</b>		\$19,918	\$19,918	\$20,044	\$20,044	\$22,018	\$27,058	\$52,258	\$73,258	\$77,458	\$27,058	\$23,698	\$19,918	\$402,661
<b>Total Commercial</b> Includes Multi-Family & Irrigation		\$540,124	\$532,137	\$516,181	\$500,189	\$603,869	\$591,944	\$875,337	\$855,969	\$823,432	\$571,021	\$566,901	\$566,057	\$7,743,162
<b>STAND-BY FIRE SERVICE</b>														
<b>Meter Size</b>	<b>Rate</b>													
1 1/2"	\$6.28	44	44	44	44	44	44	44	44	44	44	44	44	
2"	\$12.30	59	59	59	59	59	59	59	59	59	59	59	59	
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	74	74	74	74	74	74	74	74	74	74	74	74	
6"	\$61.85	93	93	93	93	93	93	93	93	93	93	93	93	
8"	\$83.75	84	84	84	84	84	84	84	84	84	84	84	84	
10"	\$108.33	9	9	9	9	9	9	9	9	9	9	9	9	
<b>Meter Count</b>		358	358	358	358	358	358	358	358	358	358	358	358	358
<b>Total SBF Meter Revenue</b>		\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$16,688	\$200,018
<b>Usage-Winter</b>	<b>\$3.55</b>	5	9	14	14	12					13	95	325	487
<b>Usage-Summer</b>	<b>\$4.20</b>						13	8	4	13				38
<b>Total SBF Usage Revenue</b>		\$18	\$32	\$50	\$50	\$48	\$56	\$34	\$17	\$56	\$46	\$337	\$1,154	\$1,888
<b>Total Stand-by Fire Revenue</b>		\$16,688	\$16,700	\$16,718	\$16,718	\$16,711	\$16,723	\$16,702	\$16,685	\$16,723	\$16,714	\$17,005	\$17,822	\$201,906
<b>Total Meters</b>		18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376	18,376
<b>Total Usage</b>		203,648	181,162	180,167	203,657	208,155	218,539	282,634	318,630	278,536	217,166	199,238	185,988	2,682,271
<b>Total Meter Charges</b>		\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$434,580	\$5,214,857
<b>Total Usage Charges</b>		\$723,145	\$643,284	\$675,271	\$723,195	\$739,489	\$880,202	\$1,128,981	\$1,280,165	\$1,091,202	\$772,203	\$706,074	\$680,380	\$10,005,571
<b>Total Revenue - All Classes</b>		\$1,157,724	\$1,077,863	\$1,109,851	\$1,157,776	\$1,174,049	\$1,294,782	\$1,563,561	\$1,714,744	\$1,525,782	\$1,206,783	\$1,142,654	\$1,094,938	\$16,220,828

**2016**

**Other Customer Charges**

<u>Description</u>		
Delinquent lock/unlock revenue	\$	50,000
NSF charges		2,000
Lien interest charges		6,200
Late charges		130,000
*Miscellaneous customer service revenue		45,000
Final bill fees		35,000
Write-off of bad debts		3,550
Embezzlement recovery - (1997 Audit Report)		2,520
	<u>\$</u>	<u>274,270</u>

**\*Miscellaneous customer service revenue**

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

**HIGHLINE WATER DISTRICT  
Purchased Water Costs  
CY 2016 Projection**

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Total
<b>Projected Water Supply Purchases</b>													
<b>Total Production &amp; Purchases CCF</b>	225,000	200,000	210,000	225,000	230,000	250,000	310,000	350,000	300,000	240,000	220,000	205,000	2,985,000
<b>District Wells &amp; Other</b>	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	640,000
<b>Seattle Water Purchases</b>	165,000	140,000	150,000	165,000	170,000	170,000	230,000	270,000	220,000	160,000	140,000	145,000	2,125,000
<b>Total Sales</b>	225,000	200,000	210,000	225,000	230,000	250,000	310,000	350,000	300,000	240,000	220,000	205,000	2,966,000
<b>Seattle Water Contract</b>													
<b>Rates:</b>													
					On-Peak (May 16th-Sept. 15th)								
<b>System Base Rates (per ccf)</b>					avg				avg				
<b>Supply</b>	\$1.58	\$1.58	\$1.58	\$1.58	\$2.03	\$2.26	\$2.26	\$2.26	\$2.03	\$1.58	\$1.58	\$1.58	
<b>Total Seattle Water Charges</b>													
<b>Supply</b>	\$260,700	\$221,200	\$237,000	\$260,700	\$345,100	\$384,200	\$519,800	\$610,200	\$446,600	\$252,800	\$221,200	\$229,100	\$3,988,600

**Highline Water District  
2016 Budget  
Maintenance**

	Wholesale Water Supply	Pumps Reservoirs & Telemetry	Wells & Water Treatment	Transmission & Distribution	Administration	Total
<b>Maintenance</b>						
Maintenance of office building					\$ 40,000	\$ 40,000
Building janitorial service					19,200	19,200
Emergency generators maintenance	\$ 4,000	\$ 4,000	\$ 2,800		1,500	12,100
Facility Repair-Wells, Pumps, Treatment		8,500	10,000			18,500
Security maintenance		1,000	2,500		5,500	9,000
Equipment Rental & Lease				\$ 8,000	2,000	10,000
Equipment Maintenance & Repair	25,000	28,000	38,500	5,000	5,000	99,500
Vehicle Repair & Maintenance				50,000		50,000
	<u>\$ 29,000</u>	<u>\$ 39,500</u>	<u>\$ 53,800</u>	<u>\$ 63,000</u>	<u>\$ 73,200</u>	<u>\$ 258,300</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
 <b>Total Maintenance</b>	<u>\$ 29,000</u>	<u>\$ 47,500</u>	<u>\$ 54,020</u>	<u>\$ 63,000</u>	<u>\$ 86,300</u>	<u>\$ 279,820</u>

**Highline Water District  
2016 Budget  
Uniforms**

	<u>Pumps, Reservoirs &amp; Telemetry</u>	<u>Transmission &amp; Distribution</u>	<u>Customer Service</u>	<u>Administration</u>	<u>Total</u>
3 Employees @ \$450 each	\$ 1,350				\$ 1,350
10 Employees @ \$450 each		\$ 4,500			4,500
2 Employees @ \$450 each			\$ 1,350		1,350
1 Employee @ \$450 each				\$ 450	450
Miscellaneous		3,000			3,000
<b>Total Uniforms</b>	<u>\$ 1,350</u>	<u>\$ 7,500</u>	<u>\$ 1,350</u>	<u>\$ 450</u>	<u>\$ 10,650</u>

**Highline Water District  
2016 Budget  
Supplies**

	<u>Administration</u>	<u>Transmission &amp; Distribution</u>	<u>Total</u>
Safety Supplies/First Aid Supplies	\$ 1,000	\$ 7,000	\$ 8,000
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	5,000		5,000
Supplies-Other	3,000		3,000
Emergency Management Supplies	1,000		1,000
<b>Total Supplies</b>	<u>\$ 29,000</u>	<u>\$ 47,000</u>	<u>\$ 76,000</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  
2016 Budget  
Community Relations & Conservation**

	<u>Administration</u>
<u>Conservation/Community Relations</u>	
Supplies	\$ 500
Calendar Contest (printing & gift cards)	1,200
Other events	5,000
Total Community Relations & Conservation	<u>\$ 6,700</u>



**Highline Water District  
2016 Budget  
Materials**

	<u><b>Transmission &amp; Distribution</b></u>
Chemicals	\$ 1,500
Asphalting/Concrete	75,000
Parts & other supplies	40,000
Meters, hydrants & hardware	35,000
Rock, Gravel etc	<u>28,000</u>
Total Materials	<u><u>\$ 179,500</u></u>

**Highline Water District  
2016 Budget  
Field Services**

	<b>Transmission &amp; Distribution</b>	<b>Wholesale Water Supply</b>	<b>Total</b>
<u>Field Services</u>			
Field Services-Dumping & Recycling	\$ 15,000		\$ 15,000
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	7,600	\$ 8,600	16,200
Field Services-Other	10,000		10,000
<b>Total Field Services</b>	<b>\$ 49,600</b>	<b>\$ 8,600</b>	<b>\$ 58,200</b>

**Highline Water District  
2016 Budget  
Training/Travel & Meals**

	<u>Administration</u>	<u>Transmission &amp; Distribution</u>	<u>Total</u>
Travel & Meals for Training	\$ 26,000	\$ 16,000	\$ 42,000
Tuition & Registration Fees	16,000	45,000	61,000
Total Training and Travel	<u>\$ 42,000</u>	<u>\$ 61,000</u>	<u>\$ 103,000</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  
2016 Budget  
Permits, Licenses, Fees & Misc**

	<u>Administration</u>	<u>Transmission &amp; 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		15,000	15,000
Other Miscellaneous Permits	\$ 1,450	300	1,750
	<u>\$ 1,450</u>	<u>\$ 80,300</u>	<u>\$ 81,750</u>
<u>Licenses &amp; Certifications</u>			
DOH certifications.		\$ 1,100	\$ 1,100
Certification exam fees		500	500
CDL fees		500	500
Other Licenses & Certifications		325	325
		<u>\$ 2,425</u>	<u>\$ 2,425</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
Point & Pay - processing fees	9,500		9,500
Misc. minor fees	1,450		1,450
Midway Parking Fee	1,200		1,200
Title Reports/Property Research	1,000		1,000
	<u>\$ 77,450</u>		<u>\$ 77,450</u>
<u>Miscellaneous</u>			
	<u>\$ 200</u>		<u>\$ 200</u>
<u>Vehicle Licensing</u>			
	<u>\$ 100</u>		<u>\$ 100</u>
<u>Fees - Liens &amp; Easements</u>			
	<u>\$ 10,000</u>		<u>\$ 10,000</u>
<b>Total Permits, Licenses, Fees and Misc.</b>	<u><u>\$ 89,200</u></u>	<u><u>\$ 87,725</u></u>	<u><u>\$ 176,925</u></u>

**Highline Water District  
2016 Budget  
Printing**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing statements		\$ 40,000	\$ 40,000
Billing related inserts		2,000	2,000
Newsletters	\$ 4,000		4,000
CCR report	1,700		1,700
Consumables	1,500		1,500
Other printing	600		600
Engineering printing	3,200		3,200
Total Printing	<u>\$ 11,000</u>	<u>\$ 42,000</u>	<u>\$ 53,000</u>

**Highline Water District  
2016 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	\$ 2,200		2,200
General	4,500		4,500
Overnight Charges	300		300
Total Postage	<u>\$ 7,000</u>	<u>\$ 59,000</u>	<u>\$ 66,000</u>

**Highline Water District  
2016 Budget  
Employee Relations**

	<u>Administration</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  
2016 Budget  
Dues & Subscriptions**

	<u>Administration</u>
<u>Subscriptions</u>	
Keep Up-to-Date on Payroll	\$ 275
Daily Journal of Commerce	220
Seattle Times	375
Safety Alert for Supervisors	325
Top Health	320
Other Miscellaneous Subscriptions	320
Total Subscriptions	<u>\$ 1,835</u>
<u>Dues WASWD</u>	
WASWD	<u>\$ 18,490</u>
<u>Dues-other</u>	
AWWA-Membership	\$ 3,535
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	215
Highline Water District - GMPC	1,000
Evergreen Rural Membership	700
Government Finance Officer's Association (GFOA)	160
Miscellaneous Dues	300
Total Dues other	<u>\$ 8,685</u>
Total Dues & Subscriptions	<u>\$ 29,010</u>



**Highline Water District  
 2016 Budget  
 Telephone**

	<u>Administration</u>	<u>Pumps Reservoirs &amp; Telemetry</u>	<u>Total</u>
Cellular	\$ 10,800		\$ 10,800
Wireless	3,850	\$ 1,500	5,350
Local Service	14,760	29,875	44,635
Long Distance	120	240	360
Total Telephone	<u>\$ 29,530</u>	<u>\$ 31,375</u>	<u>\$ 61,145</u>

**Highline Water District  
2016 Budget  
Hardware/Software/Internet**

	<u>Administration</u>
<b><u>Computers-Software Maintenance Support</u></b>	
Annual support on Harris Northstar	\$ 28,750
Annual support Harris enhancement modules & custom programming	16,010
Annual support - GEMS Financials & HRMS	46,400
Annual support - Unisys Corp (3rd party GEMS)	2,065
Annual support on Lucity (GBA)	17,450
Annual support on ESRI GIS system	4,600
Annual support on Innovyze H2O Net Hydraulic Model	1,925
Sensus support	1,720
DLT Solutions Autocad renewal/support	2,375
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
SonicWall-NSA3600 secure upgrade 3yrs of services 2016-2018	7,944
Teleworks - annual fee outbound notification system	3,650
Miscellaneous software maintenance & support	2,960
Office 365	7,820
	<u>\$ 157,659</u>
<b><u>Computer Hardware - Minor Assets</u></b>	
Replacement PC's (6) & 1-laptop replacement	\$ 6,000
Monitors & video cards	2,000
Miscellaneous Minor Hardware	5,000
	<u>\$ 13,000</u>
<b><u>Miscellaneous</u></b>	
Internet fees	\$ 1,920
Hardware Preventive Maintenance	600
Hardware Repairs	1,000
Email Archiving	12,045
Other software & miscellaneous computer related	6,500
	<u>\$ 22,065</u>
<b>Total Hardware/Software/Internet</b>	<u><u>\$ 192,724</u></u>

**Highline Water District  
2016 Budget  
Legal Fees**

**Administration**

General District Business	\$	90,000
Human Resources		5,000
Water Issues		5,000
Total Legal Fees	\$	<u>100,000</u>

**Highline Water District  
2016 Budget  
Engineering Services**

**Administration**

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

**Highline Water District  
2016 Budget  
Outside Services**

	<b>Administration</b>	<b>Customer Accounts</b>	<b>Total</b>
<u>Consulting Services</u>			
General computer consulting	\$ 65,000		\$ 65,000
Miscellaneous	10,000		10,000
Core software consulting/training	21,500		21,500
Records Retention	10,000		10,000
Public Outreach	15,000		15,000
	<u>\$ 121,500</u>		<u>\$ 121,500</u>
<u>Human Resource Services</u>			
WE Employers Service	\$ 2,500		\$ 2,500
HR Services-Other	250		250
HR Services-Medical	3,000		3,000
	<u>\$ 5,750</u>		<u>\$ 5,750</u>
<u>Other Services</u>			
Teleworks - Hosted vCARE NorthStar IVR		\$ 14,000	\$ 14,000
Lockbox Payment Processing		22,250	22,250
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>\$ 36,250</u>	<u>\$ 49,450</u>
<b>Total Outside Services</b>	<u><u>\$ 140,450</u></u>	<u><u>\$ 36,250</u></u>	<u><u>\$ 176,700</u></u>

**Highline Water District  
2016 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/inserter	510
Maintenance for Altura telephone system	2,880
Annual maint on Const Svc copier-Konica Minolta	450
	<u>\$ 6,540</u>
<u>Office Equipment Rental &amp; Lease</u>	<u>\$ 875</u>
<u>Office Equipment Repair</u>	<u>\$ 1,000</u>
Total Office Equipment	<u><u>\$ 8,415</u></u>

**Highline Water District  
2016 Budget  
Utilities**

	<u>Supply</u>	<u>Pumps, Reservoirs &amp; Telemetry</u>	<u>Wells &amp; Water Treatment</u>	<u>Administration</u>	<u>Total</u>
Garbage & Recycling				\$ 4,150	\$ 4,150
Natural Gas				13,000	13,000
Real Estate Tax				6,500	6,500
Storm/Surface Water Management				6,650	6,650
Power	\$ 80,000	\$ 25,000	\$ 258,000	22,500	385,500
Sewer	1,500	500		550	2,550
Sewer - Backwash			13,000		13,000
<b>Total Utilities</b>	<u>\$ 81,500</u>	<u>\$ 25,500</u>	<u>\$ 271,000</u>	<u>\$ 53,350</u>	<u>\$ 431,350</u>

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

**Highline Water District**  
**2016 Capital Asset Purchase Budget**  
**Individual budget amounts do not include sales tax**

Line	Asset	Cost
1	Mini Excavator	85,000
2	Field - Replacement Vehicle (Locator Van)	30,000
3	Field - Replacement Vehicle 4x4 (Truck #7)	35,000
4	Garage Electrical Improvements - 4 Cord Reels	7,400
5	Chlorine PH Analyzer - DesMoines Treatment Plant	7,000
6	Flow Meter - Pump Station #4	7,500
7		
8		

<b>Subtotal</b>	<b>\$ 171,900</b>
<b>Plus: Sales tax</b>	<b>\$ 16,331</b>
<b>Total Capital Asset purchases</b>	<b>\$ 188,231</b>



**Agenda Item No.:** 5.1  
**Agenda Date:** 12/16/2015  
**Reviewed By:** M.E.

**Subject:** Adopt 2016 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> _____						
<i>Plus WSST</i>						

- Attachments
1. Resolution #15-12-16A
  2. Exhibit A – 2016 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.