

**RESOLUTION 2022-06**  
**RESOLUTION TO ADOPT BUDGET**

(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVNUES FOR EACH FUND AND ADOPTING A BUDGET FOR CLIFTON WATER DISTRICT COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023, AND ENDING ON THE LAST DAY OF DECEMBER 2023.

WHEREAS, the Board of Directors of Clifton Water District has appointed Ty Jones, Manger to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Ty Jones, Manager has submitted a proposed budget to this governing body on December 1, 2022, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was help on December 1, 2022, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, totaling \$20,763,369, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CLIFTON WATER DISTRICT, COLORADO;

Section 1. That the budget as submitted, amended and summarized by fund, hereby is approved and adopted as the budget for Clifton Water District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the Board of Directors and made a part of the public records for the District.

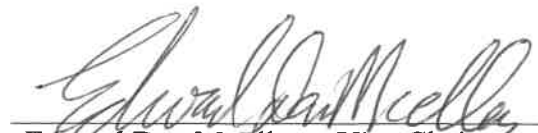
ADOPTED, this 1<sup>st</sup> day of December, 2022

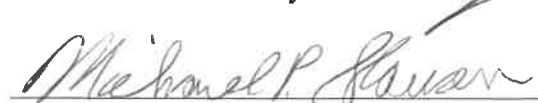
**ATTEST:**

  
Melvin Diffendaffer – Chairman

  
Wesley Davis – Secretary

  
Nicholas Genova – Director

  
Edward Dan McElley – Vice Chairman

  
Michael Slauson – Treasurer



**RESOLUTION 2022-12**  
**TO APPROPRIATE SUMS OF MONEY**  
(Pursuant to Section 29-1-108, C.R.S.)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR CLIFTON WATER DISTRICT, COLORADO, FOR THE 2023 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 1, 2022, and;

WHEREAS, the Board of Directors has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purpose described below, thereby establishing a limitation on expenditures for the operations of Clifton Water District.

NOW, THEREFORE, BE IT RESOLVED/ORDAINED BY THE BOARD OF DIRECTORS OF CLIFTON WATER DISTRICT, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:


Description	2023 Budget		
Estimated Beginning Balance	\$ 10,459,136.45		
<b>Operating Revenue</b>		<b>Operating Expense</b>	
Water Revenue	8,269,347.00	Labor	2,372,745.00
Penalties & Fees	624,132.00	Benefits	804,206.65
Other Operating Income	78,000.00	Board Expense	62,000.00
<b>Total Operating Revenue</b>	<b>8,971,479.00</b>	District-Wide Expense	462,145.00
<b>Non-Operating Revenue</b>		Administrative Expense	210,526.00
Tap Installations	1,600.00	Distribution Expense	672,550.00
Penalties & Fees - Non-Op	1,149,904.00	Water Treatment Plant Expense	1,062,585.00
Interest Income	126,650.00	<b>Total Operating Expense</b>	<b>5,646,757.65</b>
Gain/Loss on Sale of Asset/Invest	15,000.00	<b>Non-Operating Expense</b>	
Grant and Lease Income	21,600.00	General and Administrative	188,000.00
Other Non-Operating Income	18,000.00	Distribution	3,817,500.00
<b>Total Non-Operating Revenue</b>	<b>1,332,754.00</b>	Water Treatment Plant	727,565.00
<b>Total Revenue</b>	<b>\$ 10,304,233.00</b>	<b>Total Non-Operating Expense</b>	<b>4,733,065.00</b>
		Other Expense	2,955,261.40
		Reserve Fund	436,000.00
		Contingency Fund	6,992,285.40
		<b>Total Expenses</b>	<b>\$ 20,763,369.45</b>
		<b>Estimated Ending Balance</b>	<b>\$ -</b>

IT IS FURTHER RESOLVED, that there is appropriated from the funds of the district acting by and through its Water Activity Enterprise, twenty million seven hundred sixty-three thousand, three hundred sixty-nine dollars (\$20,763,369) for the general expenses of the District, and that this appropriation be continuing appropriation whether said funds be expended during 2023 or thereafter.

ADOPTED THIS 1<sup>st</sup> day of December, 2022.

ATTEST:

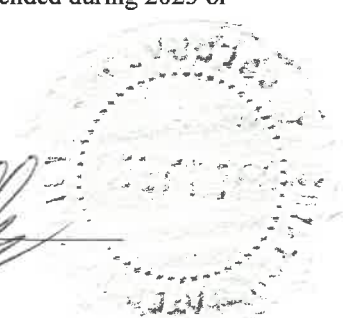
  
Melvin Diffendaffer – Chairman

  
Wesley Davis – Secretary

  
Nicholas Genova – Director

  
Edward Dan McElley – Vice Chairman

  
Michael Slauson – Treasurer



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Clifton Water District

# 2023 Adopted Budget

Prepared by: Ty Jones and Jessica Isley

## Budget Summary

The 2023 budget is vastly different from previous years for Clifton Water District but the core goals remain the same. It is the philosophy of the District that operational revenues should be sufficient to fund not only operating expenses but also replacement costs for existing, aging infrastructure using depreciation expense as a guide. Clifton Water District is a Water Activity Enterprise and receives all revenue exclusively from rates and fees. No revenue is received from property or sales tax. This budget represents a district-wide effort to reduce costs, improve capital assets, continue regular preventative maintenance, and optimize operations without diminishing water quality for the District's customers.

The budget process includes collaboration between department supervisors, management, and the Board of Directors. It is produced with an extensive level of detail, cost tracking, and projections from staff. The condensed version of the budget is presented as a quick reference for the allocation of revenue. The budget explanation has a more detailed allocation of funds and provides additional definitions where applicable. The budget is approved by the Board of Directors and submitted to the proper agencies.

The 2023 budget is presented in five sections:

1. Operating Revenue
2. Non-Operating Revenue
3. Operating Expense
4. Non-Operating Expense
5. Other Expenses

**Operating** – revenues and expenses incurred as a daily cost of doing business to produce and deliver the water being sold. Revenues are primarily based on Water Sales. Water rates address the revenue requirements of the District's bond covenants, debt service and the recovery of depreciation or 'replacement costs' of aging infrastructure.

**Non-operating** – revenues and expenses identified as capital or infrastructure improvements that are not operational in nature.

**Other Expenses** – expenses of the district that include principal and interest payments of the 2013 Water Revenue Refunding Bonds and the 2014 Drinking Water Revolving Fund Loan, an emergency fund, a reserve fund, and contingency funds.

In the 2023 budget, the District developed a new chart of accounts in preparation for new accounting software. Many accounts were condensed with a few new account codes added. Two additional departments; Board and District-Wide were added to the 2023 budget. These departments were added to help track expenses directly related to the Board of Directors and re-allocate expenses such as Community Outreach that are not directly tied to the operation of a specific department but a shared expense.

Water rates for 2023 were adopted by the Board of Directors on November 3, 2022. Before this rate increase, the District had not increased rates for 7 years. During those seven years, we have seen historically high inflation rates that have impacted all departments. The monthly base rate will increase by \$5.00, and the volumetric tiered rates will increase by 15% for all tiers. To incentivize water conservation, the District added a high usage tier for residential users that will charge those who use more than 25,000 gallons in a billing cycle. Additionally, the District added a new irrigation tap fee and rate schedule for taps specifically intended for irrigation use. These will be charged at two times the current tap and consumption rate.


If there are any questions concerning the budget, please contact the Manager of the District.



## Clifton Water District 2023 Condensed Budget

Description	2023 Budget
Estimated Beginning Balance	\$ 10,459,136.45
<b>Operating Revenue</b>	
Water Revenue	8,269,347.00
Penalties & Fees	624,132.00
Other Operating Income	78,000.00
<b>Total Operating Revenue</b>	<b>8,971,479.00</b>
<b>Non-Operating Revenue</b>	
Tap Installations	1,600.00
Penalties & Fees - Non-Op	1,149,904.00
Interest Income	126,650.00
Gain/Loss on Sale off Asset/Invest	15,000.00
Grant and Lease Income	21,600.00
Other Non-Operating Income	18,000.00
<b>Total Non-Operating Revenue</b>	<b>1,332,754.00</b>
<b>Total Revenue</b>	<b>\$ 10,304,233.00</b>
<b>Operating Expense</b>	
Labor	2,372,745.00
Benefits	804,206.65
Board Expense	62,000.00
District-Wide Expense	462,145.00
Administrative Expense	210,526.00
Distribution Expense	672,550.00
Water Treatment Plant Expense	1,062,585.00
<b>Total Operating Expense</b>	<b>5,646,757.65</b>
<b>Non-Operating Expense</b>	
General and Administrative	188,000.00
Distribution	3,817,500.00
Water Treatment Plant	727,565.00
<b>Total Non-Operating Expense</b>	<b>4,733,065.00</b>
Other Expense	2,955,261.40
Reserve Fund	436,000.00
Contingency Fund	6,992,285.40
<b>Total Expenses</b>	<b>\$ 20,763,369.45</b>
<b>Estimated Ending Balance</b>	<b>\$ -</b>

I, Ty Jones, Clifton Water District Manager, certify that the foregoing is a true and accurate copy of the adopted 2023 Budget for Clifton Water District.

Signature: 

Date: 12-29-22

## Operating Revenue

Total Operating Revenue is \$8,971,479

### Water Sales

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>100-4105</b>	Water Sales - In District	5,668,749.62	5,788,876.25	7,649,471.00
<b>100-4110</b>	Water Sales - Out of District	274,393.01	263,486.82	616,306.00
<b>100-4115</b>	Bulk Water Sales	1,058.00	1,603.14	3,570.00
<b>Total</b>		<b>5,944,200.63</b>	<b>6,053,966.21</b>	<b>8,269,347.00</b>

**100-4105** In District Water Sales (\$2,014,361 Increase) – New water rates were adopted by the District’s Board of Directors on November 3, 2022. The monthly base rate will increase from \$22.00 per month to \$27.00 per month. The volumetric tiered rates for water service will increase by 15% for all tiers. To incentivize water conservation, the District has added a high usage tier (usage over 25,000 gallons/billing period) for residential users. The 2023 budget is based on recent consumption trends as well as the new rate schedule effective January 1, 2023. The District’s water rate structure is based on compliance with the District’s bond covenants and is intended to fully fund operating expenses, debt service obligations, and the recovery of depreciation expenses for the replacement of aging infrastructure.

**100-4110** Out-of-District Water Sales (\$348,270 Increase) – New water rates were adopted by the District’s Board of Directors on November 3, 2022. Out-of-district water sales are based on one and a half times the in-district water rates and their increases. The 2023 budget is based on recent consumption trends as well as the new rate schedule effective January 1, 2023.

**100-4115** Bulk Water Sales (\$2,824 Increase) – Bulk water sales are based on recent consumption trends on our Fire Hydrant Meters. The District intends to phase out the use of Fire Hydrant Meters and push our consumers to use our new bulk water fill station(s). Part of the adopted water rates included an increase in rates for bulk water sales from \$3.10 per 1,000 galls to \$7.50 per 1,000 gallons. The 2023 budget is based on a recent consumption average of 476,000 gallons times the new rate for bulk water sales.

## Penalties & Fees

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>100-4220</b>	CSD Outside Billing Fees	52,656.50	56,627.76	48,577.00
<b>100-4225</b>	Final Cancellation Fee	2,565.00	720.00	1,650.00
<b>100-4230</b>	Delinquency & Tampering Fees	25,543.75	36,070.80	35,735.00
<b>100-4235</b>	Returned Payment Fees	2,940.00	4,488.00	3,000.00
<b>100-4240</b>	Connect Fees	39,070.00	33,342.00	34,200.00
<b>100-4245</b>	DSI Fees	25,900.00	48,683.88	45,600.00
<b>100-4250</b>	Third Party Fees	9,000.00	8,080.00	10,800.00
<b>100-4280</b>	System Investment Fees	439,937.92	446,361.07	444,570.00
<b>100-4355</b>	Credit Card Fees	0.00	37,335.00	78,000.00
<b>Total</b>		<b>597,613.17</b>	<b>671,708.51</b>	<b>702,132.00</b>

**100-4220** CSD Outside Billing Fees (\$487 Increase) – The projection is based on billing an estimated 5,785 accounts at \$0.70 per account per month. The increase is due to a projected 1% increase in the number of accounts billed each month.

**100-4225** Final Cancellation Fees (\$510 Decrease) – Projection is based on an average of \$137.50/month

**100-4230** Delinquency & Tampering Fees (\$665 Decrease) – Projection is based on the average of \$2,977.95/month

**100-4235** Returned Payment Fees (\$1,080 Increase) – The budget is based on an average of \$250 per month charged for return payment fees.

**100-4245** DSI Fees (\$6,600 Increase) – Projection is based on an average of \$3,800/month

**100-4280** System Investment Fees (No Change) – Projection is based on a \$2.50/unit/month fee. In 2022 a projection of 150 additional units but economic changes did not allow the District to meet that projection.

**100-4355** Credit Card Fees (\$78,000 Increase) – The budget is based on a \$2.50 convenience fee charged to customers when using an online platform to cover costs associated with each transaction, approximately \$6,500/month. Fees are collected and then expensed back out through the bank charges account. Previously removed from the budget but added back in 2023 due to the implementation of new software.

## Non-Operating Revenue

Total Non-Operating Revenue is \$1,332,754

### Non-Operating Revenue

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
100-4465	Tap Installations	0.00	0.00	1,600.00
100-4570	Plant Investment Fees	1,025,525.00	1,047,162.36	1,088,000.00
100-4575	Availability of Service Fee	28,803.00	28,927.50	29,904.00
100-4585	Main Line Extension Fees	15,000.00	10,400.00	32,000.00
100-4690	Interest Income	93,181.30	85,834.72	126,650.00
100-4705	Gain/Loss Disposal of Assets	3,448.50	20,000.00	15,000.00
100-4820	Lease Income	14,515.20	12,441.60	21,600.00
100-4930	Misc. Income	6,952.04	27,885.74	18,000.00
<b>Total</b>		<b>1,187,425.04</b>	<b>1,232,651.92</b>	<b>1,332,754.00</b>

**100-4465** Tap Installations–The District normally projects revenue from installing single water service taps when a customer chooses the District to install the water tap instead of a private contractor. To not compete with private contractors, the projection is for the installation of only one water service tap.

**100-4570** Plant Investment Fees/Sale of Taps (\$312,000 Decrease) – The projection is based on 136 taps sold at the projected in-district rate of \$8,000/tap.

**100-4575** Availability of Service Fee (\$538 Increase) – The budget is based on an average of 140 inactive taps charged \$17.50/month.

**100-4585** Main Line Extension Fees (\$8,000 Decrease) – Projection is based on 8 subdivisions at the rate of \$4,000 per extension.

**100-4690** Interest Income (\$1,530 Decrease) – Estimated average yield of 1.5% on investments with an estimated balance of \$7,860,000 and 0.25% on cash and cash equivalents with an average balance of \$3,500,000. Returns on reserve accounts continue to remain low and unrealized loss on investments in 2021 has impacted our projection on interest income.

**100-4820** Lease Income (\$6,000 Increase)– Projections are based on the CommNet Cellular Inc., (Verizon) lease amount of \$1,800/month.



## Operating Expense

Total Operating Expenses are \$5,646,760 which is a 20.03% increase from the 2022 budget

### Labor Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
110-5905	Hourly Wages - Admin	309,432.87	277,233.07	317,800.00
110-5910	Salary Wages - Admin	290,641.11	500,303.87	680,740.00
110-5915	Overtime - Admin	2,095.61	665.40	1,475.00
115-5905	Hourly Wages - Distribution	368,008.22	390,969.15	534,500.00
115-5910	Salary Wages - Distribution	0.00	40,326.94	104,000.00
115-5915	Overtime - Distribution	34,540.32	37,025.74	39,655.00
115-5920	On Call	5,806.34	5,992.04	7,300.00
120-5905	Hourly Wages - Water Treatment	344,339.50	316,454.77	541,500.00
120-5910	Salary Wages - Water Treatment	64,600.72	114,222.49	104,000.00
120-5915	Overtime - Water Treatment	17,034.31	15,982.57	29,775.00
120-5925	Temporary Wages	-	-	12,000.00
<b>Total</b>		<b>1,436,499.00</b>	<b>1,699,176.04</b>	<b>2,372,745.00</b>

**110-5905** Hourly Wages Admin (\$23,312 Decrease) – Wages are based on 5 non-exempt positions on our administrative staff. A reduction in the budget does not reflect a reduction in wages. Based on a recent market study, employees will see a pay increase, but records indicate that wages were not properly budgeted.

**110-5910** Salary Wages Admin (\$376,735 Increase) – Wages are based on 6 exempt positions on our administrative staff. The increase is due to the addition of a full-time engineer staff member as well as the correct allocation of wages on the budget. Prior years had admin salaries budgeted under distribution and water treatment budgets instead of administrative.

**110-5915** Overtime Admin (\$525 Decrease) – Average overtime in Admin for the past few years is 30 hours times the highest overtime rate.

**115-5905** Hourly Wages Distribution (\$193,796 Increase) – Wages are based on 7 non-exempt positions on our distribution staff. The increase is due to a recent market study and full staff in our distribution department.

**115-5910** Salary Wages Distribution (\$73,924 Decrease) – Wages are based on 1 exempt position on our distribution staff. The decrease is due to administrative salaries previously budgeted under this account.

**115-5915** Overtime Distribution (\$30,155 Increase) – Overtime is based on an average of 679 hours/yr. times the highest overtime rate for this department. This line item has not been updated since 2010 requiring a large increase for the 2023 budget, reflecting actual numbers.

**120-5905** Hourly Wages Water Treatment Plant (\$79,156 Increase) – Wages are based on 7 non-exempt positions on our water treatment staff. Increase is due to a recent market study and full staff in our water treatment department.

## Labor Expense Continued

**120-5910** Salary Wages Water Treatment Plant (\$87,150 Decrease) – Wages are based on 1 exempt position on our water treatment staff. Decrease is due to administrative salaries previously budgeted under this account.

**120-5915** Overtime Water Treatment Plant (\$24,775 Increase) – Overtime is based on an average of 509 hours/yr. times the highest overtime rate for this department. This line item has not been updated since 2010 requiring a large increase for the 2023 budget, reflecting actual numbers.

**120-5925** Temporary Wages (\$12,000 Increase) – Wages are based on 2 part-time employees working 15 weeks out of the year to help with seasonal maintenance and groundskeeping across the district.

## Benefit Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>130-5930</b>	FICA Taxes	121,326.78	134,221.23	181,515.00
<b>130-5935</b>	Unemployment Insurance	4,882.61	3,434.23	4,745.00
<b>130-5940</b>	Workers Comp Insurance	12,482.00	13,117.00	27,901.65
<b>130-5945</b>	Retirement Contributions	70,476.31	83,676.09	142,365.00
<b>130-5950</b>	Disability Insurance	21,251.33	21,885.32	10,810.00
<b>130-5955</b>	Health Insurance	202,220.94	211,075.32	400,000.00
<b>130-5960</b>	Life Insurance	1,875.20	989.61	870.00
<b>130-5970</b>	HRA Benefit Payment	147,134.40	165,144.64	0.00
<b>130-5975</b>	HRA Admin Fee	1,950.00	1,420.50	0.00
<b>130-5980</b>	HSA Benefit Payment	0.00	1,824.99	21,600.00
<b>130-5985</b>	HSA Admin Fee	0.00	2.75	0.00
<b>130-5990</b>	Employee Benefits - Other	2,171.54	2,325.62	2,900.00
<b>130-5995</b>	Dental Insurance	0.00	0.00	11,500.00
<b>Total</b>		<b>585,771.11</b>	<b>639,117.30</b>	<b>804,206.65</b>

**130-5930** FICA Taxes (\$44,612 Increase) – The line item is based on 7.65% of total wages for 2023. The increase is due to increased wages.

**130-5935** Unemployment Insurance (\$1,056 Increase) – The 2023 unemployment group rate of 0.002

**130-5945** Retirement Contributions (\$58,621 Increase) – The budget is based on 6% matching contributions from the district. The increase is due to the increase in wages as well as inaccurate calculations on previous budgets.

**130-5950** Disability Insurance (\$11,510 Decrease) – The District provides employees with long-term and short-term disability coverage. The decrease is due to a change in providers.

**130-5955** Health Insurance (\$189,760 Increase) – The projection is based on a new policy that eliminated/replaced the HRA and provides full premium coverage for all staff and their dependents.

**130-5980** HSA Benefit Payment (\$21,600 Increase) – An added benefit for 2023 to replace the HRA. Projection is based on employer matching up to \$150 per month per employee in their HSA.

**130-5995** Dental Insurance (\$11,500 Increase) – Dental insurance is new for the District and is based on the employer covering 50% of premiums for staff and their dependents.

## District-Wide Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>130-5080</b>	Community Outreach	30,842.50	16,937.77	60,000.00
<b>130-5090</b>	Fees & Penalties	0.00	26.23	100.00
<b>130-5560</b>	Bank Charges	78,715.60	22,460.40	60,000.00
<b>130-5580</b>	Insurance & Bonds	100,842.22	115,046.00	115,500.00
<b>130-5690</b>	Water Shares	29,881.82	37,465.58	49,645.00
<b>130-5810</b>	Postage	64,474.67	61,702.79	65,000.00
<b>130-5830</b>	Printing	20,660.26	19,790.72	21,800.00
<b>130-5870</b>	Shipping	2,238.48	1,537.08	17,700.00
<b>130-6010</b>	Black & Veatch Services	32,400.00	41,640.00	32,400.00
<b>130-6020</b>	Attorney Fees	4,964.50	9,275.71	30,000.00
<b>130-6330</b>	Phones	21,252.63	20,452.49	7,800.00
<b>130-6680</b>	Security	0.00	0.00	2,200.00
<b>Total</b>		<b>386,272.68</b>	<b>346,334.77</b>	<b>462,145.00</b>

**130-5080** Community Outreach (\$11,667 Increase) – Increase is due to \$5,000 for Clifton Library, PHS hatchery \$1,000, Endangered Fish program \$13,500, Eureka \$5,000, and Parade of Lights \$500.

**130-5090** Fees & Penalties (New Line Item) – Line item was added to accurately track late fees and penalties.

**130-5560** Bank Charges (\$48,475 Increase) – E-Check fees and annual fees to UMB for 2013 refunding bond. Increase is due to the \$2.50 convenience fee charged to customers when using an online platform to cover costs associated with each transaction. Fees are collected through Credit Card fees and then expensed back out through this account. Previously removed from the budget but added back in 2023 due to the implementation of new software.

**130-5690** Water Shares (\$23,991 Decrease) – The District has 1 A stock, 1,955 B stock shares, and an additional right to the LH Hurt Pump. GVIC has projected a 3% increase in shares for 2023 and an additional \$15,000 was added to purchase additional shares as they become available.

**130-5870** Shipping (\$15,338 Increase) – The increase is due to surcharges added on chemical deliveries. Prices are based on an 8-12% chemical surcharge.

**130-6020** Attorney Fees (\$19,000 Increase) – Personnel, inclusion, easements, and other construction contracts. The increase is due to the need for more utilization of our attorney.

**130-6330** Phones (\$11,180 Decrease) – The decrease is due to moving ACS IT support into a new line item of IT support.

**130-6680** Security (New Line Item) – Superior alarms monthly fees, responses from MCSD, access control, and security cameras.

## Admin Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
110-5310	Human Resource Expenses	13,263.00	9,644.56	736.00
110-5330	DOT/Drug Testing	0.00	0.00	1,440.00
110-5340	Employee Awards	1,692.00	1,581.78	3,000.00
110-5350	Employee Apparel	0.00	0.00	3,500.00
110-5360	Employee Engagement	0.00	0.00	4,400.00
110-5820	Office Supplies	11,379.74	5,972.21	13,000.00
110-5840	Janitorial	776.78	11,322.26	7,200.00
110-5860	Tools & Small Equipment	0.00	0.00	7,450.00
110-6030	IT Support	43,924.41	93,870.95	66,700.00
110-6040	Contract Services	55,812.19	31,172.62	43,900.00
110-6110	Personal Protective Equipment	2,166.30	3,650.00	2,500.00
110-6220	Dues & Training	9,773.97	13,428.50	15,000.00
110-6225	Travel	0.00	0.00	6,000.00
110-6340	Electricity	8,762.59	10,872.01	12,500.00
110-6350	Natural Gas	1,237.36	1,781.23	2,500.00
110-6470	Vehicle Repair & Maintenance	742.11	1,397.26	1,700.00
110-6475	Fuel	3,680.02	7,196.63	5,000.00
110-6550	Equipment Rental	3,494.41	3,222.96	4,000.00
110-6670	Facilities Repair & Maintenance	7,670.55	13,055.63	10,000.00
<b>Total</b>		<b>164,375.43</b>	<b>208,168.60</b>	<b>210,526.00</b>

**110-5310** Human Resource (\$7,264 Decrease) – Compliant posters, SDA risk assessment, recruitment, and background checks. The decrease is due to new line items in the 2023 budget.

**110-5330** DOT/Drug Testing (New Line Item) – Pre-hire drug screening and random drug testing conducted quarterly. The expense item was previously recorded in Human Resource Expense.

**110-5340** Employee Awards (\$2,000 Decrease) – Awards for anniversaries, completion of certifications, and retirement awards. The decrease is due to new line items in the 2023 budget.

**110-5350** Employee Apparel (New Line Item) – Clothing and swag for employees. Includes \$100 per employee per calendar year plus additional screen printing and embroidery costs. The expense was previously budgeted by each department under Safety Considerations.

**110-5360** Employee Engagement (New Line Item) – Staff meetings, holiday parties, and retirement parties. The expense item was previously budgeted in Employee Awards.

**110-5840** Janitorial (\$1,200 Increase) – The increase is due to a monthly cleaning fee of \$600.

**110-5860** Tools & Small Equipment (New Line Item) – The increase is due to the need for a small ladder, 4 cash drawers, 12 UPS battery backups, desktop scanners, and printers for the front office.

### Admin Expense Continued

**110-6030** IT Support (\$10,615 Increase) – Needed support for computers and software in addition to a website maintenance fee and a \$1,700 fee for ADA compliance. The increase is due to ACS IT support moving from the Phone budget into IT Support.

**110-6040** Contracted Services (\$17,792 Decrease) – Includes financial audit \$13,000 a year, lobbyist \$6,000, answering service \$500 a month, Friendly Rod’s Recycling \$75 a month, and Lockbox fee \$1,500 a month. The decrease is due to GIS Mapping services being moved to Distribution.

**110-6110** Personal Protective Equipment (\$1,250 Decrease) – Annual fire extinguisher inspection, first aid kit refills, and other small items. The decrease is due to a new line item for employee clothing.

**110-6220** Dues & Training (\$1,286 Decrease) – SDA dues \$1,300, AWWA dues \$4,750, Colorado Water Congress Dues \$1,000, SDA annual conference, AWWA annual conference and additional training throughout the year.

**110-6225** Travel (\$6,000 Increase) – The increase is due to limited travel in prior years and a \$0 budget for 2022.

### Board Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>125-5410</b>	Board Wages	8,700.00	7,100.00	12,000.00
<b>125-5420</b>	Election Expense	0.00	180.46	47,000.00
<b>125-5430</b>	Meeting Expense	130.19	673.78	800.00
<b>125-5440</b>	Travel	0.00	0.00	1,000.00
<b>125-5450</b>	Dues & Training	0.00	0.00	1,200.00
<b>Total</b>		<b>8,830.19</b>	<b>7,954.24</b>	<b>62,000.00</b>

**125-5410** Board Wages (\$4,200 Increase) – Wages are based on 5 board members receiving a maximum of \$2,400 in a year.

**125-5420** Election Expense (\$44,000 Increase) – The increase is due to the expense associated with an election and multiple board positions open in 2023.

**125-5430** Meeting Expense (\$400 Decrease) – Projection is based on average expenses over the last 5 years for meetings.

**125-5440** Travel (New Line Item) – Board travel has been previously budgeted under administrative expense.

**125-5450** Dues & Training (New Line Item) – Board training has been previously budgeted under administrative expense.

## Distribution Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>115-5110</b>	Contract Services - Line Repairs	104,279.72	128,268.46	118,000.00
<b>115-5120</b>	Repair Parts - Line Repairs	157,761.81	108,700.35	138,000.00
<b>115-5130</b>	Meters - Operating	154,052.50	415,020.00	250,000.00
<b>115-5140</b>	After Hour Meals	531.03	538.11	500.00
<b>115-5150</b>	Locates	0.00	0.00	7,800.00
<b>115-5820</b>	Office Supplies	971.19	1,611.65	2,100.00
<b>115-5840</b>	Janitorial	157.33	0.00	300.00
<b>115-5850</b>	Permits	8,456.62	6,751.68	6,000.00
<b>115-5860</b>	Tools & Small Equipment	9,326.48	11,854.06	14,500.00
<b>115-6040</b>	Contract Services	17,680.58	25,393.05	30,500.00
<b>115-6110</b>	Personal Protective Equipment	4,314.99	7,707.66	8,400.00
<b>115-6220</b>	Dues & Training	2,020.89	2,327.71	6,350.00
<b>115-6340</b>	Electricity	19,560.35	22,797.40	20,000.00
<b>115-6350</b>	Natural Gas	5,041.78	5,527.77	6,800.00
<b>115-6470</b>	Vehicle Repair & Maintenance	16,733.69	24,410.63	25,800.00
<b>115-6475</b>	Fuel	25,617.81	24,677.45	25,500.00
<b>115-6550</b>	Equipment Rental	0.00	0.00	5,000.00
<b>115-6660</b>	Equipment Repair & Maintenance	8,834.60	7,144.02	5,000.00
<b>115-6670</b>	Facilities Repair & Maintenance	513.41	1,989.03	2,000.00
<b>Total</b>		<b>535,854.78</b>	<b>794,719.03</b>	<b>672,550.00</b>

**115-5130 Meters-Operating (No Change)** – The district plans on continuing the meter replacement program and replacing 600 residential meters and approximately 20 compound meters for commercial properties.

**115-5150 Locates (New Line Item)** – Colorado 811 Tier I locate tickets, projecting 4,200 tickets at \$1.50 each plus paint for locating.

**115-5850 Permits (\$6,550 Decrease)** – The decrease is due to the creation of Locates account.

**115-6040 Contract Services (\$6,382 Increase)** – Increase due to the addition of GIS Mapping and surveying services.

**115-6110 Personal Protective Equipment (\$1,600 Increase)** – Increase due to boot allowance added for employees. \$200 per employee per year for approved work boots.

**115-6220 Dues & Training (\$3,050 Increase)** – Indigo training \$1,600, CDL tests \$3,000, water certifications \$750, and backflow training \$1,000. The increase is due to the need for CDL drivers in our distribution department and increased training.

**115-6550 Equipment Rental (New Line Item)** – The district has made this a new line item to allow for heavy equipment rental in case of emergencies.

**115-6660 Equipment Repair & Maintenance (\$1,200 Increase)** – The increase is due to the need for preventative maintenance.

## Water Treatment Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
120-5260	Gases & Chemicals	237,609.56	252,135.73	385,000.00
120-5270	Lab Supplies & Equipment	20,941.30	25,515.03	50,000.00
120-5820	Office Supplies	1,962.68	1,899.34	2,700.00
120-5840	Janitorial	910.03	1,054.15	1,200.00
120-5850	Permits	4,940.00	4,961.22	1,025.00
120-5860	Tools & Small Equipment	0.00	0.00	10,000.00
120-6040	Contract Services	18,832.95	13,896.82	47,010.00
120-6110	Personal Protective Equipment	4,479.05	5,749.17	6,000.00
120-6220	Dues & Training	5,561.00	9,136.00	23,200.00
120-6225	Travel	0.00	0.00	2,000.00
120-6340	Electricity	354,524.75	353,016.56	320,000.00
120-6350	Natural Gas	9,859.11	12,107.52	15,000.00
120-6470	Vehicle Repair & Maintenance	490.49	2,324.15	2,000.00
120-6475	Fuel	3,910.78	4,278.90	4,000.00
120-6550	Equipment Rental	600.00	564.75	3,450.00
120-6660	Equipment Repair & Maintenance	95,327.82	142,436.26	175,000.00
120-6670	Facilities Repair & Maintenance	25,700.06	22,821.98	15,000.00
<b>Total</b>		<b>785,649.58</b>	<b>851,897.59</b>	<b>1,062,585.00</b>

**120-5260 Gases & Chemicals (\$118,980 Increase)** – Gases and chemicals have increased significantly; on average we have experienced a 32.75% increase in prices. Vendors have also notified us that prices are no longer guaranteed for 12 months but will be evaluated every quarter.

**120-5270 Lab Supplies & Equipment (\$24,541 Increase)** – Includes reagents, chemical standards, microbiological supplies, glassware, and other lab supplies. The increase is due to an increase in prices and the need for a lab incubator for \$3,025, and three chemical cabinets for \$4,240.

**120-5850 Permits (\$3,975 Decrease)** – CDPHE onsite audit for lab recertification. The decrease is due to CDPHE Dues being moved to Dues & Training.

**120-5860 Tools & Small Equipment (New Line Item)** – The budget line item was added and mimics closely our distribution line item.

**120-6040 Contract Services (\$24,729 Increase)** – Historically, items have been budgeted under equipment repair and maintenance, now budgeted under contracted services causing the increase. Below are some expenses expected in 2023:

- < Preventative maintenance on the emergency generator - \$6,850
- < SCADA service contract - \$11,625
- < Annual crane inspection and PTs - \$1,900
- < Preventative maintenance for HVAC, forklift, scissor-lift, and GCMS - \$9,455
- < HAA5's, TTHM's, fluoride and nitrate, inorganics, VOC's compliance - \$4,550
- < UCMR 5 - \$2,180
- < Monthly TOCs and RO feed water - \$6,775
- < Balance calibration and metals ground and lab water - \$1,725

## Water Treatment Expense Continued

**120-6110 Personal Protective Equipment (\$280 Increase)** – Boot allowance for employees, gloves, safety glasses, respirator fit tests, and other required PPE for staff.

**120-6220 Dues & Training (\$14,800 Increase)** – Indigo online training \$1,600, scissor-lift and forklift certifications \$2,400, operator certifications \$500, BFP \$900, and PLC/SCADA \$10,100, and dues for CDPHE drinking water system \$5,000. The increase in training is primarily for the PLC/SCADA training and the addition of the CDPHE Drinking Water System due that was previously budgeted as a permit.

**120-6225 Travel (\$2,000 Increase)** – The increase is due to previous restrictions on travel.

**120-6340 Electricity (\$24,900 Increase)** – The increase is due to higher costs in 2023. Usage has maintained but rates have drastically increased.

**120-6550 Equipment Rental (\$2,698 Increase)** – Line item for rental of a front loader, 150-pound chlorine cylinder, helium, and \$5,000 set aside for rental of large equipment for pond maintenance.

**120-6660 Equipment Repair & Maintenance (\$16,437 Increase)** – Routine repair and maintenance on equipment in the treatment plant. Additional items for 2023 are:

- < Chlorine controller for phase I and 32 road - \$4,840
- < C9 bulk and day tank level transmitter \$3,040
- < Level sensor for 3.7 MG tank \$3,148
- < ATI for RO \$3,575
- < Chemical drawdown on RO \$5,000
- < Boom lift attachment for forklift \$3,500

**120-6670 Facilities Repair & Maintenance (\$12,372 Decrease)** – The decrease is due to chlorine moved into equipment repair and maintenance. Needed facility repairs in 2023 include HVAC services and lab roof repair or replacement.



## Non-Operating Expense

Total non-operating expenses are \$4,733,065 which is a 3.50% increase from the 2022 budget.

### General and Administrative

The non-operating budget for general and administrative has a decrease of 72.12%

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>130-7010</b>	Vehicle Purchases	0.00	86,649.86	0.00
<b>130-7015</b>	Equipment Purchases	11,786.39	61,220.66	25,000.00
<b>130-7020</b>	Software Purchases	29,131.45	73,693.37	98,000.00
<b>130-7100</b>	Campus Upgrades	734,857.47	97,119.41	65,000.00
<b>Total</b>		<b>775,775.31</b>	<b>318,683.30</b>	<b>188,000.00</b>

**130-7010** Vehicle Purchases (\$100,000 Decrease) – No need for vehicle purchases in 2023.

**130-7015** Equipment Purchases (\$267,314.88 Decrease) – Projected to spend \$25,000 on office equipment for new staff.

**130-7020** Software Purchases (\$84,000 Decrease) – Projected to spend \$1,000 on fire-flow software, \$20,000 for Neptune 360, \$68,000 for Caselle, and \$9,000 for engineering software.

**130-7100** Campus Upgrades (\$35,000 Decrease) – Projected to spend \$45,000 on electrical upgrades, and \$20,000 on landscaping.

### Distribution

Non-Operating distribution expenses have increased by 63.96% in 2023. The number of capital improvement projects has significantly decreased but the amount per project is much larger.

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>115-5150</b>	New Developments	32,986.92	71,069.00	116,500.00
<b>115-7015</b>	Equipment Purchases	1,966.50	22,080.36	226,000.00
<b>115-8000</b>	Distribution Improvements	2,243,656.58	1,196,933.02	3,475,000.00
<b>Total</b>		<b>2,278,610.00</b>	<b>1,290,082.38</b>	<b>3,817,500.00</b>

**115-7015** Equipment Purchases (\$189,200 Increase) – Projected to spend \$120,000 on a new backhoe, \$55,000 on a new vac-trailer, \$30,000 on a new trailer, \$6,000 for flow meter at Reeder Mesa and \$15,000 on GPS/Surveying equipment.

**115-8000** Distribution Improvements (\$1,300,000 Increase) – Upcoming projects include:

- < \$1,700,000 Coffman Road
- < \$1,200,000 32 Road upgrades
- < \$300,000 Holland Street upgrades
- < \$130,000 F Road project
- < \$75,000 Whitewater modeling
- < \$50,000 Small waterline upgrades
- < \$20,000 Fill station

## Water Treatment Plant

Water Treatment non-operating has decreased by 53.67%

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>120-7015</b>	Equipment Purchases	65,604.73	191,675.97	172,565.00
<b>120-8100</b>	Water Treatment Improvements	145,420.43	58,220.60	555,000.00
<b>Total</b>		<b>211,025.16</b>	<b>249,896.57</b>	<b>727,565.00</b>

**120-7015** Equipment Purchases (\$22,735 Decrease) Upcoming purchases include:

- < \$10,235 RO instruments
- < \$13,640 Rosemount transmitters
- < \$29,800 Tonka pump/motor
- < \$9,205 Tank mixer for North WW tank
- < \$3,575 ATI for South WW tank
- < \$12,000 Transfer solution RO CIP
- < \$9,255 Turbidimeter cleaning modules
- < \$1,810 Turbidimeter air trap
- < \$65,000 Zeta potential
- < \$5,045 UF drain pump, sodium bisulfite, and citric flow meters
- < \$13,000 PLC

**120-8100** Water Treatment Plant Improvements (\$820,000 Decrease) – Projects for 2023 include:

- < \$150,000 Preliminary design on pre-treat ponds
- < \$200,000 Alternative softening study
- < \$200,000 MCC design and SCADA integration preliminary designs
- < \$5,000 for small projects

### Other Expense

Acct#	Description	2021 Actual	2022 Projected	2023 Budget
<b>130-5725</b>	Depreciation Expense	1,721,911.00	1,907,920.00	1,907,920.00
<b>130-5570</b>	Cash Over & Short	55.25	4.00	0.00
<b>130-5715</b>	Interest Expense	245,071.99	117,168.76	96,068.76
<b>130-5720</b>	Bond Repayment	1,045,793.60	934,964.40	951,272.64
<b>Total</b>		<b>3,012,831.84</b>	<b>2,960,057.16</b>	<b>2,955,261.40</b>

**130-5725** Depreciation Expense (\$102,073 Increase) – The projection is based on actual depreciation in 2021

**130-5715** Interest Expense (\$146,636.24 Decrease) – The projection is based on the payment schedule for the 2013 Series Water Revenue Refunding Bond and the 2014 DWRF Loan.

**130-5720** Bond Repayment (\$100,860.52 Decrease) – The projection is based on the payment schedule for the 2013 Series Water Revenue Refunding Bond and the 2014 DWRF Loan.