

# 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	2010 Actual	2011 Projected	2012 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	6	4	4
	▪ Sewer Service	7	5	5
	Average Rating "Loveland delivers reliable electricity."	97%	100%	100%
	Average Rating "Loveland provides quality drinking water."	91%	94%	94%
	Average Rating "Sewer system in Loveland works reliably."	91%	94%	94%
Trust.	% of excellence rating on trustworthy management and employees. (0-9 rating, 9 is excellent)	No survey	No survey	8.75%
Overall utility.	% of ≥ 9 rating on overall utility. (0-9 rating, 9 is excellent.)	8.75%	8.75%	8.75%
Ease of doing business with utility.	% of excellence rating.	90%	90%	90%
Meeting the utility needs of business customers.	% of excellence rating.	91%	91%	91%
Provide quality customer service.	Compare above measures with Fort Collins and Longmont scores.	No survey	No survey	No survey
<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)	61.57	50.00	50.00
	Average # of power interruptions per customer. (SAIFI = System Average Interruption Frequency Index)	0.771	0.325	0.300
	Average # of momentary outages per customer per year. (MAIFI = Momentary Average Interruption Frequency Index)	0.0357	0.0200	0.0200
	Average service availability. (ASAI = Average Service Availability Index)	99.991%	99.996%	99.996%
	# of annual power quality complaints.	61	45	45
	# of annual water quality complaints.	34	30	30
	# of annual minor water violations.	0	0	0
	# of annual major water violations.	0	0	0
	% of Adequate Fire Flow [ISO standards].	100%	100%	100%
	# of annual sewer backups.	7	4	5
	# of annual minor sewer violations.	1	0	0
	# of annual major sewer violations.	0	0	0

Outcome	Performance Measure	2010 Actual	2011 Projected	2012 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	58.5%	60.3%	61.5%
	▪ Water	82.7%	88.3%	85.0%
	▪ Wastewater	80.6%	82.0%	81.0%
<b>Be environmentally responsible. (GP 5, 9)</b>				
Be environmentally responsible.	# of annual in-house CO2 reduction. (lbs)	64,923	105,373	105,373
	# of annual residential power per capita usage. (kWh/person/year)	3,568	3,310	3,290
	# of annual residential peak day demand. (gallons/day/person)	246	246	247
	# of annual residential per capita usage. (gallons/person/year)	33,999	34,194	34,103
	# of Wastewater Treatment Plant Discharge Monitoring Report violations.	0	0	0
	# of annual department fleet miles.	276,682	280,507	282,331
	# of annual internal environmental self audits performed.	6	3	0
<b>Offer safe and secure utilities. (GP 8d)</b>				
Offer safe and secure utilities.	# of community accidents involving utility infrastructure.	15	10	10
	# of reportable personnel and vehicular accidents.	21	12	13
	# of reported illegal contacts with key facilities.	2	0	0
<b>Be fiscally responsible while offering competitive rates. (GP 11b, 11c, 11d)</b>				
Be fiscally responsible while offering competitive rates.	% of unaccounted for distribution losses:			
	▪ Power	2.8%	2.8%	2.8%
	▪ Water	13.4%	12.3%	13.0%
	O&M cost per 100 miles.	\$457,725	\$469,330	\$551,563
	% variance of actual O&M expenditures to budgeted expenditures. ( ) = Under Budget	(1.7%)	0.2%	0.0%
	% variance of actual capital expenditures to budgeted expenditures. ( ) = Under Budget	44.3%	(10.5%)	0.0%
	Rate comparisons conducted with other utilities.	Yes	Yes	Yes
	# of rate classes available to customers.	14	14	14
<b>Partner with the community. (GP 13, 18)</b>				
Partner with the community.	# of key partnerships:			
	▪ Customer Relations	12	13	13
	▪ Power	15	10	18
	▪ Water	10	19	19
	▪ Wastewater	6	6	6

## Water & Power Department Structure

### Enterprise Fund Activities

<i>Dept</i>	<i>Description</i>	<i>Division</i>	<i>Description</i>	<i>Program(s)</i>	<i>Description</i>
47	<b>Water Utilities</b>		Admin. & General		
			Water Utility		
			Source of Supply	2901	Source of Supply
			Transmission Distribution		
		318	Water Treatment	2902	Treatment
	<b>Raw Water Utilities</b>		Admin. & General		
			Raw Water Utility		
			Source of Supply		
	<b>Wastewater Utilities</b>		Admin. & General		
			Wastewater Utilities		
			Collection		
			Treatment		
	<b>Power Utility</b>		Admin. & General		
			Power Utility	2906	Purchased Power
			Distribution O&M	2904	Collection System
				2903	Distribution
		320	Hydro	2905	Hydro-Generation

## Water & Power Department Summary

	'10 Actual	'11 Adopted Budget	'11 Revised Budget as of June	'12 Budget	'12 Budget / '11 Adopted % Change	'11 FTE	'12 FTE
<b>Enterprise Fund</b>							
WATER	7,602,309	9,129,230	9,934,750	10,481,340	14.8%	40.21	40.99
RAW WATER	3,306,728	6,293,900	11,437,900	1,654,180	(73.7%)	-	-
POWER	44,087,166	49,141,570	50,798,080	49,212,310	0.1%	42.72	44.17
WASTEWATER	6,611,408	12,885,940	13,217,170	6,867,080	(46.7%)	30.57	29.34
UTILITY BILLING	1,851,784	1,995,420	1,995,420	2,022,380	1.4%	-	-
<b>Total Expense</b>	<b>\$63,459,396</b>	<b>\$79,446,060</b>	<b>\$87,383,320</b>	<b>\$70,237,290</b>	<b>(11.6%)</b>	<b>113.50</b>	<b>114.50</b>
<b>REVENUE</b>							
UTILITY CHARGES	56,464,749	58,519,070	58,519,070	61,353,420	4.8%		
UTILITY OTHER	1,863,778	1,936,370	1,936,370	1,841,180	(4.9%)		
IMPACT FEES	3,548,437	3,538,870	3,538,870	3,913,500	10.6%		
CHARGES FOR SERVICE	563,737	505,100	509,000	532,100	5.3%		
INTEREST	654,516	1,321,520	1,321,520	949,150	(28.2%)		
OTHER	248,222	69,510	65,610	45,610	(34.4%)		
TRANSFERS	913,649	1,159,680	1,171,200	1,240,330	7.0%		
<b>Total Revenue</b>	<b>\$64,257,087</b>	<b>\$67,050,120</b>	<b>\$67,061,640</b>	<b>\$69,875,290</b>	<b>4.2%</b>		
<b>EXPENSE BY CATEGORY</b>							
PERSONNEL SERVICES	10,110,531	9,279,880	9,507,110	9,668,560	4.2%		
SUPPLIES	1,262,225	1,543,490	1,530,590	1,672,470	8.4%		
PURCHASED SERVICES	39,886,275	41,766,320	42,247,220	46,032,840	10.2%		
DEBT SERVICE	826,266	826,270	826,270	826,960	0.1%		
TRANSFERS	1,917,265	1,820,590	6,354,920	1,963,980	7.9%		
<b>Total Expense</b>	<b>\$54,002,562</b>	<b>\$55,236,550</b>	<b>\$60,466,110</b>	<b>\$60,164,810</b>	<b>8.9%</b>		
CAPITAL	9,456,834	24,209,510	26,917,210	10,072,480	(58.4%)		
<b>Total Capital</b>	<b>\$9,456,834</b>	<b>\$24,209,510</b>	<b>\$26,917,210</b>	<b>\$10,072,480</b>	<b>(58.4%)</b>		
<b>Total Expense</b>	<b>\$63,459,396</b>	<b>\$79,446,060</b>	<b>\$87,383,320</b>	<b>\$70,237,290</b>	<b>(11.6%)</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 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 water utilities.
- **Information Technology** operates the Department's computerized drafting and the GIS. The water, wastewater and electric system maps are all maintained and updated by this section. They also are responsible for the Department's information technology needs such as 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. They manage the backflow prevention/cross-connection control program.
- **Technical Services** provides technicians who maintain and repair all water and wastewater treatment plant controls such as pumps, motors, valves, electrical systems, and electronic components. They also are responsible for all the wastewater lift stations and water pumping stations throughout the City, including the hydro facility.
- **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.
- **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 annual budget, monthly financial reports, year-end financial processing, daily process of source documents, payroll processing, and tracking projects costs for the Water and Power Utilities. In addition, the Division is responsible for providing accounting and long-range financial planning services for the Public Works and Police departments. This Division will have ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizens' Finance Advisory Committee.
- **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 overhead and underground utility materials, maintain recycle metal program, purchase and store Power Division specialty tools and conduct a rubber goods testing program to comply with safety requirements for electric line workers. This section will also coordinate fleet replacement and annual safety inspections for the Water and Power utility vehicles.

<b>ACTIVITY</b>	<b>DEPARTMENT</b>			
Water Utility	Water & Power			

<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Water Fund</b>				
WATER UTILITY	\$7,602,309	\$9,129,230	\$9,135,240	\$9,425,360
<b>Water SIF Fund</b>				
WATER UTILITY	-	-	799,510	1,055,980
<b>Total Expense</b>	<b>\$7,602,309</b>	<b>\$9,129,230</b>	<b>\$9,934,750</b>	<b>\$10,481,340</b>
<b>REVENUE</b>				
<b>Water Fund</b>				
UTILITY CHARGES	6,783,954	7,263,110	7,263,110	7,687,250
UTILITY OTHER	592,190	663,370	493,120	463,790
IMPACT FEES	895,815	1,095,750	-	-
INTEREST	21,634	187,960	86,160	34,650
OTHER	39,106	5,540	5,540	11,300
TRANSFERS	7,518	-	4,900	-
<b>Total Water Fund</b>	<b>\$8,340,217</b>	<b>\$9,215,730</b>	<b>\$7,852,830</b>	<b>\$8,196,990</b>
<b>Water SIF Fund</b>				
UTILITY OTHER	-	-	170,250	80,000
IMPACT FEES	-	-	1,095,750	1,232,880
INTEREST	-	-	101,800	105,550
<b>Total Water SIF Fund</b>	<b>-</b>	<b>-</b>	<b>\$1,367,800</b>	<b>\$1,418,430</b>
<b>Total Revenue</b>	<b>\$8,340,217</b>	<b>\$9,215,730</b>	<b>\$9,220,630</b>	<b>\$9,615,420</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,999,392	2,941,850	3,011,660	3,085,270
SUPPLIES	771,523	738,020	743,020	829,900
PURCHASED SERVICES	2,498,780	2,658,920	2,732,340	3,780,610
TRANSFERS	515,195	495,200	508,240	492,830
CAPITAL	817,419	2,295,240	2,939,490	2,292,730
<b>Total Expense</b>	<b>\$7,602,309</b>	<b>\$9,129,230</b>	<b>\$9,934,750</b>	<b>\$10,481,340</b>
<b>FTE</b>	<b>41.22</b>	<b>40.21</b>	<b>40.21</b>	<b>40.99</b>

## Water Utility – Administration & General

Admin and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is also part of this division, responsible for the annual budget, monthly financial reports, year-end financial processing, and the daily process of source documents, payroll processing, and tracking of project costs for the Department. This Division has ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizen's Finance Advisory Committee. Customer Relations provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Admin & General		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
ADMIN & GENERAL	\$1,457,421	\$1,559,360	\$1,596,610	\$1,707,400
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	431,333	461,250	531,060	419,480
SUPPLIES	13,673	16,430	16,430	80,980
PURCHASED SERVICES	462,463	586,480	533,480	714,110
TRANSFERS	511,177	495,200	508,240	492,830
CAPITAL	38,774	-	7,400	-
<b>Total Expense</b>	<b>\$1,457,421</b>	<b>\$1,559,360</b>	<b>\$1,596,610</b>	<b>\$1,707,400</b>
<b>FTE</b>	<b>3.72</b>	<b>3.82</b>	<b>3.82</b>	<b>4.18</b>

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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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(2,350)	Decrease in personnel services for insurance benefits based on employee plan selection.
(2,430)	Decrease in personnel services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
11,530	Increase in personnel services for allocated unemployment costs.
62,350	Increase in supplies for parts and supplies.
(25,000)	Decrease in purchased services for existing Little Thompson Water District and Fort Collins-Loveland Water District interconnects.
(28,000)	Decrease in purchased services for new Little Thompson Water District interconnects.
55,040	Increase in purchased services for general liability costs based on Division's historical experience and forecasted liability costs.
16,000	Increase in purchased services for rate study consulting.
102,320	Increase in purchased services due to increasing PILT from 6% of sales to 7%.
(15,910)	Decrease in transfers for operating expenses to the General Fund.
13,540	Increase in transfers for 1% for the Arts.

(39,050) Core Changes

(48,520)	Personnel Services
2,200	Supplies
7,270	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**148,040 Total Change**

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**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 associated with 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>
Source of Supply				Water & Power
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
SOURCE OF SUPPLY	\$790,764	\$1,228,700	\$1,423,650	\$1,609,450
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	9,468	201,350	201,350	201,770
SUPPLIES	2,809	2,150	2,150	2,490
PURCHASED SERVICES	778,335	1,025,200	1,220,150	1,405,190
CAPITAL	153	-	-	-
<b>Total Expense</b>	<b>\$790,764</b>	<b>\$1,228,700</b>	<b>\$1,423,650</b>	<b>\$1,609,450</b>
<b>FTE</b>	<b>3.16</b>	<b>1.76</b>	<b>1.76</b>	<b>1.90</b>



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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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(270,000)	Decrease in purchased services for Windy Gap Assessment.
250,000	Increase in purchased services for legal fees for establishing status of City's Domestic Water Rights.
133,000	Increase in purchased services for increased utilization of new Little Thompson Water District Interconnect.
100,000	Increase in purchased services for augmentation plan for Agilent site.
77,000	Increase in purchased services for Big Thompson Watershed Forum Water Monitoring.
43,000	Increase in purchased services for Colorado-Big Thompson (C-BT) Assessment.
25,000	Increase in purchased services for existing Little Thompson Water District & Fort Collins / Loveland Water District interconnects.
10,000	Increase in purchased services for Big Thompson Watershed Forum annual dues.
5,000	Increase in purchased services for Northern Colorado Water Conservancy District Contaminant Monitoring Program.
3,000	Increase in purchased services for Children's Water Festival.

4,750 Core Changes

420	Personnel Services
340	Supplies
3,990	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**380,750 Total Change**

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**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 in this division.

## Water Utility – Transmission Distribution

Transmission 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.

<b>ACTIVITY</b>				<b>DEPARTMENT</b>
Transmission Distribution				Water & Power
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Water Fund</b>				
TRANSMISSION DISTRIBUTION	\$2,592,210	\$3,273,330	\$2,733,010	\$3,174,180
<b>Water SIF Fund</b>				
TRANSMISSION DISTRIBUTION	-	-	799,510	1,043,330
<b>Total Expense</b>	<b>\$2,592,210</b>	<b>\$3,273,330</b>	<b>\$3,532,520</b>	<b>\$4,217,510</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	1,489,009	1,190,730	1,190,730	1,354,210
SUPPLIES	261,537	256,520	261,520	266,600
PURCHASED SERVICES	658,598	467,370	479,750	1,156,790
CAPITAL	183,066	1,358,710	1,600,520	1,439,910
<b>Total Expense</b>	<b>\$2,592,210</b>	<b>\$3,273,330</b>	<b>\$3,532,520</b>	<b>\$4,217,510</b>
<b>FTE</b>	<b>20.45</b>	<b>20.21</b>	<b>20.21</b>	<b>20.53</b>

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

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6,000	Increase in supplies for warehouse withdrawals.
3,800	Increase in supplies for sand, gravel & asphalt.
30,000	Increase in purchased services for Backflow Prevention Program.
400,000	Increase in purchased services for painting the 29th St. Tank.
100,000	Increase in purchased services for small capital consulting.
50,000	Increase in purchased services for the Future Source of Water: Hydraulic and Feasibility Study (aka the Big Straw).
50,000	Increase in purchased services for Modvalve 48" Steel Sandblasting.
25,000	Increase in purchased services for Right-of-Way relocates.
15,000	Increase in purchased services for Agilent Site improvements.
15,000	Increase in purchased services for system improvements.
10,000	Increase in purchased services for street repairs.
7,000	Increase in purchased services for repair & maintenance.
10,000	Increase in purchased services for right-of-way permits.
(33,200)	Decrease in purchased services costs for amortization for vehicle replacements.
81,200	Increase in capital based on the capital program.

174,380 Core Changes

163,480	Personnel Services
280	Supplies
10,620	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**944,180 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.

1,439,910 Capital Projects

1,439,910	Various projects in the capital program.
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## 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>		
Treatment		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Water Fund</b>				
Transmission Distribution	\$2,762,067	\$3,067,840	\$3,381,970	\$2,934,330
<b>Water SIF Fund</b>				
Transmission Distribution	-	-	-	\$12,650
<b>Total Expense</b>	<b>\$2,762,067</b>	<b>\$3,067,840</b>	<b>\$3,381,970</b>	<b>\$2,946,980</b>
<b>EXPENSE BY CATEGORY</b>				
Personnel Services	1,069,583	1,088,520	1,088,520	1,109,810
Supplies	493,504	462,920	462,920	479,830
Purchased Services	599,384	579,870	498,960	504,520
Transfers	4,018	-	-	-
Capital	595,579	936,530	1,331,570	852,820
<b>Total Expense</b>	<b>\$2,762,067</b>	<b>\$3,067,840</b>	<b>\$3,381,970</b>	<b>\$2,946,980</b>
<b>FTE</b>	<b>13.89</b>	<b>14.42</b>	<b>14.42</b>	<b>14.38</b>

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

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- (4,300) Decrease in personnel services for insurance benefits based on employee plan selection.
- 8,000 Increase in supplies for replacement of incubators and purchase of UPS units for sensitive analytical equipment.
- 6,250 Increase in supplies for reallocation from the Wastewater Enterprise.
- (19,000) Decrease in purchased services at the Water Treatment Plant for residuals removal and hauling.
- (70,000) Decrease in purchased services for Big Thompson Watershed Forum Water Monitoring.
- (4,500) Decrease in purchased services costs for amortization for vehicle replacements.
- (83,710) Decrease in capital based on the capital program.

46,400 Core Changes

- 25,590 Personnel Services
- 2,660 Supplies
- 18,150 Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**(120,860) 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.

852,820 Capital Projects

- 852,820 Various projects in the capital program.

# Raw Water Utility

The Raw Water Fund is to account for costs of 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 Utility				Water & Power
EXPENSE BY		'11 Adopted	'11 Revised	
DIVISION/Program	'10 Actual	Budget	Budget as of June	'12 Budget
ADMINISTRATION & GENERAL	834,314	826,270	5,345,270	826,960
SOURCE OF SUPPLY	2,472,414	5,467,630	6,092,630	827,220
<b>Total Expense</b>	<b>\$3,306,728</b>	<b>\$6,293,900</b>	<b>\$11,437,900</b>	<b>\$1,654,180</b>
<b>REVENUE</b>				
UTILITY OTHER	105,287	78,390	78,390	83,800
IMPACT FEES	225,696	234,130	234,130	270,620
INTEREST	314,923	655,670	655,670	449,730
TRANSFERS	705,531	910,780	911,780	985,910
<b>Total Revenue</b>	<b>\$1,351,437</b>	<b>\$1,878,970</b>	<b>\$1,879,970</b>	<b>\$1,790,060</b>
<b>EXPENSE BY CATEGORY</b>				
PURCHASED SERVICES	14,443	7,100	7,100	7,100
DEBT SERVICE	826,266	826,270	826,270	826,960
TRANSFERS	-	-	4,519,000	-
<b>Total Operating</b>	<b>\$840,709</b>	<b>\$833,370</b>	<b>\$5,352,370</b>	<b>\$834,060</b>
CAPITAL	2,466,019	5,460,530	6,085,530	820,120
<b>Total Capital</b>	<b>\$2,466,019</b>	<b>\$5,460,530</b>	<b>\$6,085,530</b>	<b>\$820,120</b>
<b>Total Expense</b>	<b>\$3,306,728</b>	<b>\$6,293,900</b>	<b>\$11,437,900</b>	<b>\$1,654,180</b>
<b>FTE</b>	-	-	-	-

# Raw Water Utility – Administration & General

Admin and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is also part of this division, responsible for the annual budget, monthly financial reports, year-end financial processing, and the daily process of source documents, payroll processing, and tracking of project costs for the Department. This Division has ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizen's Finance Advisory Commission. Customer Relations provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

ACTIVITY	DEPARTMENT
Admin & General	Water & Power

EXPENSE BY DIVISION/Program	'10 Actual	'11 Adopted Budget	'11 Revised Budget as of June	'12 Budget
ADMIN & GENERAL	\$834,314	\$826,270	\$5,345,270	\$826,960
<b>EXPENSE BY CATEGORY</b>				
PURCHASED SERVICES	7,399	-	-	-
DEBT SERVICES	826,266	826,270	826,270	826,960
TRANSFERS	-	-	4,519,000	-
CAPITAL	649	-	-	-
<b>Total Expenses</b>	<b>\$834,314</b>	<b>\$826,270</b>	<b>\$5,345,270</b>	<b>\$826,960</b>
<b>FTE</b>	-	-	-	-

## CHANGES COMPARED TO PRIOR YEAR ADOPTED

690 Increase in debt service based on the payment schedule.

- Core Changes
  - There are no core changes in this division.
- Funded Supplements
  - There are no funded supplements in this division.

**690 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 associated with this division.

## Raw 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.

ACTIVITY	DEPARTMENT
Source of Supply	Water & Power

EXPENSE BY DIVISION/Program	'10 Actual	'11 Adopted Budget	'11 Revised Budget as of June	'12 Budget
SOURCE OF SUPPLY	\$2,472,414	\$5,467,630	\$6,092,630	\$827,220

EXPENSE BY CATEGORY				
PURCHASED SERVICES	7,044	7,100	7,100	7,100
CAPITAL	2,465,370	5,460,530	6,085,530	820,120
<b>Total Expense</b>	<b>\$2,472,414</b>	<b>\$5,467,630</b>	<b>\$6,092,630</b>	<b>\$827,220</b>

<b>FTE</b>	-	-	-	-
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CHANGES COMPARED TO PRIOR YEAR ADOPTED
(4,640,410) Decrease in capital based on the Capital Program.
- <u>Core Changes</u>
- There are no core changes in this division.
- <u>Funded Supplements</u>
- There are no funded supplements in this division.
<b>(4,640,410) Total Change</b>

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.
820,120 <u>Capital Projects</u>
820,120 Various projects in the capital program.



# 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 two water-related utilities: Water and Wastewater. Groups within the Division 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

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Wastewater Utility		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Wastewater Fund</b>				
WASTEWATER UTILITY	\$6,611,408	\$12,885,940	\$10,704,470	\$6,645,730
<b>Wastewater SIF Fund</b>				
WASTEWATER UTILITY	-	-	2,512,700	221,350
<b>Total Expense</b>	<b>\$6,611,408</b>	<b>\$12,885,940</b>	<b>\$13,217,170</b>	<b>\$6,867,080</b>
<b>REVENUE</b>				
<b>Wastewater Fund</b>				
UTILITY CHARGES	6,995,527	7,140,960	7,140,960	7,152,170
UTILITY OTHER	116,472	78,680	4,330	4,980
IMPACT FEES	661,185	708,990	-	-
INTEREST	97,152	214,090	139,820	66,190
TRANSFERS	10,190	-	2,590	-
OTHER	12,984	(1,850)	(1,850)	(2,100)
<b>Total Wastewater Fund</b>	<b>\$7,893,510</b>	<b>\$8,140,870</b>	<b>\$7,285,850</b>	<b>\$7,221,240</b>
<b>Wastewater SIF Fund</b>				
UTILITY OTHER	-	-	74,350	100,000
IMPACT FEES	-	-	708,990	710,000
INTEREST	-	-	74,270	44,440
<b>Total Wastewater SIF Fund</b>	<b>-</b>	<b>-</b>	<b>\$857,610</b>	<b>\$854,440</b>
<b>Total Revenue</b>	<b>\$7,893,510</b>	<b>\$8,140,870</b>	<b>\$8,143,460</b>	<b>\$8,075,680</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,058,292	2,161,280	2,212,520	2,243,260
SUPPLIES	190,858	289,320	289,320	406,880
PURCHASED SERVICES	2,718,125	2,429,400	2,594,100	2,543,900
TRANSFERS	756,424	782,110	782,970	823,200
<b>Total Operating</b>	<b>\$5,723,699</b>	<b>\$5,662,110</b>	<b>\$5,878,910</b>	<b>\$6,017,240</b>
CAPITAL	887,710	7,223,830	7,338,260	849,840
<b>Total Capital</b>	<b>\$887,710</b>	<b>\$7,223,830</b>	<b>\$7,338,260</b>	<b>\$849,840</b>
<b>Total Expense</b>	<b>\$6,611,408</b>	<b>\$12,885,940</b>	<b>\$13,217,170</b>	<b>\$6,867,080</b>

## Wastewater Utility – Administration & General

Admin and General is where the yearly computer purchases, larger computer equipment, and training for the Department is budgeted. Utility Accounting is also part of this division, responsible for the annual budget, monthly financial reports, year-end financial processing, and the daily process of source documents, payroll processing, and tracking of project costs for the Department. This Division has ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizens' Finance Advisory Commission. Customer Relations provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Admin & General		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
ADMIN & GENERAL	\$1,593,520	\$1,677,420	\$1,761,720	\$1,691,400
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	192,040	213,800	265,040	201,820
SUPPLIES	7,520	8,220	8,220	58,710
PURCHASED SERVICES	640,029	667,790	667,790	599,670
TRANSFERS	753,930	782,110	782,970	823,200
CAPITAL	-	5,500	37,700	8,000
<b>Total Expense</b>	<b>\$1,593,520</b>	<b>\$1,677,420</b>	<b>\$1,761,720</b>	<b>\$1,691,400</b>
<b>FTE</b>	<b>2.10</b>	<b>1.98</b>	<b>1.98</b>	<b>1.89</b>

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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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(15,410)	Decrease in personnel services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
7,380	Increase in personnel services for allocated unemployment costs.
(2,500)	Decrease in personnel services for insurance benefits based on employee plan selection.
(169,000)	Decrease in purchased services for general liability costs based on Division's historical experience and forecasted liability costs.
16,000	Increase in purchased services for of rate study consulting.
4,030	Increase in purchased services for Customer Relations program.
77,730	Increase purchased services due to PILT increase from 6% of sales to 7%.
45,000	Increase in transfers for repayment to Raw Water for the intra-fund loan to the Water Enterprise.
(9,220)	Decrease in transfers for Internal Service Fund service.
5,310	Increase in transfers for 1% For the Arts.
2,500	Increase in capital based on the capital program.

52,160 Core Changes

(1,450)	Personnel Services
50,490	Supplies
3,120	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**13,980 Total Change**

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**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.

8,000 Capital Projects

8,000	Various projects in the capital program.
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## 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>		
Collection		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Wastewater Fund</b>				
COLLECTION	\$1,812,944	\$2,825,530	\$3,066,360	\$1,882,860
<b>Wastewater SIF Fund</b>				
COLLECTION	-	-	-	118,320
<b>Total Expense</b>	<b>\$1,812,944</b>	<b>\$2,825,530</b>	<b>\$3,066,360</b>	<b>\$2,001,180</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	837,296	829,060	829,060	897,110
SUPPLIES	45,529	85,530	85,530	84,430
PURCHASED SERVICES	615,345	528,240	692,940	626,320
TRANSFERS	2,398	-	-	-
CAPITAL	312,376	1,382,700	1,458,830	393,320
<b>Total Expense</b>	<b>\$1,812,944</b>	<b>\$2,825,530</b>	<b>\$3,066,360</b>	<b>\$2,001,180</b>
<b>FTE</b>	<b>13.90</b>	<b>14.11</b>	<b>14.11</b>	<b>12.95</b>

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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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70,050 Increase in personnel services for reallocation of existing FTEs.  
(9,120) Decrease in personnel services for non-recurring budget for temporary employees.  
(9,100) Decrease in personnel services for insurance benefits based on employee plan selection.  
150,000 Increase in purchased services for rehabilitation and relining of old sewer lines, Agilent site improvements, right-of-way relocates & drafting and erosion control programs.  
(15,000) Decrease in purchased services for system improvements.  
(21,980) Decrease in purchased services costs for amortization for vehicle replacements.  
(989,380) Decrease in capital based on the capital program.

180 Core Changes

16,220 Personnel Services  
(1,100) Supplies  
(14,940) Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**(824,350) Total Change**

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**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.

393,320 Capital Projects

393,320 Various projects in the capital program.

## Wastewater Utility – Treatment

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>		
Treatment		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Wastewater Fund</b>				
TREATMENT	\$3,204,945	\$8,382,990	\$5,876,390	\$3,071,470
<b>Wastewater SIF Fund</b>				
TREATMENT	-	-	2,512,700	103,030
<b>Total Expense</b>	<b>\$3,204,945</b>	<b>\$8,382,990</b>	<b>\$8,389,090</b>	<b>\$3,174,500</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	1,028,956	1,118,420	1,118,420	1,144,330
SUPPLIES	137,808	195,570	195,570	263,740
PURCHASED SERVICES	1,462,751	1,233,370	1,233,370	1,317,910
TRANSFERS	96	-	-	-
CAPITAL	575,334	5,835,630	5,841,730	448,520
<b>Total Expense</b>	<b>\$3,204,945</b>	<b>\$8,382,990</b>	<b>\$8,389,090</b>	<b>\$3,174,500</b>
<b>FTE</b>	<b>14.48</b>	<b>14.48</b>	<b>14.48</b>	<b>14.50</b>

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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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7,470	Increase in personnel services for overtime costs.
9,100	Increase in personnel services due to a reduction in capitalized labor.
(10,200)	Decrease in personnel services for insurance benefits based on employee plan selection.
70,000	Increase in supplies for anti-corrosion chemicals.
8,000	Increase in supplies to replace incubators and purchase UPS units for sensitive analytical equipment.
(6,250)	Decrease in supplies for parts and supplies reallocated to the Water Enterprise.
(130,000)	Decrease in purchased services for one-time change in Wastewater Permit Parameters.
49,000	Increase in purchased Services for Contract Lab Testing for Metals (CDPS), Consultant Sampling & Analysis, Environmental Services base budget increase, Low Level Mercury Testing & Whole Effluent Toxicity (WET) Testing.
40,000	Increase in purchased services for Mercury Sampling.
138,350	Increase in purchased services for assessments and studies at the Treatment Plant.
(6,920)	Decrease in purchased services costs for amortization for vehicle replacements.
(5,387,110)	Decrease in capital based on the capital program.

10,070 Core Changes

19,540	Personnel Services
(3,580)	Supplies
(5,890)	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**(5,208,490) Total Change**

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**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.

448,520 Capital Projects

448,520 Various projects in the capital program.

## Power Utility

The Power Operations Division maintains the City of Loveland's electric distribution system. In 2010, the average service availability for the system was 99.991%. The City is a retail distributor of electricity to 32,574 customers in and around Loveland, as well as a wholesale distributor of electricity to Xcel Energy. Loveland residents pay the fourth lowest rates in the state for their electricity. Loveland owns and maintains the distribution system as well as a small hydroelectric generating plant in the Big Thompson Canyon.

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 2009, the electricity consumed by the four cities was generated by the following sources; 75.5% coal, 19.6% hydroelectric, 0.3% natural gas, 0.4% other and 4.2% wind.

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 2010, the Division designed and constructed approximately \$5.3 million in projects. In 2011, the Division has over \$10.5 million in distribution system improvement and expansion projects in progress, and in 2012 another \$6.1 in system improvements is planned.



ACTIVITY	DEPARTMENT			
Power Utility	Water & Power			

EXPENSE BY DIVISION/Program	'10 Actual	'11 Adopted Budget	'11 Revised Budget as of June	'12 Budget
<b>Power Fund</b>				
POWER UTILITY	\$44,087,166	\$49,141,570	\$49,061,080	\$49,162,310
<b>Power PIF Fund</b>				
POWER UTILITY	-	-	1,737,000	50,000
<b>Total Expense</b>	<b>\$44,087,166</b>	<b>\$49,141,570</b>	<b>\$50,798,080</b>	<b>\$49,212,310</b>
<b>REVENUE</b>				
<b>Power Fund</b>				
UTILITY CHARGES	42,685,269	44,115,000	44,115,000	46,514,000
UTILITY OTHER	1,049,828	1,115,930	1,115,930	1,108,610
IMPACT FEES	1,765,740	1,500,000	-	-
CHARGES FOR SERVICE	563,737	505,100	509,000	532,100
INTEREST	220,807	263,800	200,250	155,920
OTHER	196,132	65,820	61,920	36,410
TRANSFERS	190,410	248,900	251,930	254,420
<b>Total Power Fund</b>	<b>\$46,671,923</b>	<b>\$47,814,550</b>	<b>\$46,254,030</b>	<b>\$48,601,460</b>
<b>Power PIF Fund</b>				
IMPACT FEES	-	-	1,500,000	1,700,000
INTEREST	-	-	63,550	97,670
<b>Total Power PIF Fund</b>	<b>-</b>	<b>-</b>	<b>\$1,563,550</b>	<b>\$1,797,670</b>
<b>Total Revenue</b>	<b>\$46,671,923</b>	<b>\$47,814,550</b>	<b>\$47,817,580</b>	<b>\$50,399,130</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	3,597,282	2,613,340	2,719,520	2,781,930
SUPPLIES	287,340	501,860	483,960	391,600
PURCHASED SERVICES	34,271,212	36,266,180	36,508,960	39,286,040
TRANSFERS	645,646	543,280	544,710	647,950
<b>Total Operating</b>	<b>\$38,801,480</b>	<b>\$39,924,660</b>	<b>\$40,257,150</b>	<b>\$43,107,520</b>
CAPITAL	5,285,686	9,216,910	10,540,930	6,104,790
<b>Total Capital</b>	<b>\$5,285,686</b>	<b>\$9,216,910</b>	<b>\$10,540,930</b>	<b>\$6,104,790</b>
<b>Total Expense</b>	<b>\$44,087,166</b>	<b>\$49,141,570</b>	<b>\$50,798,080</b>	<b>\$49,212,310</b>
<b>FTE</b>	<b>42.05</b>	<b>42.72</b>	<b>42.72</b>	<b>44.17</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 also part of this division, responsible for the annual budget, monthly financial reports, year-end financial processing, and the daily process of source documents, payroll processing, and tracking of project costs for the Department. This Division has ongoing interactions with the Loveland Utilities Commission, City Council, and the Citizen's Finance Advisory Committee. Customer Relations provides a single point of contact and responsible utility solutions to the key partners and commercial customers.

<b>ACTIVITY</b>		<b>DEPARTMENT</b>		
Administration & General		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
ADMIN & GENERAL	\$34,921,901	\$36,782,610	\$37,130,160	\$39,690,200
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	725,078	832,040	938,220	692,930
SUPPLIES	14,309	43,080	25,180	33,070
PURCHASED SERVICES	33,536,868	35,364,210	35,622,050	38,195,320
TRANSFERS	645,646	543,280	544,710	647,950
CAPITAL	-	-	-	120,930
<b>Total Expense</b>	<b>\$34,921,901</b>	<b>\$36,782,610</b>	<b>\$37,130,160</b>	<b>\$39,690,200</b>
<b>FTE</b>	<b>4.58</b>	<b>7.05</b>	<b>7.05</b>	<b>7.44</b>

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**CHANGES COMPARED TO PRIOR YEAR ADOPTED**

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(30,980)	Decrease in personnel services for reallocation of existing FTEs to other divisions.
(3,850)	Decrease in personnel services for insurance benefits based on employee plan selection.
(2,430)	Decrease in personnel services for workers' compensation due to the allocation of the City's cost based on the Division's experience rating and forecasted liability costs.
15,750	Increase in personnel services for allocated unemployment costs.
(18,880)	Decrease in supplies for Larimer County Youth Corps.
200,000	Increase in purchased services for Marketing the Partnering With Power program.
(177,500)	Decrease in purchased services for the O Power Program.
60,500	Increase in purchased services for Home Residential Energy Audits.
(33,000)	Decrease in purchased services for refrigerator recycling.
31,800	Increase in purchased services for PRPA in Excess of their EE Programs.
15,180	Increase in purchased services for Larimer County Youth Corps.
3,200	Increase in purchased services for Greenswitch.
55,040	Increase in purchased services for general liability costs based on Division's historical experience and forecasted liability costs.
12,910	Increase in purchased services for reallocation of Department-wide software upgrades.
6,200	Increase in purchased services for rate consulting services.
1,807,000	Increase in purchased services for Purchased Power to be resold at retail rates.
172,000	Increase in purchased services for Energy Efficiency Rebates.
609,000	Increase in purchased services due to increasing PILT from 6% of sales to 7%.
(9,760)	Decrease in transfers for internal services.
39,730	Increase in transfers for 1% For the Arts.
74,700	Increase in transfers due to a change in accounting for the fund contribution to Economic Development.
120,930	Increase in capital based on the capital program.
(39,950)	<u>Core Changes</u>
(117,600)	Personnel Services
8,870	Supplies
68,780	Purchased Services
-	<u>Funded Supplements</u>
-	There are no funded supplements in this division.

**2,907,590 Total Change**

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**OTHER INFORMATION**

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-	<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.
120,930	<u>Capital Projects</u>
120,930	Various projects in the capital program.

## 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. Over 99% of 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>		
Distribution		Water & Power		
<b>EXPENSE BY DIVISION/Program</b>	<b>'10 Actual</b>	<b>'11 Adopted Budget</b>	<b>'11 Revised Budget as of June</b>	<b>'12 Budget</b>
<b>Power Fund</b>				
DISTRIBUTION O&M	\$8,969,837	\$12,094,970	\$11,666,930	\$8,863,950
<b>Power PIF Fund</b>				
DISTRIBUTION	-	-	\$1,737,000	\$50,000
<b>Total Expense</b>	<b>\$8,969,837</b>	<b>\$12,094,970</b>	<b>\$13,403,930</b>	<b>\$8,913,950</b>
<b>EXPENSE BY CATEGORY</b>				
PERSONNEL SERVICES	2,783,899	1,708,180	1,708,180	2,005,490
SUPPLIES	265,637	436,380	436,380	344,230
PURCHASED SERVICES	694,847	839,000	823,940	1,028,820
CAPITAL	5,225,455	9,111,410	10,435,430	5,535,410
<b>Total Expense</b>	<b>\$8,969,837</b>	<b>\$12,094,970</b>	<b>\$13,403,930</b>	<b>\$8,913,950</b>
<b>FTE</b>	<b>37.29</b>	<b>34.77</b>	<b>34.77</b>	<b>35.41</b>

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

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68,300	Increase in personnel services for overtime costs.
65,560	Increase in personnel services for reallocation of existing FTEs from other divisions.
104,700	Increase in personnel services for Line Crews pay play compliance
(20,400)	Decrease in personnel services for insurance benefits based on employee plan selection.
(107,000)	Decrease in supplies for one-time radio replacement.
209,000	Increase in purchased services for tree trimming services.
25,000	Increase in purchased services for pole testing services.
10,000	Increase in purchased services for crack fill and reseal of the transformer storage area.
(36,700)	Decrease in purchased services costs for amortization for vehicle replacements.
(3,576,000)	Decrease in capital based on the capital program.

76,520 Core Changes

79,150	Personnel Services
14,850	Supplies
(17,480)	Purchased Services

- Funded Supplements

- There are no funded supplements in this division.

**(2,696,840) 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.

5,535,410 Capital Projects

5,535,410 Various projects in the capital program.

## Power Utility – Hydroelectric Generation

Hydroelectric Generation is currently under the Technical Services Section. The Hydro budget is used to fund the maintenance and repair of the Idlewilde Dam, a small hydroelectric generating plant in the Big Thompson Canyon. Technical Services also maintains the pipe line that feeds the Hydro Plant.

DIVISION	DEPARTMENT
Hydro	Water & Power

EXPENSE BY DIVISION/Program	'10 Actual	'11 Adopted Budget	'11 Revised Budget as of June	'12 Budget
HYDRO	\$195,428	\$263,990	\$263,990	\$608,160

EXPENSE BY CATEGORY				
PERSONNEL SERVICES	88,306	73,120	73,120	83,510
SUPPLIES	7,394	22,400	22,400	14,300
PURCHASED SERVICES	39,497	62,970	62,970	61,900
CAPITAL	60,232	105,500	105,500	448,450
<b>Total Expense</b>	<b>\$195,428</b>	<b>\$263,990</b>	<b>\$263,990</b>	<b>\$608,160</b>

<b>FTE</b>	<b>0.18</b>	<b>0.90</b>	<b>0.90</b>	<b>1.32</b>
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CHANGES COMPARED TO PRIOR YEAR ADOPTED				
9,820	Increase in personnel services reallocation of existing FTEs from other divisions.			
(600)	Decrease in personnel services for insurance benefits based on employee plan selection.			
(8,100)	Decrease in supplies for reduction in computer replacement.			
342,950	Increase in capital based on the capital program.			
100	<u>Core Changes</u>			
1,170	Personnel Services			
(1,070)	Purchased Services			
-	<u>Funded Supplements</u>			
-	There are no funded supplements in this division.			
<b>344,170</b>	<b>Total Change</b>			

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.			
448,450	<u>Capital Projects</u>			
448,450	Various projects in the capital program.			