

2016 Year End Estimate	2016 Budget	Line Item	REVENUE	2017 Budget	Explanation
6,212,640	5,600,000	1	User Charges (water and sewer)	5,919,200	The District bills its customers monthly. Revenue for water is based on a 6-tier water rate structure and sewer service is billed at a flat monthly rate. For 2017, residential customers will see about a 2.7% increase to water rates and a 4% increase to the sewer rate. See the District website under "Rates, Fees and Forms" for current rates and rate structure.
680,275	688,000	2	Water Supply Project Fees	685,000	This revenue is set aside in a restricted account to be used for water supply projects.
794,831	520,000	3	Irrigation Fees	530,000	The District allows temporary water service for construction and seasonal activities from hydrants around the District. Each use is metered and charged at the current Bulk Water rate.
19,995	12,000	4	Tap Surcharges	15,000	In certain areas of the District, developers have constructed District-wide water facilities at their own cost to advance their development. The District agreed to surcharge the area served by the facilities and pay back the developer over time. A tap surcharge is a pass-through revenue to the District, meaning that the amount collected above the tap fees for properties in the surcharge area are passed through the District and paid to the developer.
24,079	25,000	5	Groundwater Protection Fees	25,000	These fees are collected from properties in an area that overlays the Cherry Creek alluvial aquifer. The District takes extra measures to ensure safe water quality due to the close proximity of development
61,616	40,000	6	Ready to Serve Fees	60,000	Ready to Serve Fees are collected from properties that are currently vacant but have water and sewer services installed.
26,964		7	Cherry Creek Project Water Authority	10,000	The District has an agreement with the Cherry Creek Project Water Supply Authority to provide support services from its own staff. The Authority reimburses the District for any time District staff spends doing Authority business.
1,769,882	230,000	8	Canyons South	-	In 2004, the District entered into an agreement with the developers of "The Canyons". The District agreed to treat wastewater for 968 single family units. The developer agreed to pay a principal amount of \$3,100,000 over 20 years. In November 2016, the District and the Developer renegotiated the agreement. The Developer paid the outstanding balance of the Letter of Credit. There will be an ongoing monthly charge for reserved but unconnected services.
53,358	30,000	9	Late Charges	40,000	Fees collected when bills are paid late.
2,024,730	2,062,225	10	Tap Fees	1,499,800	The District charges a connection fee for new users to connect to the District's water and sewer systems. The District has budgeted payment of approximately 40 water taps and 40 sewer taps during 2017.
-	300,000	11	Developer Contributions	6,160,000	In 2017, the District anticipates approximately \$6,160,000 in infrastructure contributions by developers. These contributions are recorded as revenue, with offsetting additions to the District's capital assets.
-	926,996	12	Contract Tap Deposit	-	In 2014, The District entered into an agreement to construct infrastructure to support a new subdivision in return for a guarantee from the developer to pre pay tap fees. This agreement was fulfilled in 2016 and is no longer in force. No expected revenue for 2017.
139,759	40,000	13	Other Income	85,000	This revenue includes things like transfer fees, shutoff fees, and return on investments through the banks.
<b>11,808,129</b>	<b>10,474,221</b>	14	<b>TOTAL REVENUE</b>	<b>15,029,000</b>	
3,382,981	12,880,000	15	Loan Proceeds	9,500,000	The District has secured a low interest loan from the Colorado Water Conservation Board to help fund infrastructure related to the WISE project and a low interest loan from the Colorado Water Resources and Power Development Authority to pay costs to rebuild the District's Pump Station #1 and build a new pipeline to bolster the reliability of the District's water system.
<b>\$15,191,110</b>	<b>\$ 23,354,221</b>	16	<b>TOTAL REVENUE + LOAN</b>	<b>\$ 24,529,000</b>	

2016 Year End Estimate	2016 Budget	Line Item	EXPENSES	2016 Budget	Explanation
		17		-	
1,949,561	2,095,170	18	Employee Costs	2,233,700	This line item includes the costs associated with all District employees – salaries, benefits and payroll taxes. The District currently has 18 full time employees (FTE). The Board has approved an additional FTE in 2017 and an average 3.0% increase for salaries in 2017 above 2017. There was only a 1% increase in the health insurance costs, a 5% increase in dental insurance costs and no increase in the vision insurance costs.
11,010	14,500	19	Cherry Creek Basin Fees	15,500	By law, all facilities that discharge wastewater to Cherry Creek must pay fees to the Cherry Creek Basin Water Quality Authority based on the actual amount of Wastewater discharged into the creek.
3,052,148	8,225,000	20	Repairs & Maintenance (water & sewer)	5,983,000	This line item includes the maintenance of existing facilities (i.e. valves, meters) and capital repair and replacement projects of aging water facilities. Most notable is the replacement of the District's oldest Pump Station that is nearing 50 years in service - Pump Station #1.
186,922	268,000	21	Chemicals and Lab Testing	265,000	This expense includes all of the chemicals used in treating both the water and wastewater. It also includes all State mandated testing.
32,038	55,700	22	Vehicle Maintenance	56,500	This expense includes all costs associated with maintaining the District's fleet of vehicles (i.e. fuel, tires, maintenance)
740,784	1,002,500	23	Utilities	1,006,000	These expenditures includes the cost of electricity, natural gas, and telecommunications for all District facilities like pump stations, wells, the treatment plant, storage tanks and the District offices.
8,069	13,500	24	Tools and Equipment	13,500	The small equipment and tools budget is intended for the cost of small equipment and tools that must be replaced periodically so that field crews can safely and efficiently accomplish their job.
2,430	15,500	25	Communications	14,500	This is the cost for the alarm/communications system at each of the District's facilities. Alarms alert the staff to any type of abnormal operational scenario so the corrections can be made as soon as possible.
56,847	92,000	26	Sludge Disposal	84,500	Part of the wastewater treatment process separates out the liquid from the solids. After drying the solids, the District pays a hauling company to remove the solids and dispose of it in a landfill.
89,899	160,000	27	Outside Services	175,000	The District has engineers on staff however, occasionally, engineering consultants are hired for specialized help outside of the expertise of the on-staff engineers. This year, the District will contract with a financial expert to update its Rates and Fees Study that help to set the rates for monthly water and wastewater service.
178,868	207,000	28	Agency Membership Dues	229,500	The District is a member of a few organizations that are concentrated on solving the long term water issues facing Douglas County. This line item pays for the Pinery's pro rata share of operating cost of the following entities: South Metro Water Supply Authority (SMWSA), Cherry Creek Project Water Authority (CCPWA), South Metro WISE Authority (SMWA), and the South Platte Water Related Activities Program (SPWRAP).
7,500	20,000	29	Conservation	15,000	This helps fund our customer outreach programs regarding conservation.
462,020	300,000	30	Legal Services	150,000	This line item includes legal support for general District activities and any legal support to maintain and protect the District's existing water rights and augmentation plans.
97,447	62,500	31	Accounting and Audit	81,000	Cost associated with accounting and auditing of the bank and financial statements for the District according to law.
-	-	32	Loan Issuance Cost	-	The District is not issuing any loans this year.
35,475	45,000	33	Data Processing	45,000	This is the cost for all of the District's Information Technology support for computers, mobile devices and servers.
5,800	7,000	34	Director's Fees	7,000	By Law each elected Director may be paid \$100 per Board meeting attended. This expense includes all regular Board meetings and contingency for any potential Special meetings throughout the year.
15,036	20,000	35	Office Supplies	20,000	Normal supplies and equipment needed in an office (i.e. envelopes, pens, staplers, etc.)

18,070	24,000	36	Safety and Training	22,000	This expense pays for training and awards associated with the safety program.
108,686	110,000	37	Insurance and Bonds	110,000	This includes premiums for liability insurance for District facilities and assets and Worker's Compensation insurance.
17,660	22,000	38	Security Services	20,000	The District along with several other community organizations pay to have increased security throughout the community with the Douglas County Sheriff Department through the weekends and holidays.
49,110	45,000	39	Billing System Services	7,000	This expense is the annual service/support agreement from the utility billing software vendor.
36,458	40,000	40	Customer Communication	40,000	This includes cost associated with printing monthly bills, postage to mail the bills, monthly newsletters and the cost to administer a website.
25,949	40,000	41	Dues, Public Relations and Meetings	40,000	This budget item is for costs associated with public meetings, industry association dues like American Water Works Association, professional registrations and regional conferences.
9,987	-	42	Miscellaneous	7,000	This budget includes the cost of bank fees, payroll administration fees, public notices, employee expense reimbursements and other small expenses that don't fit into other categories
795,772	820,313	43	Debt Service - Interest	761,997	Interest payments on the District's various long-term obligations for water and wastewater projects as per the <i>Schedules of Debt Service Requirements</i> noted in the 2017 District Budget.
1,639,502	1,640,666	44	Debt Service - Principal	1,680,580	Principal payments on the District's various long-term obligations for water and wastewater projects as per the <i>Schedules of Debt Service Requirements</i> noted in the 2017 District Budget.
-	300,000	45	Developer Improvements	6,160,000	This is an offsetting cost to the revenue "Developer Contributions" above. This is not an actual expense but is put on the District's books to begin depreciating an asset (water and sewer pipelines) built by developers and assigned over to the District for future obligation.
-	993,210	46	Contract Tap Deposit Reimbursement	-	In 2014, The District entered into an agreement to construct infrastructure to support a new subdivision in return for a guarantee from the developer to pre pay tap fees. This agreement was fulfilled in 2016 and is no longer in force. No expenses related to this agreement are planned for 2017.
119,204	121,000	47	Cost Recovery Payments	120,000	In certain areas of the District, developers have constructed District-wide water facilities at their own cost to advance their development. The District has pledged a portion of the tap fees recieved to reimburse the developers over time. The actual amount depends on the level of new development in the area.
1,124,616	3,260,000	48	Water Capital	1,165,000	This line item includes the new infrastructure projects that will increase the District's capacity to serve water to the District customers. The total amount budgeted in 2017 for new Water Capital Outlay is \$1,165,000. The projects budgeted for 2017 are new water meters, Aquifer Storage and Recovery Plan, the re-drill of Well A-16, and the Zone A Pipeline that will connect two parts of the District's water system to improve reliability.
-	150,000	49	Wastewater Capital	-	There is no nw wastewater capital improvements planned for 2017
2,019,851	3,790,000	50	Water Supply Projects	4,476,500	This line item includes the improvements necessary to bring new renewable water supplies averaging 900 acre-feet each year to the District. The projects are the WISE Project and the Cherry Creek Project. These projects are multi-year projects, will occur over the next decade.
16,043	85,000	51	General and Administrative Capital	202,000	This budget item is for the District-wide Geographic Informations System (GIS), furniture, computers, networking hardware or any fleet vehicle purchases.
<b>\$12,912,762</b>	<b>\$ 24,044,559</b>	52	<b>TOTAL EXPENSES</b>	<b>\$ 25,206,777</b>	
<b>\$ (1,104,633)</b>	<b>\$(13,570,338)</b>	53	Over/Under	<b>\$ (10,177,777)</b>	Amount of revenue minus the expenses
\$ 3,382,981	\$ 12,880,000	54	Plus Loan Proceeds	\$ 9,500,000	Anticipated loan proceeds
<b>\$ 2,278,348</b>	<b>\$ (690,338)</b>	55	Over/Under	<b>\$ (677,777)</b>	