

**HIGHLINE WATER DISTRICT  
King County, Washington**

**RESOLUTION 18-12-19A**

**RESOLUTION ADOPTING THE 2019 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 2019 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 2019 Operating Budget developed by the General Manager and Staff.

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

The Board of Commissioners hereby approves the 2019 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 **19th** day of **December 2018**.

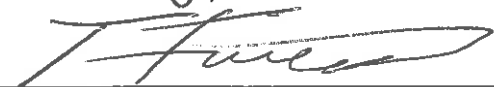
**BOARD OF COMMISSIONERS**



**Daniel Johnson**, President



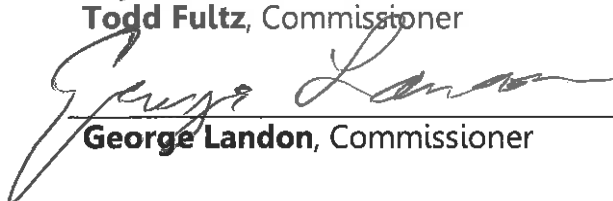
**Kathleen Quong-Vermeire**, Secretary



**Todd Fultz**, Commissioner



**Vince Koester**, Commissioner



**George Landon**, Commissioner



# 2019 BUDGET

*Providing 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-Vermiere**

CONTENTS

BUDGET

2019 SOURCES AND APPLICATIONS OF FUNDS.....	1-5
2020 – 2022 BUDGET PROJECTIONS.....	1-5
WATER REVENUE.....	6-7
OTHER CUSTOMER CHARGES .....	8
PURCHASED WATER COSTS.....	9

DETAIL OF EXPENSES:

MAINTENANCE.....	10
UNIFORMS .....	11
SUPPLIES.....	12
COMMUNITY RELATIONS & CONSERVATION.....	13
MATERIALS .....	14
FIELD SERVICES.....	15
TRAINING/TRAVEL & MEALS .....	16
PERMITS, INSPECTIONS, LICENSES, FEES & MISCELLANEOUS .....	17
PRINTING.....	18
POSTAGE.....	19
EMPLOYEE RELATIONS.....	20
DUES & SUBSCRIPTIONS .....	21
TELEPHONE .....	22
HARDWARE/SOFTWARE/INTERNET .....	23
LEGAL FEES.....	24
ENGINEERING SERVICES .....	25
OUTSIDE SERVICES .....	26
OFFICE EQUIPMENT .....	27
UTILITIES .....	28
CAPITAL ASSET PURCHASES.....	29

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2019 Budget**

	Budget 2019	2020	Projected 2021	2022
<b>SOURCES OF FUNDS</b>				
<b>Rate Revenues</b>				
Residential	\$8,124,197	\$8,335,426	\$8,552,147	\$8,774,503
Commercial	8,621,300	8,845,454	9,075,436	9,311,397
Stand-By Fire Service	235,367	241,486	247,765	254,207
<b>Total Rate Revenues (detail pages 6-7)</b>	<b>\$16,980,864</b>	<b>\$17,422,366</b>	<b>\$17,875,348</b>	<b>\$18,340,107</b>
<b>Other Revenues</b>				
Hydrant Meter Sales	\$38,000	\$38,760	\$39,535	\$40,326
Street Lights - (Puget Sound Energy)	130,000	132,600	132,600	135,252
City Franchise Fees & Taxes	555,800	570,251	585,077	600,289
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
Other Customer Charges (detail page 8)	269,020	276,015	283,191	290,554
Interest Income (maintenance fund)	146,102	122,351	118,499	124,618
Lease Income	239,993	222,044	209,760	187,937
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>\$1,506,315</b>	<b>\$1,490,125</b>	<b>\$1,497,480</b>	<b>\$1,508,518</b>
<b>Total Sources of Funds</b>	<b>\$18,487,178</b>	<b>\$18,912,491</b>	<b>\$19,372,828</b>	<b>\$19,848,624</b>
<b>APPLICATIONS OF FUNDS</b>				
<b>OPERATION &amp; MAINTENANCE EXPENSES</b>				
<b>Wholesale Water Supply</b>				
Salary & Wages	\$10,124	\$10,326	\$10,533	\$10,744
Retirement	1,299	1,325	1,351	1,378
Medical, Dental	2,251	2,341	2,435	2,532
Payroll Taxes	945	964	983	1,003
Water Purchased - Seattle (detail page 9)	4,823,538	4,858,750	5,004,513	5,154,648
Water Purchased - Other	2,000	2,000	2,000	2,000
Field Services - Water Quality & Sampling (detail page 15)	5,000	5,100	5,202	5,306
Utilities (detail page 28)	112,235	114,480	116,769	119,105
Maintenance (detail page 10)	30,000	30,600	31,212	31,836
Fuel	2,000	2,040	2,081	2,122
<b>Total Supply</b>	<b>\$4,989,392</b>	<b>\$5,027,926</b>	<b>\$5,177,079</b>	<b>\$5,330,674</b>
<b>Pumps, Reservoirs &amp; Telemetry</b>				
Salary & Wages	\$121,277	\$123,703	\$126,177	\$128,700
Retirement	15,560	15,871	16,188	16,512
Medical, Dental	20,190	20,998	21,838	22,712
Payroll Taxes	11,186	11,409	11,638	11,870
Uniforms (detail page 11)	1,350	1,350	1,350	1,350
Maintenance (detail page 10)	52,300	53,346	54,413	55,501
Utilities (detail page 28)	30,680	31,294	31,919	32,558
Telephone & Wireless Communication (detail page 22)	34,500	35,190	35,894	36,612
Fuel	7,000	7,140	7,283	7,428
<b>Total Pumps, Reservoirs &amp; Telemetry</b>	<b>\$294,043</b>	<b>\$300,301</b>	<b>\$306,700</b>	<b>\$313,244</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2019 Budget**

	<b>Budget 2019</b>	<b>2020</b>	<b>Projected 2021</b>	<b>2022</b>
<b><i>Wells &amp; Water Treatment</i></b>				
Salary & Wages	\$188,093	\$191,855	\$195,692	\$199,606
Retirement	23,885	24,363	24,850	25,347
Medical, Dental	38,022	39,543	41,125	42,770
Payroll Taxes	17,678	18,032	18,392	18,760
Chemicals	50,000	80,000	81,600	83,232
Maintenance (detail page 10)	71,975	60,000	61,200	62,424
Utilities (detail page 28)	251,300	307,000	313,140	319,403
Fuel	3,500	3,570	3,641	3,714
<b>Total Wells &amp; Water Treatment</b>	<b>\$644,454</b>	<b>\$724,363</b>	<b>\$739,641</b>	<b>\$755,256</b>
<b><i>Transmission &amp; Distribution</i></b>				
Salary & Wages	\$1,410,162	\$1,438,366	\$1,467,133	\$1,507,221
Retirement	175,705	179,220	182,804	186,460
Medical, Dental	317,649	330,355	343,569	357,312
Payroll Taxes	124,646	127,139	129,682	132,275
Uniforms (detail page 11)	9,000	9,000	9,000	9,000
Supplies (detail page 12)	52,000	53,040	54,101	55,183
Materials (detail page 14)	178,000	181,560	185,191	188,895
Field Services (detail page 15)	53,000	54,060	55,141	56,244
Equipment Maintenance (detail page 10)	63,000	64,260	65,545	66,856
Fuel	25,500	26,010	26,530	27,061
Other Outside Services (detail page 26)	10,000	10,000	10,000	10,000
Books Manuals	1,000	1,020	1,040	1,061
Travel (detail page 16)	16,000	17,000	17,340	17,687
Registration, Tuition (detail page 16)	15,000	16,000	16,320	16,646
Permits, Inspections, Licenses, Fees (detail page 17)	88,100	89,862	91,659	93,492
<b>Total Transmission &amp; Distribution</b>	<b>\$2,538,763</b>	<b>\$2,596,891</b>	<b>\$2,655,056</b>	<b>\$2,725,393</b>
<b><i>Customer Accounts</i></b>				
Salary & Wages	\$612,997	\$625,256	\$637,762	\$653,917
Retirement	78,290	79,856	81,453	83,082
Medical, Dental	151,701	157,769	164,080	170,643
Payroll Taxes	55,046	56,147	57,270	58,415
Uniforms (detail page 11)	2,250	2,250	2,250	2,250
Fuel	13,500	13,770	14,045	14,326
Printing (detail page 18)	45,000	45,900	46,818	47,754
Postage (detail page 17)	58,000	59,160	60,343	61,550
Other Outside Services (detail page 26)	40,400	41,208	42,032	42,873
<b>Total Customer Accounts</b>	<b>\$1,057,184</b>	<b>\$1,081,316</b>	<b>\$1,106,053</b>	<b>\$1,134,811</b>
<b>Total O&amp;M Expenses Before A&amp;G</b>	<b>\$9,523,836</b>	<b>\$9,730,797</b>	<b>\$9,984,529</b>	<b>\$10,259,379</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2019 Budget**

	Budget 2019	2020	Projected 2021	2022
<b>Administration &amp; General</b>				
Salary & Wages	\$705,954	\$652,399	\$665,447	\$678,756
Retirement	88,702	90,476	92,286	94,132
Medical, Dental	206,648	214,913	223,510	232,450
Payroll Taxes	58,740	59,915	61,113	62,335
Uniforms (detail page 11)	450	450	450	450
Employee Relations (detail page 20)	10,650	10,863	11,080	11,302
Street Light Cost (Puget Sound Energy)	121,200	123,624	126,096	128,618
City Franchise Fees	481,300	493,814	506,653	519,826
Fuel	1,500	1,530	1,561	1,592
Postage (detail page 19)	7,000	7,140	7,283	7,428
Dues & Subscriptions (detail page 21)	30,850	31,467	32,096	32,738
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)	12,225	12,470	12,719	12,973
Telephone & Wireless Communication (detail page 22)	33,650	34,323	35,009	35,710
Answering Service	3,200	3,264	3,329	3,396
Hardware/Software/Internet (detail page 23)	227,780	232,336	236,982	241,722
Legal Fees (detail page 24)	90,000	90,000	80,000	80,000
Auditing and Accounting Fees	25,000	25,000	25,000	25,000
Engineering Services (detail page 25)	150,000	165,000	65,000	65,000
Other Outside Services (detail page 26)	218,618	284,302	167,500	167,500
Insurance Expense	161,658	164,891	168,189	171,553
Damages	35,000	35,000	35,000	35,000
Office Equipment (detail page 27)	10,720	10,934	11,153	11,376
Communications	11,300	11,526	11,757	11,992
Utilities (detail page 28)	52,625	53,678	54,751	55,846
Building Maintenance (detail page 10)	101,800	340,000	70,000	70,000
Travel (detail page 16)	30,000	30,600	31,212	31,836
Registration, Tuition (detail page 16)	24,300	24,786	25,282	25,787
Permits, Licenses, Fees, Miscellaneous (detail page 17)	119,850	122,247	124,692	127,186
Books, Manuals, etc.	1,000	1,000	1,000	1,000
Election Costs	70,000	0	70,000	0
B&O Tax	995,541	947,645	970,186	973,636
<b>Total Administration &amp; General</b>	<b>\$4,122,960</b>	<b>\$4,312,007</b>	<b>\$3,963,479</b>	<b>\$3,954,026</b>
<b>Total Operation &amp; Maintenance Expense</b>	<b>\$13,646,796</b>	<b>\$14,042,804</b>	<b>\$13,948,008</b>	<b>\$14,213,405</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2019 Budget**

	Budget 2019	2020	Projected	
			2021	2022
<b>CAPITAL PROJECTS</b>				
16-2 Pump Station No. 8 (Crestview)	\$2,393,000	\$1,950,500		
16-3 Mansion Hill Reservoir Relocation	7,148,879	1,069,594		
16-6 Mansion Hill Pump Station	325,000	500,000	\$2,000,000	
18-2 International Blvd at SR509 Road Improvements	35,000	525,000	475,000	
18-4 McMicken Well Repair	275,000			
18-5 34th Ave S Water Main Replacement	675,000			
19-1 2019 AC Water Main Replacement (Areas around North Hill)	2,687,333	1,319,167		
19-2 2020 Water Main Replacement (Manhattan CI Replacement)	100,000	1,700,000		
19-3 KDM/PHS and 9th Pl S Water Main Replacements	447,100			
PRV / SCADA Pressure Modifications		175,000		
Emergency Power-Angle Lake Well & DM Treatment Plant		100,000	950,000	
Mansion Hill AC Offsite Replacement		66,000	920,500	
2021 AC Water Main Replacement		75,000	3,700,000	
2022 AC Water Main Replacement			100,000	\$3,700,000
SR509 Water System Modifications			250,000	3,000,000
Small Works/Emergency Projects	350,000	350,000	350,000	350,000
Mitigation Improvements	55,000	40,000	40,000	40,000
Meters/Hydrants/Services	1,400,000	350,000	400,000	400,000
Capital Asset Purchases (detail page 28)	348,910	225,000	230,000	230,000
<b>Total Capital Additions</b>	<b>\$16,240,222</b>	<b>\$8,445,261</b>	<b>\$9,415,500</b>	<b>\$7,720,000</b>
<b>Less: Outside Funding Sources</b>				
General Facility (GFC) Charges	\$700,000	\$500,000	\$500,000	\$500,000
Developer Reimbursement - Sound Transit (16-3 & 16-6)	5,924,293	1,433,215	1,375,000	
Other Reimbursement - Well pump replacement	142,232			
Operating Reserves	3,500,000	3,500,000	3,500,000	4,450,000
Construction Fund Reserves	3,949,278	2,123,836	3,060,680	1,858,000
<b>Total Outside Funding</b>	<b>\$14,215,803</b>	<b>\$7,557,051</b>	<b>\$8,435,680</b>	<b>\$6,808,000</b>
<b>Total C.I.P From Rates</b>	<b>2,024,419</b>	<b>\$888,210</b>	<b>\$979,820</b>	<b>\$912,000</b>
<b>DEBT SERVICE</b>				
<b>Existing Debt</b>				
2000 PWTF - 00-025 00-1 Normandy Park watermain replacements	\$122,812	\$120,451	\$0	\$0
2001 PWTF - 01-029 01-1 Various watermain replacements	93,800	93,338	92,876	0
2002 PWTF - 02-023 02-2 Three Tree Pt WM Replc/N Hill Booster	73,405	73,046	72,686	72,326
2003 PWTF - 03-113 03-4 600 Zone & main replacement	44,471	44,254	44,037	43,820
2004 DWSRF - 03-013 03-4 600 Zone & main replacement	7,428	7,324	7,220	7,117
2004 PWTF - 04-034 02-4 SW Suburban WM replacement	44,551	44,335	44,119	43,903
2006 PWTF - 06-117 07-1 490 Zone& Pressure Reducing	36,922	36,744	36,567	36,389
2008 PWTF - 08-951 07-1 490 Zone& Pressure Reducing	160,220	159,457	158,694	157,931
2012 PWTF - 13-961 13-1 Angle Lake Water Main Replacement	129,451	129,138	128,825	128,513
<b>Total Existing Debt</b>	<b>\$713,060</b>	<b>\$708,087</b>	<b>\$585,024</b>	<b>\$489,999</b>
<b>Total Debt Service</b>	<b>\$713,060</b>	<b>\$708,087</b>	<b>\$585,024</b>	<b>\$489,999</b>

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2019 Budget**

	Budget 2019	2020	Projected 2021	2022
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$16,384,275</b>	<b>\$15,639,102</b>	<b>\$15,512,852</b>	<b>\$15,615,404</b>
<b>Total Operating Reserves (decrease) increase</b>	<b>\$2,102,903</b>	<b>\$3,273,389</b>	<b>\$3,859,976</b>	<b>\$4,233,221</b>
<b>Operating Reserves:</b>				
Beginning Balance	\$8,594,228	\$7,197,131	\$6,970,520	\$7,330,497
Plus: Year End Increase (Decrease)	2,102,903	3,273,389	3,859,976	4,233,221
Less: Uses of Funds Capital	(3,500,000)	(3,500,000)	(3,500,000)	(4,450,000)
Ending Balance	\$7,197,131	\$6,970,520	\$7,330,497	\$7,113,718
<b>Construction Fund:</b>				
Beginning Balance	\$13,754,127	\$9,946,203	\$7,928,979	\$4,945,082
Plus: Additional Funds	12,290,944	6,321,425	6,354,820	5,862,000
Plus: Interest	141,354	106,611	76,784	48,193
Less: Uses of Funds	(16,240,222)	(8,445,261)	(9,415,500)	(7,720,000)
Ending Balance	\$9,946,203	\$7,928,979	\$4,945,082	\$3,135,275
<b>Financial Reserve Policy Targets:</b>				
Operating Fund	\$6,823,398	\$7,021,402	\$6,974,004	\$7,106,702
Construction Fund	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Policy/Target Reserves	\$9,823,398	\$10,021,402	\$9,974,004	\$10,106,702
<b>Total Funds Projected Ending Balance:</b>	<b>\$17,143,334</b>	<b>\$14,899,499</b>	<b>\$12,275,579</b>	<b>\$10,248,993</b>



Highline Water District  
Water Revenues  
2019

0% RATE INCREASE

		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Annual Total	
<b>RESIDENTIAL</b>															
Meter Size	Rate														
5/8" - Discounted	\$9.85	277	277	277	277	277	277	277	277	277	277	277	277	277	
3/4" - Discounted	\$9.85	22	22	22	22	22	22	22	22	22	22	22	22	22	
5/8"	\$15.15	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	11,738	
3/4"	\$15.15	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	
1"	\$26.96	980	980	980	980	980	980	980	980	980	980	980	980	980	
1 1/2"	\$45.76	26	26	26	26	26	26	26	26	26	26	26	26	26	
2"	\$70.23	3	3	3	3	3	3	3	3	3	3	3	3	3	
Meter Count		16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	16,096	
Total Residential Meter Revenue		\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$254,805	\$3,057,655	
Usage-Winter (ccf)	\$3.73	86,665	83,008	81,973	93,961	89,310	0	0	0	0	118,416	83,594	90,227	726,855	
UsageSummer (5 ccf)	\$3.73						80,480	80,480	80,480	80,480				321,920	
UsageSummer (6+ ccf)	\$4.42	0	0	0			45,688	57,480	112,387	45,690	0	0	0	261,224	
Total Residential Usage Revenue		\$323,262	\$309,822	\$305,761	\$350,473	\$332,009	\$502,131	\$654,165	\$796,939	\$502,138	\$441,692	\$311,804	\$336,546	\$5,066,542	
<b>Total Residential Revenue</b>		<b>\$578,067</b>	<b>\$564,426</b>	<b>\$560,566</b>	<b>\$605,278</b>	<b>\$586,813</b>	<b>\$756,936</b>	<b>\$808,969</b>	<b>\$1,051,744</b>	<b>\$756,943</b>	<b>\$696,496</b>	<b>\$566,609</b>	<b>\$591,351</b>	<b>\$8,124,197</b>	
<b>COMMERCIAL (includes multi-family)</b>															
5/8"	\$23.05	188	188	188	188	188	188	188	188	188	188	188	188	188	
3/4"	\$23.05	142	142	142	142	142	142	142	142	142	142	142	142	142	
1"	\$46.58	490	490	490	490	490	490	490	490	490	490	490	490	490	
1 1/2"	\$84.92	677	677	677	677	677	677	677	677	677	677	677	677	677	
2"	\$132.92	336	336	336	336	336	336	336	336	336	336	336	336	336	
3"	\$277.15	81	81	81	81	81	81	81	81	81	81	81	81	81	
4"	\$420.18	30	30	30	30	30	30	30	30	30	30	30	30	30	
6"	\$813.18	8	8	8	8	8	8	8	8	8	8	8	8	8	
8"	\$1,283.51	2	2	2	2	2	2	2	2	2	2	2	2	2	
Meter Count		1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	
Total Comm. Meter Revenue		\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$2,120,516	
Usage-Winter (ccf)	\$3.73	143,035	76,692	137,697	81,709	150,190	0	0	0	0	79,584	145,206	85,473	899,585	
UsageSummer (5 ccf)	\$3.73						9,770	9,770	9,770	9,770				39,080	
UsageSummer (6+ ccf)	\$4.42	0	0	0	0	0	94,052	204,290	108,363	170,080	0	0	0	576,776	
Total Comm. Usage Revenue		\$533,519	\$286,059	\$513,808	\$304,776	\$560,207	\$452,197	\$939,403	\$515,408	\$788,109	\$296,848	\$541,620	\$318,815	\$6,050,569	
<b>Total Commercial Revenue</b>		<b>\$710,229</b>	<b>\$462,769</b>	<b>\$690,318</b>	<b>\$481,486</b>	<b>\$736,917</b>	<b>\$628,906</b>	<b>\$1,116,113</b>	<b>\$692,118</b>	<b>\$964,819</b>	<b>\$473,558</b>	<b>\$718,329</b>	<b>\$495,524</b>	<b>\$8,171,085</b>	
Total Comm & MF Residential Meter Revenue		\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$176,710	\$2,120,516	
Total Comm & MF Residential Usage Revenue		\$533,519	\$286,059	\$513,808	\$304,776	\$560,207	\$452,197	\$939,403	\$515,408	\$788,109	\$296,848	\$541,620	\$318,815	\$6,050,569	
<b>Total Comm &amp; MF Residential Revenue</b>		<b>\$710,229</b>	<b>\$462,769</b>	<b>\$690,318</b>	<b>\$481,486</b>	<b>\$736,917</b>	<b>\$628,906</b>	<b>\$1,116,113</b>	<b>\$692,118</b>	<b>\$964,819</b>	<b>\$473,558</b>	<b>\$718,329</b>	<b>\$495,524</b>	<b>\$8,171,085</b>	

Highline Water District  
Water Revenues  
2019

0% RATE INCREASE

Irrigation - (commercial)

		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Annual Total
Meter Size	Rate													
5/8"	\$23.05	26	26	26	26	26	26	26	26	26	26	26	26	26
3/4"	\$23.05	40	40	40	40	40	40	40	40	40	40	40	40	40
1"	\$45.58	100	100	100	100	100	100	100	100	100	100	100	100	100
1 1/2"	\$84.92	78	78	78	78	78	78	78	78	78	78	78	78	78
2"	\$132.92	68	68	68	68	68	68	68	68	68	68	68	68	68
Meter Count		312	312	312	312	312	312	312	312	312	312	312	312	312
Total Irrigation Meter Revenue		\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$21,842	\$262,099
Usage- (ccf)	\$4.42	300	300	330	330	800	2,000	8,000	13,000	14,000	2,000	1,200	300	42,560
Total Irrigation Usage Revenue		\$1,326	\$1,326	\$1,459	\$1,459	\$3,536	\$8,840	\$35,360	\$57,460	\$61,880	\$8,840	\$5,304	\$1,326	\$188,115
Total Irrigation Revenue		\$23,168	\$23,168	\$23,300	\$23,300	\$25,378	\$30,682	\$57,202	\$79,302	\$83,722	\$30,682	\$27,146	\$23,168	\$450,215
Total Commercial Includes Multi-family & Irrigation		\$733,396	\$485,937	\$713,618	\$504,766	\$762,295	\$659,588	\$1,173,314	\$771,420	\$1,048,540	\$504,240	\$745,475	\$518,692	\$8,621,300

STAND-BY FIRE SERVICE

		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Annual Total
Meter Size	Rate													
1 1/2"	\$9.77	45	45	45	45	45	45	45	45	45	45	45	45	45
2"	\$12.95	70	70	70	70	70	70	70	70	70	70	70	70	70
2 1/2"	\$19.01	14	14	14	14	14	14	14	14	14	14	14	14	14
3"	\$36.27	1	1	1	1	1	1	1	1	1	1	1	1	1
4"	\$44.95	80	80	80	80	80	80	80	80	80	80	80	80	80
6"	\$65.11	101	101	101	101	101	101	101	101	101	101	101	101	101
8"	\$88.16	71	71	71	71	71	71	71	71	71	71	71	71	71
10"	\$114.04	12	12	12	12	12	12	12	12	12	12	12	12	12
Meter Count		394	394	394	394	394	394	394	394	394	394	394	394	394
Total SBF Meter Revenue		\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$19,449	\$233,382
Usage-Winter	\$3.73	5	9	14	14	12					13	95	325	487
Usage-Summer	\$4.42						13	8	4	13				38
Total SBF Usage Revenue		\$19	\$34	\$52	\$52	\$45	\$57	\$35	\$18	\$57	\$48	\$354	\$1,212	\$1,984
Total Stand-by Fire Revenue		\$19,467	\$19,482	\$19,501	\$19,501	\$19,493	\$19,506	\$19,484	\$19,466	\$19,506	\$19,497	\$19,803	\$20,661	\$235,367
Total Meters		18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756	18,756
Total Usage		230,005	160,009	220,014	176,014	240,012	232,013	360,008	324,004	320,013	200,013	230,095	178,325	2,868,525
Total Meter Charges		\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$472,804	\$5,673,653
Total Usage Charges		\$858,126	\$597,041	\$820,880	\$656,760	\$895,797	\$963,225	\$1,528,963	\$1,369,825	\$1,352,185	\$747,428	\$859,082	\$657,899	\$11,307,211
Total Revenues - All Classes		\$1,330,930	\$1,069,845	\$1,293,684	\$1,129,564	\$1,368,601	\$1,436,029	\$2,001,767	\$1,842,630	\$1,824,989	\$1,220,233	\$1,331,887	\$1,130,704	\$16,980,864

HIGHLINE WATER DISTRICT

**Highline Water District  
2019 Budget  
Other Customer Charges**

Description	<b>2019 Budget</b>
Delinquent lock/unlock revenue	\$ 36,000
NSF charges	2,500
Lien interest charges	3,000
Late charges	130,000
*Miscellaneous customer service revenue	50,000
Final bill fees	45,000
Write-off of bad debts	-
Embezzlement recovery - (1997 Audit Report)	2,520
	<u>\$ 269,020</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  
2019 Projection

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
<b>Projected Water Supply Purchases</b>													
Total Production & Purchases CCF	230,000	200,000	220,000	220,000	240,000	290,000	360,000	405,000	320,000	250,000	230,000	220,000	3,185,000
District Wells & Other	50,000	50,000	50,000	50,000	50,000	65,000	75,000	75,000	75,000	75,000	75,000	70,000	760,000
Seattle Water Purchases	180,000	150,000	170,000	170,000	190,000	225,000	285,000	330,000	245,000	175,000	155,000	150,000	2,425,000
Non-Revenue Water %	0%	20%	0%	20%	0%	20%	0%	20%	0%	20%	0%	20%	10%
Non-Revenue Water CCF	0	40,000	0	44,000	0	58,000	0	81,000	0	50,000	0	44,000	317,000
Total Sales CCF	230,000	160,000	220,000	176,000	240,000	232,000	360,000	324,000	320,000	200,000	230,000	176,000	2,868,000
<b>Seattle Water Contract</b>													
<b>Rates:</b>													
					On-Peak (May 16th-Sept. 15th)								
System Base Rates (per ccf)					avg				avg				
Supply	\$1.65	\$1.65	\$1.65	\$1.65	\$1.73	\$2.43	\$2.43	\$2.43	\$2.27	\$1.65	\$1.65	\$1.65	
<b>Total Seattle Water Charges</b>													
Supply	\$297,000	\$247,500	\$280,500	\$280,500	\$328,832	\$546,750	\$692,550	\$801,900	\$556,006	\$288,750	\$255,750	\$247,500	\$4,823,538

**Highline Water District  
2019 Budget  
Maintenance**

	<b>Wholesale Water Supply</b>	<b>Pumps 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					\$ 50,000	\$ 50,000
Building janitorial service					19,600	19,600
Emergency generators maintenance	\$ 10,000	\$ 6,500	\$ 3,500		3,300	23,300
Facility Repair-Wells, Pumps, Treatment		8,500	25,000			33,500
Security maintenance		1,000	2,500		5,500	9,000
Equipment Rental & Lease				\$ 8,000	2,500	10,500
Equipment Maintenance & Repair	20,000	26,000	38,500	5,000	5,000	94,500
Vehicle Repair & Maintenance				50,000		50,000
Supplies - Minor Assets and Other			2,000			2,000
	<u>\$ 30,000</u>	<u>\$ 42,000</u>	<u>\$ 71,500</u>	<u>\$ 63,000</u>	<u>\$ 85,900</u>	<u>\$ 292,400</u>
<u>Landscaping</u>		<u>\$ 10,300</u>			<u>\$ 12,000</u>	<u>\$ 22,300</u>
<u>Building Alarm monitoring</u>			<u>\$ 475</u>		<u>\$ 1,500</u>	<u>\$ 1,975</u>
<u>Facility Preventive Maintenance</u>						
Annual maintenance - HVAC system					\$ 2,400	\$ 2,400
<b>Total Maintenance</b>	<u>\$ 30,000</u>	<u>\$ 52,300</u>	<u>\$ 71,975</u>	<u>\$ 63,000</u>	<u>\$ 101,800</u>	<u>\$ 319,075</u>

**Highline Water District  
2019 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
12 Employees @ \$450 each		\$ 5,400			5,400
5 Employees @ \$450 each			\$ 2,250		2,250
1 Employee @ \$450 each				\$ 450	450
Miscellaneous		3,600			3,600
<b>Total Uniforms</b>	<u>\$ 1,350</u>	<u>\$ 9,000</u>	<u>\$ 2,250</u>	<u>\$ 450</u>	<u>\$ 13,050</u>

**Highline Water District  
2019 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		30,000	30,000
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>\$ 52,000</u>	<u>\$ 81,000</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  
2019 Budget  
Community Relations & Conservation**

	<u><b>Administration</b></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  
2019 Budget  
Materials**

	<b><u>Transmission &amp; Distribution</u></b>
Chemicals	\$ 3,000
Asphalting/Concrete	90,000
Parts & other supplies	40,000
Meters, hydrants & hardware	15,000
Rock, Gravel etc	30,000
Total Materials	<u>\$ 178,000</u>

**Highline Water District  
2019 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	7,000		7,000
Field Services-Tapping	10,000		10,000
Field Services-Water Quality & Sampling	5,000	\$ 5,000	10,000
Field Services-Other	8,000		8,000
Total Field Services	<u>\$ 53,000</u>	<u>\$ 5,000</u>	<u>\$ 58,000</u>

**Highline Water District  
2019 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	24,300	15,000	39,300
Total Training and Travel	<u>\$ 54,300</u>	<u>\$ 31,000</u>	<u>\$ 85,300</u>

**Conferences**

**National**

- AWWA Conference
- AWWA Distribution Conference
- AWWA Customer Conference
- Harris Users Conference
- Lucity Users Conference
- Government Finance Officers (GFOA)
- Other

**Local**

- WASWD Spring Conference
- WASWD Fall Conference
- PNWS-AWWA Conference
- WOW Conference
- Rural Water Association Conference
- Washington Finance Officers (WFOA)

**Highline Water District  
2019 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		30,500	30,500
Permits & Inspections-Developer Extensions		15,000	15,000
Other Miscellaneous Permits	\$ 1,600	300	1,900
	<u>\$ 1,600</u>	<u>\$ 80,800</u>	<u>\$ 82,400</u>
<u>Licenses &amp; 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	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>\$ 119,850</u></u>	<u><u>\$ 88,100</u></u>	<u><u>\$ 207,950</u></u>

**Highline Water District  
2019 Budget  
Printing**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing statements		\$ 43,000	\$ 43,000
Billing related inserts		2,000	2,000
Newsletters	\$ 5,000		5,000
CCR report	1,825		1,825
Consumables	1,600		1,600
Other printing	600		600
Engineering printing	3,200		3,200
Total Printing	<u>\$ 12,225</u>	<u>\$ 45,000</u>	<u>\$ 57,225</u>

**Highline Water District  
2019 Budget  
Postage**

	<u>Administration</u>	<u>Customer Accounts</u>	<u>Total</u>
Billing Statements		\$ 54,000	\$ 54,000
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>\$ 58,000</u>	<u>\$ 65,000</u>

**Highline Water District  
2019 Budget  
Employee Relations**

	<u>Administration</u>
Employee awards/incentives	\$ 3,550
Employee Assistance-Far West Family Svcs	3,600
Miscellaneous	3,500
Total Employee Relations	<u>\$ 10,650</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  
2019 Budget  
Dues & Subscriptions**

	<u>Administration</u>
<u>Subscriptions</u>	
Keep Up-to-Date on Payroll	\$ 350
Daily Journal of Commerce	220
Seattle Times	435
Top Health	320
Other Miscellaneous Subscriptions	320
Total Subscriptions	<u>\$ 1,645</u>
 <u>Dues WASWD</u>	
WASWD	<u>\$ 19,610</u>
 <u>Dues-other</u>	
AWWA-Membership	\$ 3,835
Washington Water Utilities Council/PNWS-AWWA	2,500
SW King County Chamber of Commerce	400
Kent Chamber of Commerce	475
Highline Water District - GMPC	1,000
Evergreen Rural Membership	700
Miscellaneous Dues	685
Total Dues other	<u>\$ 9,595</u>
Total Dues & Subscriptions	<u><u>\$ 30,850</u></u>



**Highline Water District  
2019 Budget  
Telephone**

	<b>Administration</b>	<b>Pumps Reservoirs &amp; Telemetry</b>	<b>Total</b>
Cellular	\$ 14,000		\$ 14,000
Wireless	4,350	\$ 4,200	8,550
Phone Service (land lines)	15,300	30,300	45,600
Total Telephone	<u>\$ 33,650</u>	<u>\$ 34,500</u>	<u>\$ 68,150</u>

**Highline Water District  
2019 Budget  
Hardware/Software/Internet**

	<u>Administration</u>
<b><u>Computers-Software Maintenance Support</u></b>	
Annual support on Harris Northstar	\$ 60,154
Beacon Badger system annual maintenance	3,900
Annual support - GEMS Financials & HRMS	55,004
Annual support - Unisys Corp (3rd party GEMS)	2,555
Annual support on Lucity (GBA)	19,300
Annual support ESRI GIS system	4,510
Annual support on Innovyze H2O Net Hydraulic Model	1,600
Annual support on Innovyze InfoWater InfoCare	2,350
Sensus support	2,475
DLT Solutions Autocad renewal/support	2,720
SiteProtector server anti-virus service & backup licenses	7,524
SiteProtector workstations & mobile device anti-virus service	9,187
Remote backup service (OBM)	2,425
SonicWall-NSA3600 secure upgrade 3yrs of services 2016-2018	2,682
Sonic Wall - SRA 4600 Dynamic Support	989
Teleworks - annual fee outbound notification system	3,975
LaserFiche Maintenance	10,209
Miscellaneous software maintenance & support	2,960
	<u>\$ 194,519</u>
<b><u>Computer Hardware - Minor Assets</u></b>	
Replacement PC's (6) & 1-laptop replacement	\$ 7,150
Monitors & video cards	2,000
Miscellaneous Minor Hardware	5,000
	<u>\$ 14,150</u>
<b><u>Miscellaneous</u></b>	
Internet fees	\$ 1,920
Hardware Preventive Maintenance	600
Hardware Repairs	1,000
Software - Office 365 subscription	9,091
Other software & miscellaneous computer related	6,500
	<u>\$ 19,111</u>
Total Hardware/Software/Internet	<u><u>\$ 227,780</u></u>

**Highline Water District  
2019 Budget  
Legal Fees**

**Administration**

General District Business	\$ 80,000
Human Resources	5,000
Water Issues	5,000
Total Legal Fees	<u>\$ 90,000</u>

**Highline Water District  
2019 Budget  
Engineering Services**

**Administration**

General Engineering	50,000
Lakehave Supply Study	85,000
Misc-legal descriptions, easements, etc.	15,000
Total Engineering Services	<u>\$ 150,000</u>

**Highline Water District  
2019 Budget  
Outside Services**

	<b>Administration</b>	<b>Customer Accounts</b>	<b>Transmission &amp; Distribution</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 Management	20,000			20,000
ESRI Database conversion & consulting	40,000			40,000
Public Outreach	15,000			15,000
	<u>\$ 176,500</u>			<u>\$ 176,500</u>
<u>Human Resource Services</u>				
Archbright Employers Service	\$ 3,468			\$ 3,468
HR Services-Other	250			250
HR Services-Medical	3,600			3,600
HR Services - Temporary Services (Records)	16,000			16,000
	<u>\$ 23,318</u>			<u>\$ 23,318</u>
<u>Other Services</u>				
Teleworks - Hosted vCARE NorthStar IVR		\$ 15,300		\$ 15,300
Badger Meter - Mobile Hosting Service (endpoints)		7,200		7,200
Lockbox Payment Processing		17,900		17,900
Courier Service	\$ 5,200			5,200
Advertising	4,600			4,600
Document Imaging (archives)	3,000			3,000
Other Services	6,000		\$ 10,000	16,000
	<u>\$ 18,800</u>	<u>\$ 40,400</u>	<u>\$ 10,000</u>	<u>\$ 69,200</u>
<b>Total Outside Services</b>	<u><u>\$ 218,618</u></u>	<u><u>\$ 40,400</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 269,018</u></u>

**Highline Water District  
2019 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	560
Maintenance for Altura telephone system	3,060
Annual maint on Const Svc copier-Konica Minolta	1,000
Annual maaintenance on postage machine	1,400
	<u>\$ 8,720</u>
 <u>Office Equipment Rental &amp; Lease</u>	 <u>\$ 1,000</u>
 <u>Office Equipment Repair</u>	 <u>\$ 1,000</u>
 Total Office Equipment	 <u><u>\$ 10,720</u></u>

**Highline Water District  
2019 Budget  
Utilities**

	<u>Wholesale Water Supply</u>	<u>Pumps, Reservoirs &amp; Telemetry</u>	<u>Wells &amp; Water Treatment</u>	<u>Administration</u>	<u>Total</u>
Garbage & Recycling				\$ 5,500	\$ 5,500
Natural Gas				10,000	10,000
Real Estate Tax				7,275	7,275
Storm/Surface Water Management		\$ 180		6,800	6,980
Power	\$ 110,650	30,000	\$ 233,000	22,500	396,150
Sewer	1,585	500		550	2,635
Sewer - Backwash			18,300		18,300
<b>Total Utilities</b>	<u>\$ 112,235</u>	<u>\$ 30,680</u>	<u>\$ 251,300</u>	<u>\$ 52,625</u>	<u>\$ 446,840</u>

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

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

**Highline Water District**  
**2019 Capital Asset Purchase Budget**  
 Individual budget amounts do not include sales tax

Line	Asset	Cost
1	Pick up truck - replacement	\$ 35,000
2	Vehicle - addition	35,000
3	LaserFiche software and implementaion	130,000
4	Trimble GPS/GIS	10,000
5	ESRI ARC GIS software and implementation	87,000
6	Server room air conditioner (carry over from 2018)	20,000

Subtotal	\$ 317,000
Plus: Sales tax	\$ 31,910
Total Capital Asset purchases	<u>\$ 348,910</u>

"Any outlay that does no more than return a capital asset to its original condition, regardless of amount, should be classified as Repairs and maintenance retain value rather than provide additional value.  
 Roof specifically - the replacement of the roof does not lengthen the building originally esimated total useful life obut simply avoids shortening it.  
 The roof replacement maintains rather than extends the life and therefore should be treated as a repair (ie maintenance) rather than replacement

An improvement provides additional value either by 1) lengthening an assets estimated useful life or 2) increasing the assets ability to provide service (ie greater effectiveness or efficiency)



Agenda Item No.: 5.1  
Agenda Date: 12/19/18  
Reviewed By: M.E.

**Subject:** Adopt 2019 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 #18-12-19A
  2. Exhibit A – 2019 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.