

PUEBLO WATER IS COMMITTED to providing the highest quality water at the lowest possible cost. We are equally committed to the workforce that helps achieve that goal. We strive to create and maintain a professional environment that encourages and recognizes teamwork, individual contribution, and the integrity of each employee while providing the opportunity for all to grow within the organization.

# MISSION VISION

OUR TEAM IS ENTRUSTED by the citizens of Pueblo to responsibly manage and protect their most precious natural resource. We commit to provide the necessary leadership, oversight and ethical practices to ensure the sustainability of this resource, and do our part to ensure a prosperous future for Pueblo.

## VALUES

- Trust
- Transparency
- Communication
- Customer Service





#### **GOVERNMENT FINANCE OFFICERS ASSOCIATION**

# Distinguished Budget Presentation Award

PRESENTED TO

#### **Board of Water Works of Pueblo Colorado**

For the Fiscal Year Beginning

**January 01, 2021** 

**Executive Director** 

Christopher P. Morrill

#### 2022 ANNUAL BUDGET

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November 16, 2021

### HONORABLE PRESIDENT AND MEMBERS OF THE BOARD BOARD OF WATER WORKS OF PUEBLO, COLORADO

Enclosed for your consideration and adoption is the proposed budget for 2022; which outlines a program for personnel, operation and maintenance, capital expenditures, and debt retirement for the Board of Water Works of Pueblo, Colorado. The requirements presented herein represent the minimum operational needs for 2022.

The Division Overviews in the *Detail of Expenditures* section provide important highlights to this proposed budget. These overviews will assist you in better understanding changes in the workforce as well as clarify the special or major O&M and capital projects we propose in our plan of work for 2022.

After reviewing the critical needs for 2022 and trimming the budget where possible, Staff recommends a water rate increase of 2.75 percent for 2022.

Highlighted below are specific recommendations and notable features included in the proposed plan for 2022 as well as certain estimates regarding results for 2021.

#### Water Development Fund

The Water Development Fund (WDF) remains the vehicle with which Pueblo Water funds long-term "water development" projects. These projects may range from acquisition or development of additional water storage to large distribution or transmission infrastructure related projects or possible acquisition of additional water rights. Since its inception, the WDF has been used for the financially prudent purpose of utilizing one-time revenue sources for future planning rather than to offset rate increases. That intent remains in Staff's proposed plan for 2022, by funding the WDF through revenue generated from Public Service Company's Comanche Unit 3.

#### **Ongoing Projects**

- ▶ The Kevin F. McCarthy Hydroelectric Power Plant at the Whitlock Treatment Plant budgeted in 2020 at \$4 million will continue into 2022. Pueblo Water will break ground on the building in the 2<sup>nd</sup> quarter of 2022. The hydroelectric turbines ordered from Gugler Turbines of Austria will be delivered in April of 2022.
- ▶ The replacement of the Watts roof is expected to be contracted by the end of 2021 and the \$3 million cost is included in the 2021 budget. Completion of the roof replacement is expected to take place and be completed in 2022.

#### 2021 Metered Water Revenue

Consumption for 2021 is expected to be approximately 8.19 billion gallons, generating metered water sales of approximately \$26.2 million or 1.9% above budgeted projections. At the end of 2021, the unrestricted operating fund balance is expected to be approximately \$17.86 million and is predicted to decline, due to increased capital spending during the next 10 years, to a low of approximately \$13.02 million in 2028 before increasing to more normal levels.

#### Metered Water Revenue Assumptions

As a result of drought induced conservation, Staff has maintained lower consumption projections for most customers in subsequent years. The attached 10-year plan reflects a baseline annual consumption of approximately 8 billion gallons. In addition, Staff continues to project a minimal increase in consumption derived from growth. Since annual consumption is highly dependent upon precipitation received, actual results will vary from projections. In the future, as more climate change data becomes available, we may need to adjust our consumption projections.

#### Other Major Revenue Sources

- Raw water revenue is typically based upon long-term contracts and \$750,000 per year in short-term leases, however for 2022 we do not anticipate having any short-term leases.
- Plant Water Investment Fees, because of modest growth in the housing market, are reduced in the near term with a gradual increase in later years of the 10-year plan.
- Revenue derived from the contract with an investor owned utility is based upon the minimum "take-or-pay" amount of 12,783-acre feet.
- Revenue from a separate contract with an investor-owned utility, for 2022 and beyond, is based upon the minimum "take-or-pay" amount of 1,000-acre feet at potable water rates and 444-acre feet at raw water rates.

#### Noteworthy Expenditures

- Water Rights Operation & Maintenance \$2.31 million, including a \$1.3 million special assessment for Busk Ivanhoe in 2022.
- Utilities \$3.15 million. The 10-year plan assumes future increases in electric rates, but not annually.
- Repairs and Maintenance \$1.35 million. A 2.2% increase compared with the 2021 budget.
- Meter Related Costs including AMR \$1.01million. Allocation of \$1.01 million for each of the following years in the attached 10-year capital outlay plan.
- Main Expansion and Improvement Projects \$2.5 million.
- Hydroelectric Project \$1,000,000.
- TD&E Facility Remodel \$110,000.
- Whitlock Media and Underdrain Replacement \$300,000.
- Arkansas River Southside Diversion Dam \$250,000.
- La Vista Tanks 1 & 2 Liner Replacement \$250,000.
- Railroad River Crossing \$1,750,000.
- HARP River Intake Meters \$100,000.
- Wildhorse Creek Stream Gauges \$100,000.

It should be noted that, when looking at the Front Range cities' average monthly bills (reference Front Range comparison), the Board has the lowest cost of water of all major water utilities. For average customers who consume 11,000 gallons per month, the Board's customers pay 36 percent below the Front Range average, and 68 percent below the highest. When considering the residential rate impact for the Board's rate increase of 2.75 percent, on average, a customer with a one-inch meter will see a monthly increase of \$1.18.

IN CLOSING, WE RECOMMEND THAT THE BOARD CONSIDER FOR ADOPTION THIS BUDGET WITH A 2.75 PERCENT RATE INCREASE FOR 2022. This budget sustains the Board's continuing commitment to a strong fiscal position while providing system reliability and readiness today and in the future.

We appreciate your continued strong guidance and support for long term planning for the operation, maintenance, capital improvements, salaries and benefits necessary to allow the Board of Water Works and its employees to provide reliable, high quality water service to our customers for 2022 and beyond. Development of a \$44.52 million budget and 10-year financial plan always takes significant work, and I want to recognize the outstanding initiative and hard work of Kristen Spicola and Leroy Rittgers as well as Matt Trujillo, the Division Managers, Managers and Supervisors in producing this solid financial plan. I also want to take this opportunity to thank all the employees of the Board of Water Works for their great work ethic, positive attitudes and commitment to providing our customers with a dependable supply of high quality water at a reasonable cost, 24 hours a day, 365 days a year.

Sincerely,

Seth Clayton

**Executive Director** 





### About Pueblo Water

Pueblo's drinking water system is owned by the citizens who are served by the system and is financed with revenue provided by everyone's monthly water bill payments.

Pueblo's water employs 135 professionals who specialize in the many skills needed to manage and operate Pueblo's water system. Most of Pueblo's water originates in the Rocky Mountains above Leadville, Colorado, flowing into canals, creeks and streams and eventually into the Arkansas River. It is diverted from the river through intake structures located within Pueblo Dam and moved through a pipeline to the Whitlock Treatment Plant, where it is treated to a standard of excellent quality. The finished water is pumped through a system of transmission mains to storage tanks and adjoining pump stations throughout the city, then is delivered to homes, businesses, schools – all our customers in Pueblo - by a vast network of over 582 miles of water mains in the distribution system. These water treatment and delivery processes continue 24 hours a day, every day of every year.

Pueblo's water system has been self-supporting throughout its history. Major capital expansion and improvements are funded with debt financing, while routine operation, maintenance and capital replacements are paid for with operating revenues. The future prosperity of Pueblo is tied directly to this readily available supply of high-quality water.

## HISTORY



Water delivered by wagon in the late 1800's

"As a result of a
municipal charter
convention in 1954, the
systems were merged and
the Board of Water
Works of Pueblo, with a
5-member elected
governing board, was
created in 1957 to serve
all Pueblo's water
needs."

The history of the public water supply in Pueblo, Colorado begins not only before Colorado became a state, but before several smaller towns combined to form one Pueblo.

#### **EARLY YEARS**

In the earliest days of the community at the confluence of the Arkansas River and Fountain Creek, water was delivered to users from the river via barrels delivered by horse-drawn wagons. The region included the separate towns of Pueblo, South Pueblo, Central Pueblo, and Bessemer.

After a number of fires in the downtown business district made it clear that barrels of water were not an adequate system of fire protection, the city passed a bond issue to develop a municipal water system. The Holley pump station and a network of pipelines to distribute water were completed in 1874. The three Pueblos consolidated to become one Pueblo by 1886, and the town of Bessemer was annexed in 1894.

Since the entire service area for Pueblo's first water system was north of the Arkansas River, a private company built a separate water supply system to serve areas south of the river. When that company began to fail as a private business, the City of Pueblo purchased it in 1906, resulting in the city operating two completely separate drinking water systems north and south of the Arkansas River.

#### SEPARATE DEVELOPMENT

Separate was not equal, and as the two systems grew over time, it became apparent that combining the two into one made sense. As a result of a municipal charter convention in 1954, the systems were merged and the Board of Water Works of Pueblo, with a 5-member elected governing board, was created in 1957 to serve all Pueblo's water needs.



#### **BUILDING A MODERN SYSTEM**

Following the creation of the unified water utility, the new Board faced the challenge of efficiently upgrading the aging infrastructure across the whole city.

A main replacement program was put in place, investing large sums of money every year to replace water mains that had been identified as being the most fragile and subject to major breaks. That program continues to this day.

The Whitlock Treatment Plant was built in 1977 and added carbon filtration to Pueblo's water treatment regime, helping to protect the health of everyone in the community.

Water quality was not the only concern, however, as the Board realized the water rights Pueblo held to serve its customers would not be sufficient to meet the needs of future growth in the community. To meet those needs, they invested in the additional water resources that would be required.

The completion of Pueblo Reservoir as part of the Fryingpan-Arkansas Project in 1975 provided boosts to both water quantity and water quality, as a portion of the water imported from the west slope is available for Pueblo's use, and a water supply pipeline built from Pueblo Dam to the Whitlock Treatment Plant conveys higher-quality source water than is available from the previously-used surface intake on the river itself.

As the city grew, customer demand for water naturally increased with it. By the late 1990s, summer demands were approaching the capacity of the treatment plant, so a major expansion was designed, completed in 2002.

In 2009, the St. Charles Industrial Park extended Pueblo's water system southward to serve new industries, including the Vestas wind tower plant and the Rockla railroad tie plant.

We don't often pause to consider the incredible value of a safe, reliable water supply - and the water system that delivers it - in our everyday lives. But consider what tap water does that no other water can do.

#### ONLY TAP WATER DELIVERS . . .

#### ... public health protection.

In a world where an estimated 3 million people die every year from preventable waterborne disease, Pueblo's water system allows us to drink from any public tap with a high assurance of safety. Pueblo Water treats our drinking water to meet rigorous federal and state water quality standards to protect the health of all in our community.

#### ... fire protection.

A well-maintained water system is critical in protecting Pueblo from the ever-present threat of fire. Pueblo Water crews maintain the city's fire hydrants, providing Pueblo's Fire Department the reliable water at an adequate pressure they need to keep lives and property safe.

#### ... support for the economy.

Businesses and housing developments do not succeed without a safe and sustainable water supply. Tap water is critical to businesses' day-to-day operation and is often a primary ingredient in attracting new businesses to Pueblo. Since 1984, Pueblo Water has contributed over \$5 million in service to improve Pueblo's economy.

#### . . . the quality of life we enjoy in Pueblo.

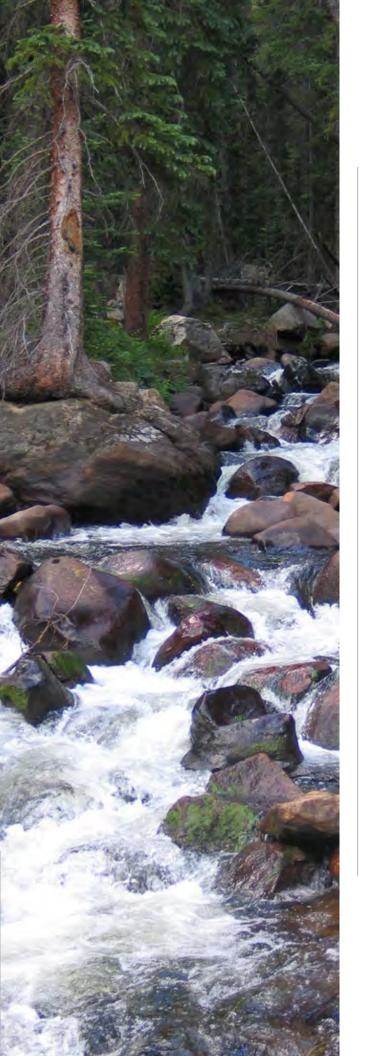
Any measure of a successful society - low mortality rates, economic diversity, productivity, and public safety - is in some way related to access to safe water. Add the beauty and recreational opportunities that our parks, golf courses and the Riverwalk Project bring to our lives, and you realize how valuable our most precious resource really is!

Transmission and Distribution personnel maintain all the pipes and valves in the system every day, even though it is all buried underground! They must respond to water main breaks in a timely manner that maintains water service to our customers while minimizing traffic disruptions during the excavation and repair of large pipes. They also test, maintain and repair over 4,000 fire hydrants throughout the city to provide top-rated fire protection for homes and businesses in Pueblo.









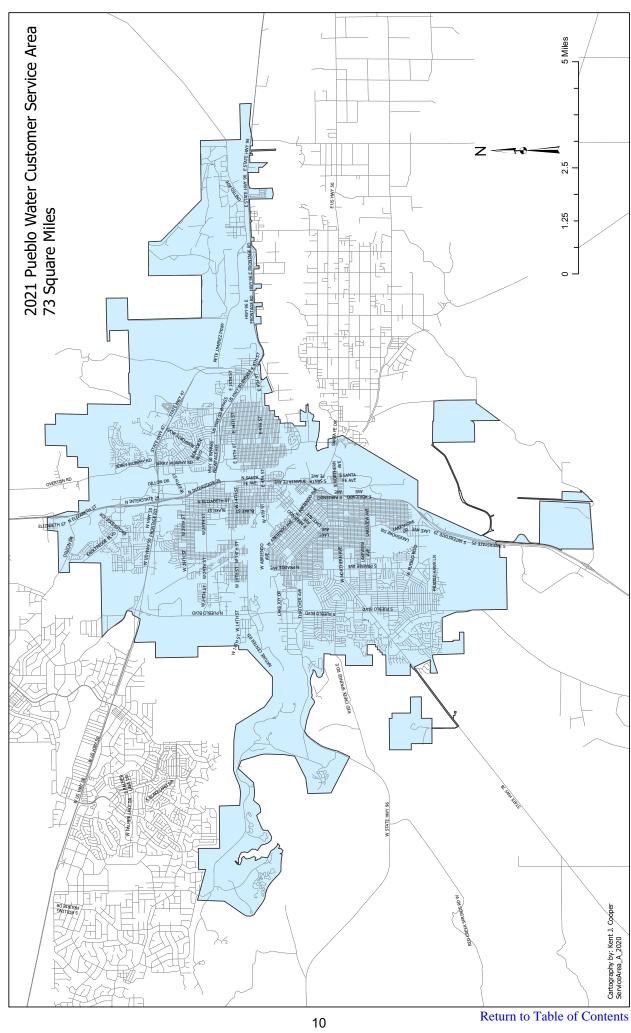
#### TAKING CARE OF BUSINESS

Our Customer Service Department provides many payment options to make paying a water bill as convenient as possible for our customers: by mail, online payments, monthly auto-pay, over the phone by check or credit card, or in person at our main office. We also offer budget billing to smooth out the seasonal highs and lows of water charges to make budgeting for this important need much easier. When a customer has a temporary need for assistance in paying a water bill, our customer service representatives utilize our CARES program (funded by Pueblo Water and administered by Catholic Charities of Pueblo) to assist the customer in a time of need.

#### **FACILITIES AND INFORMATION SERVICES**

Every business depends on well-maintained facilities and rapidly evolving technology to stay on top of its game, and Pueblo Water is no exception. Although the plumbing, electrical, heating and cooling of our buildings is "behind the scenes," they all must function daily to support every activity of Pueblo Water. Similarly, it is obvious that computer technology is at the heart of all our business processes, from water treatment to distribution system mapping, from financial operations to telephone communication. And it all needs to work, every day, at all hours of the day and night. As with all other departments at Pueblo Water, our professional work force is up to the task.

"Every business depends on well-maintained facilities and rapidly evolving technology to stay on top of its game, and Pueblo Water is no exception."



## Pueblo community profile

**Population (est.) April 2020:** 111,876<sup>1</sup> **Pueblo Water Service Area:** 73 square miles

#### **Workforce Statistics<sup>2</sup>**

Labor Force: 77,355 Employment: 71,037 Unemployment rate: 8.2%

#### **Principal Employers**<sup>3</sup>

Organization	<b>Employees</b>
Parkview Medical Center	2,424
School District 60	1,759
School District 70	1,107
Pueblo County	1,099
Wal-Mart (4 stores)	1,075
EVRAZ Rocky Mountain Steel	1,064
St. Mary-Corwin	771
City of Pueblo	704
Convergys Corporation	700
Target Corporation (Dist. Center & Store)	700
Vestas Towers America, Inc.	680

#### **Top Industries**<sup>4</sup>

Industry	<b>Employment</b>
Health Care and Social Assistance	13,567
Retail Trade	8,033
Accommodation and Food Services	5,787
Educational Services	5,340
Public Administration	4,427



<sup>&</sup>lt;sup>2</sup> https://www.bls.gov/lau/#cntyaa. Labor force data by county, 2020 annual average.

<sup>&</sup>lt;sup>3</sup> https://www.pueblo.us/178/Comprehensive-Annual-Financial-Reports. City of Pueblo CAFR for year ending Dec. 31, 2020.

<sup>&</sup>lt;sup>4</sup> https://www.colmigateway.com/. CO Department of Labor and Employment as of 2<sup>nd</sup> Quarter, 2021.

# Licenses, accreditations & certifications



First aid, CPR and AED (16) Certified (18)



**American Society of Sanitary Engineering** 



Certified Floodplain Manager (1)



Colorado Groundwater Resource Services Class A & B Underground Storage Tank Operators (7) Class C Underground Storage Tank Operators (1)



Colorado Safety Association (2)



**Computing Technology Industry Association (1)** 



Alliance Safety Council (1)



**EPA Universal Technicians (4)** 



**Senior Professional** in Human Resources (1)



EPA Universal Technicians (1)



Association for HR (1)





Project Management Institute (1)



Pueblo Regional



**Certified Scrum Master (1)** 



Society for Human Resource Management (1)



**Refrigeration Service Engineers Society (1)** 



**Universal Public Purchasing Certification Council (1)** 





#### State of Colorado

Certified Public Accountant (2)

Class 1 Water Distribution Operator (7)

Class 2 Water Distribution Operator (23)

Class 3 Water Distribution Operator (3

Class 4 Water Distribution Operator (38)

Class A Water Treatment Operator (16) Class B Water Treatment Operator (1) Class C Water Treatment Operator (1) Class D Water Treatment Operator (5) Journeyman Electrician (3)

**Professional Engineer (4)** 

Notary Public (8)







Computer-specific Certifications (4)

Ensuring the high-quality of water that we deliver to our community necessitates having a highly qualified workforce. One way that we lead is by assisting our employees in obtaining further certifications and education in their respective areas. This helps us achieve our goal of excellence in everything that we do and allows us to have a number of great Cathodic Protection Tester (1) NACE

AUTOMOTIVE National Institute For Auto Service Excellence (2)

accomplishments.

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## Recognition



Joe Cesar
2020 Employee of the Year
Electrical Technician II

Pueblo Water values resultsdriven strategic leadership and has partnered with the Center for Creative Leadership to develop the skills of its senior leadership team. Employees have attended training on coaching for greater effectiveness and leadership development to enhance personal and professional growth. Additionally, Pueblo Water has invested in supervisor training provided by Rocky Mountain Section AWWA for first level supervisors. Pueblo Water actively participates in Leadership Pueblo, a leadership development training coordinated by the Pueblo Chamber of Commerce. Along with these accomplishments, we are proud to recognize employees that demonstrate excellence throughout the year.



Lauren Keiffer Employee Q4, 2020



Joe I Maes Employee Q1, 2021



Rhonda Navarette Employee Q2, 2021



Leroy Rittgers Employee Q3, 2021

## FINANCIAL POLICIES

The Board of Water Works of Pueblo, Colorado (the Board) operates as a single enterprise fund for financial statements and budgeting purposes. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net revenue, financial position and cash flows is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The acquisition, maintenance and improvement of the physical plant facilities required for these goods or services are financed from existing cash resources, the issuance of bonds, Federal or State grants, etc. The generally accepted accounting principles here are those applicable to similar businesses in the private sector and, therefore, assets and liabilities, and revenues and expenses are recognized on the accrual basis of accounting; thus, revenues are recognized when earned and expenses are recorded when incurred.

The Board applies all Governmental Accounting Standards Board (GASB) pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Subsequent to this date, the Board follows GASB pronouncements.

#### ANNUAL BUDGET

There shall be prepared, under the direction of the Executive Director. proposed annual consolidated budget which shall be submitted to the Board of Directors no later than October 15th of the year immediately preceding the year to which the budget applies. Upon receipt of the proposed budget, on or before October 15th the Board must cause to be published, a one-time notice, in a newspaper of general circulation within the local government's boundaries. Following this a final draft must be submitted to the Board of Directors for adoption no later than the regular Board meeting in December. The proposed budget shall indicate by fund all anticipated expenditures and required reserves and the source of moneys to be used to meet such expenditures and provide such reserves. The proposed budget also shall indicate estimated beginning and ending fund balances which include all unexpended surpluses from the

prior years. A workshop on the proposed annual budget will be conducted prior to the November Board meeting. The Board of Directors shall review the proposed budget in its entirety and provide recommendations to the staff.

After considering the proposed budget and making revisions thereto that it may deem advisable, the Board of Directors shall adopt the budget before the beginning of the year to which the budget applies. Following adoption of the budget the Board shall file a certified copy of the adopted budget, including the budget message, with the Division of Local Government of the State of Colorado, no later than January 30th of the year to which the budget applies.

The budget is prepared using the budget basis in which revenues are recorded when they become available and expenditures are recorded at the time liabilities are incurred.

#### **BALANCED BUDGET**

The Board shall balance the operating budget with current revenues, which may include the use of unallocated reserves less required reserves as established by the Board.

#### **ENCUMBRANCES**

The Board shall report encumbrances for construction projects having a value of \$100,000 or more in the year the bid and contract are awarded for budgetary purposes, which may or may not coincide with the same year used for GAAP reporting. All other encumbrances for equipment, supplies, and construction projects having a value of less than \$100,000, which have not been received at the end of the Board's fiscal year, shall be reported in the following year for both budgetary and GAAP purposes.

#### **FUNDS ESTABLISHED**

Through its administrative code the Board identifies a number of accounts, which are referred to as funds, to separately track uses of moneys for specific purposes. To provide for accountability of public moneys in accordance with applicable federal and state law and regulations and Board policies, the following active or prospectively active funds have been established in the Treasury of the Board.

#### Unrestricted Funds

General Fund (established 1957). Moneys not specifically allocated or appropriated may be placed in this fund and used for general purposes of the Board. To maintain the Board's credit rating and meet seasonal cash flow shortfalls, the budget shall provide for an anticipated General fund balance of at least five percent of estimated annual revenues.

Should the General fund balance fall below the five percent threshold. A plan for expenditure

reductions and/or revenue increases shall be submitted to the Board by the Finance Division Manager.

Operations and Maintenance Reserve Fund (established1984). Moneys reserved to equal sixty days of total budget for personnel services and operation and maintenance expenses.

Capital Projects Reserve Fund (established 1999). Moneys reserved to assist with unforeseen emergency capital projects. This fund is maintained at not less than one million dollars.

Water Development Fund (established 1999). Moneys specifically allocated for further acquisition of water rights, protection of existing water rights and other similar uses approved by the Board of Directors. Additions to this fund are to be provided at the discretion of the Board of Directors.

#### Restricted Fund

**Debt Service Fund (established 2000)**. Moneys transferred from the General Fund specifically for the purpose of principal and interest payments on any then outstanding bond issues or repayment contracts. All transfers shall be made according to the bond covenants then in place.

#### DEBT GUIDELINES, COMPLIANCE WITH FUND REQUIREMENTS, AND BOND PROVISIONS

#### **Debt Guidelines**

- Use of Proceeds Debt proceeds may not be used for operating and maintenance expenditures. Net proceeds shall only be used for non- routine capital expenditures (less amounts in a reasonably required reserve fund, when necessary) or to refund existing debt.
- Advance Refundings Advance refundings will be considered when the net present value of the savings is greater than

3% and the refunding is permitted by existing statutory regulations.

Appropriate Use of Debt - The Board's Finance Division Manager will monitor the marketplace and remain abreast of new types of financing instruments and sources of funds. In determining whether or not debt issuance is appropriate, the Board will consider: the expected life of the asset, the nature of the covenants, the impact on the Board's future financial flexibility, amount of uncertainty and market risk associated with the type of financing considered, the current regulatory and economic environment and whether longterm projections indicate the Board will be able to sustain the projected level of debt. In making such evaluations, the Board may with one consult or more outside. independent financial advisors.

#### **Compliance and Bond Provisions**

- Timely Expenditure of Bond Proceeds The Board's Finance Division Manager shall be responsible for preparing a draw down schedule (when necessary) that details the anticipated spending schedule of bond proceeds to ensure they comply with the hedge bond rules of Section 149 of the Internal Revenue Code and determine whether the requirements for a three-year temporary period under Treasury Reg. 1.148-2(e) have been satisfied.
- Calculation of Available Project
   Proceeds Once proceeds from the
   issuance along with costs of the issuance
   are determinable, and prior to issuance of
   the bonds, the Finance Division Manager
   shall calculate (1.) the available project
   proceeds and (2.) the percentage of
   issuance costs. Verification shall be

performed that such percentage does not violate any regulations or laws governing the issuance of the bonds.

- Arbitrage Yield Restrictions and Rebate -The Finance Division Manager shall invest the available bond proceeds so that any income does not materially exceed the arbitrage yield limit of the issuance as defined in the tax compliance certificate associated with the issuance. Three months prior to the five-year anniversary of each issuance, the Finance Division Manager shall review whether an arbitrage rebate calculation is due or should be performed.
- Refundable Credits It is the responsibility
  of the Finance Division Manager to verify the
  amount of any refundable credit associated
  with any of the Board's outstanding bonds
  and prepare, on an ongoing and timely
  basis, the appropriate form associated with
  the refundable credit(s).
- Identification of Violations It is the responsibility of the Finance Division Manger to review Federal tax requirements, along with arbitrage or tax compliance certificates associated with the Board's outstanding debt, to ensure compliance with said requirements. In the event of any violation of such requirements, the Finance Division Manager will speedily contact bond counsel and after consultation, take appropriate remedial action.
- Record Retention All records necessary
  to support the status of the Board's bonds
  as qualified to receive tax advantaged
  treatment shall be maintained for a minimum
  of four years beyond the later of the
  redemption of the bonds or any obligation
  issued to refund the bonds. Records shall be

maintained in "paper" form and when practical in both "paper" and "electronic" form. Records may be maintained for a longer period of time in accordance with the Board's Financial records retention policy.

Fund Requirements - As of December 31st of each year, the Finance Division Manager shall make a review to determine whether the minimum fund requirements have been met and whether the Board has complied with the provisions of the articles and covenants contained in the resolutions of issuance for all outstanding Board bond issues during the preceding year. The Finance Division Manager shall report the results of his review to the Executive Director.

#### **CAPITAL ASSETS**

Purchased and constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair market value on the date received. Net interest costs incurred during periods of construction are capitalized as part of the cost of the asset. Assets are capitalized if they have a cost of \$5,000 or more and have a useful life of more than one year.

Depreciation of capital assets shall be computed on the straight-line method based on estimated service lives of properties by classes. The estimated useful lives to be used in computing depreciation are as follows:

The difference between the cost of assets removed from service and the amount of accumulated depreciation at the time of removal shall be written off as loss on abandonment of assets.

#### **INVESTMENTS**

Investments shall be recorded at cost and adjusted to market value for financial reporting purposes.

Adjustments, if applicable, are to be made to cost, for any premium or discount, which shall be amortized over the maturity of the investment. For purposes of the statement of cash flows, the Board shall consider all investments with an original maturity of three months or less to be cash equivalents.

#### **INVENTORIES**

Inventories shall be valued on the weighted average method.

## ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts shall be computed at one percent of customer receivables at year end.

#### **REVENUE**

The Board shall set fees and rates at levels which fully cover the total direct and indirect costs – including operations, capital outlay, and debt service of providing the citizens of Pueblo, Colorado and any extraterritorial customers with high quality water.

#### **Rate Structure**

This section provides an overview of the Board's rate structure. The rate structure is designed to accomplish the following:

- Water Quality Support source quality improvements and water treatment systems that ensure the highest quality of water possible.
- Accountability Set rates at levels which provide sufficient revenue to operate the System in a manner that ensures the highest quality, while providing the lowest possible price to our customers.

- Rate Covenant The Board has agreed to set rates at levels which ensure that total revenue less operating expenses, will cover the combined annual debt service at a minimum of 1.20 times.
- Community Provider Ensure that adequate water is provided to the community now and as needs grow.
- Environmental Responsibility Encourage wise environmental stewardship and effective demand management.

#### **Rate Structure Components**

The different elements of the current rate structure are detailed in the Board's Rules and Regulations and are subject to change.





## STRATEGIC PLAN

#### **PLANNING**

Planning has been an important visionary component throughout Pueblo Water's history. This is evidenced through the maintenance of long-term financial, capital, main replacement, operation and maintenance, water resource, and work force succession plans.

#### FINANCIAL, CAPITAL, AND OPERATION & MAINTENANCE

Each year, as part of the budget process, updates are performed to Pueblo Water's financial, capital, and operation and maintenance 10-year plans. Since it is Pueblo Water's practice to finance routine improvements within its normal rate structure, these plans are an integral part of that success. As a consequence, small steady rate increases are implemented each year, which is essential to ensuring adequate revenue and avoiding "rate shock" for customers. As is the case with many water utilities around the United States, Pueblo Water recognizes the coming challenge of replacing its infrastructure and works to continually refine its supplemental 30-year capital plan. This expanded capital plan affords Pueblo Water the ability to make crucial decisions surrounding replacement of its infrastructure.

The following table represents the planned capital projects included in the 2022 budget:

Project Description	<u>Total</u>
CITY WIDE MAIN RENEWALS	\$2,500,000
RAILROAD RIVER CROSSING	1,750,000
HYDRO POWER PROJECT AT TREATMENT PLANT	1,000,000
AMR & METER ROTATION	927,000
TRUCK MOUNTED VACUUM EXCAVATOR	350,000
ARKANSAS RIVER SS DIVERSION DAM	250,000
LA VISTA TANK 1 & 2 LINER REPLACEMENT	250,000
FILTER UNDERDRAIN REPLACEMENT (1-8)	155,000
FILTER MEDIA REPLACEMENT (1-8)	145,000
TD&E FACILITY REMODEL	110,000
HARP RIVER INTAKE METERS	100,000
WILDHORSE CREEK STREAM GAUGES	100,000
VARIOUS CAPITAL PROJECTS UNDER \$100,000	1,412,100
TOTAL	\$9,049,100

#### MAIN REPLACEMENT PROGRAM

Pueblo Water's main replacement program was started in the late 1960's and consists of a formal twenty-year plan that is updated approximately every ten years through cooperation with Pueblo Water's internal engineering staff and its consulting engineer. During the intervening ten-year period, Pueblo Water's internal engineering staff regularly updates the plan to ensure customer needs are met. On average, Pueblo Water spends close to \$2 million every year in connection with the program. Through this program Pueblo Water has greatly reduced the number of main breaks experienced each year. In 1972, 196 main breaks occurred, while in 2020 there were just 45.

#### WATER RESOURCE PLAN

In 2007, Pueblo Water updated the water resource plan to project and meet the needs of the community for the next fifty years. That process has continued a less formal basis each year since 2007. Pueblo Water prepared its Water Efficiency Plan in accordance with the Colorado Water Conservation Act of 2004. This plan identifies water efficiency measures to provide a reasonable cost savings for the utility and our customers by reducing water demand.

#### **OBJECTIVES AND INITIATIVES**

Pueblo Water's strategic plan is built on objectives and initiatives to align business goals and achieve strategies while focusing on the organization's mission, vision and core values. Key objectives and initiatives are listed below:



**Customer Experience** – Meet future water needs of our customers, enhance the customer experience at every "touch level" and maintain an excellent water collection, treatment and distribution system.

- Diverse, flexible and resilient water supply sources
- Adaptable, long-range planning approach
- Appropriate storage and margin of safety including a drought plan and strategic water reserve
- Emergency water supply from/to neighboring water system
- Provide outstanding and innovative customer service levering new technology
- Increase awareness of customer affordability issues
- Review impact of repair/replacement cost of service lines on customers
- Deliver effective customer communication and education
- A reliable infrastructure
- Protection of watersheds
- Meeting or surpassing all drinking water regulations



**Financial Stability** – maintain a fiscally strong and stable utility through excellent short and long-term fiscal health, ensuring the provision of the highest quality of water at the lowest possible cost through priority driven budgeting and spending.

- Evaluate rates annually to ensure both fiscal health and value for customers
- Create and maintain sound performance targets and reserves

- Maintain a diversified revenue stream
- Ensure the retirement and benefit programs are sustainable over the long term
- Manage funds prudently and wisely
- Strive for efficiency in both automated and manual processes
- Evaluate new infrastructure based on realistic demand forecasts
- Explore opportunities to maximize the return of Pueblo Water assets
- Maintain short and long-term financial and capital plans
- Engage employees in the budgeting and spending process



**Organizational Efficiency** – maintain an effective, efficient and strategically driven organization.

- Promote leadership and strategic focus at all levels
- Continue and enhance positive working relation with union
- · Healthy, collaborative and highly capable/motivated workforce
- Create a resilient and flexible organization capable of adapting to future challenges and seizing new opportunities
- Enhance business processes and acquire assets that improve our efficiency and effectiveness
- Promote appropriate risk management of Pueblo Water's system and operations



**External Partnerships and Relationships** – maintain and cultivate new effective partnerships and relationships.

- Maintain Pueblo Water's excellent reputation
- Maintain and cultivate new strategic relationships and partnerships
- Continue as advocates and resourceful drivers of economic development
- Play a key role in issues important to Pueblo Water and customers' success

## PERFORMANCE MEASUREMENTS

10-YEAR HISTORICAL AVERAGE

2021 YTD 2021 PROJECTED TOTAL

44.9

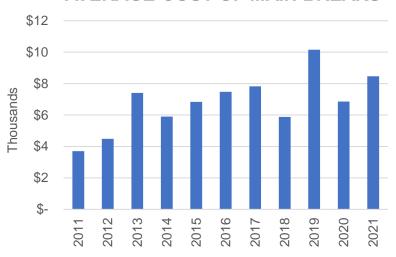
26

31

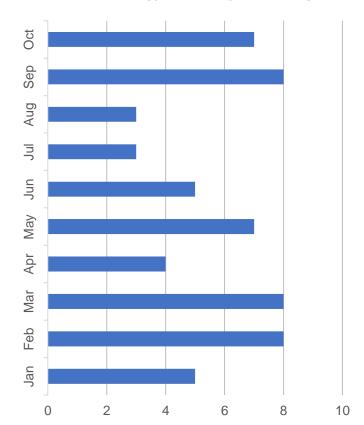
#### # OF MAIN BREAKS BY YEAR



#### **AVERAGE COST OF MAIN BREAKS**



#### # OF SERVICE LINE REPAIRS/REPLACEMENTS



### COST OF SERVICE LINE REPAIRS/REPLACEMENTS



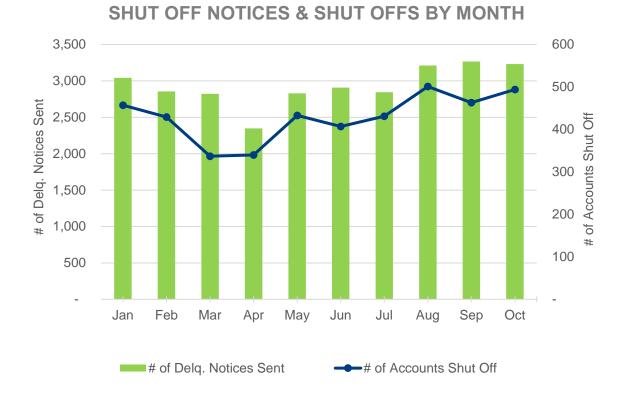
## PERFORMANCE MEASUREMENTS

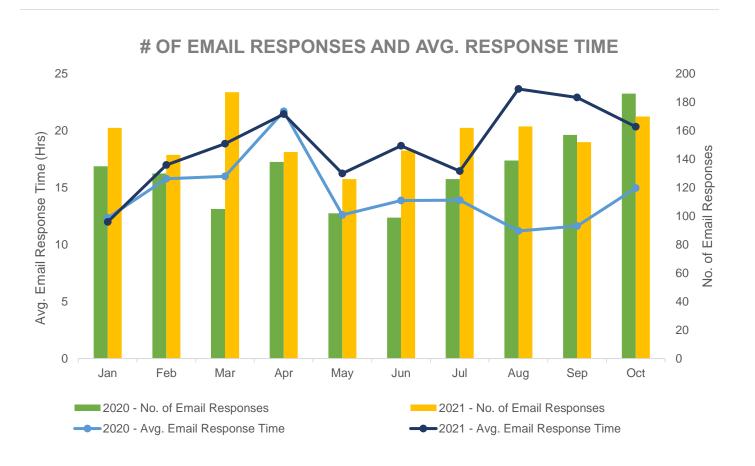
8.52%

OF ACCOUNTS
WERE SENT
SHUT OFF
NOTICES YTD.

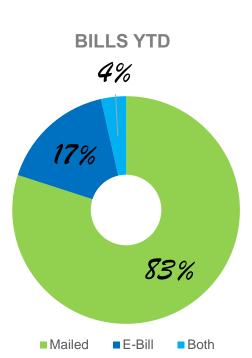
1.25%

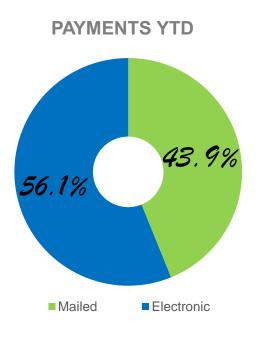
OF ACCOUNTS
WERE SHUT
OFF YTD.



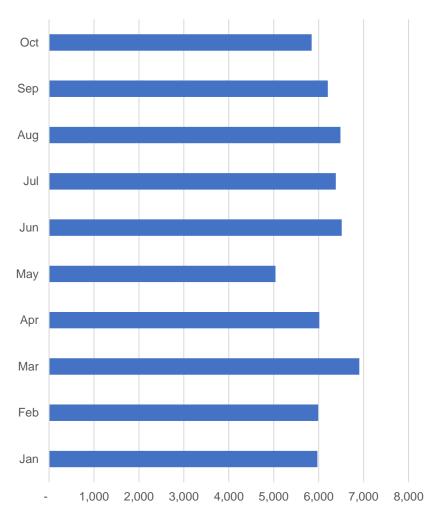


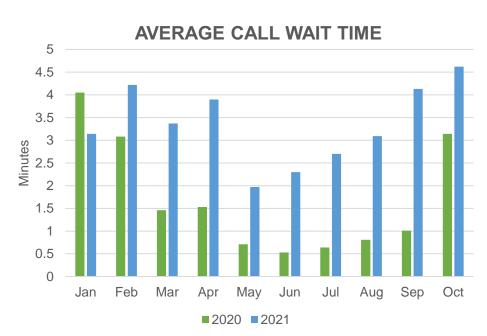
## PERFORMANCE MEASUREMENTS





#### **TOTAL CALLS HANDLED**

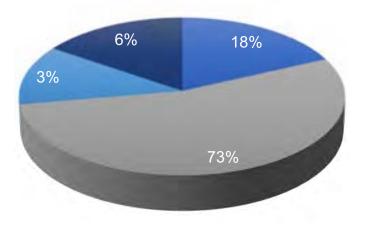




## WATER USAGE

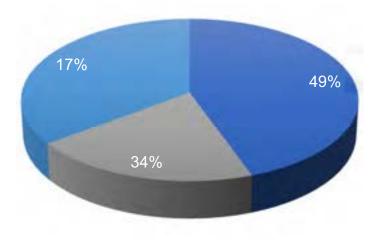
	Acre Feet
Potable - Whitlock Treatment Plant	28,831
Raw Water - Comanche Pump Station	10,176
Raw Water – Outside City Limits	<u>19,405</u>
Total Water Delivery	58,412
Water Storage – as of December 31, 2020	
Clear Creek Reservoir	5,471
Pueblo Reservoir	21,702
Turquoise Reservoir	775
Twin Lakes Reservoir	<u>1,854</u>
Total Water Storage	29,802

## Water Storage



- Clear Creek Reservoir
- Pueblo Reservoir
- ■Turquoise Reservoir
- Twin Lakes Reservoir

## Water Delivery



- Whitlock Treatment Plant
- Comanche Pump Station
- Outside City Limits

## MISCELLANEOUS FACTS & FIGURES

#### As of December 31, 2020

Active taps: 41,064

Population served: 113,567

Average daily consumption: 24 million gallons

Peak day pumpage in 2018: 51 million gallons

Record peak day pumpage (July 16, 1997): 63 million gallons

Daily consumption per capita: 210 gallons

Treatment plant capacity\*: 84 million gallons per day

Miles of pipeline: 585.46 (3" thru 84" in size)

Number of system fire hydrants: 4,197

Full-time employees: 134

<sup>\*</sup> Treatment plant capacity will serve a population of up to 200,000 with associated business and industry. Based on current trends in maximum daily demand.



## **BOARD OF DIRECTORS**



Pueblo Water's five-person Board of Directors is made up of community and business leaders elected by the citizens of Pueblo. Pueblo is fortunate to have a Board that not only performs its expected duties capably formulating policy, reviewing and approving the budget, setting rates and conducting long -range planning — but also maintains a passionate dedication, to the health and well-being of our community with its service. Board members also have a history of serving multiple six-year terms, and they continue to acquire the complex knowledge required to make the best decisions to ensure Pueblo's water system is operated and maintained in an effective and cost-efficient manner.



**Dr. Thomas Autobee** Term: Thru 2027

Dr. Autobee has been an elected Board member since 2004. He has operated a dental practice in Pueblo since 1977. His great-great-great grandfather, Charles Autobee, was one of the original settlers in the Pueblo area in 1828.



Mike Cafasso Term: Thru 2026

Mr. Cafasso was appointed to fill a Board vacancy in March of 2007 and then was elected to the Board in November of that same year. He has served ever since. He is the CEO of St. Mary-Corwin Hospital.



Sandy Gutierrez Term: Thru 2023

Ms. Gutierrez is the Chief Experience Officer at Health Solutions. She is a former CEO of the Latino Chamber of Commerce. She also serves on the Mental Health Colorado Board of Directors for the Southern and Southeastern regions.



Sam Krage Term: Thru 2027

Mr. Krage founded Krage Manufacturing in 2000 and has since grown the company from six employees to more than 50, with sales in excess of \$15 million annually. He is active in several organizations and causes in Pueblo.





Chris Woodka Term: Thru 2026

Mr. Woodka was a long-time water iournalist and currently is Senior Policy and Issues Manager for the Southeastern Colorado Water Conservancy District. He deals with the many issues relating to the storage and movement of water in the Arkansas River basin.

## Leadership



**Seth Clayton**Executive Director



**Kristen Spicola**Director
Administrative Services



**Matt Trujillo**Director
Operations



Scot Burbidge
Division Manager
TD&E



John Norton
Division Manager
WQT&L



**Darrell Contreras**Division Manager
FO&M

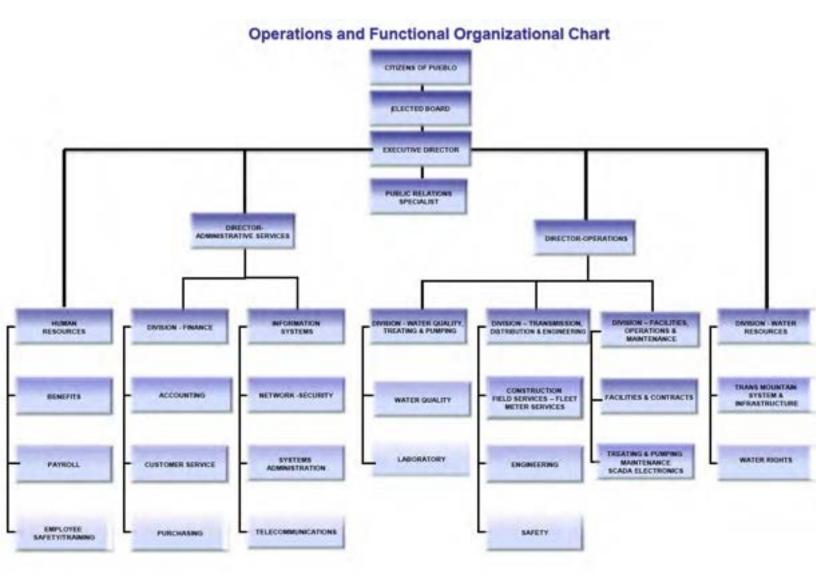


Alan Ward
Division Manager
Water Resources

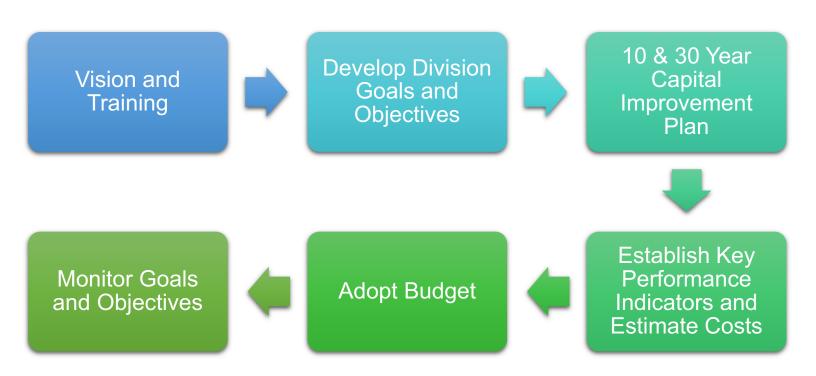


**Don Colalancia**Division Manager
WQT&P

### ORGANIZATIONAL CHART



## 2022 BUDGET PLAN PREPARATION



Pueblo Water's budget is determined by a variety of methods. The process begins in early June when a 10-year capital plan workshop is held with all staff to review the status of current projects and discuss changes to any projects in future years of the plan.

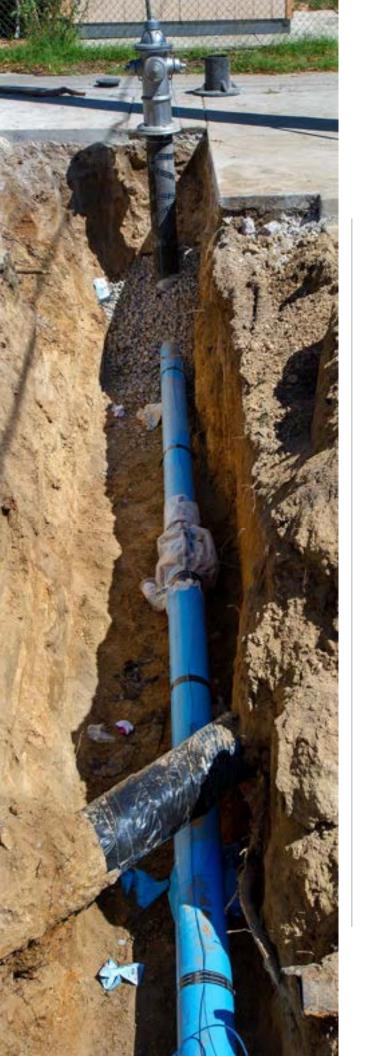
In July, the budget process is opened for management staff to develop and input requests. The divisional budget requests are submitted to the Finance Division Manager. These requests are reviewed by senior management and subsequently used by the Finance Division Manager to prepare a preliminary budget. The preliminary budget is then submitted to the Executive Director for review and input.

In September, a management staff budget workshop is held to review the preliminary budget and develop project milestones for the 2022 capital project summary.

In early October, the preliminary budget is submitted to the Board of Directors for their input at which time it is made available for public inspection.

The final budget, including all appropriate resolutions, is usually adopted at Pueblo Water's November Board meeting, and subsequently submitted to the State of Colorado Department of Local Affairs.

The timeline on the next page reflects the planning timeline of Pueblo Water's budget process.



### 2022 BUDGET PLAN

DATE	DESCRIPTION
July 1, 2021	Budget input into Central Square available
July 21, 2021	Finance and Budget Training
July 26, 2021	Supervisor review completed
July 30, 2021	Manager review completed
July 30, 2021	Budget memos to Division Managers
August 13, 2021	Division Manager review completed
August 27, 2021	All Budget input ability will be removed @ 4:30 p.m.
September 3, 2021	Draft of department overviews to Public Relations Specialist
September 15, 2021	Distribute preliminary draft, revenue requirements and 10-year plans to Directors
September 22, 2021	Directors review draft, revenue requirements, rate proposals, front range survey and typical bill comparisons
September 22, 2021	10-year capital plan workshop
October 1, 2021	Director's final discussion and review
October 8, 2021	Quality review of external proposed draft
October 13, 2021	Preliminary Budget to Board
October 13, 2021	Publish Budget notice in Pueblo Chieftain
November 2, 2021	Budget workshop with Board
November 16, 2021	Board meeting, public hearing, and Budget adoption

## Contact Us

### **BOARD OF DIRECTORS**

Dr. Thomas V. Autobee, President	719.584.0220
Michael A. Cafasso, Secretary-Treasurer	719.584.0220
<ul> <li>Sandy Gutierrez, Vice-President</li> </ul>	719.584.0220
Sam Krage, Vice-President	719.584.0220
Chris Woodka, Vice-President	719.584.0220
DIRECTORS	
Seth Clayton, Executive Director	719.584.0214
Matthew Trujillo, Director of Operations	719.584.0277
Kristen Spicola, Director of Administrative Services	719.584.0414
DIVISION MANAGERS	
Scot Burbidge, Transmission, Distribution & Engineering	719.584.0478
Don Colalancia, Water Quality, Treating & Pumping	719.584.0265
John Norton, Water Quality, Treating & Laboratory	719.584.0261
Darrell Contreras, Facilities, Operations & Maintenance	719.584.0263
Alan Ward, Water Resources	719.584.0235
For any additional information or questions, please contact:	
Leroy Rittgers, Financial Planning & Rates Analyst, Irittgers@pueblowater.org	719.584.0416

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## RESOLUTION OF ADOPTION

#### RESOLUTION NO. 2021-13

A RESOLUTION ADOPTING THE 2022 FISCAL YEAR BUDGET AND APPROPRIATING FUNDS FOR THE PURPOSE OF OPERATING THE BOARD OF WATER WORKS OF PUEBLO, COLORADO'S GENERAL FUND, DEBT RETIREMENT FUND, AND WATER DEVELOPMENT FUND AND APPROVING A REVISED WATER SCHEDULE IN SUPPORT OF THE 2022 BUDGET.

WHEREAS, the Board of Water Works of Pueblo, Colorado (Pueblo Water) desires to continue a sound fiscal policy to support its operation on behalf of the citizens of Pueblo and customers of Pueblo Water during the fiscal period commencing January 1, 2022, and ending December 31, 2022, and

WHEREAS, the Executive Director has maintained for Pueblo Water a program of financial projection, and

**WHEREAS**, the Board annually reviews said program and establishes the policy for operation and maintenance of all facilities under the Board's control, and

**WHEREAS**, it is necessary for the Board to adopt the 2022 budget and appropriate funds in order for Pueblo Water to provide water service, and

**WHEREAS**, the program of financial projection calls for additional revenue to support the operation of Pueblo Water.

**Now, THEREFORE, BE IT RESOLVED** that the Board hereby:

- (1) Approves and adopts the attached 2022 Budget and authorizes implementation of said Budget by the Executive Director.
- (2) Appropriates the revenue of the General Fund, Debt Retirement Fund and Water Development Fund, as provided in the 2022 Budget to each of said Funds.
- (3) Approves and adopts for implementation consistent with the dates described in the revised water rate schedule as provided in the 2022 Budget.

ADOPTED THIS 16TH DAY OF NOVEMBER, 2021.

Thomas V. Autobee, President

Michael A Cafasso, Vice-President

Sandy Gutierrez, Vice-President

Sam Krage, Vice-President

Patrick Garcia, Board Attorney

Chris Woodka, Vice-President

### SUMMARY OF ESTIMATED CASH AVAILABLE FOR OPERATIONS AND RESERVES GENERAL FUND

				OPERATION &	CAPITAL			
			M	MAINTENANCE		PROJECTS		
	OI	PERATIONS		RESERVE		RESERVE		TOTAL
ESTIMATED BEGINNING FUND BALANCE	\$	17,861,849	\$	4,498,948	\$	1,000,000	\$	23,360,797
ESTIMATED REVENUES AND TRANSFERS		33,268,834		455,665		7,910,500		41,634,999
ESTIMATED EXPENDITURES								
Personnel services		16,913,691		-		-		16,913,691
Operation and maintenance		13,413,370		-		-		13,413,370
Capital outlay		1,138,600		-		7,910,500		9,049,100
Debt retirement		3,605,391		-		-		3,605,391
Transfer to(from) Water Development Fund		1,541,333		-		<u>-</u>		1,541,333
Total estimated expenditures		36,612,385		-		7,910,500		44,522,885
ESTIMATED ENDING FUND BALANCE	\$	14,518,298	\$	4,954,613	\$	1,000,000	\$	20,472,911

### SUMMARY OF ESTIMATED CASH AVAILABLE WATER DEVELEPMENT FUND

		TOTAL
FOTIMATED DECIDINING FUND DAI ANOF	Φ.	0.000.000
ESTIMATED BEGINNING FUND BALANCE	\$	8,260,203
ESTIMATED REVENUES AND TRANSFERS		13,557,833
FOTIMATED EXPENDITURES		
ESTIMATED EXPENDITURES		
Capital outlay		1,575,000
Total actimated avacanditures		1 575 000
Total estimated expenditures		1,575,000
ESTIMATED ENDING FUND BALANCE	<u>\$</u>	20,243,036

### ESTIMATED REVENUES BY SOURCE GENERAL FUND

		2020		2021		2021	2022	
		ACTUAL		BUDGET	Е	STIMATED		BUDGET
OPERATING REVENUES								
Water sales - Metered	\$	27,593,074	\$	26,226,881	\$	26,183,881	\$	26,961,132
Water sales - Utility Private	Ť	6,495,042	Ť	6,608,734	Ė	6,608,734	Ť	6,790,474
Water sales - Raw water		3,228,340		3,678,400		3,097,226		2,766,181
Water sales - Utility Public		1,259,850		1,281,897		1,281,900		1,317,149
Taps and meters		97,481		55,000		115,000		55,000
Material sales		201,894		55,000		165,000		55,000
Main assessments		38,287		10,000		49,000		10,000
Fire protection - public		10,761		9,614		9,614		9,614
Discounts		1,520		1,500		1,100		1,500
Rental income		31,030		27,807		27,807		28,572
Late field reading fee		19,200		7,000		21,000		7,000
Turn-on fee		17,080		70,000		50,000		70,000
Check processing fee		10,185		15,000		9,000		15,000
Field collection fee		380		1,500		120		1,500
Missed appointment fee		1,920		1,500		1,900		1,500
Finance Charges		5,484		1,000		10,000		1,000
Miscellaneous		106,818		75,000		110,000		75,000
Service line protection program		435,684		420,000		420,000		420,000
Plant water investment fee		1,162,478		850,000		1,300,000		1,100,000
Insurance recovery		22		10,000		14		10,000
Comanche operations and maintenance								
reimbursement		415,247		500,000		500,000		500,000
Busk-Ivanhoe administration fee		25,000		25,000		25,000		25,000
TIF proceeds		625,718		525,784		648,137		524,797
Wastewater collection fee		494,568		503,667		503,667		517,518
Stormwater collection fee		214,644		217,867		217,867		223,858
Street repair collection fee		77,628		78,983		78,983		81,155
Total operating revenue		42,569,335		41,257,134		41,434,950		41,567,950
		· · ·		, ,				
NONOPERATING REVENUES								
Interest income		155,429		115,405		15,000		47,049
Sale of assets		35,160		20,000		60,000		20,000
Contribution (to) from reserve		(2,524,140)		6,248,514		5,123,831		2,887,886
(1)		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,						
Total nonoperating revenue		(2,333,551)		6,383,919		5,198,831		2,954,935
Total nonopolating revenue	_	(2,000,001)	_	0,000,019	_	0,100,001		2,004,000
Total revenue	\$	40,235,784	\$	47,641,053	\$	46,633,781	\$	44,522,885
	Ť	,,	<u> </u>	,,,,,,,,,,		,	<u>-</u>	,,

### ESTIMATED EXPENDITURES BY OBJECT GENERAL FUND

		2020		2021	2021		2022
		ACTUAL		BUDGET	ESTIMATED		BUDGET
EXPENDITURES							
PERSONNEL SERVICES							
Administration	\$	918,556	\$	1,001,480	\$ 921,235	\$	1,038,279
Finance		1,480,726		1,675,555	1,588,293		1,737,904
Information Systems		702,838		726,995	675,187		684,492
Water Quality, Treating & Pumping		3,238,059		3,592,668	3,457,279		3,790,259
Transmission, Distribution and Engineering		5,202,822		5,836,073	5,492,846		6,039,492
Facilities Operation & Maintenance		916,490		986,685	897,215		909,363
Water Resources		414,087		451,410	428,297		468,673
Human Resources		3,023,335		2,417,087	 2,893,202		2,245,229
Total personnel services		15,896,913		16,687,953	16,353,554		16,913,691
OPERATION AND MAINTENANCE							
Administration		745.685		698.350	664.430		820.280
Finance		933,265		1,181,598	983,633		1,177,876
Information Systems		432,419		561,900	556,863		841,799
Water Quality, Treating & Pumping		2,127,887		2,271,860	2,160,376		2,427,425
Transmission, Distribution and Engineering		1,616,440		1,442,810	1,477,291		1,450,655
Facilities Operation & Maintenance		3,066,088		3,457,535	3,336,537		3,458,580
Water Resources		1,199,641		1,492,540	1,372,348		2,788,030
Human Resources		343,057		466,068	463,566		448,725
Total operation and maintenance		10,464,482		11,572,661	11,015,044		13,413,370
CAPITAL OUTLAY/ FUND TRANSFERS							
Administration		-		25,000	300		-
Finance		3,671,870		7,317,143	7,306,738		5,156,724
Information Systems		86,368		92,500	164,218		67,500
Water Quality, Treating & Pumping		13,455		32,000	12,581		_
Transmission, Distribution and Engineering		4,810,914		6,500,196	7,240,276		6,316,000
Facilities Operation & Maintenance		5,182,920		5,413,600	4,541,070		2,538,600
Water Resources		108,862		-	-		117,000
Human Resources	_	-	_	-	-	_	
Total capital outlay		13,874,389		19,380,439	 19,265,183		14,195,824
		, , , , , , , , , , , , , , , , , , , ,	_	, ,	, ,		, ,
Total expenditures	\$	40,235,784	\$	47,641,053	\$ 46,633,781	\$	44,522,885

### ESTIMATED REVENUES BY SOURCE & ESTIMATED EXPENDITURES BY OBJECT DEBT SERVICE FUND

	2020		2021		2021		2022
	ACTUAL		BUDGET		STIMATED		BUDGET
NONOPERATING REVENUES							
Interest income	\$ 20,800	\$	10,000	\$	10,000	\$	10,000
Contribution from general fund	 4,525,589		5,454,163		5,454,163		3,605,391
Total revenue	4,546,389		5,464,163		5,464,163		3,615,391
DEBT RETIREMENT							
Contribution to reserve	20,800		10,000		10,000		10,000
Principal - Series 2015	2,862,500		2,458,333		2,458,333		-
Principal - Series 2000B	402,969		1,853,746		1,853,746		2,258,500
Principal - Series 2019	-		-		-		370,833
Interest - Series 2015	177,083		73,750		73,750		-
Interest - Series 2000B	223,337		208,634		208,634		116,358
Interest - Series 2019	 859,700	_	859,700	_	859,700	_	859,700
Total debt retirement	 4,546,389		5,464,163		5,464,163		3,615,391
EXCESS (DEFICIENCY) OF REVENUES							
OVER EXPENSES AND EXPENDITURES	-		-		-		-

### ESTIMATED REVENUES BY SOURCE & ESTIMATED EXPENDITURES BY OBJECT WATER DEVELOPMENT FUND

	2020		2021		2021		2022
		ACTUAL	BUDGET	_ <u>E</u>	STIMATED		BUDGET
NONOPERATING REVENUES							
Interest income	\$	52,101	\$ 33,710	\$	9,500	\$	16,500
Sale of Property		274,371	-		-		12,000,000
Net transfer from General Fund		-	1,837,980		1,837,980		1,541,333
Contribution from reserve		614,091	 <u>-</u>		<u>-</u>		<u>-</u>
Total nonoperating revenue		940,563	1,871,690		1,847,480		13,557,833
EXPENDITURES							
Outside services		80,863	55,000		55,000		50,000
Capital improvements		-	985,000		985,000		1,525,000
Contribution to reserve		859,700	 831,690		807,480	_	11,982,833
Total expenditures		940,563	1,871,690		1,847,480		13,557,833
EXCESS (DEFICIENCY) OF REVENUES							
OVER EXPENSES AND EXPENDITURES		-	-		-		-



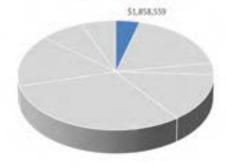
## ADMINISTRATION

### **FUNCTION**

The Administration at Pueblo Water wholly supports the 135 team members who are truly dedicated to our mission of providing customers with the highest quality water at the lowest possible cost. Our team works tirelessly to ensure that the supply, treatment, and distribution of our most precious natural resource goes uninterrupted to the more than 113,500 people we serve in our community every day.

# PORTION OF ANNUAL BUDGET

#### Total Budget - \$44,522,885





Seth Clayton
Executive Director

# Goals & Objectives

#### **GOAL ONE**

Maintain reliable service for our customers

#### **OBJECTIVES**

- Continue investing in Pueblo Water's main replacement program.
- Maintain a detailed 10- and 30-year capital improvement plan.
- Continue Pueblo Water's robust maintenance plan.

#### **GOAL TWO**

Maintain the lowest water rates along Colorado's Front Range

#### **OBJECTIVES**

- Continue to find innovative ways to maximize the return on Pueblo Water's assets.
- Continue Pueblo Water's practice of long-range planning.

#### **GOAL THREE**

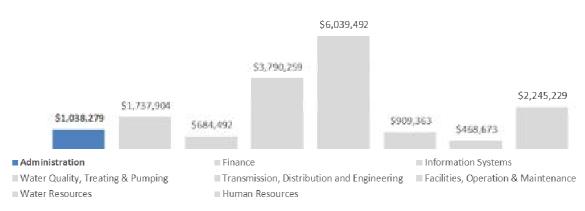
Invest in our employees

#### **OBJECTIVES**

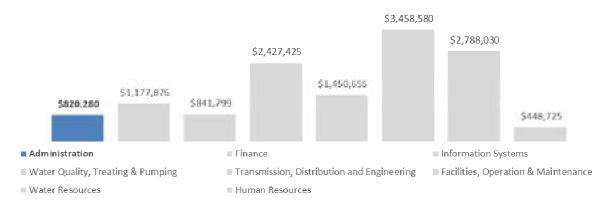
- Provide all employees with access for training to enhance their skillsets.
- Provide a compensation program commensurate of an employer of choice.
- Continue to develop workforce succession plans.

### EXPENDITURES BY OBJECT ADMINISTRATION

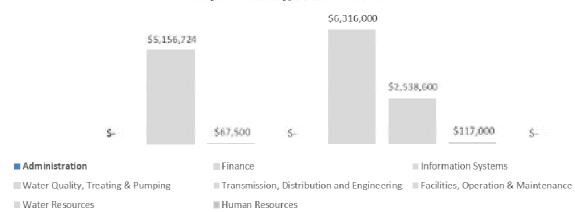




#### Operation & Maintenance



### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES ADMINISTRATION

	2020	2021		2021	2022		
	 CTUAL	BUDGET	ES	TIMATED		BUDGET	
SALARIES & WAGES							
Director	\$ 458,655	\$ 495,111	\$	430,301	\$	509,521	
Specialist	193,982	220,502		205,067		233,744	
Overtime	-	-		-		-	
Board Members	 13,800	13,800		13,800		13,800	
Total salaries and wages	666,437	729,413		649,168		757,065	
BENEFITS							
Longevity	3,223	3,129		3,129		3,610	
Employee assistance	142	140		140		140	
Social security	51,729	57,878		57,878		60,001	
Pension	20,980	21,468		21,468		22,298	
Health insurance	77,047	85,608		85,608		92,837	
Dental insurance	4,371	4,712		4,712		4,712	
Disability insurance	4,836	5,010		5,010		5,203	
Life insurance	7,869	8,140		8,140		8,458	
Sick leave	29,638	33,243		33,243		34,211	
Vacation leave	52,284	52,739		52,739		49,744	
Total benefits	252,119	272,067		272,067		281,214	
Total personnel services	\$ 918,556	\$ 1,001,480	\$	921,235	\$	1,038,279	

### DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY ADMINISTRATION

	2020			2021		2021	2022
		ACTUAL		BUDGET		TIMATED	BUDGET
OPERATION AND MAINTENANCE							
Outside services	\$	569,740	\$	511,250	\$	506,068	\$ 600,500
Utilities - other		7,564		5,900		5,900	5,900
Maintenance		555		750		750	750
Advertising		5,632		12,500		12,595	12,500
Travel and training		87,876		94,500		65,382	102,750
Office supplies		8,498		3,000		3,000	23,325
Subscriptions and memberships		65,820		70,450		70,735	74,555
Total operation and maintenance	\$	745,685	\$	698,350	\$	664,430	\$ 820,280
CAPITAL OUTLAY							
Computer and office equipment	\$	<u>-</u>	\$	25,000	\$	300	\$ <u>-</u>

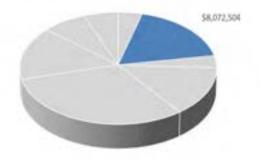
## FINANCÉ

### **FUNCTION**

The Finance Division at Pueblo Water implements the most cost-efficient methods for maintaining the highest standards in customer service, leadership in innovation and efficient use of public funds. Finance maintains the financial system to provide accountability and data for long-term strategic planning.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Kristen Spicola Director Admin. Services

## Goals & Objectives

#### **GOAL ONE**

Develop Strategies to Improve the Customer Service Experience through Transparency and Accuracy

#### **OBJECTIVES**

- Improve and review the billing and payment posting process for efficiencies.
- Improve customer experience and transparency through the customer portal, integrating latest trends in technology.
- Partner with field services to improve after hours and mobile work systems through automation and integration with GIS.

#### **GOAL TWO**

Implement Sound Financial Practices to Preserve and Enhance Pueblo Water's Financial Position

#### **OBJECTIVES**

- Develop and review the 10- & 30-year Capital Improvement Plan.
- Develop and review Financial Model for longterm financial planning.
- Evaluate financial policies and procedures for accountability and adequate internal controls.

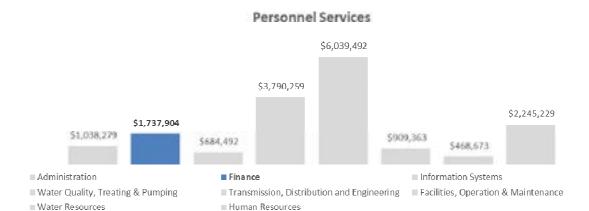
#### **GOAL THREE**

Develop High Quality/Cost Effective Strategies to Promote Open Competition and Procure Value Added Services

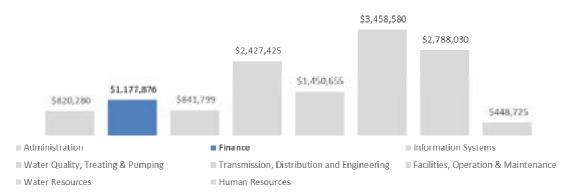
#### **OBJECTIVES**

- Leverage e-Procurement technologies to encourage competition and increase vendor transparency.
- Improve department efficiencies and transparency through online contract management system.
- Secure annual contracts and cooperative procurement to ensure availability of materials and competitive pricing.

### EXPENDITURES BY OBJECT FINANCE



#### Operation & Maintenance



#### Capital Outlay/Fund Transfers



### DETAIL OF EXPENDITURES - PERSONNEL SERVICES FINANCE

2020		2021		2021		2022
ACTUAL		BUDGET	_E	STIMATED		BUDGET
7		. ,	\$	•	\$	139,477
·						95,060
152,86	1	165,238		153,671		170,047
643,75	7	755,067		702,212		769,283
8,79	6	16,098		12,074		31,698
8,86	<u>0</u>	14,500		11,100		14,500
1,006,95	<u>6</u> _	1,171,142		1,083,880	_	1,220,065
7,12	6	7,942		7,942		8,904
39	6	395		395		396
85,03	5	86,601		86,601		90,988
31,95	2	33,640		33,640		33,249
188,22	5	213,773		213,773		216,073
10,80	O	11,852		11,852		11,808
7,60	2	7,982		7,982		7,551
12,45	9	13,043		13,043		13,460
57,07	5	54,296		54,296		55,539
73,10	<u>0</u> _	74,889		74,889		79,871
473,77	<u> </u>	504,413		504,413		517,839
\$ 1,480.72	6 \$	\$ 1.675.555	\$	1.588.293	\$	1,737,904
	\$ 124,642 68,040 152,866 643,757 8,796 8,860 1,006,950 7,120 390 85,033 31,953 188,223 10,800 7,600 12,450 57,073 73,100	\$ 124,642 68,040 152,861 643,757 8,796 8,860 1,006,956 7,126 396 85,035 31,952 188,225 10,800 7,602 12,459 57,075 73,100	\$ 124,642 \$ 135,532 68,040 84,707 152,861 165,238 643,757 755,067 8,796 16,098 8,860 14,500 1,006,956 1,171,142 7,126 7,942 396 395 85,035 86,601 31,952 33,640 188,225 213,773 10,800 11,852 7,602 7,982 12,459 13,043 57,075 54,296 73,100 74,889	\$ 124,642 \$ 135,532 \$ 68,040 84,707 152,861 165,238 643,757 755,067 8,796 16,098 8,860 14,500 14,500 14,500 15,005,005 85,035 86,601 31,952 33,640 188,225 213,773 10,800 11,852 7,602 7,982 12,459 13,043 57,075 54,296 73,100 74,889 1473,770 504,413	\$ 124,642 \$ 135,532 \$ 126,045 68,040 84,707 78,778 152,861 165,238 153,671 643,757 755,067 702,212 8,796 16,098 12,074 8,860 14,500 11,100 1,006,956 1,171,142 1,083,880 74,889 74,889 74,889 74,889 473,770 504,413 504,413	\$ 124,642 \$ 135,532 \$ 126,045 \$ 68,040 84,707 78,778 152,861 165,238 153,671 643,757 755,067 702,212 8,796 16,098 12,074 8,860 14,500 11,100   7,126 7,942 7,942 396 395 395 85,035 86,601 86,601 31,952 33,640 33,640 188,225 213,773 213,773 10,800 11,852 7,602 7,982 7,982 12,459 13,043 13,043 57,075 54,296 73,100 74,889 74,889   473,770 504,413 504,413

DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY FINANCE

	2020		2021		2021	2022	
		ACTUAL	BUDGET	E	STIMATED		BUDGET
OPERATION AND MAINTENANCE							
Outside services	\$	361,049	\$ 369,859	\$	374,607	\$	363,385
Utilities		71,920	82,350		71,963		81,930
Maintenance - office equipment		13,589	7,370		4,670		6,802
Equipment lease and rental		1,124	1,125		723		540
Interest expense - meter deposits		320	500		500		500
Collection expense		249	750		750		750
Cash (over) short		202	150		150		150
Contingency		-	150,000		-		150,000
Insurance - property		265,601	295,000		277,193		305,250
Advertising		1,032	1,400		1,200		1,200
Travel and training		2,920	13,050		8,601		17,375
Office supplies		29,247	45,875		40,564		35,825
Postage		184,373	212,000		200,808		212,000
Subscriptions and memberships		1,639	 2,169		1,904		2,169
Total operation and maintenance	\$	933,265	\$ 1,181,598	\$	983,633	\$	1,177,876
CAPITAL OUTLAY/ FUND TRANSFERS							
Computer and office equipment	\$	5,981	\$ 25,000	\$	14,595	\$	10,000
Transfer to Debt Service Fund		4,525,589	5,454,163		5,454,163		3,605,391
Transfer to Water Development Fund		(859,700)	1,837,980		1,837,980		1,541,333
Total capital outlay and fund transfers	\$	3,671,870	\$ 7,317,143	\$	7,306,738	\$	5,156,724

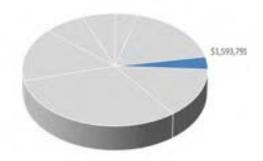
## INFORMATION SYSTEMS

### **FUNCTION**

The Information Systems
Department at Pueblo Water is responsible for maintaining communication between the internal departments as well as external customers. We ensure that the systems are reliable, secure, and available. The IS department is committed to keeping our technology up to date for our employees and our customers.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Anthony Berumen Manager, Information Systems

# Goals & Objectives

### **GOAL ONE**

Infrastructure refresh and review

#### **OBJECTIVES**

- Inventory and update all internal routers, switches, wireless access points, and firewalls.
   Verify access control lists, security and vlans.
- Inventory and analyze current server infrastructure and consolidate services.
- Improve communication data lines at the tank sites and Whitlock Treatment Plant.

#### **GOAL TWO**

#### Cybersecurity development and implementation

#### **OBJECTIVES**

- Provide continuous employee training in cybersecurity including email.
- Review and update the IS security policy and IS risk assessment.
- Work with partner to perform internal security assessment and external penetration testing.
- Implement two-factor authentication on supported software.

#### **GOAL THREE**

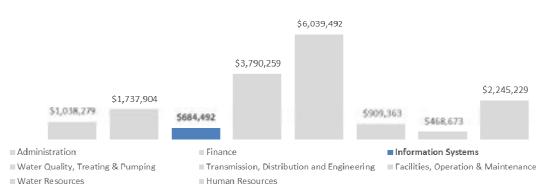
#### Cloud utilization

#### **OBJECTIVES**

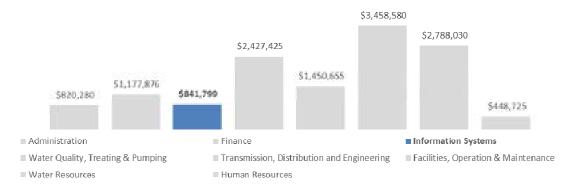
- Development of offsite disaster recovery options using cloud-based technology.
- Utilize current cloud-based technology throughout the organization for employees.
- Development and Improvement of partner software that utilizes cloud hosting.

### EXPENDITURES BY OBJECT INFORMATION SYSTEMS

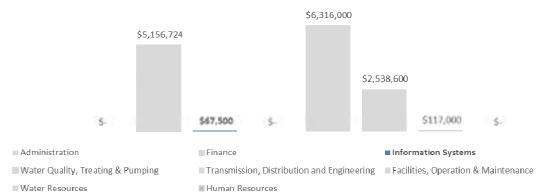
#### Personnel Services



#### Operation & Maintenance



#### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES INFORMATION SYSTEMS

	2020			2021		2021	2022
		ACTUAL		BUDGET	E	STIMATED	BUDGET
SALARIES & WAGES							
Manager	\$	104,868	\$	116,586	\$	108,425	\$ 95,792
Specialist		250,501		243,545		226,497	239,149
Skills and trades		109,435		127,020		118,129	130,717
Part-time/ temporary		10,018		15,208		-	-
Overtime		3,616		7,500		5,000	7,500
Total salaries and wages		478,438		509,859		458,051	473,158
BENEFITS							
Longevity		2,880		1,925		1,925	1,925
Employee assistance		144		140		140	140
Social security		40,196		37,672		37,672	34,895
Pension		14,020		12,406		12,406	11,811
Health insurance		95,366		100,067		100,067	100,067
Dental insurance		4,888		4,989		4,989	4,601
Disability insurance		3,215		3,373		3,373	3,259
Life insurance		5,249		5,504		5,504	5,326
Sick leave		26,650		24,068		24,068	23,151
Vacation leave		31,792		26,992		26,992	26,159
Total benefits	_	224,400		217,136		217,136	211,334
						_	
Total personnel services	\$	702,838	\$	726,995	\$	675,187	\$ 684,492

## DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY INFORMATION SYSTEMS

	2020			2021	2021			2022		
		ACTUAL		BUDGET		ESTIMATED		BUDGET		
OPERATION AND MAINTENANCE										
Outside services	\$	342,470	\$	470,300	\$	472,938	\$	743,099		
Utilities - other		840		2,500		4,184		4,900		
Maintenance - office equipment		584		4,500		6,484		4,500		
Equipment lease and rental		633		650		658		650		
Travel and training		2,225		12,150		5,145		10,800		
Office supplies		84,510		67,200		63,279		73,750		
Subscriptions and memberships		1,157		4,600		4,175	_	4,100		
Total operation and maintenance	\$	432,419	\$	561,900	\$	556,863	\$	841,799		
CAPITAL OUTLAY										
Computer and office equipment	\$	86,368	\$	92,500	\$	164,218	\$	67,500		

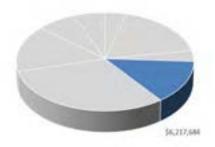
## WATER QUALITY, TREATING & PUMPING

#### **FUNCTION**

The Water Quality, Treating and Pumping Division (WQT&P) produces and delivers an uninterruptible supply of high-quality drinking water to meet the needs of the citizens of Pueblo every day. Personnel in this division also maintain critical treatment and storage infrastructure while ensuring strict drinking water standards are met.

## PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Don Colalancia
Division Manager,
Water Quality,
Treating and
Pumping

## Goals & Objectives

#### **GOAL ONE**

Meet current state and EPA compliance goals and prepare for future regulatory requirements

#### **OBJECTIVES**

- Monitor Colorado water system regulations and meet future compliance deadlines.
- Develop and implement an efficient Laboratory Information Management System (LIMs).
- Work to integrate LIM system functionality with other departments in Pueblo Water.

#### **GOAL TWO**

Preserve and maintain Pueblo Water's treatment capacity and storage facilities

#### **OBJECTIVES**

- Utilize plant operators to perform comprehensive filter evaluations for our Whitlock Treatment Plant.
- Continue to train and develop in-house personnel to maintain critical plant infrastructure.
- Inspect and monitor water continuously to maintain system storage capacity.

#### **GOAL THREE**

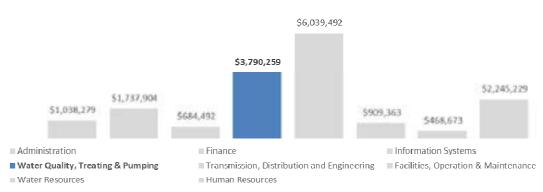
Improve SCADA system design to enhance reliability and resilience

#### **OBJECTIVES**

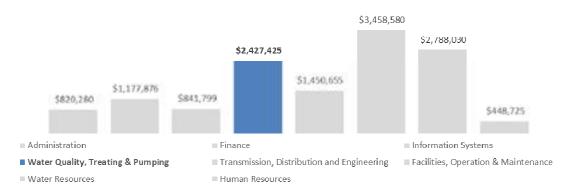
- Upgrade SCADA software and implement design efficiencies and standards.
- Improve SCADA wireless communications.
- Expand SCADA historian reporting capabilities.

### EXPENDITURES BY OBJECT WATER QUALITY, TREATING & PUMPING

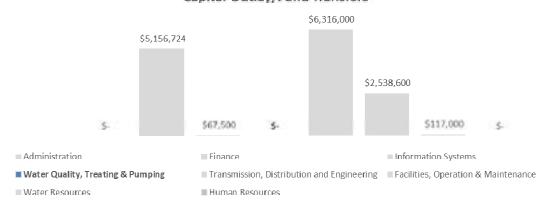




#### Operation & Maintenance



#### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES WATER QUALITY, TREATING & PUMPING

	2020			2021		2021	2022	
		ACTUAL		BUDGET	E	STIMATED		BUDGET
SALARIES & WAGES								
Division manager	\$	122,538	\$	135,532	\$	126,045	\$	139,477
Manager		89,242		116,586		108,425		119,980
Supervision		180,036		199,136		185,196		204,932
Specialist		207,487		317,176		294,973		321,729
Skills and trades		1,436,337		1,626,119		1,512,290		1,701,528
Part-time/ temporary		65,114		72,618		75,317		125,068
Overtime		135,142		75,000		104,532		75,000
Total salaries and wages		2,235,896		2,542,167		2,406,778		2,687,714
BENEFITS								
Longevity		14,627		16,124		16,124		17,086
Employee assistance		698		721		721		745
Social security		191,851		185,684		185,684		198,554
Pension		63,187		69,872		69,872		71,208
Health insurance		367,381		425,474		425,474		443,484
Dental insurance		19,092		21,424		21,424		22,043
Disability insurance		15,116		16,456		16,456		17,206
Life insurance		24,729		27,353		27,353		29,041
Sick leave		129,636		119,081		119,081		125,865
Vacation leave		175,846		168,312		168,312		177,313
Total benefits		1,002,163		1,050,501		1,050,501		1,102,545
Total personnel services	\$	3,238,059	\$	3,592,668	\$	3,457,279	\$	3,790,259

## DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY WATER QUALITY, TREATING & PUMPING

	2020	2021			2021	2022	
	 ACTUAL		BUDGET	_ <u>E</u>	STIMATED		BUDGET
OPERATION AND MAINTENANCE							
Outside services	\$ 93,105	\$	114,350	\$	106,193	\$	124,350
Engineering services	-		-		-		50,000
Utilities	940,684		1,079,160		970,102		1,068,300
Repair and maintenance - equipment	5,926		19,250		19,250		22,000
Maintenance - office equipment	743		1,050		1,050		1,050
Chemical (over) short	(2,286)		1,000		1,000		1,000
Travel and training	1,103		3,900		3,900		3,900
Office supplies	3,008		4,500		4,800		5,625
Safety	1,818		6,700		6,962		4,200
Chemicals	970,654		900,000		900,000		1,002,500
Laboratory	113,132		141,700		146,869		144,050
Subscriptions and memberships	 		250		250		450
Total operation and maintenance	\$ 2,127,887	\$	2,271,860	\$	2,160,376	\$	2,427,425
CAPITAL OUTLAY							
Computer and office equipment	\$ 7,953	\$	5,000	\$	4,622	\$	-
Lab equipment	5,502		27,000		7,959		-
Total capital outlay	\$ 13,455	\$	32,000	\$	12,581	\$	-

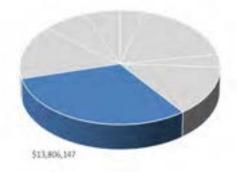
## TRANSMISSION, DISTRIBUTION & ENGINEERING

#### **FUNCTION**

The Transmission, Distribution & Engineering Division at Pueblo Water efficiently utilizes the resources afforded to ensure that the highest quality water is delivered to the point of use. We rely on our highly skilled and well-trained team members to quickly identify and correct any disruptions.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Scot Burbidge
Division Manager.

Transmission, Distribution & Engineering

# Goals & Objectives

#### **GOAL ONE**

Immediately resolve all service disruptions in the most efficient and safe manner

#### **OBJECTIVES**

- Ensure all response personnel are adequately equipped with the necessary resources.
- Maintain strong working relationships with partner agencies to tap into resources that may not be directly available.
- Strengthen customer notification processes to enable near real-time communication with those affected by a disruption.

#### **GOAL TWO**

Assure that water distribution facilities are maintained in top working condition

#### **OBJECTIVES**

- Valve and fire hydrant maintenance performed within identified goals.
- Problematic infrastructure will be replaced as soon as possible.
- Meters to be regularly rotated and tested to assure that they are functioning properly.

#### **GOAL THREE**

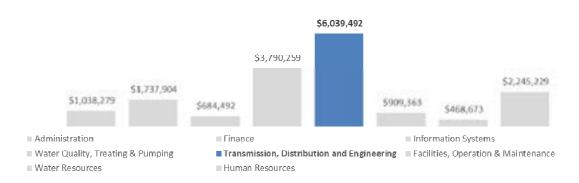
Maintain a reliable fleet of vehicles and equipment, providing the necessary tools for Pueblo Water employees

#### **OBJECTIVES**

- Keep all vehicles and equipment up to current preventative maintenance schedule milestones.
- Replace unreliable equipment.
- Maintain accurate and detailed records.

### EXPENDITURES BY OBJECT TRANSMISSION, DISTRIBUTION AND ENGINEERING

#### Personnel Services



#### Operation & Maintenance



#### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2020	2021		2021	2022
	ACTUAL	BUDGET	_E	STIMATED	 BUDGET
SALARIES & WAGES					
Division manager	\$ 127,853	\$ 135,532	\$	126,045	\$ 139,477
Manager	327,349	349,759		325,276	359,940
Supervision	178,100	199,136		186,808	246,582
Specialist	204,529	226,532		210,675	245,626
Skills and trades	2,524,105	2,960,483		2,742,282	3,045,706
Part-time/ temporary	45,567	113,242		59,399	104,935
Overtime	142,612	125,000		124,980	125,000
Total salaries and wages	3,550,115	4,109,684		3,775,465	 4,267,266
BENEFITS					
Longevity	26,383	29,790		29,790	31,235
Employee assistance	1,337	1,304		1,304	1,351
Social security	315,066	302,189		302,189	314,253
Pension	110,672	114,700		114,700	113,685
Health insurance	636,498	712,797		703,789	729,393
Dental insurance	33,636	36,143		36,143	37,579
Disability insurance	26,094	26,569		26,569	27,954
Life insurance	42,688	44,329		44,329	46,273
Sick leave	201,133	193,948		193,948	197,340
Vacation leave	 259,200	 264,620		264,620	 273,163
Total benefits	1,652,707	1,726,389		1,717,381	1,772,226
Total personnel services	\$ 5,202,822	\$ 5,836,073	\$	5,492,846	\$ 6,039,492

DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2020		2021		2021		2022	
	ACTUAL		BUDGET	E	STIMATED		BUDGET	
\$	50 447	\$	120 080	\$	130 108	\$	82,385	
Ψ	-	Ψ		Ψ		Ψ	8,000	
	97.395						107,700	
							142,000	
	•						9,700	
			,		,		14,625	
							228,000	
							8,000	
					·		35,500	
					28,000		28,000	
							8,000	
							420,000	
							20,000	
							68,700	
	233		2,500		2,500		2,500	
	5,681		6,000		6,000		6,000	
	4,239		10,000		10,000		10,000	
	-		1,280		1,280		1,280	
	22,989		35,350		30,625		41,550	
	122,181		150,000		190,000		150,000	
	4,352		5,000		5,212		5,500	
	14,414		13,500		13,500		13,500	
	6,588		18,500		18,500		15,500	
	4,938		8,000		8,978		10,300	
_	11,407		13,375		13,484	_	13,915	
•	1 0 1 0 1 1 0	•		•	==	•	4 450 055	
\$	1,616,440	\$	1,442,810	\$	1,477,291	\$	1,450,655	
\$	3,224,656	\$	4,966,874	\$	5,820,216	\$	4,402,500	
					77,484		66,000	
			927,000		995,925		927,000	
	81,732		81,000		81,000		86,000	
	11,972		12,000		15,211		12,000	
	3,812		65,000		23,975		10,000	
	3,976		21,000		20,622		5,000	
	7,370		26,000		18,442		20,500	
_	452,575		336,322	_	187,401	_	787,000	
	\$ 	\$ 59,447	\$ 59,447 \$ 97,395 102,211 3,236 4,628 229,173 11,528 21,630 15,467 4,885 796,602 34,014 39,202 233 5,681 4,239 22,989 122,181 4,352 14,414 6,588 4,938 11,407  \$ 1,616,440 \$  \$ 3,224,656 \$ 12,167 1,012,654 81,732 11,972 3,812 3,976 7,370	\$ 59,447 \$ 129,980 - 6,500 97,395 105,000 102,211 133,500 3,236 10,700 4,628 12,825 229,173 203,000 11,528 8,000 21,630 16,500 15,467 28,000 4,885 8,000 796,602 420,000 34,014 20,000 39,202 77,300 233 2,500 5,681 6,000 4,239 10,000 - 1,280 22,989 35,350 122,181 150,000 4,352 5,000 14,414 13,500 6,588 18,500 4,938 8,000 11,407 13,375  \$ 1,616,440 \$ 1,442,810  \$ 3,224,656 \$ 4,966,874 12,167 65,000 1,012,654 927,000 81,732 81,000 11,972 12,000 3,812 65,000 3,976 21,000 7,370 26,000	\$ 59,447 \$ 129,980 \$ 6,500   97,395	\$ 59,447 \$ 129,980 \$ 130,108 - 6,500 6,500 97,395 105,000 100,663 102,211 133,500 141,117 3,236 10,700 6,200 4,628 12,825 15,417 229,173 203,000 203,000 11,528 8,000 8,000 21,630 16,500 16,500 15,467 28,000 28,000 4,885 8,000 8,000 796,602 420,000 420,000 34,014 20,000 20,000 34,014 20,000 20,000 39,202 77,300 73,707 233 2,500 2,500 5,681 6,000 6,000 4,239 10,000 10,000 - 1,280 1,280 22,989 35,350 30,625 122,181 150,000 190,000 4,352 5,000 5,212 14,414 13,500 13,500 6,588 18,500 18,500 4,938 8,000 8,978 11,407 13,375 13,484  \$ 1,616,440 \$ 1,442,810 \$ 1,477,291  \$ 3,224,656 \$ 4,966,874 \$ 5,820,216 12,167 65,000 77,484 1,012,654 927,000 995,925 81,732 81,000 81,000 11,972 12,000 15,211 3,812 65,000 23,975 3,976 21,000 20,622 7,370 26,000 18,442	ACTUAL         BUDGET         ESTIMATED           \$ 59,447         \$ 129,980         \$ 130,108           - 6,500         6,500           97,395         105,000         100,663           102,211         133,500         141,117           3,236         10,700         6,200           4,628         12,825         15,417           229,173         203,000         203,000           11,528         8,000         8,000           21,630         16,500         16,500           15,467         28,000         28,000           4,885         8,000         8,000           796,602         420,000         420,000           34,014         20,000         20,000           39,202         77,300         73,707           233         2,500         2,500           5,681         6,000         6,000           4,239         10,000         10,000           -         1,280         1,280           22,989         35,350         30,625           122,181         150,000         190,000           4,352         5,000         5,212           14,414         13,500 <td< td=""></td<>	

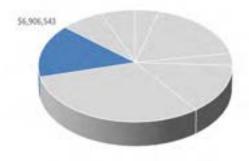
# FACILITIES, OPERATIONS & MAINTENANCE

#### **FUNCTION**

The Facilities, Operations & Maintenance Division at Pueblo Water proactively apply resources to sustain the condition and functionality of all Pueblo Water physical assets. We seek excellence with the application of preventative and predictive maintenance resulting in reliable equipment, while delivering exceptional and cost-effective services. We pridefully maintain 25 Pueblo Water facilities and plan to maintain them at the highest standards.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Matt Trujillo Director of Operations

## Goals & Objectives

#### **GOAL ONE**

Refine job site safety measures to reduce workers comp claims while continuously training employees on pertinent safety measures to ensure a safe, healthy workforce

#### **OBJECTIVES**

- Engage and motivate employees to be proactively working safely 100 percent of the time.
- Raise safety awareness by educating all employees with both basic and comprehensive safety procedures related to their specific job.
- Engage all employees with consistent education and training through creative avenues such as lunch and learns.
- Reduce workplace injuries by proactively involving all employees in safety at every level throughout the company.

#### **GOAL TWO**

Reduce our power costs by strategically implementing alternate power sources and monitoring/managing our power use

#### **OBJECTIVES**

- Research and implement solar powered systems to reduce energy usage.
- Progressively work on bringing the new hydro-electric facility online to shed peak energy loads.
- Manage energy demand by analyzing the operation of pumping stations and making necessary adjustments to take advantage of time of use rates.

#### **GOAL THREE**

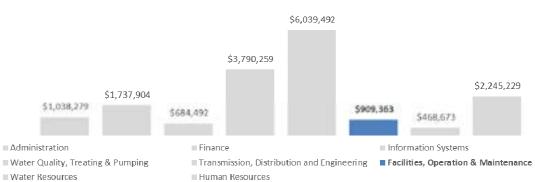
Develop methods to increase the Facilities department's level of interaction with our internal and external customers

#### **OBJECTIVES**

- Provide streamline communication channels to request services.
- Provide safety and security onboarding for all new employees.
- Review and update third-party contracts to ensure the needs of our internal customers are met.

### EXPENDITURES BY OBJECT FACILITIES, OPERATION & MAINTENANCE

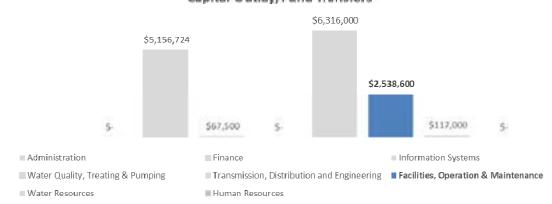




#### Operation & Maintenance



#### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES FACILITIES, OPERATION & MAINTENANCE

	2020			2021	2021	2022
		ACTUAL		BUDGET	 STIMATED	BUDGET
SALARIES & WAGES						
Manager	\$	108,147	\$	•	\$ 108,425	\$ 119,980
Specialist		121,686		57,598	53,566	59,275
Skills and trades		366,890		432,820	402,523	381,632
Part-time/ temporary		29,964		25,059	23,079	25,594
Overtime		25,883		70,000	25,000	 70,000
Total salaries and wages		652,570		702,063	612,593	656,481
BENEFITS						
Longevity		3,458		3,610	3,610	3,369
Employee assistance		202		186	186	163
Social security		53,305		48,656	48,656	44,266
Pension		19,336		18,210	18,210	16,826
Health insurance		113,204		125,043	125,043	105,325
Dental insurance		6,004		6,451	6,451	5,445
Disability insurance		4,463		4,249	4,249	3,926
Life insurance		7,290		6,939	6,939	6,414
Sick leave		17,730		30,522	30,522	28,669
Vacation leave		38,928		40,756	40,756	38,479
Total benefits		263,920		284,622	284,622	252,882
Total personnel services	\$	916,490	\$	986,685	\$ 897,215	\$ 909,363

## DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY FACILITIES, OPERATION & MAINTENANCE

	2020		2021		2021	2022		
		ACTUAL	 BUDGET	_E	STIMATED		BUDGET	
OPERATION AND MAINTENANCE								
Outside services	\$	303,050	\$ 320,690	\$	320,653	\$	328,890	
Engineering consulting		27,198	33,500		33,500		23,000	
Utilities		1,698,244	1,887,500		1,762,500		1,867,500	
Repair and maintenance - equipment		202,691	251,300		251,633		254,200	
Maintenance - building		752,027	855,225		867,695		880,970	
Communication		6,723	8,550		8,404		8,050	
Tool replacement		13,834	39,770		33,732		42,470	
Travel and training		4,329	7,350		7,380		7,150	
Office supplies		199	400		400		600	
Safety supplies		12,118	13,550		16,937		14,250	
Janitorial supplies		31,847	14,000		14,000		11,000	
Subscriptions and memberships		13,828	 25,700		19,703		20,500	
Total operation and maintenance	\$	3,066,088	\$ 3,457,535	\$	3,336,537	\$	3,458,580	
CAPITAL OUTLAY								
Improvements and replacements	\$	5,128,665	\$ 4,718,000	\$	4,378,629	\$	1,893,500	
Communication		2,735	214,000		65,072		87,000	
Computer equipment		2,022	4,600		4,600		4,600	
Pumping equipment		10,685	130,000		52,000		214,000	
Treating equipment		857	337,000		31,451		339,500	
Heavy equipment		37,956	10,000		9,318		_	
Total capital outlay	\$	5,182,920	\$ 5,413,600	\$	4,541,070	\$	2,538,600	

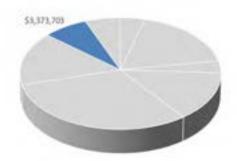
# WATER RESOURCES

### **FUNCTION**

The Water Resources Division at Pueblo Water ensures the city of Pueblo has an adequate supply of high-quality raw water. We operate and maintain Pueblo's water rights and the infrastructure associated with those rights. Water Resources is charged with putting any surplus water supply to good use by leasing water to agriculture, other municipalities, and various other water users to help ensure our customers are paying the lowest possible rates.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Alan Ward
Division Manager,
Water Resources

# Goals & Objectives

### **GOAL ONE**

Improve water resources data collection and analysis

### **OBJECTIVES**

- Improve public transparency by making our river diversion data available in near real-time on the internet.
- Use "dashboards" for quick and effective tracking of important metrics.
- Make data easier to collect, query, sort and analyze by housing data in a database rather than spreadsheets.

#### **GOAL TWO**

Improve Clear Creek Reservoir safety and storage capacity

### **OBJECTIVES**

- Acquire land for reservoir enlargement.
- Leverage partnerships to reduce cost and expedite timetable for repair and raise of the dam.
- Fast track design and permitting.

### **GOAL THREE**

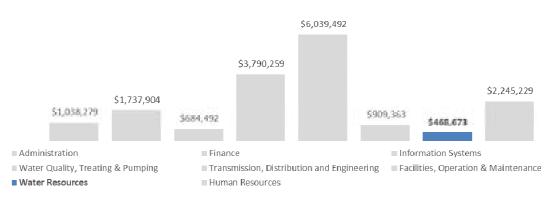
Increase resiliency to climate change

### **OBJECTIVES**

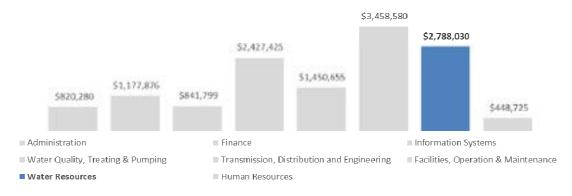
- Increase water storage reserve.
- Implement practical and economical demand reduction strategies.
- Promote watershed health.

## EXPENDITURES BY OBJECT WATER RESOURCES

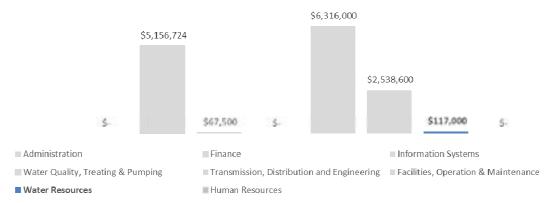
#### Personnel Services



### Operation & Maintenance



### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES WATER RESOURCES

	2020		2021		2021		2022
	ACTUAL		BUDGET	ES	TIMATED		BUDGET
SALARIES & WAGES							
Division manager	\$ 124,063	\$	135,532	\$	126,045	\$	139,477
Supervision	89,827		99,568		92,598		102,466
Specialist	 81,472	_	95,083		88,427	_	102,466
Total salaries and wages	295,362		330,183		307,070	_	344,409
BENEFITS							
Longevity	1,920		1,925		1,925		1,925
Employee assistance	70		70		70		70
Social security	26,424		25,837		25,837		26,987
Pension	9,457		9,906		9,906		10,332
Health insurance	30,524		34,506		34,506		34,506
Dental insurance	1,553		1,695		1,695		1,695
Disability insurance	2,207		2,311		2,311		2,411
Life insurance	3,597		3,762		3,762		3,924
Sick leave	18,173		17,695		17,695		18,210
Vacation leave	 24,800		23,520		23,520		24,204
Total benefits	118,725		121,227		121,227		124,264
Total personnel services	\$ 414,087	\$	451,410	\$	428,297	\$	468,673

## DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY WATER RESOURCES

ACTUAL         BUDGET         ESTIMATED         BUDGET           OPERATION AND MAINTENANCE           Outside services         \$ 62,287         \$ 115,240         \$ 117,782         \$ 216,600           Consulting services         95,978         149,700         84,131         29,500           Comanche return flow         -         750         750         750           Homestake Aurora         7,500         7,500         7,500         7,500           Twin Lakes water rights         344,305         344,305         344,305         344,305           Busk Ivanhoe water rights         225,000         275,000         264,000         1,576,000           Water storage and transportation         296,965         355,250         352,581         352,250
Outside services       \$ 62,287       \$ 115,240       \$ 117,782       \$ 216,600         Consulting services       95,978       149,700       84,131       29,500         Comanche return flow       -       750       750       750         Homestake Aurora       7,500       7,500       7,500       7,500         Twin Lakes water rights       344,305       344,305       344,305       344,305         Busk Ivanhoe water rights       225,000       275,000       264,000       1,576,000         Water storage and transportation       296,965       355,250       352,581       352,250
Outside services       \$ 62,287       \$ 115,240       \$ 117,782       \$ 216,600         Consulting services       95,978       149,700       84,131       29,500         Comanche return flow       -       750       750       750         Homestake Aurora       7,500       7,500       7,500       7,500         Twin Lakes water rights       344,305       344,305       344,305       344,305         Busk Ivanhoe water rights       225,000       275,000       264,000       1,576,000         Water storage and transportation       296,965       355,250       352,581       352,250
Consulting services         95,978         149,700         84,131         29,500           Comanche return flow         -         750         750         750           Homestake Aurora         7,500         7,500         7,500         7,500           Twin Lakes water rights         344,305         344,305         344,305         344,305           Busk Ivanhoe water rights         225,000         275,000         264,000         1,576,000           Water storage and transportation         296,965         355,250         352,581         352,250
Consulting services         95,978         149,700         84,131         29,500           Comanche return flow         -         750         750         750           Homestake Aurora         7,500         7,500         7,500         7,500           Twin Lakes water rights         344,305         344,305         344,305         344,305           Busk Ivanhoe water rights         225,000         275,000         264,000         1,576,000           Water storage and transportation         296,965         355,250         352,581         352,250
Comanche return flow         -         750         750         750           Homestake Aurora         7,500         7,500         7,500         7,500           Twin Lakes water rights         344,305         344,305         344,305         344,305           Busk Ivanhoe water rights         225,000         275,000         264,000         1,576,000           Water storage and transportation         296,965         355,250         352,581         352,250
Homestake Aurora       7,500       7,500       7,500       7,500         Twin Lakes water rights       344,305       344,305       344,305       344,305         Busk Ivanhoe water rights       225,000       275,000       264,000       1,576,000         Water storage and transportation       296,965       355,250       352,581       352,250
Twin Lakes water rights       344,305       344,305       344,305       344,305         Busk Ivanhoe water rights       225,000       275,000       264,000       1,576,000         Water storage and transportation       296,965       355,250       352,581       352,250
Busk Ivanhoe water rights         225,000         275,000         264,000         1,576,000           Water storage and transportation         296,965         355,250         352,581         352,250
Water storage and transportation 296,965 355,250 352,581 352,250
· · · · · · · · · · · · · · · · · · ·
Chart term water purchases 25 207 40 450 40 505 20 500
Short-term water purchases 25,307 18,150 18,505 32,500
Utilities 16,235 16,450 14,002 16,450
Maintenance - equipment 2,620 17,000 17,000 13,000
Maintenance - office equipment 509 750 750 750
Tool replacement 444 1,000 1,000 500
Clear Creek reservoir 1,105 7,700 7,700 6,450
Wurtz ditch 410 1,350 1,350 850
Wurtz extension - 1,000 1,000 500
Ewing ditch 105 1,000 1,000 500
Ranch property maintenance 8,858 7,300 7,685 8,000
Dwelling - Leadville 1,881
Dwelling - Clear Creek 4,321 2,000 2,842 3,000
Snowplowing operations 39,776 50,000 31,311 50,000
Transmountain maintenance 50,189 79,000 72,278 79,000
Travel and training 11,985 36,675 19,372 40,500
Office supplies 82 500 500 4,275
Subscriptions and memberships 3,779 4,920 5,004 4,850
<b>Total operation and maintenance</b> \$ 1,199,641 \$ 1,492,540 \$ 1,372,348 \$ 2,788,030
CAPITAL OUTLAY
Clear Creek resevoir \$ 51,646 \$ - \$ - \$
Expansion 57,216 117,000
Total capital outlay <u>\$ 108,862</u> <u>\$ -</u> <u>\$ -</u> \$ 117,000

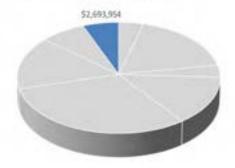
## **HUMAN RESOURCES**

### **FUNCTION**

The Human Resources
Department of Pueblo Water
provides services that maximize
the potential of our greatest
assets – our employees. We
strive to promote a work
environment that is
characterized by fair treatment
of all, personal accountability,
continual learning, and mutual
respect while encouraging a
safe work environment.

# PORTION OF ANNUAL BUDGET

Total Budget - \$44,522,885





Collette Ferguson Manager, Human Resources

# Goals & Objectives

### **GOAL ONE**

Enhance the employee experience through a culture of employee engagement, well-being, productivity, and retention

### **OBJECTIVES**

- Enhance the onboarding experience to better help new hires acclimate to their new work environment creating a culture of immediate engagement.
- Promote an exceptional employee experience through various wellness, engagement, and recognition efforts throughout the year.
- Foster a culture of diversity and inclusion throughout the organization by identifying and understanding unique differences among people.
- Develop compensation strategies that facilitate the recruitment and retention of a high performing workforce by continually monitoring local and national workforce trends.

### **GOAL TWO**

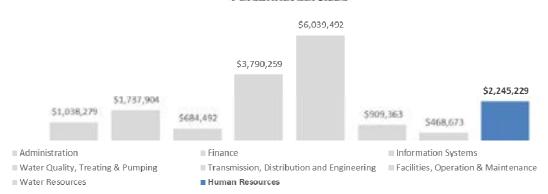
Focus on training and development for employees at all levels of the organization

### **OBJECTIVES**

- Promote a culture of leadership by creating and administering a comprehensive leadership learning and development plan.
- Assure resources are available for employees at all levels to have access to appropriate training and development tools.
- Ensure that a well-trained and motivated employee population exists and can serve as a pipeline for succession planning.

## EXPENDITURES BY OBJECT HUMAN RESOURCES





### Operation & Maintenance



### Capital Outlay/Fund Transfers



## DETAIL OF EXPENDITURES - PERSONNEL SERVICES **HUMAN RESOURCES**

		2020		2021		2021	2022
		ACTUAL		BUDGET	E	STIMATED	BUDGET
SALARIES & WAGES							
Manager	\$	92,265	\$	104,630	\$	97,306	\$ 119,980
Specialist		250,960		276,098		256,771	 284,134
Total salaries and wages		343,225		380,728		354,077	404,114
BENEFITS							
Longevity		1,366		1,685		1,685	2,166
Employee assistance		116		116		116	93
Social security		29,576		29,286		29,286	21,980
Social security - retirees		4,554		-		2,766	-
Pension		10,988		11,422		11,422	8,524
Defined benefit pension plan		2,115,621		1,425,310		1,925,310	1,407,906
Worker's compensation insurance		332,687		401,450		401,450	245,000
Unemployment insurance		1,017		1,500		1,500	1,500
Health insurance		41,570		46,994		46,994	34,506
Health insurance - retirees		76,461		55,000		55,000	55,000
Dental insurance		3,146		3,432		3,432	2,701
Disability insurance		2,564		2,665		2,665	1,989
Life insurance		4,183		4,350		4,350	3,260
Life insurance - retirees		14,421		12,000		12,000	12,000
Sick leave		18,440		17,798		17,798	18,600
Vacation leave	_	23,400	_	23,351		23,351	 25,890
Total benefits		2,680,110		2,036,359		2,539,125	1,841,115
Total personnel services	\$	3,023,335	\$	2,417,087	\$	2,893,202	\$ 2,245,229

## DETAIL OF EXPENDITURES - OPERATION & MAINTENANCE AND CAPITAL OUTLAY HUMAN RESOURCES

	2020	2021		2021	2022
	ACTUAL	BUDGET	_E	STIMATED	 BUDGET
OPERATION AND MAINTENANCE					
Outside services	\$ 36,223	\$ 85,199	\$	91,662	\$ 61,729
Employment costs	36,431	59,000		57,000	60,750
Utilities - other	1,321	1,250		1,250	1,250
Maintenance - office equipment	1,114	3,200		3,200	3,200
Health reimbursement - In-patient copay	111,094	117,000		117,000	117,000
Pension supplement	120,730	125,666		127,829	134,318
Travel and training	26,343	61,350		52,364	57,450
Office supplies	746	3,040		3,040	3,125
Subscriptions and memberships	 9,055	 10,363		10,221	 9,903
Total operation and maintenance	\$ 343,057	\$ 466,068	\$	463,566	\$ 448,725
CAPITAL OUTLAY					
Computer and office equipment	\$ <u>-</u>	\$ <u>-</u>	\$		\$ 







# SUPPLEMENTARY INFORMATION

## Overview

Please direct any questions concerning the information provided in this report or requests for additional information to:

**Leroy Rittgers** 

Financial Planning & Rate
Analyst
Board of Water Works of Pueblo,
Colorado
P.O. Box 400
Pueblo, Colorado 81002-0400
719.584.0416

**•** DEBT RETIREMENT

SCHEDULE

STAFFING SUMMARY

10-YEAR PLANS

COMPARISONS AND

**SURVEYS** 

**APPENDIX** 

The Board of Water Works of Pueblo, Colorado (Pueblo Water) is committed to providing its customers with the highest quality of water at the lowest possible cost. To ensure that it accomplishes this mission, Pueblo Water develops many long-range plans. To assist the reader in understanding elements of those plans we have provided the following charts: debt service schedule, staffing summary, 10-year capital projections, 10-year cash flow projections, typical bill comparison, listing of new water rates, history of water rate changes, and comparisons of Front Range utilities, their water rates, and plant water investment fee rates.

Two of the afore-mentioned charts are the cornerstone of our long-range plan. The first details Pueblo Water's capital outlay projections for the next ten years. It lists projected dollar amounts of equipment, improvements and replacements, and expansion for all divisions within Pueblo Water. The second is a cash flow analysis of the next ten years. In developing the cash flow analysis, Staff must make many assumptions. Examples of these assumptions include but are not limited to growth rate of Pueblo Water's customer base, inflation rates for various operating costs, interest rates, and water rate increases. The assumptions are incorporated with historical data to project Pueblo Water's cash flow out into the future. This is a very important tool to ensure Pueblo Water will be adequately positioned to support the needs of the citizens of Pueblo now and in the future.

It is important to note that all projections beyond 2021 are not adopted by the Board and are subject to change. There are various factors which influence the assumptions underlying these projections and these projections are constantly changing. These charts are simply tools which help Pueblo Water meet its goal of providing the highest quality of water at the lowest possible cost. They are reviewed not less than annually and are updated to reflect changes in factors influencing the assumptions.

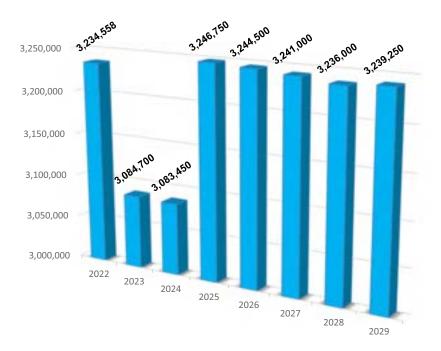
#### **DEBT RETIREMENT SCHEDULE:**

	C	WRPDA 2000	В		SERIES 2019		ANNUAL
YEAR	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	TOTAL
2022	2,258,500	116,358	2,374,858	=	859,700	859,700	3,234,558
2023	-	-	-	2,225,000	859,700	3,084,700	3,084,700
2024	-	-	-	2,335,000	748,450	3,083,450	3,083,450
2025	-	-	-	2,545,000	701,750	3,246,750	3,246,750
2026	-	-	-	2,670,000	574,500	3,244,500	3,244,500
2027	-	-	-	2,800,000	441,000	3,241,000	3,241,000
2028	-	-	-	2,935,000	301,000	3,236,000	3,236,000
2029				3,085,000	154,250	3,239,250	3,239,250
	\$ 2,258,500	\$ 116,358	\$ 2,374,858	\$ 18,595,000	\$ 4,640,350	\$ 23,235,350	\$ 25,610,208

Note: CWRPDA 2000 B interest payment includes an administration fee of \$ 76,470 for 2022.

Debt retirement schedule is based on actual amounts due on respective semi-annual and annual dates. Schedule does not reflect budgeted transfers.

### **ANNUAL DEBT RETIREMENT PAYMENTS**



S&P Bond Rating: AA

### STAFFING SUMMARY - FULL TIME POSITIONS TOTALS BY DIVISION

		NUMBER OF F	POSITIONS		SALARY
	2020 1	2021 2	2021 <sup>3</sup>	2022 4	2022
ADMINISTRATION					
Director	3	3	3	3	\$ 509,521
Specialist	3	3	3	3	233,744
Total	6	6	6	6	743,265
FINANCE					
Division Manager	1	1	1	1	139,477
Supervision	1	1	1	1	95,060
Specialist	2	2	2	2	170,047
Skills & Trade	13	13	13	13	769,283
Total	17	17	17	17	1,173,867
INFORMATION SYSTEMS					05.700
Manager	1	1	1	1	95,792
Specialist Skills & Trade	3 2	3 2	3 2	3 2	239,149 130,171
Total	6	6	6	<u>2</u>	
i otai			<u> </u>	0	465,112
WATER QUALITY, TREATING & PUMPING	4		4	4	400.477
Division Manager Manager	1 1	1 1	1 1	1 1	139,477 119,980
Supervision	2	2	2	2	204,932
Specialist	3	3	4	4	321,729
Skills & Trade	23	23	24	25	1,701,528
Total	30	30	32	33	2,487,646
TRANSMISSION, DISTRIBUTION & ENGINEERING					
Division Manager	1	1	1	1	139,477
Manager	3	3	3	3	359,940
Supervision	2	2	2	2	204,932
Specialist	3	3	3	3	245,626
Skills & Trade	49	49	49	49	3,087,356
Total	58	58	58	58	4,037,331
FACILITIES OPERATIONS & MAINTENANCE					
Manager	1	1	1	1	119,980
Specialist	2	2	1	1	59,275
Skills & Trade	6	6	6	5	381,632
Total	9	9	8	7	560,887
WATER RESOURCES					
Division Manager	1	1	1	1	139,477
Supervision	1	1	1	1	102,466
Specialist	1	1	1	1	102,466
Total	3	3	3	3	344,409
HUMAN RESOURCES					
Manager	1	1	1	1	119,980
Specialist	4	4	4	4	284,134
Total	5	5	5	5	404,114
TOTAL FULL TIME POSITIONS	134	134	135	135	\$ 10,216,631

<sup>&</sup>lt;sup>1</sup> 2020 Actual number of Full Time Employees

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<sup>&</sup>lt;sup>2</sup> 2021 Actual number of Full Time Employees

<sup>&</sup>lt;sup>3</sup> 2021 Budgeted number of Full Time Employees

<sup>&</sup>lt;sup>4</sup> 2022 Budgeted number of Full Time Employees

10 YR CAPITAL OUTLAY PROJECTIONS

	BUDGET					PROJECTED				
DESCRIPTION	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Administration Finance Information Systems Water Quality, Treating & Pumping Transmission, Distribution & Engineering Facilities Operation & Maintenance Water Resources	\$ 10,000 67,500 67,500 131,600 117,000	\$ 5,000	\$ 5,000 2,027,500 165,000 335,000 21,000 5,000	\$ 10,000 32,000 5,000 325,000 61,000	\$ 195,000 50,000 330,000 7,000	\$ 20,000 93,093 50,000 361,000 32,000	\$ - 45,000 5,000 330,000 21,000	\$ 5,000 5,000 45,000 55,000 337,000 176,000	\$ 7,500 5,000 335,000 21,000	\$ 10,000 10,000 157,000 165,000 325,000 221,000
Total equipment	1,138,600	656,000	2,558,500	443,000	613,000	577,093	401,000	628,000	368,500	898,000
IMPROVEMENTS AND REPLACEMENTS										
Administration Finance Information Systems Water Quality, Treating & Pumping Transmission, Distribution & Engineering Facilities Operation & Maintenance Water Resources Human Resources	3,579,000	4,130,500	3,713,500 3,123,500 25,000	3,713,500 894,500 25,000	4,173,500 1,925,000 25,000	4,573,500 13,651,000 25,000	4,573,500 4,943,000 25,000	4,573,500 943,000 25,000	4,573,500 803,500 25,000	4,573,500 944,000 25,000
Total improvements and replacements	5,986,000	5,774,500	6,862,000	4,633,000	6,123,500	18,249,500	9,541,500	5,541,500	5,402,000	5,542,500
Administration Finance Information Systems	1 1 1	1 1 1	1 1 1			1 1 1	1 1 1	1 1 1	1 1 1	1 1 1
Water Quality, Treating & Pumping Transmission, Distribution & Engineering Facilities Operation & Maintenance Water Resources Human Resources	1,924,500	1,180,800	583,000	2,099,000	1,059,000	1,047,000	647,000	647,000	647,000	647,000
Total expansion	1,924,500	1,180,800	583,000	2,099,000	1,059,000	1,047,000	647,000	647,000	647,000	647,000
Total capital outlay	\$ 9,049,100	\$ 7,611,300	\$ 10,003,500	\$ 7,175,000	\$ 7,795,500	\$ 19,873,593	\$ 10,589,500	\$ 6,816,500	\$ 6,417,500	\$ 7,087,500

**OPERATING AND CAPITAL FUNDS** 

\$ 14,487,455 \$ 14,734,249  26,166,468 9,584,053 11,869,499 9,614 71,544 71,544 71,544 35,831,679 1,997,840 37,829,519 750,000 2,163,520 2,140,429 236,677 1,734	<b>8</b> 15, 26, 38, 4, 4, 4, 4, 4, 4, 4, 4, 4, 4, 4, 4, 4,	\$ 19,039,292 26,171,152 11,589,306 9,614 71,544 37,841,616 6,346,358 44,187,974 750,000 2,204,741		\$ 13,064,192 \$ 13,064,192 26,171,152 11,164,942 9,614 71,544 37,417,252 8,711,315 46,128,567 758,67000	2029  \$ 13,020,027  26,171,152 11,048,616 9,614 71,544 37,300,926 9,833,863 47,134,789 750,000	2030 <b>\$ 16,256,799</b> 26,171,152 11,023,081 7,275,391 11,004,694 <b>48,280,085</b> 750,000 2,310,368	\$ 19,856,783 26,171,152 10,938,380 9,614 71,544 37,190,690 12,183,947 750,000 2,337,189
26.166,468 26.16 9,584,053 11,88 9,614 71,544 77,544 7 35,831,679 38,11 1,997,840 34,15 77,829,519 71,55 7760,000 71,55 2,163,520 2,14	\$ 26 26 28 38 38 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	26 26 11 14 44 44 44 44 44 44 44 44 44 44 44	22,046,391 26,171,152 11,510,909 9,614 71,544 77,544 77,545,863 7,545,863 750,000 2,231,340	13,0 11,1 11,1 146,1 7	\$ 13,020,027 26,171,152 11,048,616 9,614 71,544 37,300,926 9,833,863 47,134,789 750,000	\$ 16,256,799 26,171,152 11,023,081 9,614 77,575,391 11,004,694 48,280,085 750,000 2,310,368	26 26 19 19 19 19 19 19 19 19 19 19 19 19 19
26,16 11,86 7,51 38,11 38,11 3,51 1,55 1,15 1,15 1,15 1,15 1,15 1	26 38 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	26,171,152 11,589,306 9,614 71,544 37,841,616 6,346,358 44,187,974 750,000 2,204,741	26,171,152 11,510,909 9,614 71,544 <b>37,763,219</b> 7,545,863 <b>45,309,082</b> 750,000 2,231,340	26,171,162 11,164,942 9,614 71,544 37,417,252 8,711,315 46,128,567 758,670	26,171,152 11,048,616 9,614 71,544 37,300,926 9,833,863 47,134,789 750,000	26,171,152 11,023,081 9,614 71,544 37,275,391 11,004,694 48,280,085 750,000 2,310,368	26,171,152 10,938,380 9,614 71,544 37,190,690 12,183,947 49,374,637 750,000 2,337,189
26,16 11,86 38,11 38,11 3,45 75 2,14 2,14 2,14 1,55 1,65 1,65 1,65 1,65 1,65 1,65 1,65	26 38 38 4 4 4 7	26,171,152 11,589,306 9,614 71,544 37,841,616 6,346,358 44,187,974 750,000 2,204,741	26,171,152 11,510,909 9,614 71,544 <b>37,763,219</b> 7,545,863 <b>45,309,082</b> 750,000 2,231,340	26,171,152 11,164,942 9,614 71,544 37,417,252 8,711,315 46,128,567 7,558,670	26,171,152 11,048,616 9,614 71,544 37,300,926 9,833,863 47,134,789 750,000	26,171,152 11,023,081 9,614 71,544 37,275,391 11,004,694 48,280,085 750,000 2,310,368	26,171,152 10,938,380 9,614 71,544 <b>37,190,690</b> 12,183,947 <b>49,374,637</b> 750,000 2,337,189
38,11 38,11 3,43; 7,75 2,1,43; (2,1,43; (2,1,43; (3,4); (3,4); (3,4); (3,4); (3,4); (4	11   38   38   C   C   C   C   C   C   C   C   C	11,589,306 9,614 71,544 37,841,616 6,346,358 44,187,974 750,000 2,204,741 (196,134)	11,510,909 9,614 71,544 37,763,219 7,545,863 45,309,082 750,000 2,231,340	11,164,942 9,614 71,544 37,417,252 8,711,315 46,128,567 7,50,000	11,048,616 9,614 71,544 <b>37,300,926</b> 9,833,863 <b>47,134,789</b> 750,000	11,023,081 9,614 71,544 37,275,391 11,004,694 48,280,085 750,000 2,310,368	10,938,380 9,614 71,544 <b>37,190,690</b> 12,183,947 <b>49,374,637</b> 750,000 2,337,189
38,11 3,43 41,58 77 2,1,2	38 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	9,614 71,544 <b>37,841,616</b> 6,346,358 <b>44,187,974</b> 750,000 2,204,741 (196,134)	9,614 71,544 <b>37,763,219</b> 7,545,863 <b>45,309,082</b> 750,000 2,231,340	9,614 71,544 37,417,252 8,711,315 46,128,567 750,000	9,614 71,544 <b>37,300,926</b> 9,833,863 <b>47,134,789</b> 750,000	9,614 71,544 <b>37,275,391</b> 11,004,694 <b>48,280,085</b> 750,000 2,310,368	9,614 71,544 <b>37,190,690</b> 12,183,947 <b>49,374,637</b> 750,000 2,337,189
38 341 38	38 4 4 2 2	71,544 37,841,616 6,346,358 44,187,974 750,000 2,204,741 (196,134)	71,544 <b>37,763,219</b> 7,545,863 <b>45,309,082</b> 750,000 2,231,340	71,544 37,417,252 8,711,315 46,128,567 750,000	71,544 37,300,926 9,833,863 47,134,789 750,000	71,544 37,275,391 11,004,694 48,280,085 750,000 2,310,368	71,544 37,190,690 12,183,947 49,374,637 750,000 2,337,189
388	38 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	37,841,616 6,346,358 44,187,974 750,000 2,204,741 (196,134)	37,763,219 7,545,863 45,309,082 750,000 2,231,340	37,417,252 8,711,315 46,128,567 750,000	37,300,926 9,833,863 47,134,789 750,000	<b>37,275,391</b> 11,004,694 <b>48,280,085</b> 750,000 2,310,368	37,190,690 12,183,947 49,374,637 750,000 2,337,189
2 4 2	<b>4 7 8 9</b>	44,187,974 750,000 2,204,741 (196,134)	<b>45,309,082 750,000</b> 2,231,340	46,128,567 750,000	<b>47,134,789</b> 750,000	<b>48,280,085 750,000</b> 2,310,368	49,374,637 750,000 2,337,189
<b>74</b> 2	2 42	<b>44,187,974</b> 750,000 2,204,741 (196,134)	<b>45,309,082</b> 750,000 2,231,340	<b>46,128,567</b> 750,000 2,258,670	<b>47,134,789</b> 750,000	<b>48,280,085</b> 750,000 2,310,368	<b>49,374,637</b> 750,000 2,337,189
5	2	750,000 2,204,741 (196,134)	750,000 2,231,340	750,000	750,000	750,000 2,310,368	750,000
2	7	2,204,741 (196,134)	2,231,340	2 258 670		2,310,368	2,337,189
		(196,134)	(464 404)	7,000	2,284,200		
	_	(196,134)	1464 4047				100000
			(161,491)	(167,396)	(217,201)	(179,813)	(186,431)
		94,396	4,268	(89,742)	(169,635)	(3,494,107)	(3,581,460)
(5,845,300) (6,235,000)	00) (5,522,000)	(5,972,500)	(18,036,500)	(8,928,500)	(4,928,500)	(4,789,000)	(4,929,500)
		20,000	20,000	20,000	20,000	20,000	20,000
		43,178	37,257	28,332	31,654	41,777	48,224
35,071,061 38,255,403	03 40,417,876	41,131,656	30,153,957	39,999,932	44,905,307	42,939,309	43,832,659
m		34,267,056	35,318,063	36,407,097	37,801,284	38,970,825	40,182,963
		3,244,500 613,000	3,241,000	3,236,000	3,239,250	368.500	- 000.868
34,824,267 37,670,661	61 36,697,575	38,124,556	39,136,156	40,044,097	41,668,534	39,339,325	41,080,963
246,794 584,742	42 3,720,301	3,007,100	(8,982,199)	(44,165)	3,236,773	3,599,984	2,751,696
\$ 14,734,249 \$ 15,318,991	91 \$ 19,039,292	\$ 22,046,391		\$ 13,020,027	\$ 16,256,799	\$ 19,856,783	\$ 22,608,479
(5,845,300) 20,000 31,090 31,083,567 3,084,700 656,000 246,794 14,734,249 \$ 1			20,000 43,178 41,131,656 34,267,056 3,244,500 613,000 3,007,100 \$ 22,046,391	20,000 43,178 41,131,656 34,267,056 3,244,500 613,000 38,124,556 3,007,100 \$ 22,046,391 \$	(5,972,500) (18,036,500) (8,500) (8,500) (20,000) (43,178   20,000   37,257   39,500   34,267,056   35,318,063   36,244,500   3,241,000   3,244,500   577,093   40,600   3,007,100   (8,982,199)   \$ 22,046,391   \$ 13,064,192   \$ 13,6	(5,972,500)     (18,036,500)     (8,928,500)       20,000     20,000     20,000       43,178     37,257     28,332       41,131,656     30,153,957     39,999,932       34,267,056     35,318,063     36,407,097       3,244,500     3,241,000     3,236,000       613,000     577,093     401,000       38,124,556     39,136,156     40,044,097       3,007,100     (8,982,199)     (44,165)       \$ 22,046,391     \$ 13,020,027	(5.972,500)         (18,036,500)         (8,928,500)         (4,928,500)         (4,789,000)           20,000         20,000         20,000         20,000         20,000           43,178         37,257         28,332         44,905,307         41,777           41,131,656         30,153,957         39,999,932         44,905,307         42,939,309           34,267,056         35,318,063         36,407,097         37,801,284         38,970,825           613,000         577,093         401,000         628,000         368,500           38,124,556         39,136,156         40,044,097         41,668,534         39,339,325           3,007,100         (8,982,199)         (44,165)         3,236,773         3,599,984           \$ 22,046,391         \$ 13,020,027         \$ 16,256,799         \$ 19,856,783

			OPERATING AI CASH FL	OPERATING AND CAPITAL FUNDS CASH FLOW ANALYSIS	SUNDS					
CAPITAL FUND	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
BEGINNING ESTIMATED CASH AVAILABLE	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000 \$	\$ 1,000,000 \$	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Sources of Funds Transfer From (To) Operating Fund Main Assessments	6,800,500	5,845,300 10,000	6,235,000	5,522,000 10,000	5,972,500	18,036,500 10,000	8,928,500	4,928,500 10,000	4,789,000	4,929,500 10,000
Contributions Plant Water Investment Fees Proposed Bond Proceeds	1,100,000	1,100,000	1,200,000	1,200,000	1,200,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Interest Income Total Sources	7,910,500	6,955,300	7,445,000	6,732,000	7,182,500	19,296,500	10,188,500	6,188,500	6,049,000	6,189,500
Uses of Funds Major Capital Improvements Funded by Reserves Funded by Rond Proceeds	7,910,500	6,955,300	7,445,000	6,732,000	7,182,500	19,296,500	10,188,500	6,188,500	6,049,000	6,189,500
Total and Total Total American Total Major Capital Improvements  Debt Issuance Expense	7,910,500	6,955,300	7,445,000	6,732,000	7,182,500	19,296,500	10,188,500	6,188,500	6,049,000	6,189,500
Debt services expense Capitalized Interest						' '				
Total Uses	7,910,500	6,955,300	7,445,000	6,732,000	7,182,500	19,296,500	10,188,500	6,188,500	6,049,000	6,189,500
Annual Surplus (Deficiency)	•	•	•	•	•	٠	•	•	•	٠
ENDING ESTIMATED CASH AVAILABLE	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
OPERATION & MAINTENANCE RESERVE FUND	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
BEGINNING ESTIMATED CASH AVAILABLE	\$ 4,498,948	\$ 4,985,270	\$ 5,109,627 \$	\$ 5,264,994	\$ 5,425,944	\$ 5,632,941	\$ 5,805,709	\$ 5,984,728	\$ 6,213,910	\$ 6,406,163
Sources of Funds Transfer From (To) Operating Fund Interest Income	475,215 11,107	114,376 9,981	145,138 10,229	150,409 10,541	196,134 10,863	161,491	167,396 11,623	217,201	179,813 12,440	186,431 12,825
Total Sources	486,322	124,357	155,367	160,950	206,997	172,768	179,019	229,182	192,253	199,256
ENDING ESTIMATED CASH AVAILABLE	\$ 4.985.270	\$ 5.109.627	\$ 5.264.994	\$ 5.425.944	\$ 5.632.941	\$ 5.805.709	\$ 5.984.728	\$ 6.213.910	\$ 6.406.163	\$ 6.605.419

OPERATING AND CAPITAL FUNDS CASH FLOW ANALYSIS

			CASH F	CASH FLOW ANALYSIS	'n					
WATER DEVELOPMENT FUND	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
BEGINNING ESTIMATED CASH AVAILABLE	\$ 8,260,203	\$ 20,243,036	\$ 19,496,168	\$ 18,841,711	\$ 18,125,507	\$ 17,516,752	\$ 16,996,998	\$ 10,564,301	\$ 4,198,699	\$ 7,654,659
Sources of Funds  Net Transfer (To)/From Operating Fund & Other Re	1,541,333	(236,607)	(142,794)	(203,172)	(94,396)	(4,268)	89,742	169,635	3,494,107	3,581,460
Sale of Flobelity Interest Income	16,500	39,739	38,338	36,967	35,642	34,514	27,561	14,763	11,853	3,895
Total Sources	13,557,833	(196,868)	(104,456)	(166,205)	(58,754)	30,246	117,303	184,398	3,505,960	3,585,355
Uses of Funds	1,575,000	550,000	550,000	550,000	550,000	550,000	6,550,000	6,550,000	50,000	15,000,000
ENDING ESTIMATED CASH AVAILABLE	\$ 20,243,036	\$ 19,496,168	\$ 18,841,711	\$ 18,125,507	\$ 17,516,752	\$ 16,996,998	\$ 10,564,301	\$ 4,198,699	\$ 7,654,659	(3,759,986)
TOTAL OPERATING & RESERVE FUNDS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Operating Fund Cash Balance	\$ 14,487,455	\$ 14,734,249	\$ 15,318,991	\$ 19,039,292	\$ 22,046,391	\$ 13,064,192	\$ 13,020,027	\$ 16,256,799	\$ 19,856,783	\$ 22,608,479
Capital Fund Cash Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Operation & Maintenance Reserve Cash Balance	4,985,270	5,109,627	5,264,994	5,425,944	5,632,941	5,805,709	5,984,728	6,213,910	6,406,163	6,605,419
Water Development Fund Cash Balance	20,243,036	19,496,168	18,841,711	18,125,507	17,516,752	16,996,998	10,564,301	4,198,699	7,654,659	(3,759,986)
Total Ending Estimated Cash Balance	\$ 40,715,761	\$ 40,340,043	\$ 40,425,696	\$ 43,590,742	\$ 46,196,085	\$ 36,866,899	\$ 30,569,055	\$ 27,669,408	\$ 34,917,606	\$ 26,453,913
Note:  (a) Operating & Maintenance reserve cash balance is maintained at an operation and maintenance expense.  (b) Capital Fund reserve cash balance is maintained at not less than \$1	is maintained at at not less than	an amount equ	amount equal to 60 days of million.							
(c) Debt Service Coverage:	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Water Sales Revenue Increases (%) No. of Months Increase is in Effect	2.75% 12	2.75% 12	3.25% 12	3.50% 12	3.50% 12	2.75%	2.75% 12	2.50%	2.50%	2.50% 12

53,806,770 40,182,963 13,623,807

52,686,523 38,970,825 13,715,698

51,507,387 37,801,284 13,706,103 3,239,250 423%

50,484,753 36,407,097 14,077,656 3,236,000 435%

49,653,470 35,318,063 14,335,407 3,241,000 442%

48,462,398 34,267,056 14,195,342 3,244,500 438%

47,144,622 33,007,825 14,136,797 3,246,750 435%

45,751,313 32,028,711 13,722,602 3,083,450 445%

41,953,849 31,083,567 10,870,282 3,084,700 352%

53,651,313 30,327,061 23,324,252 3,605,391 647%

Debt Service Coverage Calculation Revenue Operation & Maintenance Expense

Net Revenue Total Debt Service Debt Service Coverage

<sup>84</sup> 

#### TYPICAL BILL COMPARISONS CURRENT RATE -VS- 2022 PROPOSED RATE 2.75% INCREASE

#### **DEFINITIONS:**

**MINIMUM CONSUMER -** The minimum consumer is one who may only use 2,000 gallons per month, or less. The majority of all minimum ustomers are seviced by the smallest water meter (3/4"). This can differ in some cases. Summer usage may rise above minimum.

**AVERAGE RESIDENTIAL CONSUMER** - For this comparison, the average residential consumer is one who uses more than the minimum and consume 11,000 galllons per month overa a one year peirod. These consumers may be serviced by a 3/4" water meter, but more likely would have a 1" meter. Although, due to drought induced conservation, a typical residential customer is projected to use 103,000 gallons annually, for the purposes of this comparison, 132,000 gallons has been used.

			DC	DLLAR
DESCRIPTIONS	2021	2022	INC	REASE
MINIMUM CONSUMER				
Readiness to serve charge (includes 2,000 gallons) 3/4" Meter	\$ 12.98	\$ 13.34	\$	0.36
1" Meter	\$ 16.60	\$ 17.06	\$	0.46
AVERAGE RESIDENTIAL CONSUMER				
3/4" Meter - Readiness to serve charge	\$ 12.98	\$ 13.34	\$	0.36
9,000 gallons @ \$ 2.98 and \$ 3.06 respectively	26.82	27.54		0.72
Total average monthly bill	\$ 39.80	\$ 40.88	\$	1.08
1" Meter - Readiness to serve charge 9,000 gallons @ \$ 2.98 and \$ 3.06 respectively	\$ 16.60 26.82	\$ 17.06 27.54	\$	0.46 0.72
Total average monthly bill	\$ 43.42	\$ 44.60	\$	1.18

#### **HISTORY OF WATER RATE CHANGES - SINCE 1981**

	¹CPI	WATER RATE		VOLUM PER 1		
YEAR	CHANGE	CHANGE	-	BEG.	1000/	END
<u> </u>	OTIANOL	OHANGE	-	DLO.		LIND
1981	10.10%	11.80%	\$		\$	0.85
1982	8.50%	7.00%	·	0.85	•	0.91
1983	5.40%	11.00%		0.91		1.01
1984	3.70%	6.00%		1.01		1.07
1985	2.60%	4.00%		1.07		1.11
1986	0.70%	6.00%		1.11		1.18
1987	2.60%	-		1.18		1.18
1988	2.60%	3.00%		1.18		1.22
1989	1.80%	-		1.22		1.22
1990	4.30%	-		1.22		1.22
1991	3.60%	-		1.22		1.22
1992	3.60%	-		1.22		1.22
1993	4.20%	2.50%		1.22		1.25
1994	4.00%	-		1.25		1.25
1995	4.90%	4.00%		1.25		1.30
1996	3.50%	4.40%		1.30		1.36
1997	3.40%	2.90%		1.36		1.40
1998	2.20%	2.00%		1.40		1.43
1999	2.90%	1.50%		1.43		1.45
2000	3.18%	2.25%		1.45		1.48
2001	5.40%	2.25%		1.48		1.51
2002	2.20%	2.50%		1.51		1.55
2003	1.73%	3.00%		1.55		1.60
2004	-0.69%	2.35%		1.60		1.64
2005	1.50%	3.00%		1.64		1.69
2006	3.75%	4.25%		1.69		1.76
2007	2.52%	4.00%		1.76		1.83
2008	3.72%	4.50%		1.83		1.91
2009	-0.62%	4.75%		1.91		2.00
2010	1.70%	5.00%		2.00		2.10
2011	3.83%	5.00%		2.10		2.21
2012	1.78%	3.50%		2.21		2.29
2013	2.77%	2.75%		2.29		2.35
2014	2.90%	3.00%		2.35		2.42
2015	1.00%	3.25%		2.42		2.50
2016	3.00%	3.00%		2.50		2.58
2017	3.10%	3.25%		2.58		2.66
2018	3.50%	2.75%		2.66		2.73
2019	2.10%	3.50%		2.73		2.83
2020	1.10%	3.50%		2.83		2.93
2021	2.30%	1.75%		2.93		2.98
<del>-</del> ·			•			
TOTAL	126.37%	139.2%				

Note: As of 2018 CPI was reported bi monthly, CPI for 2020 is as of July 31

Source: U.S. Department of Labor, Bureau of Labor Statistics

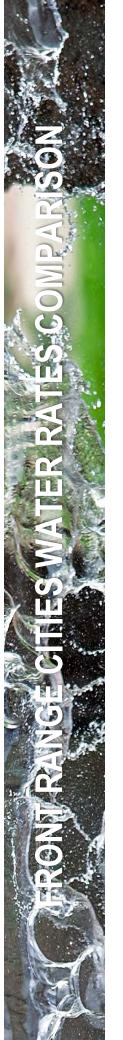
<sup>&</sup>lt;sup>1</sup>CPI - Denver area urban consumer price index as of June 30th (Base period: 1982-84=100)

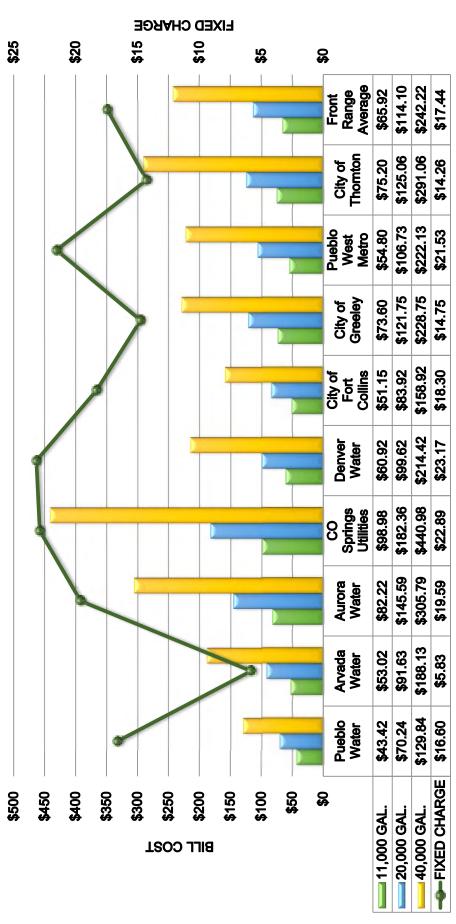


INSIDE CITY 1		ANNUAL		WATER CHARGES	GES	PERCEN	PERCENT OF PUEBLO CHARGES	IARGES
	132 th	132 thous gallons 180 thous gallons	180 tho	us gallons	216 thous gallons	132 thous gallons	180 thous gallons	216 thous gallons
Colorado Springs	છ	1,644.37	↔	2,265.06	\$ 2,730.58	315.59%	341.08%	354.00%
Westminster		1,107.48		1,498.68	1,792.08	212.55%	225.68%	232.33%
Aurora		986.64		1,266.48	1,476.36	189.36%	190.71%	191.40%
Golden		909.72		1,228.44	1,467.48	174.60%	184.98%	190.25%
Thornton		902.40		1,168.32	1,367.76	173.19%	175.93%	177.32%
Northglenn		89.988		1,190.04	1,417.56	170.18%	179.20%	183.77%
Greeley		883.20		1,140.00	1,332.60	169.51%	171.67%	172.76%
Boulder		790.56		926.68	1,121.52	151.73%	147.52%	145.40%
Broomfield		776.88		938.16	1,059.12	149.10%	141.27%	137.31%
Englewood		752.52		916.68	1,039.80	144.43%	138.04%	134.80%
Highlands Ranch		742.20		939.00	1,086.60	142.45%	141.40%	140.87%
Denver		731.04		937.44	1,144.08	140.30%	141.16%	148.32%
Pueblo West		09'29		934.56	1,142.28	126.21%	140.73%	148.09%
Louisville		634.20		902.04	1,102.92	121.72%	135.83%	142.98%
Lafayette		620.76		778.20	896.28	119.14%	117.18%	116.19%
Fort Collins		613.80		774.12	928.80	117.80%	116.57%	120.41%
Arvada		601.26		807.18	961.62	115.40%	121.55%	124.67%
Pueblo		521.04		664.08	771.36	100.00%	100.00%	100.00%
Average		820.13		1,073.79	1,268.82			

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<sup>1</sup>Based on residential rates using 1" meters





	Pueblo Water	Arvada Water	Aurora Water	Colorado Springs Utilities	Denver Water	City of Fort Collins	City of Greeley	City of Pueblo Greeley West Metro	City of Thornton
COST PER 1,000 GAL.	\$2.98	0-30K \$4.29 30-60K \$5.36 60-90K \$6.45 >90K \$8.59	0-5K \$5.63 5-10K \$5.73 10-20K \$5.83 >20K \$8.01	49gal	\$6.10 0-5K \$2.39 \$8.59 6-20K \$4.30 \$12.90 > 21K \$5.74	0-7K \$2.83 7-13K \$3.26 >13K \$3.75	\$5.35		1-20K \$5.54 >20K \$8.30
Change from previous year	+1.75%	+3.87%	0.0%	%0.0	+1.5%	+2.0%	+6.0%	+1.0%	0.0%

'Bill costs calculated based on 1" meter.

Arvada Water fixed charge is a Bi-Monthly Charge. COS Utilities charges by the cubic foot (cf) so cost per 1,000 gallons was converted. Pueblo Water fixed charge includes first 2,000 gallons of water.





\*CO Springs Utilities & Pueblo West Metro employee figures include water and wastewater employees.

PLEASE NOTE: Currently showing 2019 population numbers
Source, population figures: 2019 Colo County & Municipal population estimate (https://demography.dola.colorado.gov/population/data/muni-pop-housing/)
Source, Pueblo West figures: Pueblo West Metro public records (FINAL Pueblo West Population Forecast Report)



PWIF Fee	Pueblo Water	Arvada Water	Aurora Water	CO. Springs Utilities	Denver Water	City of Fort Collins	City of Greeley	Highlands Ranch Metro District	Pueblo West Metro	City of Thornton
3/4" Residential	\$5,338	\$19,275	\$6,100	\$5,779-\$12,913	\$3,030/\$.70 sq ft	\$752/\$.40 sq ft	\$11,200	\$7,690	\$12,360	\$9,115
1" Residential	\$5,338	\$19,275	\$6,100	\$15,487	\$3,030/\$.70 sq ft	\$1,274/\$.40 sq ft	\$18,700	\$7,690	\$19,669	n/a
Multi-Family	\$3,033/unit	\$9,640/unit	\$9,760/unit	\$5,295/unit	\$10,040*	\$567/\$.30 sq ft	\$5,600/unit	\$5,510/unit	n/a	\$4,934/unit
Duplex	\$6,066	\$14,460	\$19,520	\$10,590	\$10,040	\$567/\$.30 sq ft	\$11,200	\$11,020	n/a	\$5,443
3/4" Commercial	\$2,649	\$28,910	\$22,195	\$9,292	\$10,730	\$9,054	\$11,200	\$11,380	\$12,360	\$15,191
1"	\$5,170	\$48,190	\$39,729	\$15,487	\$19,170	\$23,752	\$18,700	\$22,760	\$19,669	\$24,306
1 1/2"	\$26,358	\$96,380	\$87,227	\$30,973	\$42,180	\$46,978	\$37,300	\$45,520	\$38,626	\$30,382
2"	\$33,410	\$154,200	* *	\$49,557	\$76,690	\$81,185	\$59,700	\$91,040	\$61,272	\$97,222
3"	\$64,211	\$327,680	* *	\$92,920	\$126,426	*	\$130,600	\$204,840	\$121,831	\$194,445
4"	\$221,616	\$578,250	* *	\$154,867	\$229,917	* *	\$223,900	* * *	* * *	\$303,820
9	\$457,216	n/a	* *	\$495,542	\$517,374	*	\$466,500	* * *	* * *	n/a
8	\$1,061,098	n/a	* *	\$867,222	\$774,957	*	n/a	* * *	* * * *	n/a

<sup>\*</sup>Denver Water multi-family rate covers first two units. Each unit after is \$2,420 each.
\*\*Anything 2"-3" and above is based on peak day demand.
\*\*\*Anything over 3" is based on demand needs or individual basis.
\*\*\*Rates based on compound meter. Rates for turbine meters: 3" is \$132,231. larger sizes upon request.



### Α

**Accrual** – the accumulation or increase of something over time, especially payments or benefits.

**Appropriation** – a sum of money or total assets devoted to a specific purpose.

**Arbitrage** – the simultaneous buying and selling of securities, currency, or commodities in different markets or in derivative forms in order to take advantage of differing prices for the same asset.

Average Residential Consumer – For this comparison, the average residential consumer is one who uses more than the minimum and consumes 11,000 gallons per month over a one-year period. These consumers may be serviced by a ¾" water meter, but more likely would have a 1" meter. Although, due to drought induced conservation, a typical residential customer is projected to use 110,000 gallons annually, for the purposes of this comparison, 132,000 gallons has been used.

**Acre-Foot** – volume of water equal to one foot in depth covering an area of one acre, or 43,560 cubic feet; approximately 325,851 gallons.

**Aquatic Nuisance Species** – aquatic plants and animals that invade lakes, reservoirs, rivers and streams.

**Audit** – an official inspection of an individual's or organization's accounts, typically by an independent body.

### B

**Backflow and Cross Connection** – back flow is the flow of wastewater back into the treated water system and a cross connection is when drinking water piping connects to various plumbing fixtures or water utilizing equipment.

**Balanced Budget** – a situation in financial planning or the budgeting process where total expected revenues are equal to total planned spending.

**Bonds** – a fixed income instrument that represents a loan made by an investor to a borrower.

**Budget** – an estimate of income and expenditure for a set period of time.

### C

Capital Outlay (Capital Expenditures) – money spent to acquire a fixed asset or to extend its useful life over \$5,000.

**Cathodic Protection** – a technique used to control the corrosion of a metal surface by making it the cathode of and electrochemical shell.

**CIS** – Customer Information System

**Conduit** – a 24-inch (or larger) diameter pipe carrying raw or potable water from or to treatment facilities, reservoirs, and delivery points feeding a distribution system.

**Conveyance** – the process of transporting water from one location to another.

**CWRDPA** – Colorado Water Resources and Power Development Authority

D

**Debt Retirement** – the act of repaying debt.

**Debt Service** – principal and interest due on long-term debt.

**Depreciation** – a reduction in the value of an asset with the passage of time, due in particular to wear and tear.

**Diversion Structures** – a structure constructed to direct water to a desired location.

Е

**Enterprise Fund** – a self-supporting government fund that sells goods and services to the public for a fee.

**Environmental Protection Agency (EPA)** – an independent agency of the United States federal government for environmental protection.

**ERP** – Enterprise Resource Planning

F

**FASB** – Financial Accounting Standards Board

**FO&M** – Facilities, Operation, and Maintenance Division

**Fund** – a pool of money that is allocated for a specific purpose.

**Fund Balance** – the difference between fund assets and fund liabilities.

G

**GAAP** – Generally Accepted Accounting Principles

**GASB** – Governmental Accounting Standards Board

**GFOA** – Government Finance Officers Association

**GIS** – Geographic Information System

Н

**HARP** – Historic Arkansas Riverwalk Park

**HR** – Human Resources

**HRIS** – Human Resource Information System

ı

ICP/MS – Inductively Coupled Plasma Mass Spectrometer

IS - Information Systems

K

**KPI** – Key Performance Indicator

M

**MCC** – Motor Control Center

**Memorandum of Agreement** – a formal business agreement that outlines an agreement made between two parties.

**Minimum Consumer** – The minimum consumer is one who may only use 2,000 gallons per month, or less. The majority of all minimum customers are serviced by the smallest water meter (3/4"). This can differ in some cases. Summer usage may rise above minimum.

Ν

**Non-Operating Revenues** – revenues that do not come from basic, day-to-day operations, example, interest income.

0

**O&M** – Operations and Maintenance

**Operating Revenue** – revenue from the sale of water.

P

PCS - Pueblo City Schools

**Petty Cash** – an accessible store of money for expenditure on small items.

**PFD** – Pueblo Fire Department

**Plant Water Investment Fees** – fees associated with the construction or remodel of a structure.

R

**Raw Water** – water that has not been treated.

**Redundancy** – the inclusion of extra components which are not strictly necessary to functioning, in case of failure in other components.

**Requisition** – a written request for an organization's purchasing department to buy goods or services.

**Reservoir** – an impoundment to collect and store water.

**ROY** – Restoration of Yield

S

**SCADA** – Supervisory Control and Data Acquisition

**Seepage** – the slow escape of water through a porous material or through small holes.

**Spot Market** – cash market where trades take place immediately.

Т

**TD&E** – Transmission, Distribution, and Engineering

TIF - Tax Increment Financing

**Transmountain Collection** – collection of water through a mountain.

W

**Water Rights** – historical rights that give a party the rights to water usage from specific channel

WDF – Water Development Fund

**WQT&P** – Water Quality, Treating, and Pumping

**WR** – Water Resources

**WWW** – Water Works Wellness

