

**HIGHLINE WATER DISTRICT  
King County, Washington**

**RESOLUTION 16-12-21B**

**RESOLUTION ADOPTING THE 2017 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 2017 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 2017 Operating Budget developed by the General Manager and Staff.

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

The Board of Commissioners hereby approves the 2017 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 **21st** day of **December 2016**.

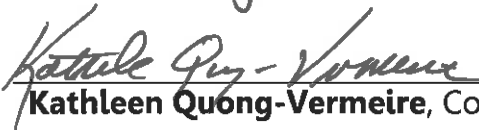
**BOARD OF COMMISSIONERS**



**Vince Koester**, President



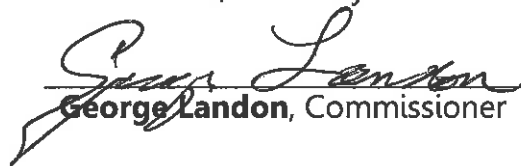
**Daniel Johnson**, Commissioner



**Kathleen Quong-Vermeire**, Commissioner



**Todd Fultz**, Secretary



**George Landon**, Commissioner

# 2017

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

C O N T E N T S

BUDGET

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**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2017 Budget**

	Budget 2017	2018	Projected 2019	2020
<b>SOURCES OF FUNDS</b>				
<b>Rate Revenues</b>				
Residential	\$7,596,095	\$7,793,593	\$7,996,227	\$8,204,129
Commercial	8,198,545	8,411,707	8,630,411	8,854,802
Stand-By Fire Service	212,823	218,357	224,034	229,859
<b>Total Rate Revenues</b> (detail pages 6-7)	<b>\$16,007,463</b>	<b>\$16,423,657</b>	<b>\$16,850,672</b>	<b>\$17,288,790</b>
<b>Other Revenues</b>				
Hydrant Meter Sales	\$30,000	\$30,600	\$31,212	\$31,836
Street Lights - (Puget Sound Energy)	129,863	132,460	132,460	135,109
City Franchise Fees (Effective rate 5.98%)	280,582	287,877	295,362	303,041
Wholesale Water Sales	3,000	3,000	3,000	3,000
Discounts and Adjustments	(30,600)	(31,396)	(32,212)	(33,049)
Meter Applications	75,000	76,500	78,030	79,591
Surcharges	20,375	19,000	-	-
Other Customer Charges (detail page 8)	273,120	280,221	287,507	294,982
Interest Income (maintenance fund)	80,000	70,000	75,000	75,000
Lease Income	179,638	184,573	185,218	165,700
Other Fees (DE, gain/loss assets, scrap metal, US Bank rebate, etc.)	80,000	80,000	80,000	80,000
<b>Total Other Revenues</b>	<b>\$1,120,978</b>	<b>\$1,132,836</b>	<b>\$1,135,577</b>	<b>\$1,135,210</b>
<b>Total Sources of Funds</b>	<b>\$17,128,441</b>	<b>\$17,556,493</b>	<b>\$17,986,249</b>	<b>\$18,424,000</b>
<b>APPLICATIONS OF FUNDS</b>				
<b>OPERATION &amp; MAINTENANCE EXPENSES</b>				
<b>Wholesale Water Supply</b>				
Salary & Wages	\$9,556	\$9,747	\$9,942	\$10,141
Retirement	1,068	1,089	1,111	1,133
Medical, Dental	1,943	2,021	2,102	2,186
Payroll Taxes	925	944	962	982
Water Purchased - Seattle (detail page 9)	4,207,800	4,334,034	4,464,055	4,597,977
Water Purchased - Other	2,000	2,000	2,000	2,000
Field Services - Water Quality & Sampling (detail page 15)	10,000	10,200	10,404	10,612
Utilities (detail page 28)	91,700	93,534	95,405	97,313
Maintenance (detail page 10)	35,000	35,700	36,414	37,142
Fuel	1,100	1,122	1,144	1,167
<b>Total Supply</b>	<b>\$4,361,092</b>	<b>\$4,490,391</b>	<b>\$4,623,539</b>	<b>\$4,760,653</b>
<b>Pumps, Reservoirs &amp; Telemetry</b>				
Salary & Wages	\$127,626	\$130,179	\$132,782	\$135,438
Retirement	14,269	14,554	14,845	15,142
Medical, Dental	19,530	20,311	21,124	21,969
Payroll Taxes	12,012	12,252	12,497	12,747
Uniforms (detail page 11)	1,350	1,350	1,350	1,350
Maintenance (detail page 10)	51,960	52,999	54,059	55,140
Utilities (detail page 28)	25,500	26,010	26,530	27,061
Telephone & Wireless Communication (detail page 22)	34,500	35,190	35,894	36,612
Fuel	4,000	4,080	4,162	4,245
<b>Total Pumps &amp; Wells</b>	<b>\$290,747</b>	<b>\$296,926</b>	<b>\$303,243</b>	<b>\$309,704</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2017 Budget**

	Budget 2017	2018	Projected 2019	2020
<b><i>Wells &amp; Water Treatment</i></b>				
Salary & Wages	\$194,132	\$198,015	\$201,975	\$206,014
Retirement	21,316	21,742	22,177	22,621
Medical, Dental	37,592	39,096	40,660	42,286
Payroll Taxes	18,732	19,107	19,489	19,879
Chemicals	60,000	81,600	83,232	84,897
Maintenance (detail page 10)	54,920	56,018	57,139	58,282
Utilities (detail page 28)	271,000	307,000	313,140	319,403
Fuel	2,100	2,142	2,185	2,229
<b>Total Water Treatment</b>	<b>\$659,792</b>	<b>\$724,720</b>	<b>\$739,996</b>	<b>\$755,609</b>
<b><i>Transmission &amp; Distribution</i></b>				
Salary & Wages	\$952,064	\$977,645	\$997,197	\$1,027,886
Retirement	103,353	105,420	107,528	109,679
Medical, Dental	210,128	218,533	227,274	236,365
Payroll Taxes	85,628	87,341	89,087	90,869
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)	221,500	225,930	230,449	235,058
Field Services (detail page 15)	55,600	56,712	57,846	59,003
Equipment Maintenance (detail page 10)	63,000	64,260	65,545	66,856
Fuel	18,000	18,360	18,727	19,102
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)	30,000	32,000	12,000	12,240
Permits, Inspections, Licenses, Fees (detail page 17)	87,600	89,352	91,139	92,962
<b>Total Transmission &amp; Distribution</b>	<b>\$1,898,373</b>	<b>\$1,948,332</b>	<b>\$1,970,880</b>	<b>\$2,025,438</b>
<b><i>Customer Accounts</i></b>				
Salary & Wages	\$592,871	\$604,728	\$616,823	\$632,559
Retirement	63,589	64,861	66,158	67,481
Medical, Dental	168,439	175,177	182,184	189,471
Payroll Taxes	53,149	54,212	55,296	56,402
Uniforms (detail page 11)	1,800	1,800	1,800	1,800
Fuel	10,000	10,200	10,404	10,612
Printing (detail page 18)	46,000	46,920	47,858	48,816
Postage (detail page 19)	59,000	60,180	61,384	62,611
Other Outside Services (detail page 26)	32,700	33,354	34,021	34,702
Commissions	1,800	1,836	1,873	1,910
<b>Total Customer Accounts</b>	<b>\$1,029,348</b>	<b>\$1,053,268</b>	<b>\$1,077,801</b>	<b>\$1,106,364</b>
<b>Total O&amp;M Expenses Before A&amp;G</b>	<b>\$8,239,352</b>	<b>\$8,513,636</b>	<b>\$8,715,459</b>	<b>\$8,957,767</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2017 Budget**

	Budget 2017	2018	Projected 2019	2020
<b>Administration &amp; General</b>				
Salary & Wages	\$629,359	\$652,399	\$665,447	\$678,756
Retirement	69,434	70,823	72,239	73,684
Medical, Dental	188,065	195,588	203,411	211,548
Payroll Taxes	47,156	48,099	49,061	50,042
Uniforms (detail page 11)	900	450	450	450
Employee Relations (detail page 20)	10,100	10,302	10,508	10,718
Street Light Cost (Puget Sound Energy)	121,200	123,624	126,096	128,618
Des Moines Franchise Fee (5.68%)	266,506	273,435	280,544	287,838
Fuel	1,800	1,836	1,873	1,910
Postage (detail page 19)	7,000	7,140	7,283	7,428
Dues & Subscriptions (detail page 21)	28,905	29,483	30,073	30,674
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 & Wireless Communication (detail page 22)	32,600	33,252	33,917	34,595
Answering Service	3,200	3,264	3,329	3,396
Hardware/Software/Internet (detail page 23)	207,717	211,871	216,109	220,431
Legal Fees (detail page 24)	100,000	100,000	70,000	70,000
Auditing and Accounting Fees	43,000	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)	145,450	148,359	151,326	154,353
Insurance Expense	134,000	136,680	139,414	142,202
Damages	45,000	45,000	45,000	45,000
Office Equipment (detail page 27)	9,515	9,705	9,899	10,097
Communications	11,300	11,526	11,757	11,992
Utilities (detail page 28)	53,350	54,417	55,505	56,615
Building Maintenance (detail page 10)	88,800	90,576	92,388	94,235
Travel (detail page 16)	30,000	30,600	31,212	31,836
Registration, Tuition (detail page 16)	16,000	16,320	16,646	16,979
Permits, Licenses, Fees, Miscellaneous (detail page 17)	119,700	122,094	124,536	127,027
Books, Manuals, etc.	1,000	1,000	1,000	1,000
Election Costs	40,000	0	70,000	0
B&O Tax	847,500	927,085	951,032	922,203
<b>Total Administration &amp; General</b>	<b>\$3,410,257</b>	<b>\$3,487,562</b>	<b>\$3,603,642</b>	<b>\$3,558,188</b>
<b>Total Operation &amp; Maintenance Expense</b>	<b>\$11,649,609</b>	<b>\$12,001,198</b>	<b>\$12,319,101</b>	<b>\$12,515,955</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2017 Budget**

	Budget 2017	2018	Projected 2019	2020
<b>CAPITAL PROJECTS</b>				
14-2 560 Zone (LUD) South Supply	\$125,000	\$475,000		
16-2 Pump Station No. 8 (Crestview)	468,500	2,145,000		
16-3 Mansion Hill Reservoir Relocation	475,000	3,950,000	\$5,020,000	
16-4 Manision Hill 30"Transmission Main Relocation - Sound Transit	350,000	1,500,000	250,000	
16-6 Mansion Hill Pump Station Project	-		350,000	\$1,610,000
17-1 2017 Water Main Replacement Project	2,285,165			
17-2 2018 Water Main Replacement Project (Budget Allocation)	150,000	2,300,000		
18-3 Asset Management Plan Update	-	50,000		
19-1 2019 AC Water Main Replacement Project (Budget Allocation)	-	200,000	2,300,000	
20-1 2020 AC Water Main Replacement Project (Budget Allocation)			200,000	4,000,000
Standby Power-Angle Lake Well & DM Treatment Plant				100,000
Small Works/Emergency Projects	350,000	350,000	350,000	350,000
Mitigation Improvements	40,000	40,000	40,000	40,000
Meters/Hydrants/Services	1,375,000	1,375,000	1,400,000	400,000
Capital Asset Purchases (detail page 29)	239,363	225,000	230,000	230,000
<b>Total Capital Additions</b>	<b>\$5,858,028</b>	<b>\$12,610,000</b>	<b>\$10,140,000</b>	<b>\$6,730,000</b>
<b>Less: Outside Funding Sources</b>				
General Facility (GFC) Charges	\$350,000	\$300,000	\$300,000	\$300,000
Developer Reimbursement	701,250	4,632,500	4,777,000	1,368,500
Operating Reserves	11,000,000	2,000,000	2,500,000	4,000,000
Construction Fund Reserves	(8,025,475)	3,638,700	594,200	189,100
<b>Total Outside Funding</b>	<b>\$4,025,775</b>	<b>\$10,571,200</b>	<b>\$8,171,200</b>	<b>\$5,857,600</b>
<b>Total C.I.P From Rates</b>	<b>\$1,832,253</b>	<b>\$2,038,800</b>	<b>\$1,968,800</b>	<b>\$872,400</b>
<b>DEBT SERVICE</b>				
<b>Existing Debt</b>				
1997 PWTF - 97-024 97-1, 97-2, 97-3 Main replacement-Seatac	\$67,414	\$0	\$0	\$0
1998 PWTF - 98-025 99-1 30" Distribution main	256,342	253,829	-	-
1998 PWTF - 98-026 98-1 & 98-2 Main replacements	41,919	41,508	-	-
2000 PWTF - 00-025 00-1 Normandy Park watermain replacements	127,536	125,174	122,812	120,451
2001 PWTF - 01-029 01-1 Various watermain replacements	94,724	94,262	93,800	93,338
2002 PWTF - 02-023 02-2 Three Tree Pt WM Replc/N Hill Booster	74,125	73,765	73,405	73,046
2003 PWTF - 03-113 03-4 600 Zone & main replacement	44,904	44,688	44,471	44,254
2004 DWSRF 03-4 600 Zone & main replacement	7,635	7,531	7,428	7,324
2004 PWTF - 04-034 02-4 SW Suburban WM replacement	44,984	44,768	44,551	44,335
2006 PWTF - 06-117 07-1 490 Zone& Pressure Reducing	37,277	37,099	36,922	36,744
2008 PWTF - 08-951 07-1 490 Zone& Pressure Reducing	161,746	160,983	160,220	159,457
2012 PWTF - 13-961 13-1 Angle Lake Water Main Replacement	132,926	129,763	129,451	129,138
<b>Total Existing Debt</b>	<b>\$1,091,532</b>	<b>\$1,013,370</b>	<b>\$713,060</b>	<b>\$708,087</b>
<b>Total Debt Service</b>	<b>\$1,091,532</b>	<b>\$1,013,370</b>	<b>\$713,060</b>	<b>\$708,087</b>
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$14,573,394</b>	<b>\$15,053,368</b>	<b>\$15,000,961</b>	<b>\$14,096,442</b>
<b>Total Operating Reserves (decrease) increase</b>	<b>\$2,555,047</b>	<b>\$2,503,125</b>	<b>\$2,985,288</b>	<b>\$4,327,557</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2017 Budget**

	<b>Budget 2017</b>	<b>2018</b>	<b>Projected 2019</b>	<b>2020</b>
<b>Operating Reserves:</b>				
Beginning Balance	\$15,652,832	\$7,207,879	\$7,711,003	\$8,196,292
Plus: Year End Increase (Decrease)	2,555,047	2,503,125	2,985,288	4,327,557
Less: Uses of Funds Capital	(11,000,000)	(2,000,000)	(2,500,000)	(4,000,000)
Ending Balance	\$7,207,879	\$7,711,003	\$8,196,292	\$8,523,849
<b>Construction Fund:</b>				
Beginning Balance	\$4,247,081	\$12,346,894	\$8,792,415	\$8,274,673
Plus: Additional Funds	13,883,503	8,971,300	9,545,800	6,540,900
Plus: Interest	74,338	84,220	76,458	73,621
Less: Uses of Funds	(5,858,028)	(12,610,000)	(10,140,000)	(6,730,000)
Ending Balance	\$12,346,894	\$8,792,415	\$8,274,673	\$8,159,194
<b>Financial Reserve Policy Targets:</b>				
Operating Fund	\$5,824,805	\$6,000,599	\$6,159,550	\$6,257,978
Construction Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Policy/Target Reserves	\$8,824,805	\$9,000,599	\$9,159,550	\$9,257,978
<b>Total Funds Projected Ending Balance:</b>	<b>\$19,554,773</b>	<b>\$16,503,418</b>	<b>\$16,470,964</b>	<b>\$16,683,043</b>



**HIGHLINE WATER DISTRICT**  
**Water Revenues**      RATE INCREASE 2.6%  
**2017**

		Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Annual Total
<b>RESIDENTIAL</b>														
Meter Size	Rate													
5/8" - Discounted	\$9.60	263	263	263	263	263	263	263	263	263	263	263	263	263
3/4" - Discounted	\$9.60	21	21	21	21	21	21	21	21	21	21	21	21	21
5/8"	\$14.77	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763	11,763
3/4"	\$14.77	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901	2,901
1"	\$26.28	891	891	891	891	891	891	891	891	891	891	891	891	891
1 1/2"	\$44.60	26	26	26	26	26	26	26	26	26	26	26	26	26
2"	\$68.45	5	5	5	5	5	5	5	5	5	5	5	5	5
Meter Count		15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870	15,870
Total Residential Meter Revenue		\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$244,293	\$2,931,514
Usage-Winter (ccf)	\$3.64	75,492	103,170	72,809	113,775	82,130	0	0	0	118,434	70,310	82,355	718,275	718,275
UsageSummer (5 ccf)	\$3.64						79,350	79,350	79,350	79,350			317,400	317,400
UsageSummer (6+ ccf)	\$4.31	0	0	0			47,057	27,994	107,186	24,842	0	0	207,078	207,078
Total Residential Usage Revenue		\$274,964	\$375,775	\$284,463	\$414,403	\$299,143	\$491,794	\$409,648	\$750,903	\$398,084	\$431,373	\$256,091	\$299,962	\$4,684,581
<b>Total Residential Revenue</b>		<b>\$519,257</b>	<b>\$620,088</b>	<b>\$508,755</b>	<b>\$658,695</b>	<b>\$543,436</b>	<b>\$736,086</b>	<b>\$653,941</b>	<b>\$985,196</b>	<b>\$640,356</b>	<b>\$675,665</b>	<b>\$500,384</b>	<b>\$544,255</b>	<b>\$7,596,085</b>
<b>COMMERCIAL (includes multi-family)</b>														
5/8"	\$22.47	188	188	188	188	188	188	188	188	188	188	188	188	188
3/4"	\$22.47	142	142	142	142	142	142	142	142	142	142	142	142	142
1"	\$45.40	483	483	483	483	483	483	483	483	483	483	483	483	483
1 1/2"	\$62.77	672	672	672	672	672	672	672	672	672	672	672	672	672
2"	\$129.55	322	322	322	322	322	322	322	322	322	322	322	322	322
3"	\$270.13	76	76	76	76	76	76	76	76	76	76	76	76	76
4"	\$409.53	28	28	28	28	28	28	28	28	28	28	28	28	28
6"	\$792.57	8	8	8	8	8	8	8	8	8	8	8	8	8
8"	\$1,250.98	2	2	2	2	2	2	2	2	2	2	2	2	2
Meter Count		1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921	1,921
Total Comm. Meter Revenue		\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$2,010,216
Usage-Winter (ccf)	\$3.64	126,708	81,030	125,061	92,895	133,070	0	0	0	95,566	130,990	119,845	905,165	905,165
UsageSummer (5 ccf)	\$3.64						9,605	9,605	9,605	9,605			38,420	38,420
UsageSummer (6+ ccf)	\$4.31	0	0	0	0	0	93,988	181,051	114,859	151,203	0	0	541,102	541,102
Total Comm. Usage Revenue		\$461,509	\$295,137	\$455,511	\$338,351	\$484,680	\$439,998	\$815,170	\$529,934	\$686,550	\$348,080	\$477,104	\$436,511	\$5,768,535
<b>Total Commercial Revenue</b>		<b>\$629,027</b>	<b>\$462,655</b>	<b>\$623,029</b>	<b>\$505,869</b>	<b>\$652,198</b>	<b>\$607,516</b>	<b>\$982,688</b>	<b>\$697,452</b>	<b>\$854,068</b>	<b>\$515,598</b>	<b>\$644,622</b>	<b>\$604,029</b>	<b>\$7,778,751</b>
Total Comm & MF Residential Meter Revenue		\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$167,518	\$2,010,216
Total Comm & MF Residential Usage Revenue		\$461,509	\$295,137	\$455,511	\$338,351	\$484,680	\$439,998	\$815,170	\$529,934	\$686,550	\$348,080	\$477,104	\$436,511	\$5,788,535
<b>Total Comm &amp; MF Residential Revenue</b>		<b>\$629,027</b>	<b>\$462,655</b>	<b>\$623,029</b>	<b>\$505,869</b>	<b>\$652,198</b>	<b>\$607,516</b>	<b>\$982,688</b>	<b>\$697,452</b>	<b>\$854,068</b>	<b>\$515,598</b>	<b>\$644,622</b>	<b>\$604,029</b>	<b>\$7,778,751</b>

**HIGHLINE WATER DISTRICT**  
**Water Revenues** *RATE INCREASE 2.6%*  
**2017**

**Irrigation - (commercial)**

		Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Annual Total
<b>Meter Size</b>	<b>Rate</b>													
5/8"	\$22.47	22	22	22	22	22	22	22	22	22	22	22	22	22
3/4"	\$22.47	38	38	38	38	38	38	38	38	38	38	38	38	38
1"	\$45.40	95	95	95	95	95	95	95	95	95	95	95	95	95
1 1/2"	\$82.77	71	71	71	71	71	71	71	71	71	71	71	71	71
2"	\$129.55	63	63	63	63	63	63	63	63	63	63	63	63	63
<b>Meter Count</b>		289	289	289	289	289	289	289	289	289	289	289	289	289
<b>Total Irrigation Meter Revenue</b>		\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$19,700	\$236,394
<b>Usage- (ccf)</b>	<b>\$4.31</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>		\$1,293	\$1,293	\$1,422	\$1,422	\$3,447	\$8,618	\$34,474	\$56,020	\$80,329	\$8,618	\$5,171	\$1,293	\$183,400
<b>Total Irrigation Revenue</b>		\$20,992	\$20,992	\$21,122	\$21,122	\$23,147	\$28,318	\$54,173	\$75,719	\$80,028	\$28,318	\$24,871	\$20,992	\$419,794
<b>Total Commercial</b>		\$850,020	\$483,647	\$644,150	\$526,991	\$675,345	\$835,834	\$1,036,861	\$773,171	\$934,097	\$543,916	\$689,493	\$625,021	\$8,198,545
<i>Includes Multi-family &amp; Irrigation</i>														

**STAND-BY FIRE SERVICE**

		Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Annual Total
<b>Meter Size</b>	<b>Rate</b>													
1 1/2"	\$9.52	44	44	44	44	44	44	44	44	44	44	44	44	44
2"	\$12.62	59	59	59	59	59	59	59	59	59	59	59	59	59
2 1/2"	\$18.53	14	14	14	14	14	14	14	14	14	14	14	14	14
3"	\$35.35	1	1	1	1	1	1	1	1	1	1	1	1	1
4"	\$43.81	76	76	76	76	76	76	76	76	76	76	76	76	76
6"	\$83.46	95	95	95	95	95	95	95	95	95	95	95	95	95
8"	\$85.93	67	67	67	67	67	67	67	67	67	67	67	67	67
10"	\$111.15	9	9	9	9	9	9	9	9	9	9	9	9	9
<b>Meter Count</b>		365	365	365	365	365	365	365	365	365	365	365	365	365
<b>Total SBF Meter Revenue</b>		\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$17,574	\$210,886
<b>Usage-Winter</b>	<b>\$3.64</b>	5	9	14	14	12	13	8	4	13	13	95	325	487
<b>Usage-Summer</b>	<b>\$4.31</b>													38
<b>Total SBF Usage Revenue</b>		\$18	\$33	\$51	\$51	\$44	\$56	\$34	\$17	\$56	\$47	\$346	\$1,184	\$1,938
<b>Total Stand-by Fire Revenue</b>		\$17,592	\$17,607	\$17,625	\$17,625	\$17,618	\$17,630	\$17,608	\$17,591	\$17,630	\$17,621	\$17,920	\$18,758	\$212,823
<b>Total Meters</b>		18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445	18,445
<b>Total Usage</b>		202,505	184,509	198,014	207,014	216,012	232,013	306,008	324,004	279,013	218,013	202,505	202,825	2,770,525
<b>Total Meter Charges</b>		\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$449,084	\$5,389,010
<b>Total Usage Charges</b>		\$737,784	\$672,237	\$721,446	\$754,227	\$787,314	\$940,466	\$1,259,328	\$1,336,874	\$1,142,999	\$788,118	\$738,712	\$738,950	\$10,618,453
<b>Total Revenues - All Classes</b>		\$1,188,868	\$1,121,321	\$1,170,531	\$1,203,311	\$1,236,398	\$1,389,551	\$1,708,410	\$1,785,958	\$1,592,083	\$1,237,202	\$1,187,796	\$1,188,034	\$18,007,463

**2017**

**Other Customer Charges**

Description	
Delinquent lock/unlock revenue	\$ 50,000
NSF charges	2,100
Lien interest charges	5,500
Late charges	130,000
*Miscellaneous customer service revenue	45,000
Final bill fees	38,000
Write-off of bad debts	0
Embezzlement recovery - (1997 Audit Report)	2,520
	<u>\$ 273,120</u>

\*Miscellaneous customer service revenue

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

**HIGHLINE WATER DISTRICT**  
**Purchased Water Costs**  
**CY 2017 Projection**

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total
<b>Projected Water Supply Purchases</b>													
Total Production & Purchases CCF	225,000	205,000	220,000	230,000	240,000	290,000	340,000	360,000	310,000	240,000	225,000	225,000	3,110,000
District Wells & Other	75,000	70,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	70,000	890,000
Seattle Water Purchases	150,000	135,000	145,000	155,000	165,000	215,000	265,000	285,000	235,000	165,000	150,000	155,000	2,220,000
<b>Total Sales</b>	<b>225,000</b>	<b>205,000</b>	<b>220,000</b>	<b>230,000</b>	<b>240,000</b>	<b>290,000</b>	<b>340,000</b>	<b>360,000</b>	<b>310,000</b>	<b>240,000</b>	<b>225,000</b>	<b>225,000</b>	<b>3,110,000</b>
<b>Seattle Water Contract</b>													
<b>Rates:</b>													
	On-Peak (May 16th-Sept. 15th)												
System Base Rates (per ccf)					avg					avg			
Supply	\$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>													
Supply	\$237,000	\$213,300	\$229,100	\$244,900	\$334,950	\$485,900	\$598,900	\$644,100	\$477,050	\$260,700	\$237,000	\$244,900	\$4,207,800

**Highline Water District  
2017 Budget  
Maintenance**

	<b>Pumps</b>					
	<b>Wholesale Water Supply</b>	<b>Reservoirs &amp; Telemetry</b>	<b>Wells &amp; Water Treatment</b>	<b>Transmission &amp; Distribution</b>	<b>Administration</b>	<b>Total</b>
<u>Maintenance</u>						
Maintenance of office building					\$ 40,000	\$ 40,000
Building janitorial service					19,200	19,200
Emergency generators maintenance	\$ 10,000	\$ 6,500	\$ 3,500		3,300	23,300
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	2,500	10,500
Equipment Maintenance & Repair	25,000	26,000	38,500	5,000	5,000	99,500
Vehicle Repair & Maintenance				50,000		50,000
	<u>\$ 35,000</u>	<u>\$ 42,000</u>	<u>\$ 54,500</u>	<u>\$ 63,000</u>	<u>\$ 75,500</u>	<u>\$ 270,000</u>
 <u>Landscaping</u>		<u>\$ 9,960</u>			<u>\$ 9,500</u>	<u>\$ 19,460</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					\$ 3,200	\$ 3,200
 <b>Total Maintenance</b>	<u><u>\$ 35,000</u></u>	<u><u>\$ 51,960</u></u>	<u><u>\$ 54,920</u></u>	<u><u>\$ 63,000</u></u>	<u><u>\$ 88,800</u></u>	<u><u>\$ 293,680</u></u>

**Highline Water District  
2017 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
4 Employees @ \$450 each			\$ 1,800		1,800
1 Employee @ \$450 each				\$ 450	450
Miscellaneous		3,000		450	3,450
Total Uniforms	<u>\$ 1,350</u>	<u>\$ 7,500</u>	<u>\$ 1,800</u>	<u>\$ 900</u>	<u>\$ 11,550</u>

**Highline Water District  
2017 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
Total Supplies	<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  
2017 Budget  
Community Relations & Conservation**

	<u>Administration</u>
<u>Conservation/Community Relations</u>	
Supplies	\$ 1,500
Calendar Contest (printing & gift cards)	1,200
Other events	4,000
Total Community Relations & Conservation	<u>\$ 6,700</u>



**Highline Water District  
2017 Budget  
Materials**

	<u><b>Transmission &amp; Distribution</b></u>
Chemicals	\$ 1,500
Asphalting/Concrete	100,000
Parts & other supplies	50,000
Meters, hydrants & hardware	45,000
Rock, Gravel etc	25,000
Total Materials	<u><u>\$ 221,500</u></u>

**Highline Water District  
2017 Budget  
Field Services**

	<b>Transmission &amp; Distribution</b>	<b>Wholesale Water Supply</b>	<b>Total</b>
<u>Field Services</u>			
Field Services-Dumping & Recycling	\$ 20,000		\$ 20,000
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	10,600	\$ 10,000	20,600
Field Services-Other	8,000		8,000
Total Field Services	<u>\$ 55,600</u>	<u>\$ 10,000</u>	<u>\$ 65,600</u>

**Highline Water District  
2017 Budget  
Training/Travel & Meals**

	<u>Administration</u>	<u>Transmission &amp; Distribution</u>	<u>Total</u>
Travel & Meals for Training	\$ 30,000	\$ 16,000	\$ 46,000
Tuition & Registration Fees	16,000	30,000	46,000
Total Training and Travel	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 92,000</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  
2017 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
Ceritification 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	90,000		90,000
Other Fees	10,500		10,500
Misc. minor fees	950		950
Midway Parking Fee	1,200		1,200
Title Reports/Property Research	1,000		1,000
	<u>\$ 107,950</u>		<u>\$ 107,950</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>\$ 119,700</u></u>	<u><u>\$ 87,600</u></u>	<u><u>\$ 207,300</u></u>

**Highline Water District  
2017 Budget  
Printing**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing statements		\$ 44,000	\$ 44,000
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>\$ 46,000</u>	<u>\$ 57,000</u>

**Highline Water District  
2017 Budget  
Postage**

	<b>Administration</b>	<b>Customer Accounts</b>	<b>Total</b>
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  
2017 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><u>\$ 10,100</u></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  
2017 Budget  
Dues & Subscriptions**

	<u>Administration</u>
<u>Subscriptions</u>	
Keep Up-to-Date on Payroll	\$ 275
Daily Journal of Commerce	220
Seattle Times	435
Top Health	320
Other Miscellaneous Subscriptions	320
Total Subscriptions	<u>\$ 1,570</u>
 <u>Dues WASWD</u>	
WASWD	<u>\$ 18,500</u>
 <u>Dues-other</u>	
AWWA-Membership	\$ 3,625
Washington Water Utilities Council/PNWS-AWWA	1,500
SW King County Chamber of Commerce	400
Kent Chamber of Commerce	475
National Safety Council	450
American Public Works Association	225
Highline Water District - GMPC	1,000
Evergreen Rural Membership	700
Government Finance Officer's Association (GFOA)	160
Miscellaneous Dues	300
Total Dues other	<u>\$ 8,835</u>
Total Dues & Subscriptions	<u><u>\$ 28,905</u></u>



**Highline Water District  
2017 Budget  
Telephone**

	<u>Administration</u>	<u>Pumps Reservoirs &amp; Telemetry</u>	<u>Total</u>
Cellular	\$ 12,900		\$ 12,900
Wireless	4,350	\$ 4,200	8,550
Local Service	14,800	30,000	44,800
Long Distance	550	300	850
Total Telephone	<u>\$ 32,600</u>	<u>\$ 34,500</u>	<u>\$ 67,100</u>

**Highline Water District  
2017 Budget  
Hardware/Software/Internet**

	<u>Administration</u>
<b><u>Computers-Software Maintenance Support</u></b>	
Annual support on Harris Northstar	\$ 29,865
Annual support Harris enhancement modules & custom programming	24,255
Annual support - GEMS Financials & HRMS	48,710
Annual support - Unisys Corp (3rd party GEMS)	2,350
Annual support on Lucity (GBA)	18,205
Annual support on ESRI GIS system	4,600
Annual support on Innovyze H2O Net Hydraulic Model	2,190
Sensus support	2,115
DLT Solutions Autocad renewal/support	2,375
SiteProtector server anti-virus service & backup licenses	4,336
SiteProtector workstations & mobile device anti-virus service	8,200
Remote backup service (OBM)	2,300
SRA 4600 (Secure Remote Access) - Sonic Wall	2,201
SonicWall-NSA3600 secure upgrade 3yrs of services 2016-2018	2,652
Sonic Wall - Capture Advanced Threat Protection	2,100
Teleworks - annual fee outbound notification system	3,775
Miscellaneous software maintenance & support	2,960
Office 365	7,820
	<u>\$ 171,009</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	13,688
Other software & miscellaneous computer related	6,500
	<u>\$ 23,708</u>
Total Hardware/Software/Internet	<u><u>\$ 207,717</u></u>

**Highline Water District  
2017 Budget  
Legal Fees**

**Administration**

General District Business	\$ 80,000
Human Resources	5,000
Water Issues	15,000
Total Legal Fees	<u>\$ 100,000</u>

**Highline Water District  
2017 Budget  
Engineering Services**

**Administration**

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

**Highline Water District  
2017 Budget  
Outside Services**

	<b>Administration</b>	<b>Customer Accounts</b>	<b>Total</b>
<u>Consulting Services</u>			
General computer consulting	\$ 70,000		\$ 70,000
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>\$ 126,500</u>		<u>\$ 126,500</u>
<u>Human Resource Services</u>			
Archbright 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		\$ 15,000	\$ 15,000
Lockbox Payment Processing		17,700	17,700
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>\$ 32,700</u>	<u>\$ 45,900</u>
<b>Total Outside Services</b>	<u>\$ 145,450</u>	<u>\$ 32,700</u>	<u>\$ 178,150</u>

**Highline Water District  
2017 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	540
Maintenance for Altura telephone system	3,000
Annual maint on Const Svc copier-Konica Minolta	1,400
	<u>\$ 7,640</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>\$ 9,515</u></u>

**Highline Water District  
2017 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	\$ 90,200	\$ 25,000	\$ 258,000	22,500	395,700
Sewer	1,500	500		550	2,550
Sewer - Backwash			13,000		13,000
<b>Total Utilities</b>	<b>\$ 91,700</b>	<b>\$ 25,500</b>	<b>\$ 271,000</b>	<b>\$ 53,350</b>	<b>\$ 441,550</b>

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

**Highline Water District**  
**2017 Capital Asset Purchase Budget**  
**Individual budget amounts do not include sales tax**

Line	Asset	Cost
1	Meter Installation Vehicle	35,000
2	SCADA Upgrade / MTU	145,000
3	Gas Sniffers	10,000
4	Water Quality Lab Testing Equipment	10,500
5	Portable Smart Board	12,000
6	Postage Machine	6,000

Subtotal	<u>\$ 218,500</u>
Plus: Sales tax	<u>\$ 20,863</u>
Total Capital Asset purchases	<u><u>\$ 239,363</u></u>



**Agenda Item No.:** 5.2  
**Agenda Date:** 12/21/16  
**Reviewed By:** M.E.

**Subject:** Adopt 2017 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 #16-12-21B
  2. Exhibit A – 2017 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.