

Gaillardia



Water &
Power

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	2015 Actual	2016 Projected	2017 Projected
Provide quality customer service. (GP 18)				
Provide quality customer service. (Residential City Survey)	Rankings relative to other 13 City Services:			
	▪ Reliable Electric Service	1	1	1
	▪ Drinking Water Quality	6	5	5
	▪ Sewer Service	7	7	7
	Average Rating "Loveland delivers reliable electricity."	97%	97%	97%
	Average Rating "Loveland provides quality drinking water."	92%	93%	93%
	Average Rating "Sewer system in Loveland works reliably."	91%	91%	91%
<i>Please Note: No Surveys (NS) Conducted in 2008. Survey is conducted every other year.</i>				
Provide reliable and quality utility products and services. (GP 11b, 11c, 11d)				
Provide reliable and quality utility products and services.	Average power outage duration [minutes]. (CAIDI = Customer Average Interruption Duration Index)	92.52	95.00	90.00
	Average # of power interruptions per customer. (SAIFI = System Average Interruption Frequency Index)	0.41	0.40	0.40
	Average # of momentary outages per customer per year. (MAIFI = Momentary Average Interruption Frequency Index)	0.38	0.30	0.30
	Average service availability. (ASAI = Average Service Availability Index)	99.99%	99.99%	99.99%
	# of hours spent responding to power quality complaints	198	198	198
	# of annual water quality inquiries.	90	117	90
	# of annual water violations.	2	0	0
	# of annual sewer backups.	4	4	4
	# of annual sewer violations.	3	3	0
	# of water leaks	64	50	50

Outcome	Performance Measure	2015 Actual	2016 Projected	2017 Projected
Plan for the future. (GP 3, 11b, 11c, 11d)				
Plan for the future.	% of system capacity used to meet peak demand:			
	▪ Power	47.2%	47.5%	47.5%
	▪ Water	93.0%	100.0%	79.0%
	▪ Wastewater	67.3%	69.0%	70.0%
	▪ Organic Hydraulic	79.5%	81.0%	83.0%
Be environmentally responsible. (GP 5, 9)				
Be environmentally responsible.	# of annual residential power per capita usage. (kWh/person/year)	3,420	3,336	3,364
	# of annual residential peak day water demand. (gallons/day/person)	240	241	242
	# of annual residential per capita water usage. (gallons/person/year)	32,781	34,091	33,859
	# of Wastewater Treatment Plant Discharge Monitoring Report violations.	3	0	0
	# of Annual Department Fleet Miles	358,537	363,449	369,228
	# of annual internal environmental self-audits performed.	8	3	0
Offer safe and secure utilities. (GP 8d)				
Offer safe and secure utilities.	# of community incidents/accidents involving utility infrastructure.	30	30	30
	# of employee personal injury & motor vehicular accidents.	11	5	5
	# of reported illegal contacts with key facilities.	3	3	0
Be fiscally responsible while offering competitive rates. (GP 11b, 11c, 11d)				
Be fiscally responsible while offering competitive rates.	% of unaccounted/unmetered for distribution losses:			
	▪ Power	2.59%	2.59%	2.59%
	▪ Water	13.5%	13.4%	13.3%
	O&M cost per 100 miles.	584,428	729,872	757,737
	% variance of actual O&M expenditures to budgeted expenditures. () = Under Budget	-19.7%	0.0%	0.0%
	% variance of actual capital expenditures to budgeted expenditures. () = Under Budget	-48.7%	0.0%	0.0%
	Rate comparisons conducted with other utilities.	Yes	Yes	Yes
	# of customer rate classes.	14	14	14
Partner with the community. (GP 13, 18)				
Partner with the community.	# of key partnerships:	36	36	36
	# of Community Events:	38	36	36
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

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget	'17 Budget / '16 Adopted % Change	'16 FTE	'17 FTE
REVENUE							
Enterprise Fund							
INTERGOVERNMENTAL	1,390,025	500,000	11,755,379	-	-100.0%		
UTILITY CHARGES	76,368,634	81,973,330	81,973,330	88,071,930	7.4%		
INTEREST	857,281	893,200	893,200	1,127,300	26.2%		
IMPACT FEES	8,215,073	6,332,980	6,332,980	7,845,620	23.9%		
BOND PROCEEDS	-	24,900,000	27,693,406	-	-100.0%		
AID-TO-CONSTRUCTION	1,429,573	1,790,000	1,790,000	2,140,000	19.6%		
CASH IN LIEU	1,336,438	250,000	250,000	250,000	0.0%		
OTHER	7,229,244	3,419,280	3,449,280	2,163,600	-36.7%		
TRANSFERS	16,678,969	1,688,540	11,088,682	5,606,625	232.0%		
Total Revenue	\$ 113,505,237	\$ 121,747,330	\$ 145,226,257	\$ 107,205,075	-11.9%		
EXPENSES BY FUND							
Enterprise Fund							
WATER	35,110,561	15,901,389	23,791,817	21,647,629	36.1%	47.43	48.77
POWER	65,918,395	72,394,582	88,817,525	74,400,550	2.8%	49.46	49.46
WASTEWATER	12,018,041	37,508,955	39,214,810	23,211,299	-38.1%	35.36	37.52
WATER DEBT SERVICE FUND	6,995,825	-	-	-	-	-	-
WATER BOND DEBT 2015	3,236,084	-	-	-	-	-	-
RAW WATER	6,027,501	3,476,900	12,476,900	1,120,260	-67.8%	-	-
Total Expense	\$ 129,306,407	\$ 129,281,826	\$ 164,301,052	\$ 120,379,738	-6.9%	132.25	135.75
EXPENSES BY CATEGORY							
PERSONNEL SERVICES	10,107,419	11,414,531	11,414,531	12,645,550	10.8%		
SUPPLIES	2,346,800	2,229,490	2,300,198	2,584,828	15.9%		
PAYMENT IN LIEU OF TAXES	5,300,262	5,752,520	5,752,520	6,165,040	7.2%		
PURCHASED SERVICES	8,117,121	12,814,173	17,164,321	11,783,255	-8.0%		
PURCHASED POWER	40,629,266	42,673,764	42,673,764	43,470,597	1.9%		
ADMINISTRATIVE OVERHEAD	3,290,280	3,269,492	3,269,492	3,802,779	16.3%		
OTHER	-	-	-	-	-		
DEPRECIATION	10,254,447	-	-	-	-		
DEBT SERVICE	1,094,617	1,493,881	1,493,881	2,650,279	77.4%		
TRANSFERS	15,848,573	1,308,005	10,558,742	5,207,997	298.2%		
CAPITAL	32,317,620	48,325,970	69,673,603	32,069,413	-33.6%		
Total Expense	\$ 129,306,407	\$ 129,281,826	\$ 164,301,052	\$ 120,379,738	-6.9%		

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:

- **Location 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.

FUND	DEPARTMENT
Water Utilities	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
REVENUE				
Water Fund				
INTERGOVERNMENTAL	1,328,372	-	1,560,135	
UTILITY CHARGES	10,749,255	12,806,530	12,806,530	14,043,640
INTEREST	45,901	88,560	88,560	155,410
OTHER	2,245,077	1,604,490	1,604,490	524,490
TRANSFERS	14,886,565	752,440	1,753,832	750,000
BOND PROCEEDS	-	-	2,793,406	-
Total Water Fund	\$ 29,255,171	\$ 15,252,020	\$ 20,606,953	\$ 15,473,540
Water SIF Fund				
INTERGOVERNMENTAL	(588,399)	-	937,440	-
INTEREST	80,349	52,670	52,670	33,180
TRANSFERS	592,649	20,610	8,166,790	-
IMPACT FEES	3,022,908	1,912,830	1,912,830	2,703,360
Total Water SIF	\$ 3,107,507	\$ 1,986,110	\$ 11,069,730	\$ 2,736,540
Total Revenue	\$ 32,362,678	\$ 17,238,130	\$ 31,676,683	\$ 18,210,080
EXPENSE BY Division/Program				
Water Fund				
ADMINISTRATION & GENERAL	6,479,783	2,502,440	2,577,441	3,023,288
SOURCE OF SUPPLY	2,461,415	2,860,960	3,296,290	2,943,055
TREATMENT	8,403,776	3,257,972	5,772,562	3,583,862
DISTRIBUTION	6,727,856	4,633,628	5,745,575	5,313,092
GENERAL PLANT - CAPITAL	632,060	358,600	368,300	26,000
CUSTOMER RELATIONS	243,543	339,276	339,276	372,239
INTERFUND LOAN	1,007,615	1,176,651	1,176,651	5,870,613
Total Water	\$ 25,956,048	\$ 15,129,527	\$ 19,276,095	\$ 21,132,149
Water SIF Fund				
ADMINISTRATION & GENERAL	88,263	70,472	127,229	1,049
INTERFUND LOAN	86,200	-	-	-
TREATMENT	8,963,197	321,250	4,188,353	-
DISTRIBUTION	16,853	380,140	200,140	514,431
Total Water SIF	\$ 9,154,513	\$ 771,862	\$ 4,515,722	\$ 515,480
Total Expense	\$ 35,110,561	\$ 15,901,389	\$ 23,791,817	\$ 21,647,629
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	3,840,471	4,273,154	4,273,154	4,794,173
SUPPLIES	1,092,789	1,138,300	1,187,048	1,475,787
PAYMENT IN LIEU OF TAXES	751,824	896,460	896,460	983,050
PURCHASED SERVICES	3,824,600	4,757,930	5,271,116	4,885,419
ADMINISTRATIVE OVERHEAD	939,584	956,802	956,802	1,173,528
DEPRECIATION	3,618,423	-	-	-
DEBT SERVICE	81,600	292,151	292,151	1,013,988
TRANSFERS	1,613,999	989,984	1,054,583	4,908,154
CAPITAL	19,347,271	2,596,608	9,860,503	2,413,530
Total Expense	\$ 35,110,561	\$ 15,901,389	\$ 23,791,817	\$ 21,647,629
FTE	45.64	47.43	47.43	48.77

Water Utility – Administration & General

Administration and General is where the Cost Allocations, Payment-in-Lieu-of-Taxes (PILT) and Debt Service is budgeted. It is also where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this Cost Center, 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.

DIVISION	DEPARTMENT
Water Utility - Administration & General	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
EXPENSE BY Division/Program				
Water Fund				
ADMINISTRATION & GENERAL	6,479,783	2,502,440	2,577,441	3,023,288
GENERAL PLANT - CAPITAL	632,060	358,600	368,300	26,000
INTERFUND LOAN	1,007,615	1,176,651	1,176,651	5,870,613
Total Water	\$ 8,119,458	\$ 4,037,691	\$ 4,122,392	\$ 8,919,901
Water SIF Fund				
ADMINISTRATION & GENERAL	88,263	70,472	127,229	1,049
INTERFUND LOAN	86,200	-	-	-
Total Water SIF	\$ 174,463	\$ 70,472	\$ 127,229	\$ 1,049
Total Expense	\$ 8,293,921	\$ 4,108,163	\$ 4,249,621	\$ 8,920,950
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	388,895	339,587	339,587	402,434
SUPPLIES	40,292	109,730	153,897	154,422
PAYMENT IN LIEU OF TAXES	751,824	896,460	896,460	983,050
PURCHASED SERVICES	234,155	164,849	187,841	259,374
ADMINISTRATIVE OVERHEAD	939,584	956,802	956,802	1,173,528
DEPRECIATION	3,618,423	-	-	-
DEBT SERVICE	81,600	292,151	292,151	1,013,988
TRANSFERS	1,607,089	989,984	1,054,583	4,908,154
CAPITAL	632,060	358,600	368,300	26,000
Total Expense	\$ 8,293,921	\$ 4,108,163	\$ 4,249,621	\$ 8,920,950
FTE	3.30	3.16	3.16	3.43

CHANGES COMPARED TO PRIOR YEAR ADOPTED

3,983,375	Increase in transfers for internal loan to Raw Water.
721,837	Increase in debt service for external loan from Wells Fargo.
87,750	Increase in purchased services for replacement of skylights & wall coverings.
86,590	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
76,381	Increase in administrative overhead for costs allocated by Legal based on the allocation methodology.
61,862	Increase in administrative overhead for costs allocated by Information Technology based on the allocation methodology.
41,685	Increase in administrative overhead for costs allocated by Finance based on the allocation methodology.
29,200	Increase in supplies for computer equipment & supplies.
24,245	Increase in administrative overhead for costs allocated by Meter Reading based on the allocation methodology.
18,974	Increase in personnel services for worker's compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted
18,566	Increase in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
14,230	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
14,113	Decrease in administrative overhead for costs allocated by Utility Billing based on the allocation methodology.
8,047	Increase in personnel services for part-time Accounting Technician hourly increase from 20 hrs to 30 hrs.
2,500	Increase in purchased services for one-time Cost-of-Service Rate Study.
4,206	Increase in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
(22,553)	Decrease in administrative overhead for costs allocated by Public Grounds based on the allocation methodology.
(358,221)	<u>Core Changes</u>
21,596	Personnel Services
15,492	Supplies
69	Purchased Services
2,427	Administrative Overhead
(65,205)	Transfers
(332,600)	Capital

\$ 4,812,787 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.

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.

DIVISION	DEPARTMENT
Water Utility - Source of Supply	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
Water Fund				
SOURCE OF SUPPLY	2,461,415	2,860,960	3,296,290	2,943,055
Total Water	\$ 2,461,415	\$ 2,860,960	\$ 3,296,290	\$ 2,943,055
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	278,987	253,718	253,718	270,070
SUPPLIES	2,350	5,400	5,400	5,400
PURCHASED SERVICES	2,180,078	2,601,842	3,037,172	2,667,585
Total Expense	\$ 2,461,415	\$ 2,860,960	\$ 3,296,290	\$ 2,943,055
FTE	2.00	2.31	2.31	2.29

CHANGES COMPARED TO PRIOR YEAR ADOPTED

235,000	Increase in purchased services for Colorado-Big Thompson (CBT) Facilities
50,000	Increase in purchased services for professional, legal & engineering services for domestic water rights.
50,000	Increase in purchased services for repair and maintenance of large Water Utility related structures.
40,000	Increase in purchased services for Colorado-Big Thompson (CBT) assessments contract increase.
10,500	Increase in purchased services for Ditch Water assessments.
10,341	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
5,000	Increase in purchased services for South Platte Water Related Activities Program (SPWRAP).
(25,000)	Decrease in purchased services for Windy Gap Assessment.
(40,000)	Decrease in purchased services for professional, legal & engineering services for River's Edge.
(200,000)	Decrease in purchased services for professional, legal & engineering services for Lawn Irrigation Return Flows (LIRF'S).
(53,746)	<u>Core Changes</u>
6,011	Personnel Services
(59,757)	Purchased Services

\$ 82,095 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.

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.

DIVISION	DEPARTMENT
Water Utility - Transmission & Distribution	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
EXPENSE BY Division/Program				
Water Fund				
TRANSMISSION & DISTRIBUTION	6,727,856	4,633,628	5,745,575	5,313,092
Total Water	\$ 6,727,856	\$ 4,633,628	\$ 5,745,575	\$ 5,313,092
Water SIF Fund				
TRANSMISSION & DISTRIBUTION	16,853	380,140	200,140	514,431
Total Water SIF	\$ 16,853	\$ 380,140	\$ 200,140	\$ 514,431
Total Expense	\$ 6,744,709	\$ 5,013,768	\$ 5,945,715	\$ 5,827,523
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,749,961	1,968,348	1,968,348	2,128,474
SUPPLIES	347,599	381,850	381,850	462,705
PURCHASED SERVICES	763,954	960,979	1,176,068	974,694
TRANSFERS	6,910	-	-	-
CAPITAL	3,876,285	1,702,591	2,419,449	2,261,650
Total Expense	\$ 6,744,709	\$ 5,013,768	\$ 5,945,715	\$ 5,827,523
FTE	22.55	22.43	22.43	22.61

CHANGES COMPARED TO PRIOR YEAR ADOPTED

107,867	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
100,000	Increase in purchased services for Master Plan updates.
62,660	Increase in supplies for radios.
42,000	Increase in purchased services for utilities.
28,500	Increase in purchased services for street repair services.
20,000	Increase in purchased services for water tank inspections.
17,500	Decrease in supplies for a 2016 one-time supplement for design software
9,000	Increase in supplies for sand, gravel & asphalt.
(8,289)	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
(10,000)	Decrease in purchased services for a 2016 one-time supplemental for Cathodic Protection.
(30,000)	Decrease in purchased services for a 2016 one-time supplemental for Namaqua Hills Pump Station.
(60,000)	Decrease in purchased services for a 2016 one-time supplemental for Mod Valve rehabilitation.
(100,000)	Decrease in purchased services for a 2016 one-time supplemental for 36" Steel Water transmission line.
634,517	<u>Core Changes</u>
52,259	Personnel Services
9,195	Supplies
14,004	Purchased Services
559,059	Capital

\$ 813,755 TOTAL CHANGE

OTHER INFORMATION

-	<u>Unfunded Supplements</u>
-	There are no unfunded supplements in this division.
-	<u>Equipment Replacement</u>
-	No equipment is scheduled for replacement in this division.
2,062,340	<u>Capital Projects</u>
78,680	2017 Water Line Replacement - Design/SDC
524,500	2017 Water Line Replacement - Construct
52,450	2017 ROW Relocates
41,960	10th St 12": RR Spur to Madison Design/SDC
419,600	10th St 12": RR Spur to Madison Construct
31,470	16" Mtn View Discharge in Boyd Lake Ave Design/SDC
226,580	Morning Drive 30" Waterline Phase 2 Design/SDC
104,900	P2 Water Pump Station and Discharge Piping Design/SDC
83,920	Namaqua Hills Water Booster Station & Generator Design/SDC
419,600	Namaqua Hills Water Booster Station & Generator Construct
78,680	Misc. Oversizing and Extensions (Eagle Brook Meadows 2017)

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.

DIVISION	DEPARTMENT
Water Utility - Treatment	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Water Fund				
TREATMENT	8,403,776	3,257,972	5,772,562	3,583,862
Total Water	\$ 8,403,776	\$ 3,257,972	\$ 5,772,562	\$ 3,583,862
Water SIF Fund				
TREATMENT	8,963,197	321,250	4,188,353	-
Total Water SIF	\$ 8,963,197	\$ 321,250	\$ 4,188,353	\$ -
Total Expense	\$ 17,366,973	\$ 3,579,222	\$ 9,960,915	\$ 3,583,862
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,320,572	1,551,091	1,551,091	1,810,568
SUPPLIES	690,083	624,190	628,771	835,750
PURCHASED SERVICES	517,392	868,524	708,299	811,664
CAPITAL	14,838,926	535,417	7,072,754	125,880
Total Expense	\$ 17,366,973	\$ 3,579,222	\$ 9,960,915	\$ 3,583,862
FTE	15.71	17.82	17.82	18.71

CHANGES COMPARED TO PRIOR YEAR ADOPTED

150,000	Increase in supplies for chemicals.
84,217	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
72,604	Increase in personnel services for Tech Services allocation change from 2016 to 2017.
28,454	Increase in personnel services for SCADA Programmer.
26,000	Increase in supplies for a one-time request for Ethernet Switches.
20,800	Increase in supplies for Water Treatment Plant parts and supplies.
13,700	Increase in supplies for radios.
2,000	Increase in purchased services for new environmental regulations.
(42,000)	Decrease in purchased services for the reallocation of utility costs to Distribution.

(351,135)	<u>Core Changes</u>
74,202	Personnel Services
1,060	Supplies
(16,860)	Purchased Services
(409,537)	Capital

\$ 4,640 TOTAL CHANGE

OTHER INFORMATION

-	<u>Unfunded Supplements</u>
-	There are no unfunded supplements in this division.
26,000	<u>Equipment Replacement</u>
26,000	New SUV for WTP
125,880	<u>Capital Projects</u>
20,980	Filter Plant 2 Roof Replacement Design/SDC
104,900	Filter Plant 2 Roof Replacement Construct

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.

DIVISION	DEPARTMENT
Water Utility - Customer Relations	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
EXPENSE BY Division/Program				
Water Fund				
CUSTOMER RELATIONS	243,543	339,276	339,276	372,239
Total Water	\$ 243,543	\$ 339,276	\$ 339,276	\$ 372,239
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	102,056	160,410	160,410	182,627
SUPPLIES	12,464	17,130	17,130	17,510
PURCHASED SERVICES	129,022	161,736	161,736	172,102
Total Expense	\$ 243,543	\$ 339,276	\$ 339,276	\$ 372,239
FTE	2.08	1.71	1.71	1.73

CHANGES COMPARED TO PRIOR YEAR ADOPTED

10,000	Increase in professional services for increase in commercial participation in the Efficiency Works Program.
9,592	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
13,371	<u>Core Changes</u>
12,625	Personnel Services
380	Supplies
366	Purchased Services

\$ 32,963 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.

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.

FUND		DEPARTMENT		
Raw Water		Water & Power		
	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
REVENUE				
Raw Water Fund				
INTEREST	260,258	237,270	237,270	374,120
OTHER	2,456,573	515,580	515,580	486,840
IMPACT FEES	703,810	291,970	291,970	407,930
CASH IN LIEU	1,336,438	250,000	250,000	250,000
TRANSFERS	52,428	72,820	117,640	4,050,375
Total Revenue	\$ 4,809,507	\$ 1,367,640	\$ 1,412,460	\$ 5,569,265
EXPENSE BY Division/Program				
Raw Water Fund				
BUSINESS/FINANCE	827,502	848,980	848,980	-
LOAN TO WATER	4,000,000	-	9,000,000	-
WATER RESOURCES	1,199,999	2,627,920	2,627,920	1,120,260
Total Expense	\$ 6,027,501	\$ 3,476,900	\$ 12,476,900	\$ 1,120,260
EXPENSE BY CATEGORY				
PURCHASED SERVICES	7,044	7,100	7,100	7,100
DEBT SERVICE				
PRINCIPAL	711,250	770,000	770,000	-
INTEREST	116,252	78,980	78,980	-
TRANSFERS	4,000,000	-	9,000,000	-
CAPITAL	1,192,955	2,620,820	2,620,820	1,113,160
Total Expense	\$ 6,027,501	\$ 3,476,900	\$ 12,476,900	\$ 1,120,260
FTE	-	-	-	-

Raw Water Utility – Business/Finance

Business/Finance is where the annual Debt Service for the Raw Water Utility is budgeted.

DIVISION	DEPARTMENT
Raw Water Utility - Business/Finance	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
EXPENSE BY Division/Program				
Raw Water Fund				
BUSINESS/FINANCE	827,502	848,980	848,980	-
LOAN TO WATER	4,000,000	-	9,000,000	-
Total Expense	\$ 4,827,502	\$ 848,980	\$ 9,848,980	\$ -
EXPENSE BY CATEGORY				
DEBT SERVICE				
PRINCIPAL	711,250	770,000	770,000	-
INTEREST	116,252	78,980	78,980	-
TRANSFERS	4,000,000		9,000,000	-
Total Expense	\$ 4,827,502	\$ 848,980	\$ 9,848,980	\$ -
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

(848,980) Decrease in debt service for the Windy Gap Firing Project.

\$ (848,980) 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.

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.

DIVISION	DEPARTMENT
Raw Water Utility - Water Resources	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Raw Water Fund				
WATER RESOURCES	\$ 1,199,999	\$ 2,627,920	\$ 2,627,920	\$ 1,120,260
EXPENSE BY CATEGORY				
PURCHASED SERVICES	7,044	7,100	7,100	7,100
CAPITAL	1,192,955	2,620,820	2,620,820	1,113,160
Total Expense	\$ 1,199,999	\$ 2,627,920	\$ 2,627,920	\$ 1,120,260
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

(1,507,660) Decrease in capital based on the ten-year capital program.

\$(1,507,660) 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

FUND	DEPARTMENT
Wastewater Utilities	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
REVENUE				
Wastewater Fund				
INTERGOVERNMENTAL	675,026	500,000	1,323,288	-
UTILITY CHARGES	9,480,735	10,500,940	10,500,940	11,685,930
INTEREST	107,725	103,760	103,760	165,020
OTHER	728,305	96,990	126,990	11,920
BOND PROCEEDS	-	16,000,000	16,000,000	-
TRANSFERS	-	170	170	-
Total Wastewater	\$ 10,991,791	\$ 27,201,860	\$ 28,055,148	\$ 11,862,870
Wastewater SIF Fund				
INTEREST	83,130	108,410	108,410	134,730
TRANSFERS	116,980	12,460	131,310	-
IMPACT FEES	1,703,872	1,386,350	1,386,350	1,992,500
BOND PROCEEDS	-	8,900,000	8,900,000	-
Total Wastewater SIF	\$ 1,903,982	\$ 10,407,220	\$ 10,526,070	\$ 2,127,230
Total Revenue	\$ 12,895,773	\$ 37,609,080	\$ 38,581,218	\$ 13,990,100
EXPENSE BY Division/Program				
Wastewater Fund				
ADMINISTRATION & GENERAL	4,108,443	1,906,568	2,044,178	2,910,211
TREATMENT	3,363,110	20,476,953	20,768,244	10,239,564
COLLECTION SYSTEM	3,726,405	4,215,228	5,183,674	4,991,813
GENERAL PLANT - CAPITAL	372,516	130,000	130,000	120,080
CUSTOMER RELATIONS	56,821	40,822	40,822	45,509
Total Wastewater	\$ 11,627,296	\$ 26,769,571	\$ 28,166,918	\$ 18,307,177
Wastewater SIF Fund				
ADMINISTRATION & GENERAL	-	172,443	224,187	618,739
TREATMENT	272,119	10,486,631	10,451,727	3,884,447
COLLECTION SYSTEM	33,551	80,310	357,054	400,936
GENERAL PLANT - CAPITAL	85,076	-	14,924	-
Total Wastewater SIF	\$ 390,745	\$ 10,739,384	\$ 11,047,892	\$ 4,904,122
Total Expense	\$ 12,018,041	\$ 37,508,955	\$ 39,214,810	\$ 23,211,299
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	2,865,669	3,265,280	3,265,280	3,703,184
SUPPLIES	673,807	565,290	573,570	637,688
PAYMENT IN LIEU OF TAXES	662,004	735,070	735,070	818,020
PURCHASED SERVICES	2,001,792	2,825,987	2,936,891	3,105,435
ADMINISTRATIVE OVERHEAD	387,140	425,656	425,656	528,831
OTHER	-	-	-	-
DEPRECIATION	2,449,632	-	-	-
DEBT SERVICE	-	352,750	352,750	1,636,291
TRANSFERS	26,006	107,410	282,017	110,830
CAPITAL	2,951,992	29,231,512	30,643,576	12,671,020
Total Expense	\$ 12,018,041	\$ 37,508,955	\$ 39,214,810	\$ 23,211,299
FTE	35.86	35.36	35.36	37.52

Wastewater Utility – Administration & General

Administration and General is where the Cost Allocations, Payment-in-Lieu-of-Taxes (PILT) and Debt Service is budgeted. It is also where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this Cost Center, 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.

DIVISION			DEPARTMENT	
Wastewater Utility - Administration & General			Water & Power	
EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Wastewater Fund				
ADMINISTRATION & GENERAL	4,108,443	1,906,568	2,044,178	2,910,211
Total Wastewater	\$ 4,108,443	\$ 1,906,568	\$ 2,044,178	\$ 2,910,211
Wastewater SIF Fund				
ADMINISTRATION & GENERAL	-	172,443	224,187	618,739
Total Wastewater SIF	\$ -	\$ 172,443	\$ 224,187	\$ 618,739
Total Expense	\$ 4,108,443	\$ 2,079,011	\$ 2,268,365	\$ 3,528,950
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	239,662	237,266	237,266	266,155
SUPPLIES	169,786	108,266	116,546	58,116
PAYMENT IN LIEU OF TAXES	662,004	735,070	735,070	818,020
PURCHASED SERVICES	178,289	112,593	119,060	167,707
ADMINISTRATIVE OVERHEAD	387,140	425,656	425,656	528,831
OTHER	-	-	-	-
DEPRECIATION	2,449,632	-	-	-
DEBT SERVICE	-	352,750	352,750	1,636,291
CAPITAL	-	-	-	(57,000)
TRANSFERS	21,930	107,410	282,017	110,830
Total Expense	\$ 4,108,443	\$ 2,079,011	\$ 2,268,365	\$ 3,528,950
FTE	2.90	1.93	1.93	1.97

CHANGES COMPARED TO PRIOR YEAR ADOPTED

1,283,541	Increase in debt service for the Wastewater Treatment Plant Digester.
82,950	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
82,285	Increase in administrative overhead for costs allocated by Finance based on the allocation methodology.
51,750	Increase in purchased services for replacement of skylights & wall
30,837	Increase in administrative overhead for costs allocated by Information Technology based on the allocation methodology.
20,180	Increase in supplies for computer software & equipment.
14,888	Increase in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
13,328	Increase in personnel services for worker's compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
10,537	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
(140,357)	<u>Core Changes</u>
5,024	Personnel Services
(70,330)	Supplies
3,364	Purchased Services
(24,835)	Administrative Overhead
(57,000)	Capital
3,420	Transfers

\$ 1,449,939 TOTAL CHANGE

OTHER INFORMATION

-	<u>Unfunded Supplements</u>
-	There are no unfunded supplements in this division.
6,080	<u>Equipment Replacement</u>
6,080	Stand-alone Server - DBWWTP
-	<u>Capital Projects</u>
-	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.

DIVISION	DEPARTMENT
Wastewater Utility - Collection System	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Wastewater Fund				
COLLECTION SYSTEM	3,726,405	4,215,228	5,183,674	4,991,813
Total Wastewater	\$ 3,726,405	\$ 4,215,228	\$ 5,183,674	\$ 4,991,813
Wastewater SIF Fund				
COLLECTION SYSTEM	33,551	80,310	357,054	400,936
Total Wastewater SIF	\$ 33,551	\$ 80,310	\$ 357,054	\$ 400,936
Total Expense	\$ 3,759,956	\$ 4,295,538	\$ 5,540,728	\$ 5,392,749
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,199,572	1,424,898	1,424,898	1,564,196
SUPPLIES	175,553	192,784	192,784	202,612
PURCHASED SERVICES	603,782	1,055,576	1,043,459	1,140,851
TRANSFERS	4,076	-	-	-
CAPITAL	1,776,974	1,622,280	2,879,587	2,485,090
Total Expense	\$ 3,759,956	\$ 4,295,538	\$ 5,540,728	\$ 5,392,749
FTE	13.88	17.58	17.58	19.45

CHANGES COMPARED TO PRIOR YEAR ADOPTED

76,773	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
42,000	Increase in purchased services for utilities.
30,000	Increase in purchased services for Wastewater Flow Monitoring.
40,000	Increase in purchased services for consulting services.
23,712	Increase in personnel services for SCADA Programmer.

884,726	<u>Core Changes</u>
38,813	Personnel Services
9,828	Supplies
(26,725)	Purchased Services
862,810	Capital

\$ 1,097,211 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.

2,485,090	<u>Capital Projects</u>
402,820	Parallel Boyd Intcp Design/SDC
73,430	South Catalyst Sewer Improvements Design/SDC
398,620	South Catalyst Sewer Improvements Construct
1,049,000	2017 CIPP Sewer Rehab Construct
62,940	Bus Barn Lift Station Renovation Design/SDC
419,600	Bus Barn Lift Station Renovation Construct
78,680	Oversizing & Extensions Agreement

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.

DIVISION	DEPARTMENT
Wastewater Utility - Treatment	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Wastewater Fund				
TREATMENT	3,363,110	20,476,953	20,768,244	10,239,564
Total Wastewater	\$ 3,363,110	\$ 20,476,953	\$ 20,768,244	\$ 10,239,564
Wastewater SIF Fund				
TREATMENT	272,119	10,486,631	10,451,727	3,884,447
Total Wastewater SIF	\$ 272,119	\$ 10,486,631	\$ 10,451,727	\$ 3,884,447
Total Expense	\$ 3,635,229	\$ 30,963,584	\$ 31,219,971	\$ 14,124,011
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	1,375,662	1,572,726	1,572,726	1,838,083
SUPPLIES	326,333	261,990	261,990	374,700
PURCHASED SERVICES	1,215,808	1,649,636	1,766,190	1,788,378
CAPITAL	717,426	27,479,232	27,619,065	10,122,850
Total Expense	\$ 3,635,229	\$ 30,963,584	\$ 31,219,971	\$ 14,124,011
FTE	18.08	15.55	15.55	15.79

CHANGES COMPARED TO PRIOR YEAR ADOPTED

150,000	Increase in purchased services for a one-time Investigative Study on Selenium
80,002	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
66,061	Increase in personnel services for 1.0 FTE Plant Operator.
38,000	Increase in purchased services for a one-time replacement of T12 Fluorescent bulbs and fixtures.
34,000	Increase in supplies for the replacement of Ultra Violet light bulbs.
28,455	Increase in personnel services for SCADA Programmer.
24,403	Increase in personnel services for the conversion of part-time positions to full-
6,300	Increase in supplies for replacement of 3 Probes for Odor Scrubber.
6,000	Increase in supplies for radios.
5,600	Increase in supplies for Moisture Balance for the Solids Analysis.
(17,632)	Decrease in purchased services for utilities.
(17,260,762)	<u>Core Changes</u>
66,436	Personnel Services
60,810	Supplies
(31,626)	Purchased Services
(17,356,382)	Capital

\$ (16,839,573) TOTAL CHANGE

OTHER INFORMATION

-	<u>Unfunded Supplements</u>
-	There are no unfunded supplements in this division.
-	<u>Equipment Replacement</u>
-	No equipment is scheduled for replacement in this division.
10,122,850	<u>Capital Projects</u>
314,700	WWTP Laboratory Building & Admin Remodel Design/SDC
891,650	WWTP Expansion to 12 MGD - Design/SDC
8,916,500	WWTP Expansion to 12 MGD - Construct

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.

DIVISION	DEPARTMENT
Wastewater Utility - Customer Relations	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Wastewater Fund				
CUSTOMER RELATIONS	\$ 56,821	\$ 40,822	\$ 40,822	\$ 45,509
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	50,773	30,390	30,390	34,750
SUPPLIES	2,135	2,250	2,250	2,260
PURCHASED SERVICES	3,913	8,182	8,182	8,499
Total Expense	\$ 56,821	\$ 40,822	\$ 40,822	\$ 45,509
FTE	1.00	0.30	0.30	0.31

CHANGES COMPARED TO PRIOR YEAR ADOPTED

1,727	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
2,960	<u>Core Changes</u>
2,633	Personnel Services
10	Supplies
317	Purchased Services
\$ 4,687	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

DIVISION	DEPARTMENT
Wastewater Utility - General Plant Capital	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Wastewater Fund				
GENERAL PLANT CAPITAL	\$ 372,516	\$ 130,000	\$ 130,000	\$ 120,080
Wastewater SIF Fund				
GENERAL PLANT CAPITAL	85,076	-	14,924	-
Total Wastewater SIF	\$ 85,076	\$ -	\$ 14,924	\$ -
Total Expense	\$ 457,592	\$ 130,000	\$ 144,924	\$ 120,080
EXPENSE BY CATEGORY				
CAPITAL	457,592	130,000	144,924	120,080
Total Expense	\$ 457,592	\$ 130,000	\$ 144,924	\$ 120,080
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

(9,920) Decrease in capital based on the ten-year capital program.

\$ (9,920) TOTAL CHANGE

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- 114,000 Equipment Replacement
 - 24,000 Replace Vehicle #5100
 - 90,000 Replace Vehicle #6208
- 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 2015, the average service availability for the system was 99.99%. The City is a retail distributor of electricity to 35,708 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. 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 2015 data is not available yet.

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 2015, the Division designed and constructed approximately \$8,800,000 in projects. In 2017, the Division anticipates designing and constructing over \$15,900,000 in distribution system improvement and expansion projects.

FUND	DEPARTMENT			
Power Utilities	Water & Power			

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
REVENUE				
Power Fund				
UTILITY CHARGES	56,138,644	58,665,860	58,665,860	62,342,360
INTERGOVERNMENTAL	(24,973)	-	3,500,000	
INTEREST	231,986	256,680	256,680	239,810
OTHER	1,747,838	1,202,220	1,202,220	1,140,350
TRANSFERS	4,565	5,890	5,890	-
AID-TO-CONSTRUCTION	1,429,573	1,790,000	1,790,000	2,140,000
Total Power Fund	\$ 59,527,633	\$ 61,920,650	\$ 65,420,650	\$ 65,862,520
Power PIF Fund				
INTERGOVERNMENTAL		-	4,434,516	-
INTEREST	47,580	45,850	45,850	25,030
TRANSFERS	900,468	824,150	913,050	806,250
OTHER	51,450	-	-	-
IMPACT FEES	2,784,483	2,741,830	2,741,830	2,741,830
Total Power PIF	\$ 3,783,981	\$ 3,611,830	\$ 8,135,246	\$ 3,573,110
Total Revenue	\$ 63,311,614	\$ 65,532,480	\$ 73,555,896	\$ 69,435,630

EXPENSE BY Division/Program

Power Fund				
ADMINISTRATION & GENERAL	11,601,123	7,331,676	7,367,571	7,373,821
DISTRIBUTION	7,261,202	13,485,759	19,655,115	14,110,815
HYDRO-GENERATION	32,803	1,157,875	5,842,549	1,058,423
PURCHASED POWER	40,629,266	42,673,764	42,673,764	43,470,597
AID-TO-CONSTRUCTION	738,202	1,102,772	1,102,772	1,382,733
GENERAL PLANT - CAPITAL	250,181	773,451	1,088,451	589,350
SERVICE INSTALLATIONS	179,548	169,579	169,579	177,770
CUSTOMER RELATIONS	1,059,573	1,157,346	1,307,346	1,270,771
Total Power	\$ 61,751,897	\$ 67,852,222	\$ 79,207,147	\$ 69,434,280
Power PIF Fund				
ADMINISTRATION & GENERAL	1,191,669	298,750	298,750	460,840
DISTRIBUTION	2,974,829	4,243,610	9,311,628	4,505,430
Total Power PIF	\$ 4,166,498	\$ 4,542,360	\$ 9,610,378	\$ 4,966,270
Total Expense	\$ 65,918,395	\$ 72,394,582	\$ 88,817,525	\$ 74,400,550

EXPENSE BY CATEGORY

PERSONNEL SERVICES	3,401,279	3,876,097	3,876,097	4,148,193
SUPPLIES	580,205	525,900	539,580	471,353
PAYMENT IN LIEU OF TAXES	3,886,434	4,120,990	4,120,990	4,363,970
PURCHASED SERVICES	2,283,686	5,223,156	8,949,214	3,785,301
ADMINISTRATIVE OVERHEAD	1,963,556	1,887,034	1,887,034	2,100,420
PURCHASED POWER	40,629,266	42,673,764	42,673,764	43,470,597
DEPRECIATION	4,186,393	-	-	-
TRANSFERS	162,174	210,611	222,142	189,013
CAPITAL	8,825,402	13,877,030	26,548,704	15,871,703
Total Expense	\$ 65,918,395	\$ 72,394,582	\$ 88,817,525	\$ 74,400,550

FTE	47.75	49.46	49.46	49.46
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Power Utility – Administration and General

Administration and General is where the Cost Allocations, Payment-in-Lieu-of-Taxes (PILT) and Debt Service is budgeted. It is also where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is part of this Cost Center, 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.

DIVISION	DEPARTMENT
Power Utility - Administration & General	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
EXPENSE BY Division/Program				
Power Fund				
ADMINISTRATION & GENERAL	11,601,123	7,331,676	7,367,571	7,373,821
Total Power	\$ 11,601,123	\$ 7,331,676	\$ 7,367,571	\$ 7,373,821
Power PIF Fund				
ADMINISTRATION & GENERAL	1,191,669	298,750	298,750	460,840
Total Power PIF	\$ 1,191,669	\$ 298,750	\$ 298,750	\$ 460,840
Total Expense	\$ 12,792,792	\$ 7,630,426	\$ 7,666,321	\$ 7,834,661
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	676,136	(919,091)	(919,091)	(1,227,326)
SUPPLIES	169,854	111,700	125,380	73,440
PAYMENT IN LIEU OF TAXES	3,886,434	4,120,990	4,120,990	4,363,970
PURCHASED SERVICES	300,221	454,482	465,166	413,685
ADMINISTRATIVE OVERHEAD	1,963,556	1,887,034	1,887,034	2,100,420
DEPRECIATION	4,186,393			
TRANSFERS	155,441	210,611	222,142	189,013
CAPITAL	1,454,756	1,764,700	1,764,700	1,921,459
Total Expense	\$ 12,792,792	\$ 7,630,426	\$ 7,666,321	\$ 7,834,661
FTE	6.44	4.96	4.96	4.77

CHANGES COMPARED TO PRIOR YEAR ADOPTED

242,980	Increase in purchased services for the Payment in Lieu of Taxes (PILT) to the General Fund based on the revenue estimates.
106,933	Increase in administrative overhead for costs allocated by Utility Billing & Meter Reading based on the allocation methodology.
98,398	Increase in administrative overhead for costs allocated by Finance based on the allocation methodology.
85,500	Increase in purchased services for replacement of skylights & wall
61,726	Increase in administrative overhead for costs allocated by Information Technology based on the allocation methodology.
45,380	Increase in supplies for computer supplies and equipment.
19,677	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
19,659	Increase in administrative overhead for costs allocated by Facilities Management based on the allocation methodology.
19,050	Increase in transfers for 1% for the Arts contribution.
10,815	Increase in personnel services for increasing a part-time Accounting Technician from 20 hours to 30 hours.
9,974	Increase in personnel services for worker's compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
(22,553)	Decrease in administrative overhead for costs allocated by Public Grounds based on the allocation methodology.
(35,000)	Decrease in purchased services for a 2016 one-time supplement for Power Rate Study.
(40,648)	Decrease in transfers for Power's contribution to the General Fund for the department's share of the Economic Development Directors Salary.
(54,685)	Decrease in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
(72,959)	Decrease in purchased services for general liability costs based on the Department's historical experiences and forecasted liability costs.
(290,012)	<u>Core Changes</u>
(338,727)	Personnel Services
(83,640)	Supplies
26,373	Purchased Services
(50,777)	Administrative Overhead
156,759	Capital

\$ 204,235 TOTAL CHANGE

OTHER INFORMATION

- | | |
|---|--|
| - | <u>Unfunded Supplements</u> |
| - | There are no unfunded supplements in this division. |
| - | <u>Equipment Replacement</u> |
| - | No equipment is scheduled for replacement in this division. |
| - | <u>Capital Projects</u> |
| - | 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.

DIVISION	DEPARTMENT
Power Utility - Distribution	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Power Fund				
DISTRIBUTION	7,261,202	13,485,759	19,655,115	14,110,815
Total Power	\$ 7,261,202	\$ 13,485,759	\$ 19,655,115	\$ 14,110,815
Power PIF Fund				
DISTRIBUTION	2,974,829	4,243,610	9,311,628	4,505,430
Total Power PIF	\$ 2,974,829	\$ 4,243,610	\$ 9,311,628	\$ 4,505,430
Total Expense	\$ 10,236,031	\$ 17,729,369	\$ 28,966,743	\$ 18,616,245
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	2,077,176	4,461,803	4,461,803	5,037,451
SUPPLIES	370,300	385,230	385,230	369,133
PURCHASED SERVICES	1,234,752	2,783,876	1,664,576	1,409,270
TRANSFERS	6,733			
CAPITAL	6,547,070	10,098,460	22,455,134	11,800,391
Total Expense	\$ 10,236,031	\$ 17,729,369	\$ 28,966,743	\$ 18,616,245
FTE	39.49	41.32	41.32	41.52

CHANGES COMPARED TO PRIOR YEAR ADOPTED

112,211	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
85,000	Increase in purchased services for the new Foothills Solar Facility.
31,762	Increase in purchased services for vehicle maintenance based on projected fuel and maintenance costs.
18,000	Increase in purchased services for Multispeak/SCADA Data Historian.
17,500	Increase in purchased services for Key Accounts Web Portal.
5,000	Increase in supplies for the new Foothills Solar Facility.
(25,000)	Decrease in supplies for a 2016 one-time supplement for design software for Enterprise License Agreement.
(1,500,000)	Decrease in purchased services for a 2016 one-time supplement for installation of the roadway for the 29th Street Property Development.
2,142,403	<u>Core Changes</u>
463,437	Personnel Services
3,903	Supplies
(26,868)	Purchased Services
1,701,931	Capital

\$ 886,876 TOTAL CHANGE

OTHER INFORMATION

-	<u>Unfunded Supplements</u>
-	There are no unfunded supplements in this division.
-	<u>Equipment Replacement</u>
-	No equipment is scheduled for replacement in this division.
8,996,017	<u>Capital Projects</u>
75,000	Installation of annunciators at substations
225,000	Relay Replacements at Substations
120,885	Extend new feeders for PRPA community solar garden from new Boedecker substation into system
300,000	Flood Related Hwy 34 Road Rebuild (CDOT Reimbursable)
125,538	Underground blanket-development driven construction of lateral feeder extensions as required to meet new load requirements
150,000	Demand Response
367,650	Smaller Aging Infrastructure Replacement Projects
110,000	Distribution Automation
300,000	Energy Diversification Projects
64,613	Triple Stack on ckt 614 - Sub to Sub Tie with Crossroads 2
500,000	Install 600 amp tie from Cascade west along Hwy 34, turning south on Rossum to Saint Andrews
700,000	Phase 3 of Canyon Voltage Conversion from the Water Treatment Plant to Idlewilde Park
25,673	Phase 4 of Canyon Voltage Conversion from Idlewilde Park to Waltonia Rd
20,000	Extend new feeders from Foothills Substation from W. 22nd & Rio Blanco down Cascade to Eisenhower
30,000	Overhead to underground conversion (circuit 421) from 3rd along Railroad to 10th
1,338,195	Overhead to underground conversion along RR track N of 10th between RR Ave & Madison Ave - 200 amp & 600 amp
1,357,118	Overhead to underground conversion - Downtown Catalyst
1,100,000	Extension of 600 amp from 14th St SW to Hwy 60 along Hwy
1,500,000	Feeder from Horseshoe to Woodward/Lee Farms Subdivision
566,345	Install 750 AL from MCR to Kendall Pkwy & I25 - sub to sub tie between Crossroads and Airport
20,000	Foothills Substation Conduit - Install new conduit along W. 22nd east from Rio Blanco to Van Buren

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 Idylewilde 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.

DIVISION	DEPARTMENT
Power Utility - Hydro-Generation	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
Power Fund				
HYDRO-GENERATION	\$ 32,803	\$ 1,157,875	\$ 5,842,549	\$ 1,058,423
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	15,447	7,875	7,875	8,423
SUPPLIES	51	-	-	-
PURCHASED SERVICES	17,305	1,150,000	5,834,674	1,050,000
Total Expense	\$ 32,803	\$ 1,157,875	\$ 5,842,549	\$ 1,058,423
FTE	0.32	0.07	0.07	0.07

CHANGES COMPARED TO PRIOR YEAR ADOPTED

1,000,000	Increase in purchased services for environmental mitigation.
50,000	Increase in purchased services for Hydro Decommissioning.
(1,150,000)	Decrease in purchased services for the demolition and removal of the Hydro Dam, Penstock & Powerhouse due to flood damage.

548 Core Changes

548 Personnel Services

\$ (99,452) 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.

2,950,000 Capital Projects

750,000 East Substation - Order new switchgear lineup for E3

1,700,000 Land purchase for new substation

500,000 Security gates and fences at Substations

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.

DIVISION	DEPARTMENT
Power Utility - Purchased Power	Water & Power

	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
EXPENSE BY Division/Program				
Power Fund				
PURCHASED POWER	\$ 40,629,266	\$ 42,673,764	\$ 42,673,764	\$ 43,470,597
EXPENSE BY CATEGORY				
PURCHASED POWER	40,629,266	42,673,764	42,673,764	43,470,597
Total Expense	\$ 40,629,266	\$ 42,673,764	\$ 42,673,764	\$ 43,470,597
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

796,833 Increase in purchased power from Platt River Power Authority.

\$ 796,833 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.

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

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Power Fund				
AID-TO-CONSTRUCTION	\$ 738,202	\$ 1,102,772	\$ 1,102,772	\$ 1,382,733
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	203,820	20,042	20,042	-
CAPITAL	534,382	1,082,730	1,082,730	1,382,733
Total Expense	\$ 738,202	\$ 1,102,772	\$ 1,102,772	\$ 1,382,733
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

300,003	Increase in aid-to-construction based on the ten-year capital program.
(20,042)	Decrease in personnel services for Insurance Benefits due to historical enrollment and premium increases.

\$ 279,961 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.

DIVISION	DEPARTMENT
Power Utility - General Plant Capital	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Power Fund				
GENERAL PLANT CAPITAL	\$ 250,181	\$ 773,451	\$ 1,088,451	\$ 589,350
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	434	81	81	-
CAPITAL	249,746	773,370	1,088,370	589,350
Total Expense	\$ 250,181	\$ 773,451	\$ 1,088,451	\$ 589,350
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

- (184,020) Decrease in capital based on the ten-year capital program.
- (81) Decrease in personnel services for Insurance Benefits due to historical enrollment and premium increases.

\$ (184,101) TOTAL CHANGE

OTHER INFORMATION

- Unfunded Supplements
 - There are no unfunded supplements in this division.
- 589,350 Equipment Replacement
 - 25,000 Main Copier Replacement
 - 44,350 Stand Alone Server
 - 7,500 Miscellaneous Hardware Replacements
 - 25,000 New Vehicle to replace #5117
 - 360,000 New Vehicle to replace #5307
 - 44,000 New Vehicle to replace #5120
 - 83,500 New Vehicle to replace #5128
- 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.

DIVISION	DEPARTMENT
Power Utility - Service Installations	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1 st	'17 Budget
Power Fund				
SERVICE INSTALLATIONS	\$ 179,548	\$ 169,579	\$ 169,579	\$ 177,770
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	140,101	11,809	11,809	-
CAPITAL	39,447	157,770	157,770	177,770
Total Expense	\$ 179,548	\$ 169,579	\$ 169,579	\$ 177,770
FTE	-	-	-	-

CHANGES COMPARED TO PRIOR YEAR ADOPTED

20,000	Increase in service installations based on the ten-year capital program.
(11,809)	Decrease in personnel services for Insurance Benefits due to historical enrollment and premium increases.

\$ 8,191 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 – 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.

DIVISION	DEPARTMENT
Power Utility - Customer Relations	Water & Power

EXPENSE BY Division/Program	'15 Actual	'16 Adopted Budget	'16 Revised Budget as of July 1st	'17 Budget
Power Fund				
CUSTOMER RELATIONS	\$ 1,059,573	\$ 1,157,346	\$ 1,307,346	\$ 1,270,771
EXPENSE BY CATEGORY				
PERSONNEL SERVICES	288,165	293,578	293,578	329,645
SUPPLIES	39,999	28,970	28,970	28,780
PURCHASED SERVICES	731,408	834,798	984,798	912,346
Total Expense	\$ 1,059,573	\$ 1,157,346	\$ 1,307,346	\$ 1,270,771
FTE	1.50	3.11	3.11	3.10

CHANGES COMPARED TO PRIOR YEAR ADOPTED

95,000	Increase in purchased services for the Efficiency Works Program.
16,698	Increase in personnel services for Insurance Benefits due to historical enrollment and premium increases.
5,000	Increase in purchased services for new Consumer Products Program.
(24,000)	Decrease in purchased services for Home Energy Reports.

20,727	<u>Core Changes</u>
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19,369	Personnel Services
(190)	Supplies
1,548	Purchased Services

\$ 113,425 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.