

# Water & Power

Loveland Water & Power's mission is to add value while serving the community's utility needs for today and tomorrow by:

- Providing quality customer service.
- Providing reliable service.
- Planning for the future.
- Being environmentally sensitive.
- Offering safe and secure utilities at competitive rates.
- Being fiscally responsible.

Outcome	Performance Measure	2014 Actual	2015 Projected	2016 Projected
<b>Provide quality customer service. (GP 18)</b>				
Provide quality customer service. (Residential City Survey)	Rankings relative to other 13 City Services:			
	▪ Reliable Electric Service	1	1	1
	▪ Drinking Water Quality	5	5	5
	▪ Sewer Service	7	7	7
	Average Rating "Loveland delivers reliable electricity."	94%	94%	94%
	Average Rating "Loveland provides quality drinking water."	92%	92%	92%
	Average Rating "Sewer system in Loveland works reliably."	92%	92%	92%
<i>Please Note: No Surveys (NS) Conducted in 2008. Survey is conducted every other year.</i>				
<b>Provide reliable and quality utility products and services. (GP 11b, 11c, 11d)</b>				
Provide reliable and quality utility products and services.	Average power outage duration [minutes]. (CAIDI = Customer Average Interruption Duration Index)	26.02	28.0	28.0
	Average # of power interruptions per customer. (SAIFI = System Average Interruption Frequency Index)	1.29	1.2	1.2
	Average # of momentary outages per customer per year. (MAIFI = Momentary Average Interruption Frequency Index)	0.22	0.20	0.20
	Average service availability. (ASAI = Average Service Availability Index)	99.99%	99.99%	99.99%
	# of hours spent responding to power quality complaints	286	390	390
	# of annual water quality inquiries.	45	60	50
	# of annual water violations.	0	0	0
	# of annual sewer backups.	14	5	4
	# of annual sewer violations.	5	3	0
	# of water leaks	75	50	40

Outcome	Performance Measure	2014 Actual	2015 Projected	2016 Projected
<b>Plan for the future. (GP 3, 11b, 11c, 11d)</b>				
Plan for the future.	% of system capacity used to meet peak demand:			
	▪ Power	53.7%	47.0%	47.0%
	▪ Water	84.0%	80.0%	90.0%
	▪ Wastewater	65.0%	69.0%	71.0%
	▪ Organic Hydraulic	78.5%	79.5%	80.0%
<b>Be environmentally responsible. (GP 5, 9)</b>				
Be environmentally responsible.	# of annual residential power per capita usage. (kWh/person/year)	3,347	3,387	3,323
	# of annual residential peak day water demand. (gallons/day/person)	221	218	213
	# of annual residential per capita water usage. (gallons/person/year)	32,336	34,449	33,959
	# of Wastewater Treatment Plant Discharge Monitoring Report violations.	1	3	0
	# of Annual Department Fleet Miles	368,217	254,392	256,682
	# of annual internal environmental self- audits performed.	0	7	3
<b>Offer safe and secure utilities. (GP 8d)</b>				
Offer safe and secure utilities.	# of community incidents/accidents involving utility infrastructure.	70	30	30
	# of employee personal injury & motor vehicular accidents.	13	5	5
	# of reported illegal contacts with key facilities.	2	3	0
<b>Be fiscally responsible while offering competitive rates. (GP 11b, 11c, 11d)</b>				
Be fiscally responsible while offering competitive rates.	% of unaccounted/unmetered for distribution losses:			
	▪ Power	2.98%	2.98%	2.98%
	▪ Water	12.1%	11.9%	11.8%
	O&M cost per 100 miles.	561,507	701,613	843,904
	% variance of actual O&M expenditures to budgeted expenditures. ( ) = Under Budget	-22.4%	0.0%	0.0%
	% variance of actual capital expenditures to budgeted expenditures. ( ) = Under Budget	-61.2%	0.0%	0.0%
	Rate comparisons conducted with other utilities.	Yes	Yes	Yes
	# of customer rate classes.	13	14	14
<b>Partner with the community. (GP 13, 18)</b>				
Partner with the community.	# of key partnerships:	36	36	36
	# of Community Events:	33	39	39
The Power Operations Division maintains the City of Loveland's electric distribution system. In 2014, the average service availability for the system was 99.99%. The City is a retail distributor of electricity to 34,487 customers in and around Loveland, as well as a wholesale distributor of electricity to Xcel Energy. Loveland residents pay the third lowest rates in the state for their electricity. Loveland owns and maintains the distribution system.				
Over 99% of our electricity is purchased from Platte River Power Authority (PRPA). The municipalities of Estes Park, Fort Collins, Longmont and Loveland formed PRPA in 1973 to manage and operate the transmission and generation system. In 2014, the electricity consumed by the four cities was generated by the following sources; 74.2% coal, 19.1% hydroelectric, 4.8% Wind Power and Renewable Energy Certificates, 1.7% unspecified purchase, and .2% natural gas.				
The Power Operations Division operates and maintains the electric utility system. The division plans, designs, and builds the system improvements needed to meet our customer's electrical needs at the lowest possible cost while providing a high level of reliability. In 2014, the Division designed and constructed approximately \$4,100,000 in projects. By the end of 2015, the Division anticipates designing and constructing over \$10,100,000 in distribution system improvement and expansion projects.				

## Water & Power Department Summary

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget	'16 Budget / '15 Adopted % Change	'15 FTE	'16 FTE
<b>Enterprise Fund</b>							
WATER	28,479,590	14,136,310	39,529,269	15,901,389	12.5%	45.64	47.43
POWER	65,958,718	65,215,890	73,963,493	72,394,582	11.0%	47.75	49.46
WASTEWATER	10,839,569	12,729,550	19,437,326	37,508,955	194.7%	35.86	35.36
RAW WATER	1,024,120	2,034,600	15,034,600	3,476,900	70.9%	0.00	0.00
<b>Total Expense</b>	<b>\$ 106,301,997</b>	<b>\$ 94,116,350</b>	<b>\$ 147,964,688</b>	<b>\$ 129,281,826</b>	<b>37.4%</b>	<b>129.25</b>	<b>132.25</b>
<b>REVENUE</b>							
<b>Enterprise Fund</b>							
INTERGOVERNMENTAL	3,882,481	14,467,680	14,467,680	500,000	-96.5%		
UTILITY CHARGES	71,171,359	77,837,940	77,837,940	81,973,330	5.3%		
INTEREST	1,664,930	769,790	769,790	1,130,470	46.9%		
IMPACT FEES	7,933,099	6,310,920	6,310,920	6,332,980	0.3%		
BOND PROCEEDS	-	10,000,000	22,900,000	24,900,000	149.0%		
AID-TO-CONSTRUCTION	685,794	1,220,000	1,220,000	1,790,000	46.7%		
CASH IN LIEU	46,200	250,000	250,000	250,000	0.0%		
OTHER	8,599,831	2,952,270	3,143,078	3,419,280	15.8%		
TRANSFERS	1,625,838	1,776,550	15,368,395	1,688,540	-5.0%		
<b>Total Revenue</b>	<b>\$ 95,609,532</b>	<b>\$ 115,585,150</b>	<b>\$ 142,267,803</b>	<b>\$ 121,984,600</b>	<b>5.5%</b>		
<b>EXPENSES BY CATEGORY</b>							
PERSONNEL SERVICES	8,909,436	10,548,810	10,548,810	11,414,531	8.2%		
SUPPLIES	1,924,751	2,088,320	2,294,507	2,229,490	6.8%		
PAYMENT IN LIEU OF TAXES	4,918,079	5,448,660	5,448,660	5,752,520	5.6%		
PURCHASED SERVICES	9,936,210	10,226,840	14,634,565	12,814,173	25.3%		
PURCHASED POWER	39,499,067	42,259,770	42,259,770	42,673,764	1.0%		
ADMINISTRATIVE OVERHEAD	3,081,736	3,265,090	3,265,090	3,269,492	0.1%		
OTHER	669,943	-	-	-	-		
DEPRECIATION	10,545,864	-	-	-	-		
DEBT SERVICE	868,775	834,340	834,340	1,493,881	79.0%		
TRANSFERS	966,019	1,336,470	15,037,770	1,308,005	-2.1%		
CAPITAL	24,982,117	18,108,050	53,641,176	48,325,970	166.9%		
<b>Total Expense</b>	<b>\$ 106,301,997</b>	<b>\$ 94,116,350</b>	<b>\$ 147,964,688</b>	<b>\$ 129,281,826</b>	<b>37.4%</b>		

# Water Utility

The Water Utilities Division consists of groups and programs responsible for the day-to-day operations, engineering, and management for the Department's two water-related utilities: Water and Wastewater. The Division also provides some support services to the Power Operations Division such as utility locates, inspection, and Geographical Information Systems (GIS).

The following sections comprise the Water Utilities Division:

- **Construction and Inspection** is responsible for locating water, wastewater, storm water, traffic control fiber optic cables and electric utilities and construction inspections for all water, wastewater and electric construction. This section also coordinates small construction projects.
- **Engineering** reviews all new development proposals with respect to water and wastewater design and construction. This section manages the capital projects for both the water and wastewater utilities.
- **Information Technology** operates the Department's Geographic Information System (GIS), Work Orders and Asset Management Systems. The water, wastewater and electric system's infrastructure and equipment are all maintained and updated by this section. They also are responsible for the Department's information technology needs such as the efforts for "Smart Utilities", specialized software applications, databases development and maintenance, survey fieldwork and computer networks.
- **Maintenance and Operations** is comprised of equipment operators who maintain the water transmission and distribution systems and the wastewater collection system. They repair water line leaks, clean treated water tanks, flush fire hydrants and inspect, wash and repair sewer lines and manholes.
- **Technical Services** provides technicians who maintain and repair all water and wastewater treatment plant equipment and controls such as pumps, motors, valves, electrical systems, SCADA systems (Supervisory Control and Data Acquisition), and electronic components. They are also responsible for all the wastewater lift stations and water pumping stations throughout the City.
- **Treatment Operations** provides water treatment and production, wastewater treatment and reclamation, and water quality laboratories, and industrial pretreatment program. Certified plant operators at both plants monitor treatment processes, perform process testing, and notify technicians when equipment needs to be repaired or replaced. Laboratory personnel perform various analyses of the water to insure proper treatment is accomplished.
- **Water Resources** is primarily responsible for the raw water planning, water conservation/efficiency, and water supply activities of the Department. Responsibilities include everything from day-to-day administration of water rights to long-range planning for future water needs. This section works closely with the Loveland Utilities Commission in matters concerning water resources.
- **Water Metering** is responsible for repairing and maintaining water meters, assisting contractors with new water taps, inspecting new lawn irrigation systems, testing meters and providing customer service. They manage the backflow prevention/cross-connection control program.
- **Customer Relations** provides a single point of contact and responsible utility solutions to the key partners and commercial customers so they can grow and prosper in our dynamic community.
- **Utility Accounting** is responsible for the long-range financial planning, annual updating of rates, charges and fees, annual budget, monthly financial reports, year-end financial processing, processing of accounts payable and accounts receivable, payroll processing and tracking projects costs for the Water and Power Utilities.
- **Warehouse** responsibilities include storing and delivering inventory items used by all City departments, disposal of obsolete items, oversee non-inventory yard materials (i.e.; transformers), procurement of all Power overhead and underground utility materials, maintain recycle metal program, purchase and store Power specialty tools and conduct a rubber goods testing program to comply with safety requirements for Power line workers. This section will also coordinate fleet replacement and annual safety inspections for the Water and Power utility vehicles.

ACTIVITY	DEPARTMENT			
Water Utility	Water & Power			

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Water Fund</b>				
ADMINISTRATION & GENERAL	5,972,119	2,414,960	2,978,456	2,502,440
SOURCE OF SUPPLY	2,240,081	2,089,070	2,649,850	2,860,960
TREATMENT	4,893,819	2,872,990	11,404,660	3,257,972
DISTRIBUTION	8,679,276	4,967,110	7,588,563	4,633,628
GENERAL PLANT - CAPITAL	476,144	328,180	590,650	358,600
CUSTOMER RELATIONS	242,044	326,150	276,150	339,276
INTERFUND LOAN	835,990	973,390	973,390	1,176,651
<b>Total Water</b>	<b>\$ 23,339,473</b>	<b>\$ 13,971,850</b>	<b>\$ 26,461,719</b>	<b>\$ 15,129,527</b>
<b>Water SIF Fund</b>				
ADMINISTRATION & GENERAL	27,031	89,460	201,220	70,472
TREATMENT	3,140,132	-	12,650,300	321,250
DISTRIBUTION	1,972,954	75,000	216,030	380,140
<b>Total Water SIF</b>	<b>\$ 5,140,117</b>	<b>\$ 164,460</b>	<b>\$ 13,067,550</b>	<b>\$ 771,862</b>
<b>Total Expense</b>	<b>\$ 28,479,590</b>	<b>\$ 14,136,310</b>	<b>\$ 39,529,269</b>	<b>\$ 15,901,389</b>
<b>REVENUE</b>				
<b>Water Fund</b>				
INTERGOVERNMENTAL	2,294,529	5,560,580	5,560,580	-
UTILITY CHARGES	9,952,035	11,290,820	11,290,820	12,806,530
INTEREST	126,508	37,040	37,040	88,560
OTHER	2,185,575	576,060	712,090	1,604,490
TRANSFERS	753,316	750,000	5,924,967	752,440
BOND PROCEEDS	-	-	12,900,000	-
<b>Total Water Fund</b>	<b>\$ 15,311,963</b>	<b>\$ 18,214,500</b>	<b>\$ 36,425,497</b>	<b>\$ 15,252,020</b>
<b>Water SIF Fund</b>				
INTERGOVERNMENTAL	1,217,357	2,662,510	2,662,510	-
INTEREST	151,092	46,830	46,830	52,670
TRANSFERS	35,564	20,000	8,446,348	20,610
IMPACT FEES	3,237,396	2,102,880	2,102,880	1,912,830
<b>Total Water SIF</b>	<b>\$ 4,641,409</b>	<b>\$ 4,832,220</b>	<b>\$ 13,258,568</b>	<b>\$ 1,986,110</b>
<b>Total Revenue</b>	<b>\$ 19,953,372</b>	<b>\$ 23,046,720</b>	<b>\$ 49,684,065</b>	<b>\$ 17,238,130</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	3,392,516	3,965,820	3,965,820	4,273,154
SUPPLIES	1,081,338	1,021,760	960,791	1,138,300
PAYMENT IN LIEU OF TAXES	692,861	790,360	790,360	896,460
PURCHASED SERVICES	4,044,572	3,762,960	4,227,335	4,757,930
ADMINISTRATIVE OVERHEAD	873,063	942,740	942,740	956,802
DEPRECIATION	3,825,802	-	-	-
DEBT SERVICE	42,150	6,840	6,840	292,151
TRANSFERS	846,077	1,132,650	1,734,830	989,984
CAPITAL	13,681,211	2,513,180	26,900,553	2,596,608
<b>Total Expense</b>	<b>\$ 28,479,590</b>	<b>\$ 14,136,310</b>	<b>\$ 39,529,269</b>	<b>\$ 15,901,389</b>
<b>FTE</b>	<b>44.59</b>	<b>45.64</b>	<b>45.64</b>	<b>47.43</b>

## Water Utility – Administration & General

Administration and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this division, and is responsible for the long-range financial planning, annual updating of rates charges and fees, annual budget, monthly financial reports, year-end financial processing, processing of accounts payable and accounts receivable, payroll processing and tracking of project costs for the Department. Customer Relations is also part of this division, and provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Water Utility - Administration & General		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Water Fund</b>				
ADMINISTRATION & GENERAL	5,972,119	2,414,960	2,978,456	2,502,440
GENERAL PLANT - CAPITAL	476,144	328,180	590,650	358,600
INTERFUND LOAN	835,990	973,390	973,390	1,176,651
<b>Total Water</b>	<b>\$ 7,284,253</b>	<b>\$ 3,716,530</b>	<b>\$ 4,542,496</b>	<b>\$ 4,037,691</b>
<b>Water SIF Fund</b>				
ADMINISTRATION & GENERAL	27,031	89,460	115,020	70,472
INTERFUND LOAN	-	-	86,200	-
<b>Total Water SIF</b>	<b>\$ 27,031</b>	<b>\$ 89,460</b>	<b>\$ 201,220</b>	<b>\$ 70,472</b>
<b>Total Expense</b>	<b>\$ 7,311,284</b>	<b>\$ 3,805,990</b>	<b>\$ 4,743,716</b>	<b>\$ 4,108,163</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	314,741	361,740	361,740	339,587
SUPPLIES	91,479	38,490	76,921	109,730
PAYMENT IN LIEU OF TAXES	692,861	790,360	790,360	896,460
PURCHASED SERVICES	122,029	204,990	239,635	164,849
ADMINISTRATIVE OVERHEAD	873,063	942,740	942,740	956,802
DEPRECIATION	3,825,802	-	-	
DEBT SERVICE	42,150	6,840	6,840	292,151
TRANSFERS	846,077	1,132,650	1,734,830	989,984
CAPITAL	503,082	328,180	590,650	358,600
<b>Total Expense</b>	<b>\$ 7,311,284</b>	<b>\$ 3,805,990</b>	<b>\$ 4,743,716</b>	<b>\$ 4,108,163</b>
<b>FTE</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>3.16</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

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285,311	Increase in debt service due to the timing of the drawdown on loan.
106,100	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
74,270	Increase in supplies for the Enterprise's share of capital assets which are utilized by Water, Power, and Wastewater Enterprise's.
37,844	Increase in administrative overhead for costs allocated by Finance based on the allocation methodology.
30,420	Increase in capital based on the ten-year capital program.
19,909	Increase in administrative overhead for costs allocated by Public Grounds based on the allocation methodology.
(1,592)	Decrease in personnel services for unemployment due to the allocation of the City's cost based on the Division's experience rating and forecasted
(16,900)	Decrease in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
(19,460)	Decrease in personnel services for worker's compensation due to the allocation of the City's cost based on the Division's experience rating and
(27,450)	Decrease in purchased services for outsourced professional, legal, and engineering services.
(49,940)	Decrease in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
(142,666)	Decrease in transfers for the repayment of an internal loan payment to the Power PIF Enterprise.
6,327	<u>Core Changes</u>
(1,101)	Personnel Services
(3,030)	Supplies
4,209	Purchased Services
6,249	Administrative Overhead

**\$ 302,173 TOTAL CHANGE**

## OTHER INFORMATION

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Water Utility – Source of Supply

Source of Supply (also known as Water Resources) is primarily responsible for the raw water planning, water conservation/efficiency, and water supply activities of the Department. Responsibilities include everything from day-to-day administration of water rights to long-range planning for future water needs. This section works closely with the Loveland Utilities Commission in matters concerning water resources.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Water Utility - Source of Supply		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Water Fund</b>				
SOURCE OF SUPPLY	2,240,081	2,089,070	2,649,850	2,860,960
<b>Total Water</b>	<b>\$ 2,240,081</b>	<b>\$ 2,089,070</b>	<b>\$ 2,649,850</b>	<b>\$ 2,860,960</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	201,583	293,090	293,090	253,718
SUPPLIES	8,768	5,300	5,300	5,400
PURCHASED SERVICES	2,029,730	1,790,680	2,351,460	2,601,842
<b>Total Expense</b>	<b>\$ 2,240,081</b>	<b>\$ 2,089,070</b>	<b>\$ 2,649,850</b>	<b>\$ 2,860,960</b>
<b>FTE</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.31</b>



## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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390,000	Increase in purchased services for outsourced professional, legal, and engineering services.
180,000	Increase in purchased services for the CBT Facilities Contract expenses.
130,000	Increase in purchased services for the CBT Assessment expenses.
109,600	Increase in purchased services for the Windy Gap Assessment.
(5,008)	Increase in personnel services for Insurance Benefits due to historical enrollment.
(32,702)	<u>Core Changes</u>
(34,364)	Personnel Services
100	Supplies
1,562	Purchased Services

**\$ 771,890 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Water Utility – Transmission Distribution

Transmission and Distribution is comprised of equipment operators who maintain the water transmission and distribution systems. They repair water line leaks, clean treated water tanks, and flush fire hydrants. The Warehouse responsibilities include storing and delivering inventory items used by all City departments. Water Metering is responsible for repairing and maintaining water meters, assisting contractors with new taps, and testing meters. Included is Engineering to review all new development proposals. Also included is Information Technology to operate the computerized drafting and GIS and to take care of the Department's technology needs such as specialized software applications and maintenance. Technical Services is also part of this division, as well as the locating done for water.

ACTIVITY		DEPARTMENT		
Water Utility - Transmission & Distribution		Water & Power		
	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
EXPENSE BY Division/Program				
Water Fund				
TRANSMISSION & DISTRIBUTION	8,679,276	4,967,110	7,588,563	4,633,628
Total Water	\$ 8,679,276	\$ 4,967,110	\$ 7,588,563	\$ 4,633,628
Water SIF Fund				
TRANSMISSION & DISTRIBUTION	1,972,954	75,000	216,030	380,140
Total Water SIF	\$ 1,972,954	\$ 75,000	\$ 216,030	\$ 380,140
Total Expense	\$ 10,652,230	\$ 5,042,110	\$ 7,804,593	\$ 5,013,768
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,541,913	1,807,540	1,807,540	1,968,348
SUPPLIES	397,809	347,090	267,690	381,850
PURCHASED SERVICES	1,033,406	702,480	608,180	960,979
CAPITAL	7,679,102	2,185,000	5,121,183	1,702,591
Total Expense	\$ 10,652,230	\$ 5,042,110	\$ 7,804,593	\$ 5,013,768
FTE	21.59	22.55	22.55	22.43

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

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230,000	Increase in purchased services for outsourced professional, legal, and engineering services.
16,639	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
15,810	Increase in supplies for parts, general supplies, and lab supplies.
14,550	Increase in personnel services for Insurance Benefits due to historical enrollment.
13,500	Increase in supplies for sand, gravel, and asphalt.
(482,409)	Decrease in capital based on the ten-year capital program.
163,568	<u>Core Changes</u>
146,258	Personnel Services
5,450	Supplies
11,860	Purchased Services

**\$ (28,342) TOTAL CHANGE**

## OTHER INFORMATION

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Water Utility – Treatment

Treatment Operations provides water treatment and production and water quality laboratories. Certified plant operators monitor treatment processes and testing. Laboratory personnel perform analyses of the water to insure proper treatment is accomplished. Engineering reviews all new development proposals with respect to water design and construction. Technical Services provides technicians who maintain and repair all water treatment plant controls and water pumping stations throughout the city.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Water Utility - Treatment		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Water Fund</b>				
TREATMENT	4,893,819	2,872,990	11,404,660	3,257,972
<b>Total Water</b>	<b>\$ 4,893,819</b>	<b>\$ 2,872,990</b>	<b>\$ 11,404,660</b>	<b>\$ 3,257,972</b>
<b>Water SIF Fund</b>				
TREATMENT	3,140,132	-	12,650,300	321,250
<b>Total Water SIF</b>	<b>\$ 3,140,132</b>	<b>\$ -</b>	<b>\$ 12,650,300</b>	<b>\$ 321,250</b>
<b>Total Expense</b>	<b>\$ 8,033,951</b>	<b>\$ 2,872,990</b>	<b>\$ 24,054,960</b>	<b>\$ 3,579,222</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	1,251,418	1,383,940	1,383,940	1,551,091
SUPPLIES	558,878	614,790	594,790	624,190
PURCHASED SERVICES	724,628	874,260	887,510	868,524
CAPITAL	5,499,027	-	21,188,720	535,417
<b>Total Expense</b>	<b>\$ 8,033,951</b>	<b>\$ 2,872,990</b>	<b>\$ 24,054,960</b>	<b>\$ 3,579,222</b>
<b>FTE</b>	<b>15.62</b>	<b>15.71</b>	<b>15.71</b>	<b>17.82</b>

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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535,417	Increase in capital based on the ten-year capital program.
23,974	Increase in personnel services for Insurance Benefits due to historical enrollment.
10,000	Increase in supplies for parts, general supplies, and lab supplies.
9,250	Increase in purchased services for general repair and maintenance.
8,850	Increase in utilities costs.
7,334	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
(30,000)	Decrease in purchased services for anticipated waste disposal costs.
141,407	<u>Core Changes</u>
143,177	Personnel Services
(600)	Supplies
(1,170)	Purchased Services

**\$ 706,232 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Water Utility – Customer Relations

Customer Relations supports the Water Utility by providing value-added services through sustainable programs and creative solutions in a responsive manner. Customer Relations provides individualized service, honest communications and respectful relationships with water customers. Customer Relations manages all Key Accounts projects for the water division. Customer Relations provides useful solutions that promote water conservation. Customer Relations manages all of the commercial and residential water conservation programs. Customer Relations also provides media relations including press releases and marketing events for Water Utility projects and programs. Customer Relations also coordinates business relationships and joint programs with several northern Colorado utility influences as well as marketing and branding the utility.

ACTIVITY		DEPARTMENT			
Water Utility - Customer Relations		Water & Power			
EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget	
Water Fund					
CUSTOMER RELATIONS	242,044	326,150	276,150	339,276	
Total Water	\$ 242,044	\$ 326,150	\$ 276,150	\$	339,276
EXPENSE BY CATEGORY					
PERSONNEL SERVICES	82,861	119,510	119,510	160,410	
SUPPLIES	24,404	16,090	16,090	17,130	
PURCHASED SERVICES	134,779	190,550	140,550	161,736	
Total Expense	\$ 242,044	\$ 326,150	\$ 276,150	\$	339,276
FTE	2.08	2.08	2.08	1.71	

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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7,048 Increase in personnel services for Insurance Benefits due to historical enrollment.  
(6,920) Decrease in purchased services for advertising services.  
(19,250) Decrease in purchased services for public relations services.

32,248 Core Changes  
33,852 Personnel Services  
1,040 Supplies  
(2,644) Purchased Services

**\$ 13,126 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Raw Water Utility

The Raw Water Utility is to account for costs associated with the planning, acquisition and storing of raw water to supply the City with the water necessary to meet residential and commercial needs.

ACTIVITY				DEPARTMENT
Raw Water				Water & Power
EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Raw Water Fund</b>				
BUSINESS/FINANCE	826,625	827,500	827,500	848,980
LOAN TO WATER	-	-	13,000,000	-
WATER RESOURCES	197,495	1,207,100	1,207,100	2,627,920
<b>Total Expense</b>	<b>\$ 1,024,120</b>	<b>\$ 2,034,600</b>	<b>\$ 15,034,600</b>	<b>\$ 3,476,900</b>
<b>REVENUE</b>				
<b>Raw Water Fund</b>				
INTEREST	397,978	219,400	219,400	237,270
OTHER	893,665	1,193,340	1,200,928	515,580
IMPACT FEES	627,810	335,000	335,000	291,970
CASH IN LIEU	46,200	250,000	250,000	250,000
TRANSFERS	8,589	-	-	72,820
<b>Total Reveue</b>	<b>\$ 1,974,242</b>	<b>\$ 1,997,740</b>	<b>\$ 2,005,328</b>	<b>\$ 1,367,640</b>
<b>EXPENSE BY CATEGORY</b>				
PURCHASED SERVICES	7,044	7,100	7,100	7,100
DEBT SERVICE				
PRINCIPAL	675,000	711,250	711,250	770,000
INTEREST	151,625	116,250	116,250	78,980
TRANSFERS	-	-	13,000,000	
CAPITAL	190,451	1,200,000	1,200,000	2,620,820
<b>Total Expense</b>	<b>\$ 1,024,120</b>	<b>\$ 2,034,600</b>	<b>\$ 15,034,600</b>	<b>\$ 3,476,900</b>
<b>FTE</b>	-	-	-	-



## Raw Water Utility – Business/Finance

Business/Finance is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this division, and is responsible for the long-range financial planning, annual updating of rates charges and fees, annual budget, monthly financial reports, year-end financial processing, processing of accounts payable and accounts receivable, payroll processing and tracking of project costs for the Department. Customer Relations is also part of this division, and provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Raw Water Utility- Business/Finance		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Raw Water Fund</b>				
BUSINESS/FINANCE	826,625	827,500	827,500	848,980
LOAN TO WATER	-	-	13,000,000	-
<b>Total Expense</b>	<b>\$ 826,625</b>	<b>\$ 827,500</b>	<b>\$ 13,827,500</b>	<b>\$ 848,980</b>
<b>EXPENSE BY CATEGORY</b>				
DEBT SERVICE				
PRINCIPAL	675,000	711,250	13,711,250	770,000
INTEREST	151,625	116,250	116,250	78,980
<b>Total Expense</b>	<b>\$ 826,625</b>	<b>\$ 827,500</b>	<b>\$ 13,827,500</b>	<b>\$ 848,980</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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58,750	Increase in principle on the Windy Gap Firing project.
(37,270)	Decrease in interest on the Windy Gap Firing project.

**\$ 21,480 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Raw Water Utility – Water Resources

Water Resources is primarily responsible for the raw water planning, water conservation/efficiency, and water supply activities of the Department. Responsibilities include everything from day-to-day administration of water rights to long-range planning for future water needs. This section works closely with the Loveland Utilities Commission in matters concerning water resources.

ACTIVITY	DEPARTMENT
Raw Water Utility- Water Resources	Water & Power

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Raw Water Fund</b>				
WATER RESOURCES	\$ 197,495	\$ 1,207,100	\$ 1,207,100	\$ 2,627,920
<b>EXPENSE BY CATEGORY</b>				
PURCHASED SERVICES	7,044	7,100	7,100	7,100
CAPITAL	190,451	1,200,000	1,200,000	2,620,820
<b>Total Expense</b>	\$ 197,495	\$ 1,207,100	\$ 1,207,100	\$ 2,627,920
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

1,420,820 Increase in capital based on the ten-year capital program.

**\$ 1,420,820 TOTAL CHANGE**

## OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Wastewater Utility

The Wastewater Utility Division consists of all groups and programs responsible for the day-to-day operations, engineering, and management for the Department's Wastewater Utility. Groups within the Utility also provide some support services to the Power Operations Division such as utility locates, inspection, and GIS.

The following sections comprise the Wastewater Utility Division:

- Construction and Inspection
- Technical Services
- Engineering
- Treatment Operations
- Information Technology
- Water Resources
- Maintenance and Operations
- Water Metering

**ACTIVITY**

Wastewater

**DEPARTMENT**

Water &amp; Power

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Wastewater Fund</b>				
ADMINISTRATION & GENERAL	3,793,240	1,587,110	1,747,767	1,906,568
TREATMENT	3,863,686	6,570,690	10,088,991	20,476,953
COLLECTION SYSTEM	2,176,050	2,829,800	5,112,190	4,215,228
GENERAL PLANT - CAPITAL	361,703	375,000	380,854	130,000
CUSTOMER RELATIONS	53,134	57,420	57,420	40,822
<b>Total Wastewater</b>	<b>\$ 10,247,813</b>	<b>\$ 11,420,020</b>	<b>\$ 17,387,222</b>	<b>\$ 26,769,571</b>
<b>Wastewater SIF Fund</b>				
ADMINISTRATION & GENERAL	4,239	8,770	14,600	172,443
TREATMENT	126,176	640,760	1,375,504	10,486,631
COLLECTION SYSTEM	461,341	660,000	660,000	80,310
<b>Total Wastewater SIF</b>	<b>\$ 591,756</b>	<b>\$ 1,309,530</b>	<b>\$ 2,050,104</b>	<b>\$ 10,739,384</b>
<b>Total Expense</b>	<b>\$ 10,839,569</b>	<b>\$ 12,729,550</b>	<b>\$ 19,437,326</b>	<b>\$ 37,508,955</b>
<b>REVENUE</b>				
<b>Wastewater Fund</b>				
INTERGOVERNMENTAL	352,238	1,432,090	1,432,090	500,000
UTILITY CHARGES	8,581,073	9,366,440	9,366,440	10,500,940
INTEREST	136,506	26,520	26,520	103,760
OTHER	1,461,702	53,920	53,920	96,990
BOND PROCEEDS	-	-	-	16,000,000
TRANSFERS	-	-	-	170
<b>Total Wastewater</b>	<b>\$ 10,531,519</b>	<b>\$ 10,878,970</b>	<b>\$ 10,878,970</b>	<b>\$ 27,201,860</b>
<b>Wastewater SIF Fund</b>				
INTEREST	96,778	58,440	58,440	108,410
TRANSFERS	23,301	10,000	15,892	12,460
IMPACT FEES	1,552,549	1,131,210	1,131,210	1,386,350
BOND PROCEEDS	-	10,000,000	10,000,000	8,900,000
<b>Total Wastewater SIF</b>	<b>\$ 1,672,628</b>	<b>\$ 11,199,650</b>	<b>\$ 11,205,542</b>	<b>\$ 10,407,220</b>
<b>Total Revenue</b>	<b>\$ 12,204,147</b>	<b>\$ 22,078,620</b>	<b>\$ 22,084,512</b>	<b>\$ 37,609,080</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,568,369	3,050,460	3,050,460	3,265,280
SUPPLIES	481,622	561,280	656,965	565,290
PAYMENT IN LIEU OF TAXES	596,151	655,650	655,650	735,070
PURCHASED SERVICES	1,991,898	2,919,390	3,047,258	2,825,987
ADMINISTRATIVE OVERHEAD	366,711	386,940	386,940	425,656
OTHER	314,264	-	-	-
DEPRECIATION	2,147,621	-	-	-
DEBT SERVICE	-	-	-	352,750
TRANSFERS	9,134	33,230	84,580	107,410
CAPITAL	2,363,799	5,122,600	11,555,473	29,231,512
<b>Total Expense</b>	<b>\$ 10,839,569</b>	<b>\$ 12,729,550</b>	<b>\$ 19,437,326</b>	<b>\$ 37,508,955</b>
<b>FTE</b>	<b>32.90</b>	<b>35.86</b>	<b>35.86</b>	<b>35.36</b>

## Wastewater Utility – Administration & General

Administration and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this division, and is responsible for the long-range financial planning, annual updating of rates charges and fees, annual budget, monthly financial reports, year-end financial processing, processing of accounts payable and accounts receivable, payroll processing and tracking of project costs for the Department. Customer Relations is also part of this division, and provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

ACTIVITY	DEPARTMENT
Wastewater Utility- Administration & General	Water & Power

EXPENSE BY Division/Program	‘14 Actual	‘15 Adopted Budget	‘15 Revised Budget as of June	‘16 Budget
<b>Wastewater Fund</b>				
ADMINISTRATION & GENERAL	3,793,240	1,587,110	1,747,767	1,906,568
<b>Total Wastewater</b>	<b>\$ 3,793,240</b>	<b>\$ 1,587,110</b>	<b>\$ 1,747,767</b>	<b>\$ 1,906,568</b>

<b>Wastewater SIF Fund</b>				
ADMINISTRATION & GENERAL	4,239	8,770	14,600	172,443
<b>Total Wastewater SIF</b>	<b>\$ 4,239</b>	<b>\$ 8,770</b>	<b>\$ 14,600</b>	<b>\$ 172,443</b>
<b>Total Expense</b>	<b>\$ 3,797,479</b>	<b>\$ 1,595,880</b>	<b>\$ 1,762,367</b>	<b>\$ 2,079,011</b>

<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	200,377	225,930	225,930	237,266
SUPPLIES	87,519	131,750	227,435	108,266
PAYMENT IN LIEU OF TAXES	596,151	655,650	655,650	735,070
PURCHASED SERVICES	75,702	162,380	181,832	112,593
ADMINISTRATIVE OVERHEAD	366,711	386,940	386,940	425,656
OTHER	314,264	-	-	-
DEPRECIATION	2,147,621	-	-	-
DEBT SERVICE	-	-	-	352,750
TRANSFERS	9,134	33,230	84,580	107,410
<b>Total Expense</b>	<b>\$ 3,797,479</b>	<b>\$ 1,595,880</b>	<b>\$ 1,762,367</b>	<b>\$ 2,079,011</b>

<b>FTE</b>	<b>1.90</b>	<b>2.90</b>	<b>2.90</b>	<b>1.93</b>
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## CHANGES COMPARED TO PRIOR YEAR ADOPTED

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74,180	Increase in transfers to Art in Public Places for the 1% for the Arts contribution based on the capital program.
352,750	Increase in debt service for Wastewater Digester # 3 project.
79,420	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
24,159	Increase in administrative overhead for costs allocated by Finance based on the allocation methodology.
11,601	Increase in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
(12,130)	Decrease in supplies for the Enterprise's share of capital assets which are utilized by Water, Power, and Wastewater Enterprise's.
(12,290)	Decrease in supplies for computer software and equipment.
(17,080)	Decrease in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
(35,650)	Decrease in purchased services for outsourced professional, legal, and engineering services.
18,171	<u>Core Changes</u>
11,336	PERSONNEL SERVICES
936	SUPPLIES
2,943	PURCHASED SERVICES
2,956	ADMINISTRATIVE OVERHEAD

**\$ 483,131 TOTAL CHANGE**

## OTHER INFORMATION

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Wastewater Utility – Collection

Collection is comprised of equipment operators who maintain the wastewater collection systems. They inspect, wash, and repair sewer lines and manholes. Included is Engineering to review all new development proposals. Also included is Information Technology to operate the computerized drafting and GIS, and to take care of the Department's IT needs such as specialized software applications and maintenance. Technical Services is also part of this division, responsible for the wastewater lift stations throughout the City.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Wastewater Utility- Collection System		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Wastewater Fund</b>				
COLLECTION SYSTEM	2,176,050	2,829,800	5,112,190	4,215,228
<b>Total Wastewater</b>	<b>\$ 2,176,050</b>	<b>\$ 2,829,800</b>	<b>\$ 5,112,190</b>	<b>\$ 4,215,228</b>
<b>Wastewater SIF Fund</b>				
COLLECTION SYSTEM	461,341	660,000	660,000	80,310
<b>Total Wastewater SIF</b>	<b>\$ 461,341</b>	<b>\$ 660,000</b>	<b>\$ 660,000</b>	<b>\$ 80,310</b>
<b>Total Expense</b>	<b>\$ 2,637,391</b>	<b>\$ 3,489,800</b>	<b>\$ 5,772,190</b>	<b>\$ 4,295,538</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	1,020,826	1,308,740	1,308,740	1,424,898
SUPPLIES	123,100	175,490	175,490	192,784
PURCHASED SERVICES	543,839	865,570	975,000	1,055,576
CAPITAL	949,626	1,140,000	3,312,960	1,622,280
<b>Total Expense</b>	<b>\$ 2,637,391</b>	<b>\$ 3,489,800</b>	<b>\$ 5,772,190</b>	<b>\$ 4,295,538</b>
<b>FTE</b>	<b>12.00</b>	<b>13.88</b>	<b>13.88</b>	<b>17.58</b>



## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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482,280	Increase in capital based on the ten-year capital program.
130,000	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
57,830	Increase in purchased services for general repair and maintenance.
11,990	Increase in supplies for parts, general supplies, and lab supplies.

123,638	<u>Core Changes</u>
116,158	Personnel Services
5,304	Supplies
2,176	Purchased Services

**\$ 805,738 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Wastewater Utility – Treatment

Wastewater Treatment Operations provides wastewater treatment and reclamation and water quality laboratories. Certified plant operators monitor treatment processes and perform operational testing. Water Quality personnel perform regulatory analyses of the water to insure regulatory compliance with the State issued discharge permit. Technical Services provides technicians who maintain and repair all wastewater treatment plant controls equipment.

ACTIVITY		DEPARTMENT		
Wastewater Utility- Treatment		Water & Power		
	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
EXPENSE BY Division/Program				
Wastewater Fund				
TREATMENT	3,863,686	6,570,690	10,088,991	20,476,953
Total Wastewater	\$ 3,863,686	\$ 6,570,690	\$ 10,088,991	\$ 20,476,953
Wastewater SIF Fund				
TREATMENT	126,176	640,760	1,375,504	10,486,631
Total Wastewater SIF	\$ 126,176	\$ 640,760	\$ 1,375,504	\$ 10,486,631
Total Expense	\$ 3,989,862	\$ 7,211,450	\$ 11,464,495	\$ 30,963,584
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,301,000	1,467,280	1,467,280	1,572,726
SUPPLIES	269,301	253,010	253,010	261,990
PURCHASED SERVICES	1,367,091	1,883,560	1,882,546	1,649,636
CAPITAL	1,052,470	3,607,600	7,861,659	27,479,232
Total Expense	\$ 3,989,862	\$ 7,211,450	\$ 11,464,495	\$ 30,963,584
FTE	18.00	18.08	18.08	15.55

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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23,871,632	Increase in capital based on the ten-year capital program.
23,832	Increase in purchased services for utility costs.
22,280	Increase in purchased services for general repair and maintenance.
18,300	Increase in purchased services for waste disposal.
10,000	Increase in supplies for general parts and supplies.
(130,000)	Decrease in purchased services for realignment of expenses for the chemical dosing stations for the lift station moved to the Collections program.
(172,800)	Decrease in purchased services for outsourced professional, legal, and engineering services.
108,890	<u>Core Changes</u>
105,446	Personnel Services
(1,020)	Supplies
4,464	Purchased Services

**\$23,752,134 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Wastewater Utility – Customer Relations

Customer Relations supports the Wastewater Utility by providing value added services through sustainable programs and creative solutions in a responsive manner. Customer Relations provides individualized service, honest communications and respectful relationships with wastewater customers. Customer Relations manages all Key Accounts projects for the Wastewater Utility. Customer Relations provides useful solutions that promote water conservation. Customer Relations manages all of the commercial and residential water conservation programs. Customer Relations also provides media relations including press releases and marketing events for water division projects and programs. Customer Relations also coordinates business relationships and joint programs with several northern Colorado utility influences as well as marketing and branding the utility.

ACTIVITY	DEPARTMENT
Wastewater Utility- Customer Relations	Water & Power

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Wastewater Fund</b>				
CUSTOMER RELATIONS	\$ 53,134	\$ 57,420	\$ 57,420	\$ 40,822
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	46,166	48,510	48,510	30,390
SUPPLIES	1,702	1,030	1,030	2,250
PURCHASED SERVICES	5,266	7,880	7,880	8,182
<b>Total Expense</b>	\$ 53,134	\$ 57,420	\$ 57,420	\$ 40,822
<b>FTE</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.30</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

(16,598)	<u>Core Changes</u>
(18,120)	Personnel Services
1,220	Supplies
302	Purchased Services

**\$ (16,598) TOTAL CHANGE**

## OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Wastewater Utility – General Plant Capital

ACTIVITY	DEPARTMENT
Wastewater Utility- General Plant Capital	Water & Power

EXPENSE BY Division/Program	‘14 Actual	‘15 Adopted Budget	‘15 Revised Budget as of June	‘16 Budget
<b>Wastewater Fund</b>				
GENERAL PLANT CAPITAL	\$ 361,703	\$ 375,000	\$ 380,854	\$ 130,000

EXPENSE BY CATEGORY	‘14 Actual	‘15 Adopted Budget	‘15 Revised Budget as of June	‘16 Budget
CAPITAL	361,703	375,000	380,854	130,000
<b>Total Expense</b>	<b>\$ 361,703</b>	<b>\$ 375,000</b>	<b>\$ 380,854</b>	<b>\$ 130,000</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

(245,000) Decrease in capital based on the ten-year capital program.

**\$ (245,000) TOTAL CHANGE**

## OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Power Utility

The Power Operations Division maintains the City of Loveland's electric distribution system. In 2014, the average service availability for the system was 99.99%. The City is a retail distributor of electricity to 34,487 customers in and around Loveland, as well as a wholesale distributor of electricity to Xcel Energy. Loveland residents pay the second lowest rates in the state for their electricity.

The City purchases electricity from Platte River Power Authority (PRPA). The municipalities of Estes Park, Fort Collins, Longmont and Loveland formed PRPA in 1973 to manage and operate the transmission and generation system. In 2014, the electricity consumed by the four cities was generated by the following sources; 74.2% coal, 19.1% hydroelectric, 4.8% Wind Power and Renewable Energy Certificates, 1.7% other, and 0.2% natural gas.

The Power Operations Division operates and maintains the electric utility system. The division plans, designs, and builds the system improvements needed to meet our customer's electrical needs at the lowest possible cost while providing a high level of reliability. In 2014, the Division designed and constructed approximately \$6,900,000 in projects. In 2016, the Division anticipates designing and constructing over \$9,300,000 in distribution system improvement and expansion projects.

ACTIVITY	DEPARTMENT			
Power Utility	Water & Power			

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Power Fund</b>				
ADMINISTRATION & GENERAL	11,361,547	6,992,150	7,186,779	7,331,676
DISTRIBUTION	6,695,471	10,378,280	13,491,524	13,485,759
HYDRO-GENERATION	1,847,120	1,163,260	4,897,934	1,157,875
PURCHASED POWER	39,499,067	42,259,770	42,259,770	42,673,764
AID-TO-CONSTRUCTION	1,235,527	748,840	748,840	1,102,772
GENERAL PLANT - CAPITAL	591,349	335,000	659,706	773,451
SERVICE INSTALLATIONS	153,342	128,770	128,770	169,579
CUSTOMER RELATIONS	1,061,113	1,145,400	1,145,400	1,157,346
<b>Total Power</b>	<b>\$ 62,444,536</b>	<b>\$ 63,151,470</b>	<b>\$ 70,518,723</b>	<b>\$ 67,852,222</b>
<b>Power PIF Fund</b>				
ADMINISTRATION & GENERAL	1,510,516	264,640	264,640	298,750
DISTRIBUTION	2,003,666	1,799,780	3,180,130	4,243,610
<b>Total Power PIF</b>	<b>\$ 3,514,182</b>	<b>\$ 2,064,420</b>	<b>\$ 3,444,770</b>	<b>\$ 4,542,360</b>
<b>Total Expense</b>	<b>\$ 65,958,718</b>	<b>\$ 65,215,890</b>	<b>\$ 73,963,493</b>	<b>\$ 72,394,582</b>
<b>REVENUE</b>				
<b>Power Fund</b>				
INTERGOVERNMENTAL	18,357	4,812,500	4,812,500	-
UTILITY CHARGES	52,638,251	57,180,680	57,180,680	58,665,860
INTEREST	290,117	128,910	128,910	256,680
OTHER	4,018,181	1,128,950	1,176,140	1,202,220
TRANSFERS	4,030	-	4,551	5,890
AID-TO-CONSTRUCTION	685,794	1,220,000	1,220,000	1,790,000
<b>Total Power Fund</b>	<b>\$ 57,654,730</b>	<b>\$ 64,471,040</b>	<b>\$ 64,522,781</b>	<b>\$ 61,920,650</b>
<b>Power PIF Fund</b>				
INTEREST	67,973	33,250	33,250	45,850
OTHER	40,708	-	-	-
TRANSFERS	801,038	996,550	976,637	824,150
IMPACT FEES	2,515,344	2,741,830	2,741,830	2,741,830
<b>Total Power PIF</b>	<b>\$ 3,425,063</b>	<b>\$ 3,771,630</b>	<b>\$ 3,751,717</b>	<b>\$ 3,611,830</b>
<b>Total Revenue</b>	<b>\$ 61,079,793</b>	<b>\$ 68,242,670</b>	<b>\$ 68,274,498</b>	<b>\$ 65,532,480</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,948,551	3,532,530	3,532,530	3,876,097
SUPPLIES	361,791	505,280	676,751	525,900
PAYMENT IN LIEU OF TAXES	3,629,067	4,002,650	4,002,650	4,120,990
PURCHASED SERVICES	3,892,696	3,537,390	7,352,872	5,223,156
ADMINISTRATIVE OVERHEAD	1,841,962	1,935,410	1,935,410	1,887,034
PURCHASED POWER	39,499,067	42,259,770	42,259,770	42,673,764
OTHER	355,679	-	-	-
DEPRECIATION	4,572,441	-	-	-
TRANSFERS	110,808	170,590	218,360	210,611
CAPITAL	8,746,656	9,272,270	13,985,150	13,877,030
<b>Total Expense</b>	<b>\$ 65,958,718</b>	<b>\$ 65,215,890</b>	<b>\$ 73,963,493</b>	<b>\$ 72,394,582</b>
<b>FTE</b>	<b>44.09</b>	<b>47.75</b>	<b>47.75</b>	<b>49.46</b>

# Power Utility – Administration and General

Administration and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this division, and is responsible for the long-range financial planning, annual updating of rates charges and fees, annual budget, monthly financial reports, year-end financial processing, processing of accounts payable and accounts receivable, payroll processing and tracking of project costs for the Department. Customer Relations is also part of this division, and provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

ACTIVITY	DEPARTMENT
Power Utility- Administration & General	Water & Power

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Power Fund</b>				
ADMINISTRATION & GENERAL	11,361,547	6,992,150	7,186,779	7,331,676
<b>Total Power</b>	<b>\$ 11,361,547</b>	<b>\$ 6,992,150</b>	<b>\$ 7,186,779</b>	<b>\$ 7,331,676</b>
<b>Power PIF Fund</b>				
ADMINISTRATION & GENERAL	1,510,516	264,640	264,640	298,750
<b>Total Power PIF</b>	<b>\$ 1,510,516</b>	<b>\$ 264,640</b>	<b>\$ 264,640</b>	<b>\$ 298,750</b>
<b>Total Expense</b>	<b>\$ 12,872,063</b>	<b>\$ 7,256,790</b>	<b>\$ 7,451,419</b>	<b>\$ 7,630,426</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	171,748	(997,860)	(997,860)	(919,091)
SUPPLIES	91,068	108,710	246,561	111,700
PAYMENT IN LIEU OF TAXES	3,629,067	4,002,650	4,002,650	4,120,990
PURCHASED SERVICES	265,811	309,390	318,398	454,482
ADMINISTRATIVE OVERHEAD	1,841,962	1,935,410	1,935,410	1,887,034
OTHER	355,679			
DEPRECIATION	4,572,441			
TRANSFERS	110,808	170,590	218,360	210,611
CAPITAL	1,833,479	1,727,900	1,727,900	1,764,700
<b>Total Expense</b>	<b>\$ 12,872,063</b>	<b>\$ 7,256,790</b>	<b>\$ 7,451,419</b>	<b>\$ 7,630,426</b>
<b>FTE</b>	<b>5.94</b>	<b>6.44</b>	<b>6.44</b>	<b>4.96</b>



## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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131,623	Increase in personnel services for Insurance Benefits due to the new requirements under the Health Care Reform.
118,340	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
59,095	Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
40,021	Increase in transfers to Art in Public Places for the 1% for the Arts contribution based on the capital program.
38,060	Increase in purchased services for capitalized operating expenses.
33,100	Increase in purchased services for outsourced professional, legal, and engineering services.
36,800	Increase in capital based on the ten-year capital program.
(42,808)	Decrease in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
(74,860)	Decrease in personnel services for capitalized labor.
34,265	<u>Core Changes</u>
22,006	Personnel Services
2,990	Supplies
14,837	Purchased Services
(5,568)	Administrative Overhead

**\$ 373,636 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Power Utility – Distribution Operations & Maintenance

The Power Operations Division maintains the City of Loveland's electric distribution system. The City is a retail distributor of electricity in and around Loveland, as well as a wholesale distributor to Xcel Energy. Our electricity is purchased from Platte River Power Authority (PRPA). This division operates and maintains the electric utility system by planning, designing and building system improvements.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Power Utility- Distribution		Water & Power		
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>
<b>Power Fund</b>				
DISTRIBUTION	6,695,471	10,378,280	13,491,524	13,485,759
<b>Total Power</b>	<b>\$ 6,695,471</b>	<b>\$ 10,378,280</b>	<b>\$ 13,491,524</b>	<b>\$ 13,485,759</b>
<b>Power PIF Fund</b>				
DISTRIBUTION	2,003,666	1,799,780	3,180,130	4,243,610
<b>Total Power PIF</b>	<b>\$ 2,003,666</b>	<b>\$ 1,799,780</b>	<b>\$ 3,180,130</b>	<b>\$ 4,243,610</b>
<b>Total Expense</b>	<b>\$ 8,699,137</b>	<b>\$ 12,178,060</b>	<b>\$ 16,671,654</b>	<b>\$ 17,729,369</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,043,605	4,210,240	4,210,240	4,461,803
SUPPLIES	245,968	354,140	387,760	385,230
PURCHASED SERVICES	1,030,076	1,281,920	1,353,720	2,783,876
CAPITAL	5,379,488	6,331,760	10,719,934	10,098,460
<b>Total Expense</b>	<b>\$ 8,699,137</b>	<b>\$ 12,178,060</b>	<b>\$ 16,671,654</b>	<b>\$ 17,729,369</b>
<b>FTE</b>	<b>36.33</b>	<b>39.49</b>	<b>39.49</b>	<b>41.32</b>

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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3,766,700	Increase in capital based on the ten-year capital program.
1,413,000	Increase in purchased services for outsourced professional, legal, and engineering services.
148,152	Increase in personnel services for more part-time and temporary employees.
71,820	Increase in purchased services for general repair and maintenance.
30,030	Increase in supplies for computer software and equipment.
13,356	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
108,251	<u>Core Changes</u>
103,411	Personnel Services
1,060	Supplies
3,780	Purchased Services

**\$ 5,551,309 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

# Power Utility – Hydroelectric Generation

Hydroelectric Generation is currently under the Technical Services Section. The Hydro budget is used to fund the environmental mitigation of the Idlewild Dam area which was lost in the Flood of 2013. There was a small hydroelectric generating plant in the Big Thompson Canyon that is being removed and the land is being restored to National Forest Service specifications.

ACTIVITY	DEPARTMENT
Power Utility- Hydro-Generation	Water & Power

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Power Fund</b>				
HYDRO-GENERATION	\$ 1,847,120	\$ 1,163,260	\$ 4,897,934	\$ 1,157,875
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	24,172	9,510	9,510	7,875
PURCHASED SERVICES	1,822,948	1,153,750	4,888,424	1,150,000
<b>Total Expense</b>	\$ 1,847,120	\$ 1,163,260	\$ 4,897,934	\$ 1,157,875
<b>FTE</b>	<b>0.32</b>	<b>0.32</b>	<b>0.32</b>	<b>0.07</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

(3,750) Decrease in purchased services for vehicle maintenance based on projected fuel and maintenance costs.

(1,635) Core Changes  
(1,635) Personnel Services

**\$ (5,385) TOTAL CHANGE**  
TRUE

## OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Power Utility – Purchased Power

The City of Loveland's electricity is purchased from Platte River Power Authority (PRPA). PRPA is the manufacturer of power and, in addition to Loveland, serves the power to Fort Collins, Estes Park, and Longmont.

ACTIVITY	DEPARTMENT
Power Utility- Purchased Power	Water & Power

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Power Fund</b>				
PURCHASED POWER	\$ 39,499,067	\$ 42,259,770	\$ 42,259,770	\$ 42,673,764
<b>EXPENSE BY CATEGORY</b>				
PURCHASED POWER	39,499,067	42,259,770	42,259,770	42,673,764
<b>Total Expense</b>	<b>\$ 39,499,067</b>	<b>\$ 42,259,770</b>	<b>\$ 42,259,770</b>	<b>\$ 42,673,764</b>
 <b>FTE</b>	 <b>0.00</b>	 <b>0.00</b>	 <b>0.00</b>	 <b>0.00</b>

### CHANGES COMPARED TO PRIOR YEAR ADOPTED

413,994 Increase in purchased power from Platt River Power Authority.

**\$ 413,994 TOTAL CHANGE**

### OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Power Utility – Aid-to-Construction

Aid-to-Construction reflects the costs that the customers contributed to the Power system. An example of this would be a developer's cost to install the power system in a new subdivision.

ACTIVITY	DEPARTMENT
Power Utility- Aid-to-Construction	Water & Power

EXPENSE BY Division/Program	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>Power Fund</b>				
AID-TO-CONSTRUCTION	\$ 1,235,527	\$ 748,840	\$ 748,840	\$ 1,102,772
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	323,466	-	-	20,042
CAPITAL	912,061	748,840	748,840	1,082,730
<b>Total Expense</b>	<b>\$ 1,235,527</b>	<b>\$ 748,840</b>	<b>\$ 748,840</b>	<b>\$ 1,102,772</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### CHANGES COMPARED TO PRIOR YEAR ADOPTED

333,890	Increase in capital based on the ten-year capital program.
20,042	Increase in personnel services for Insurance Benefits due to the new requirements under the Health Care Reform.

**\$ 353,932 TOTAL CHANGE**

### OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Power Utility – General Plant Capital

General Plant Capital is the expense to acquire assets that are used throughout the power facility, and not identifiable to one specific purpose or project.

ACTIVITY	DEPARTMENT
Power Utility- General Plant Capital	Water & Power

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Power Fund</b>				
GENERAL PLANT CAPITAL	\$ 591,349	\$ 335,000	\$ 659,706	\$ 773,451
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	1,467	-	-	81
CAPITAL	589,882	335,000	659,706	773,370
<b>Total Expense</b>	<b>\$ 591,349</b>	<b>\$ 335,000</b>	<b>\$ 659,706</b>	<b>\$ 773,451</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### CHANGES COMPARED TO PRIOR YEAR ADOPTED

438,370 Increase in capital based on the ten-year capital program.

81 Increase in personnel services for Insurance Benefits due to the new requirements under the Health Care Reform.

**\$ 438,451 TOTAL CHANGE**

### OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.

## Power Utility – Service Installations

The service installations includes the costs to install the cable connection from the Power Line to the customers' power meter.

ACTIVITY	DEPARTMENT
Power Utility- Service Installations	Water & Power

	'14 Actual	'15 Adopted Budget	'15 Revised Budget as of June	'16 Budget
<b>EXPENSE BY Division/Program</b>				
<b>Power Fund</b>				
SERVICE INSTALLATIONS	\$ 153,342	\$ 128,770	\$ 128,770	\$ 169,579
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	121,596	-	-	11,809
CAPITAL	31,746	128,770	128,770	157,770
<b>Total Expense</b>	<b>\$ 153,342</b>	<b>\$ 128,770</b>	<b>\$ 128,770</b>	<b>\$ 169,579</b>
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### CHANGES COMPARED TO PRIOR YEAR ADOPTED

29,000	Increase in capital based on the ten-year capital program.
11,809	Increase in personnel services for Insurance Benefits due to the new requirements under the Health Care Reform.
<b>\$ 40,809</b>	<b>TOTAL CHANGE</b>

### OTHER INFORMATION

- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.



## Power Utility – Customer Relations

Customer Relations supports the Power Utility by providing value-added services through sustainable programs and creative solutions in a responsive manner. Customer Relations provides individualized service, honest communication and respectful relationships with power customers. Customer Relations manages all Key Accounts projects for the Power Utility. Customer Relations provides useful solutions that promote energy efficiency. Customer Relations manages all of the commercial and residential energy efficiency and DSM programs. Customer Relations also provides media relations including press releases and marketing events for Power Utility projects and programs. Customer Relations also coordinates business relationships and joint programs with several Northern Colorado utility influences as well as marketing and branding the utility.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>			
Power Utility- Customer Relations		Water & Power			
<b>EXPENSE BY Division/Program</b>	<b>'14 Actual</b>	<b>'15 Adopted Budget</b>	<b>'15 Revised Budget as of June</b>	<b>'16 Budget</b>	
<b>Power Fund</b>					
CUSTOMER RELATIONS	\$ 1,061,113	\$ 1,145,400	\$ 1,145,400	\$ 1,157,346	
<b>EXPENSE BY CATEGORY</b>					
PERSONNEL SERVICES	262,497	310,640	310,640	293,578	
SUPPLIES	24,755	42,430	42,430	28,970	
PURCHASED SERVICES	773,861	792,330	792,330	834,798	
<b>Total Expense</b>	<b>\$ 1,061,113</b>	<b>\$ 1,145,400</b>	<b>\$ 1,145,400</b>	<b>\$ 1,157,346</b>	
<b>FTE</b>	<b>1.50</b>	<b>1.50</b>	<b>1.50</b>	<b>3.11</b>	

## **CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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72,420	Increase in purchased services for outsourced professional, legal, and engineering services.
7,827	Increase in personnel services for Insurance Benefits due to the new requirements under the Health Care Reform.
(24,955)	Decrease in personnel services for part-time and temporary employees.
(33,000)	Decrease in purchased services for public relations services.
(10,346)	<u>Core Changes</u>
66	Personnel Services
(13,460)	Supplies
3,048	Purchased Services

**\$ 11,946 TOTAL CHANGE**

## **OTHER INFORMATION**

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- Unfunded Supplements
  - There are no unfunded supplements in this division.
- Equipment Replacement
  - No equipment is scheduled for replacement in this division.
- Capital Projects
  - There are no capital projects anticipated for this division.