

Lower Fountain Metropolitan Sewage Disposal District

2016 Proposed Budget



LFMSDD





LFMSDD

**LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT
901 SOUTH SANTA FE AVENUE
FOUNTAIN, COLORADO 80817**

December 11, 2015
Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

As required, I certify that the attached budget for 2016 for the Lower Fountain Metropolitan Sewage Disposal District is a true and accurate copy of the Budget adopted at the regular meeting of the Board of Directors held on December 10, 2015.

If you have any questions, please do not hesitate to contact me.

Sincerely,

James Heckman District Manager
(719) 382-5303



LFMSDD

LETTER OF BUDGET TRANSMITTAL

TO: Division of Local Government
1313 Sherman Street, Room 521
Denver, CO 80203

Attached is the 2016 budget for the Lower Fountain Metropolitan Sewage Disposal District. This budget was adopted on December 10, 2015. If there are any questions on the budget, please contact James Heckman at (719) 382-5303.

No copy of the certification to the county commissioners is enclosed because:

No Property Tax Assessed

Name of person completing this form:

A handwritten signature in black ink, appearing to read 'James Heckman', written over a white rectangular background.

James Heckman
District Manager



LFMSDD

RESOLUTION TO ACCOUNT FOR THOSE CHANGES
IN GENERAL MANNER FOR THE
LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT

RESOLVED: That all funds received by the District, which were not included in the 2015 Supplemental Budget and those line item accounts that have year-end balances as a result of less than anticipated expenditures shall be transferred to the applicable capital project accounts.

Secretary of the Board of Directors
of the Lower Fountain Metropolitan
Sewage Disposal District

Bobby E. Phillips, President



**LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT
RESOLUTION TO APPROPRIATE SUMS OF MONEY**

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 THE LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT, COLORADO, FOR THE 2016 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 10, 2015, 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 purposes described below, thereby establishing a limitation on expenditures for the operations of the Lower Fountain Metropolitan Sewage Disposal District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT, COLORADO.

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

General/Administrative Operating	\$	31,155
Capital HDTRWRF Project Improvements	\$	752,638
Operations	\$	<u>1,263,090</u>
Total Resources available for Operations and Capital Improvements:	\$	<u>2,046,883</u>

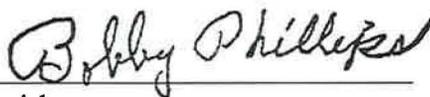
ADOPTED this 10th day of December, A.D. 2015


Secretary



LFMSDD




President

LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT
RESOLUTION TO ADOPT A PROPOSED BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2016 , AND ENDING ON THE LAST DAY OF DECEMBER, 2016.

WHEREAS, the Board of Directors of the Lower Fountain Metropolitan Sewage Disposal District has appointed James Heckman to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, James Heckman has submitted a proposed budget to this governing body on October 15, 2015, 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 held on November 12, 2015 and December 10, 2015, and interested taxpayers were given the opportunity to file or register any objection to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, 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 THE LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT, COLORADO:

Section 1. That estimated expenditures are as follows:

General/Administrative Operating:	\$	30,791
Capital HDTRWRF Project Improvements	\$	752,500
Operations	\$	<u>1,263,084</u>
Total Operating/Capital Expenditures:	\$	<u>2,046,375</u>



LFMSDD

Section 2. That estimated revenues are as follows:

General/Administrative Operating	\$	31,155
Capital HDTRWRF Project Improvements	\$	752,638
Operations	\$	<u>1,263,090</u>
Total Resources available for Operation and Capital Improvements:	\$	<u>2,046,883</u>

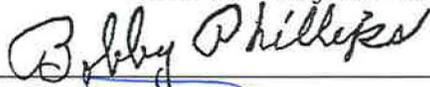
Section 3. That estimated Capital Reserves are as follows:

Capital Outlay Reserves (HDTRWRF)	\$	200,519
Capital Outlay Reserves (Interceptor)	\$	52,135
Emergency Reserves (TABOR)	\$	<u>37,893</u>
Total Estimated Reserve Fund	\$	<u>290,547</u>

Section 4. That the budget as submitted, amended, and hereinabove summarized by fund, hereby is approved and adopted as the budget of the Lower Fountain Metropolitan Sewage Disposal District for the year stated above. The revenue accounts not otherwise expended during the year will be transferred to applicable Capital Project Accounts at year-end.

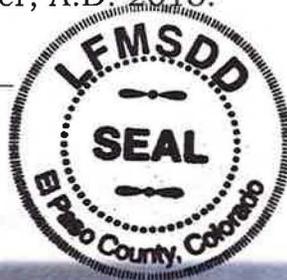
Section 5. That the budget hereby approved and adopted shall be signed by the President and Secretary of the Board of Directors and made a part of the public records of the Lower Fountain Metropolitan Sewage Disposal District, El Paso County, Colorado.

ADOPTED this 10th day of December, A.D. 2015.



President


Secretary



LFMSDD



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LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT
901 South Santa Fe Ave Fountain CO 80817 (719) 382-5303 Fax: (719) 382-3441

2016 PROPOSED BUDGET MESSAGE

December 10, 2015

Dear Respective Entity Members and Citizens within LFMSDD:

It is with great pleasure that I present you the LFMSDD 2016 budget in accordance with the Local Government Budget Requirements. This budget represents many hours of analysis, and reflects the priorities discussed by the Lower Fountain Metropolitan Sewage Disposal District Board of Directors this past year and those developed throughout the budget preparation process.

The budget is the legal authority to obligate public funds. It also provides policy direction from the Board of Directors to the staff as well as a financial plan for the current year. Preparation of the annual budget involves input from every LFMSDD member. Each member has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the limited resources of the District more efficiently.

The result is a collaborative, comprehensive set of plans and directives for the management of the District's activities and resources for the coming year and beyond. The budget's main function is to reflect policy decisions made by the Board of Directors based on input from the membership and staff:
The budget as a policy document-

The intent of the budget documents included here within is to provide the Board of Directors a short and long term financial requirements framework. The budget documents are established with the intent to provide a common fiscal guideline which offers the information necessary to formulate sound financial decision-making and planning directions. This budget document represents long-standing procedures and practices independently already in place with each respective LFMSDD member.



The LFMSDD members representing wastewater service providers agreed to a scope of work for each respective project. The approved projects utilize existing wastewater projections and information provided by the wastewater service providers.

A regional level summary of existing and planned wastewater facility capacities were completed which provided a graphical representation of existing and future conditions for wastewater treatment facility requirements. The District considered a wide range of additional alternatives during its evaluation of current and future member service requirements. Resulting outcome is included within the detailed wastewater facility construction planning documents, which will be presented in a “phased” infrastructure design. Decisions made during the budget process and documented herein reflect the general principles or plans that guide the District’s actions for the future. The budget links desired goals and objectives obtained from the District’s previous comprehensive development plan, 2016-year goals, and links policy direction to the actual day-to-day activities.

The Financial Documents express four main goals:

Preserve financial assets in order to meet normal operating expenses, plan future obligations and to adjust changes in the service requirements of the participating entities.

Maintain existing organizational structure in a fiscally sound manner.

Identify funding mechanisms using the entities’ applicable participation level for infrastructure and capital asset needs and requirements.

Establish, when appropriate, participation charges and fees that reflect the full cost of providing the related service or the percentage of total service cost as determined by the Service Agreement adopted by the District Board of Directors.

The proposed budget sets forth the operational needs of the District and long-range planning efforts consistent with implementing mandated state and federal regulations for higher quality effluent limitations. It also provides for a quality wastewater collection services with the goal of obtaining no service interruptions. Expenditure participation levels reflect the level of capacity reserve established by each entity. The District will continue its interaction not only with the stakeholders but also with the general public by disseminating information related to its operational and capital outlay activities.



The 2016 Budget will continue funding for additional capital construction required for Regulation 85 (Nutrients) compliance. In July of 2013, the Lower Fountain Metropolitan Sewage Disposal District was awarded a \$1,080,000 grant to help offset costs to meet compliance Regulation 85 (Nutrients). For grant eligibility, construction is to be completed and approved by the state by September 2016. A \$1,000,000 of the grant proceeds funded most of the installation of activated sludge internal recycle equipment and facilities that started in 2014 and was completed in 2015. The improvements have proven to help meet Regulation No. 85 effluent limitations for Total Inorganic Nitrogen (TIN). The District will spend the remaining \$80,000 to conduct a pilot test to evaluate alternative approaches to a chemical and physical treatment process suitable for Total Phosphorous (TP) control, including a full-scale pilot test plan and procedures. The District anticipates the Total Phosphorous evaluation will be completed by the end of 2015. The results will layout the approach or approaches that will be used for the capital construction to be initiated in 2016. The treatment facility is constructed with a design flow of 2.5 mgd. The treatment facility is owned by LFMSDD and Capital Funding requirements are met through its member entities. Based upon each entities own stated need for treatment capacity, a percentage allocation for the project was determined. The 2016 budget reflects a Capital contribution amount with its respective percentage allocation from the following members; Fountain Sanitation District (FSD) (75%) and Colorado Centre Metropolitan District (CCMD) (25%). Anticipated capital construction activities will be related to the Regulation No. 85 effluent limitations and the development of a formal timeline to complete construction of a pipeline from the facility outfall to Fountain Creek.

Budget Process

The budget anticipates the continued provisional Operation Services Agreement with FSD providing operational services for the facility. It also anticipates providing Operations, Maintenance and Management Services satisfied through mutual agreements.

The District's fiscal year commences January 1 and ends December 31. In September of each year the entity member representative submits estimated sewage flow contributions for the next fiscal year to the District Manager. The District Manager, with input from the entity member representative, prepares a draft form of the budget which includes the proposed expenditures, as well as estimated income amounts. Total operations and maintenance expenditures, including bio-solids treatment and disposal costs, reimbursements (if any) and unexpended fund transfers into reserves equals the amount that will be assessed upon the entity members, currently FSD and CCMD, to offset maintenance and operating costs. Operations and maintenance costs are assessed based on its



actual contributory sewage flows and related characteristics received from each respective member entity in the previous calendar year. The District will continue to use estimated sewage flow information provided from each respective member entity, the District has estimated each respective District entity member operations and maintenance costs as part of the estimated operating revenue. The District reconciles actual contributory sewage flows and related characteristics of each respective member entity quarterly, and operations and maintenance costs are adjusted at that time. Unexpended operating funds are returned to the respective member.

The District also assesses all “active” Service Agreement Members for General Administrative expenses based upon equal shares. The District will reconcile actual general administrative costs to be adjusted before the next fiscal budget year.

After the draft budget is complete it is presented for approval by the District Manager at a meeting of the District Board of Directors. In order for the budget to become final, it must be approved by a majority of the District Board. The budget is adopted on a basis consistent with generally accepted accounting principles except that year-end encumbrances are recognized and reconciled as expenditures in the year encumbered. During the course of the fiscal year the District Manager is authorized to transfer funds between line items within operational activity funds. Transfers between operational activity funds or with any financial institution must be approved by a vote of the District Board of Directors.

In closing, I would like to thank everyone involved in the preparation of the 2016 LFMSDD Budget. Management believes that the proposed 2016 Budget provides the necessary funding for essential treatment operations of the Harold D. Thompson Regional Water Reclamation Treatment Facility.

Respectfully submitted,

Jim Heckman, Manager
Lower Fountain Metropolitan Sewage Disposal District

2016 Proposed General Administration

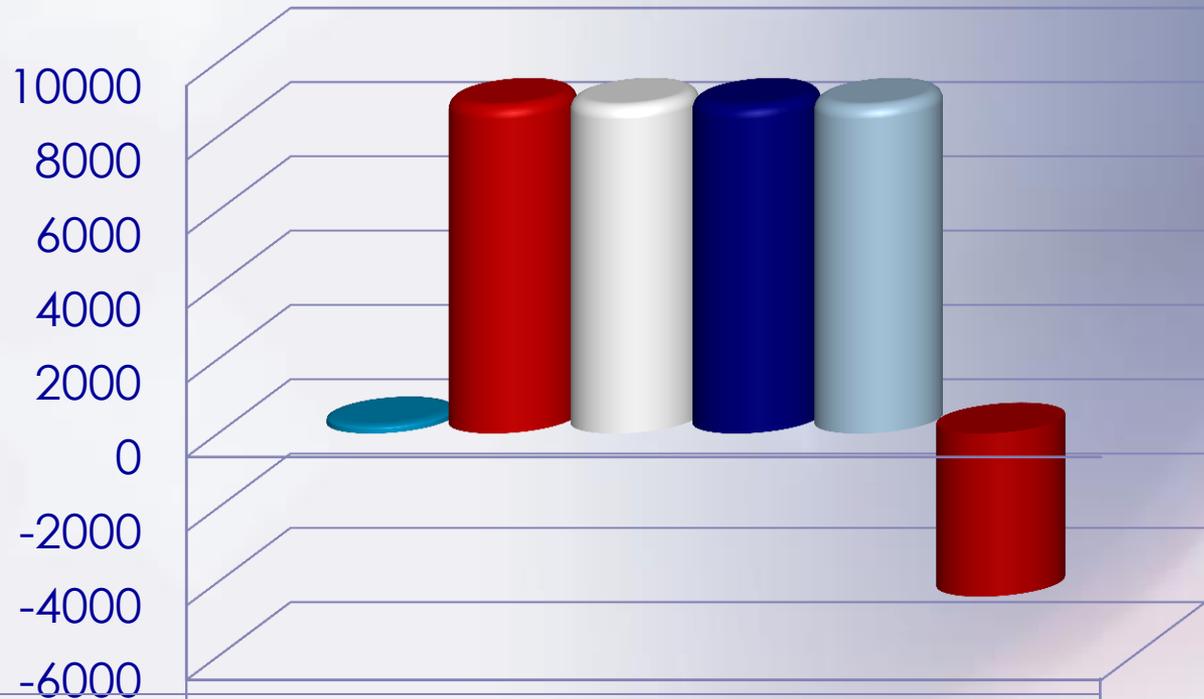
Lower Fountain Metropolitan Sewage Disposal District
2016 Proposed Budget
BUDGET WORKSHEET - GENERAL/ADMINISTRATIVE

Nov. 10, 2015 Version 5

General Administration	2014 Actual	2015 Adopted Budget	Ending Month December 2015	Estimated Year End 2015	2016 Proposed	
Fund Balance Jan 1	\$ (23,176)	\$ 15,754	\$ (12,386)	\$ (12,386)	\$ (4,390)	
REVENUE:						
Active Member Contributions						
Colorado Centre Metro District 33.33%	15,600	5,233	9,362	9,362	8,830	25.00%
Fountain Sanitation District 33.33%	15,600	5,233	9,362	9,362	8,830	25.00%
JV Ranches 33.33%	15,600	5,233	9,359	9,362	8,830	25.00%
Colorado Springs Utilities	-	-	-	-	8,830	25.00%
Contributions Returned	-		-	-	-	
Interest Earned	805	603	407	425	225	
Total Revenue:	\$ 47,605	\$ 16,302	\$ 28,490	\$ 28,511	\$ 35,545	
Resources Available:	\$ 24,429	\$ 32,056	\$ 16,104	\$ 16,125	\$ 31,155	
EXPENDITURES:						
Director Fees	3,375	3,150	2,850	2,850	3,150	
Director Fees Taxes	241	225	195	195	241	
Engineering Services	7,962	8,803	7,939	8,243	8,900	
Legal Fees	18,841	7,803	1,739	1,740	7,500	
Accounting Fees	-	1,250	-	-	0	
Audit Fees	4,500	4,500	5,500	5,500	5,700	
Bank Service Charges	-	100	182	200	200	
Publication Expenses	135	250	139	150	250	
CWUC/Nutrients	575	-	825	825	575	
Insurance - Board Liability (O&E) (Bond)	100	3,500	587	587	3,750	
Office Supplies	104	225	220	225	275	
Utilities	-	500	-	-	-	
Miscellaneous	982	1,750	-	-	250	
Total Expenditures:	\$ 36,815	\$ 32,056	\$ 17,326	\$ 20,515	\$ 30,791	
<i>Fund Balance Dec 31</i>	<i>\$ (12,386)</i>	<i>\$ -</i>	<i>\$ (1,222)</i>	<i>\$ (4,390)</i>	<i>\$ 364</i>	

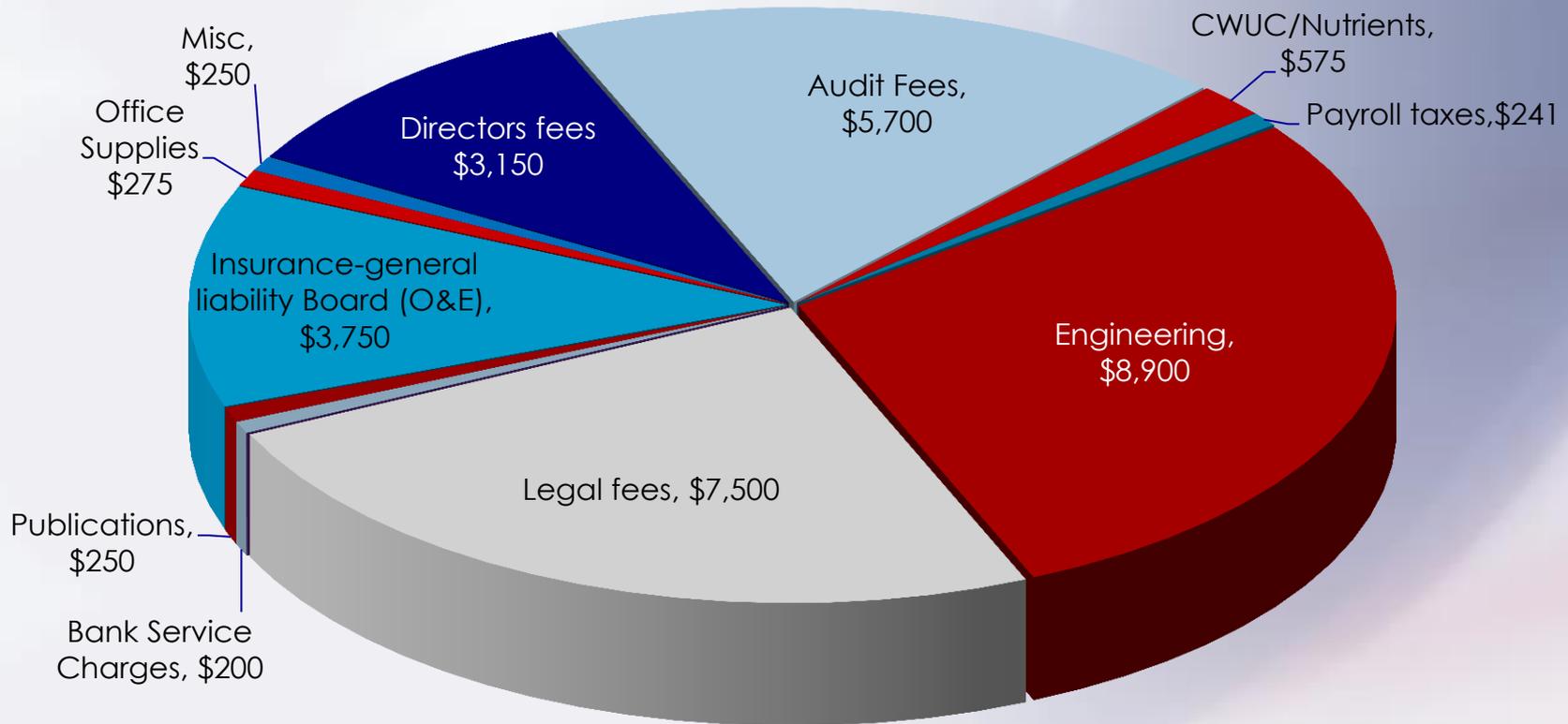
2016 Proposed General Administration Resources Available

Resources Available for General Administration \$31,155



Interest	225
CCMD Member Contribution	8830
FSD Member Contribution	8830
JV Ranches Member Contribution	8830
CSU Member Contribution	8830
Fund Balance	-4390

2016 Proposed General Administration Expenditures \$30,791



■ Payroll taxes	■ Engineering
■ Legal fees	■ Accounting
■ Bank service chrgs	■ Publications
■ Insurance-general liability Board (O&E)	■ Office Supplies
■ Misc	■ Directors Fees
■ Audit Fees	■ CWUC/Nutrients

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2016 Proposed HDTRWRF Capital Budget-FSD/CCMD

Lower Fountain Metropolitan Sewage Disposal District

2016 Proposed Budget

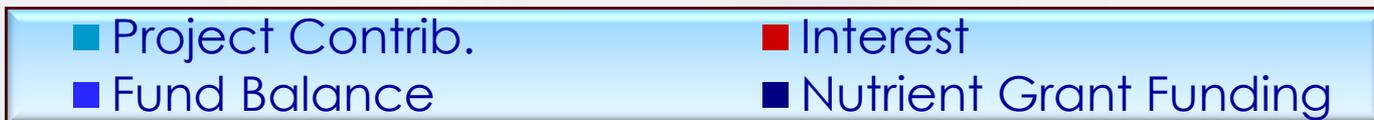
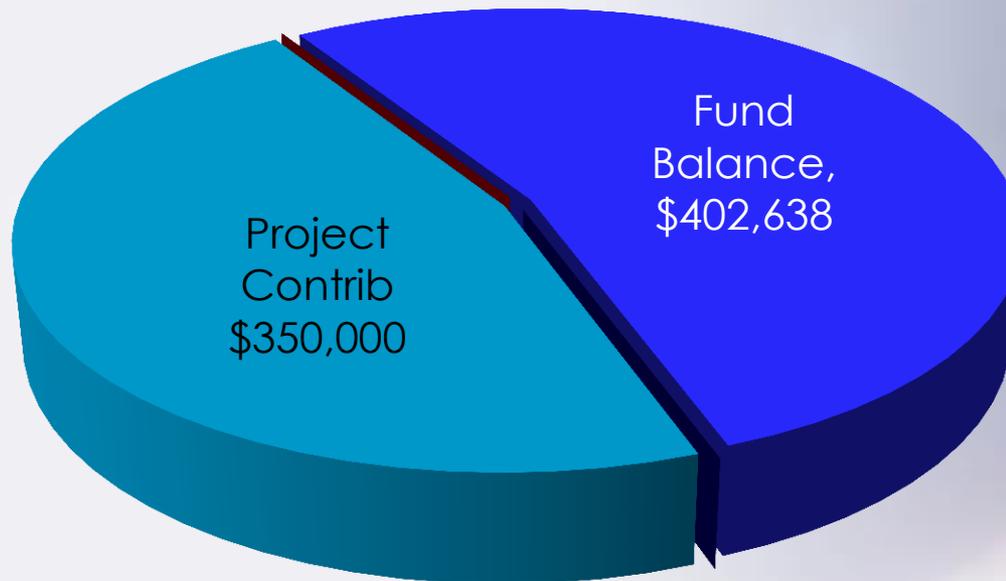
CAPITAL BUDGET WORKSHEET FOR HDTRWRF

Nov. 10, 2015 Version 5

	2014 Actual	2015 Adopted Budget	Month Ending December 2015	Estimated Year End 2015	2016 Proposed
HDTRWRF Allocations (FSD 75%) (CCMD 25%)					
Fund Balance Jan 1	\$ 794,227	\$ 347	\$ 356,630	\$ 356,630	\$ 402,638
REVENUE:					
Project Contributions (Members)	100,000	719,501	300,000	300,000	350,000
NUTRIENT GRANT FUND	194,698	996,000	935,801	985,801	-
ADJUSTMENTS -Reconciliation	(287,597)	-	-	-	-
Interest	-	751	-	-	-
Miscellaneous	-	-	-	-	-
Transfer to Capital Reserves	(250,000)	-	-	-	-
Total Revenue:	\$ (242,899)	\$ 1,716,252	\$ 1,235,801	\$ 1,285,801	\$ 350,000
Resources Available:	\$ 551,328	\$ 1,716,599	\$ 1,592,431	\$ 1,642,431	\$ 752,638
EXPENDITURES:					
Engineering	-	175,000	227,053	251,912	55,000
Legal	-	45,000	-	-	35,000
Contracted Expenses - Nutrients (TIN) (TP)	194,698	1,292,599	956,027	976,094	650,000
Contracted Expenses - Chemical Feed Station	-	1,000	-	-	-
Contracted Expenses - Outfall Piping to Ftn Ck	-	150,000	13,117	15,500	-
Capital Related Purchases:					
Century Link	-	4,500	-	-	-
Black Hills	-	3,500	-	-	-
Materials Testing and Misc.	-	10,000	-	-	-
Related Permitting Fees & Expenses	-	10,000	-	-	-
Miscellaneous	-	25,000	(3,713)	(3,713)	12,500
Total Expenditures:	\$ 194,698	\$ 1,716,599	\$ 1,192,484	\$ 1,239,793	\$ 752,500
<i>Fund Balance Dec 31</i>	\$ 356,630	\$ -	\$ 399,947	\$ 402,638	\$ 138

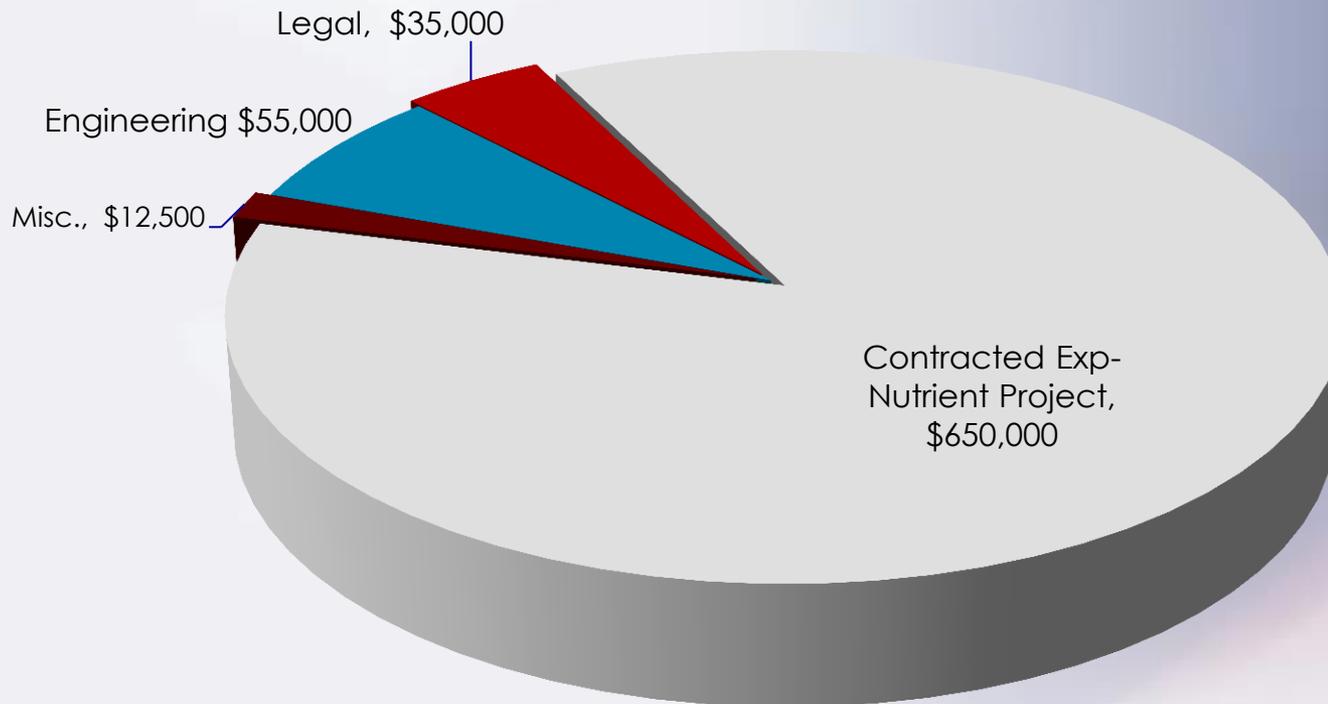
2016 Proposed HDTRWRF Capital Budget-Resources Available

Resources Available \$752,638



2016 Proposed HDTRWRF Capital Budget Expenditures

Expenditures \$752,500



- Engineering
- Contracted Exp-Nutrient Project
- Contracted Exp-Outfall Piping to Ftn Ck
- Black Hills
- Misc.
- Legal
- Contracted Exp-Chemical Feed Station
- Century Link
- Materials Testing & Misc.

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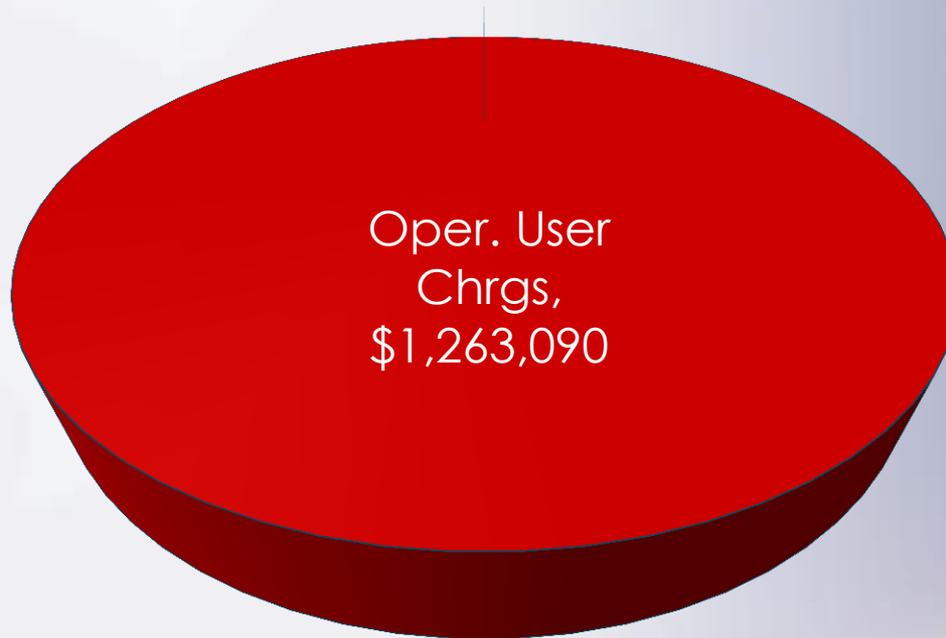
**2016 Proposed HDTRWRF
Operating Budget-
FSD/CCMD**

2016 Proposed Operating Revenues FSD/CCMD

OPERATING BUDGET WORKSHEET FOR HDTRWRF		Est Flow Allocation	86.75%			
2016 Proposed Budget		Est Flow Allocation	13.25%			
<i>OPERATING REVENUES:</i>		Actual	Adopted Budget	Month Ending	Estimated	Proposed
Nov. 10, 2015 Version 5		<u>2014</u>	<u>2015</u>	<u>Dec. 2015</u>	<u>Year End 2015</u>	<u>2016</u>
Earned Interest Operations		769	-	755	757	-
Operational User Charges		759,730	1,197,798	1,052,433	1,138,925	1,263,090
Misc. Operating Revenue		35	-	-	-	-
Total Operating Revenue:		\$ 760,534	\$ 1,197,798	\$ 1,053,188	\$ 1,139,682	\$ 1,263,090
Reconciliation of Operational Funds		-	-	-	-	-
Total Resources Budget Year:	Note 1	\$ 760,534	\$ 1,197,798	\$ 1,053,188	\$ 1,139,682	\$ 1,263,090

Operating Revenue

Operating Revenue \$1,263,090



■ Interest

■ Oper. User Chrgs

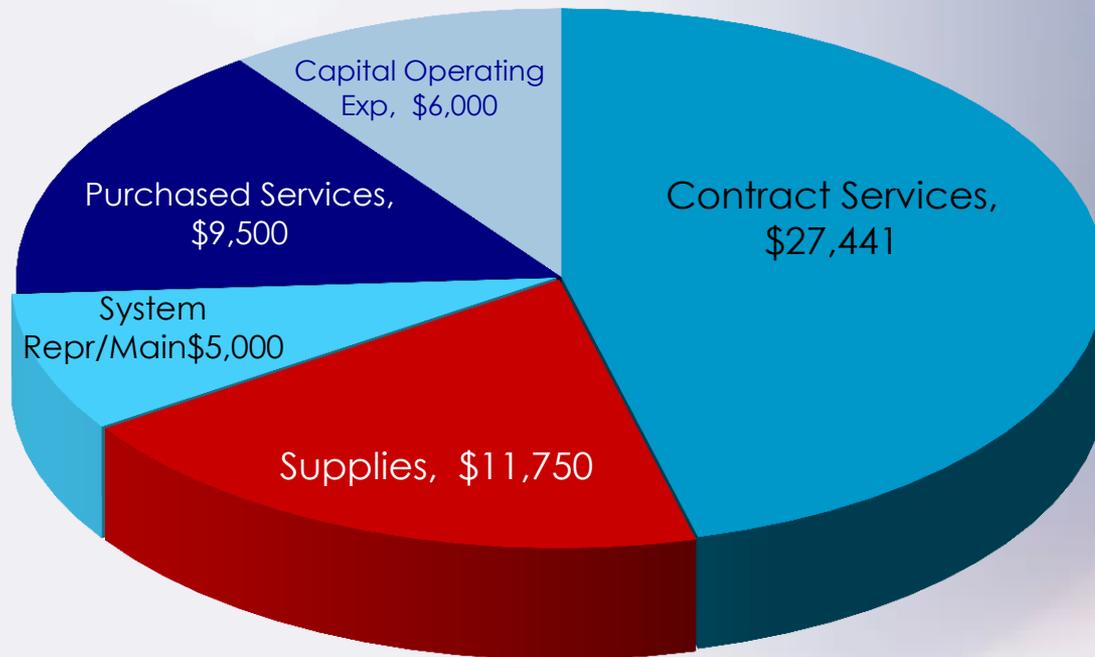
■ Misc. Oper. Rev

2016 Proposed Operating Expenditures-Interceptor

Operating Expenditures		Actual	Adopted Budget	Month Ending	Estimated	Proposed
Interceptor:		2014	2015	Dec. 2015	Year End 2015	2016
Contract Services:						
Contract Services	Note 3a	5,444	13,531	212	5,284	24,736
Equipment Expense Reimbursement	Note 7a	20,912	7,293	575	3,657	2,705
Subtotal Contract Services:		\$ 26,356	\$ 20,824	\$ 787	\$ 8,941	\$ 27,441
Supplies:						
Chemicals (Bioxide etc.)		-	20,000	-	-	10,000
Personal Protective Equip		-	250	-	-	250
Related Collection Operations		-	500	-	-	500
Small Hand Tools/Equipment		-	1,000	-	-	1,000
Subtotal Supplies:		\$ -	\$ 21,750	\$ -	\$ -	\$ 11,750
System Repair/Maintenance:						
Vehicle Maintenance/Equipment		-	-	-	-	-
Interceptor		-	5,000	-	2,100	5,000
Subtotal System R & M:		\$ -	\$ 5,000	\$ -	\$ 2,100	\$ 5,000
Purchased Services:						
Metering Station Utilities		804	7,500	2,761	4,232	7,500
Engineering Services		30,770	1,500	568	1,498	1,500
Wastewater SSO Program		-	500	-	-	500
Subtotal Purchased Services:		\$ 31,574	\$ 9,500	\$ 3,329	\$ 5,730	\$ 9,500
Capital Operating Expenses:						
Capital Operating Expenses-Interceptor		-	-	3,284	3,284	6,000
Subtotal Capital Operating Expenses:		\$ -	\$ -	\$ 3,284	\$ 3,284	\$ 6,000
Total Interceptor Operating Exp		\$ 57,930	\$ 57,074	\$ 7,401	\$ 20,055	\$ 59,691
Line contributed from FSD	Note 9	\$ 2,646,007	\$ -	\$ -	\$ -	\$ -

Operating Expenditures (Interceptor)

Operating expenditures-(Interceptor) \$59,691

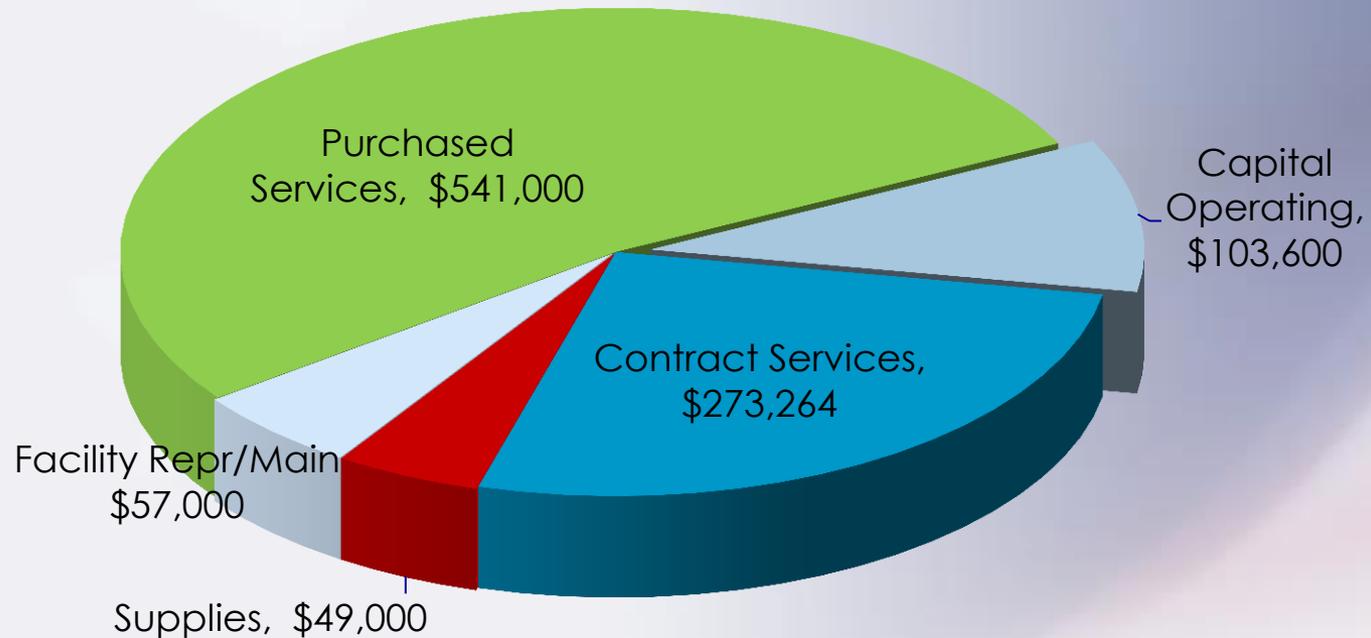


2016 Proposed Operating Expenditures- Treatment Facility

Operating Expenditures		Actual	Adopted Budget	Month Ending	Estimated	Proposed
HDTRWRF Treatment Facility		2014	2015	Dec. 2015	Year End 2015	2016
Contract Services:						
Contract Services	Note 3	175,483	170,306	241,230	246,809	247,358
Equipment Expense Reimbursement	Note 7	-	10,500	25,134	25,659	25,906
Subtotal Contract Services:		\$ 175,483	\$ 180,806	\$ 266,364	\$ 272,468	\$ 273,264
Supplies:						
Chemicals (Cl2 etc.)		18,398	20,000	1,082	16,547	20,000
Laboratory		3,594	7,500	1,627	4,258	5,000
Personal Protective Equip		1,194	1,000	726	984	1,500
Diesel / Equipment Fuel		5,081	12,500	4,286	8,841	10,000
Facility Grounds		389	10,000	1,384	1,632	7,500
Small Hand Tools/Equipment		1,341	2,500	1,619	1,843	2,500
Related Treatment Operation Supplies		4,275	2,500	659	2,114	2,500
Subtotal Supplies:		\$ 34,272	\$ 56,000	\$ 11,383	\$ 36,219	\$ 49,000
Facility Repair/Maintenance:						
Equipment /Service Contracts		6,646	40,000	12,892	15,511	27,000
Treatment Facility		10,273	40,000	15,647	16,254	30,000
Subtotal Facility R & M:		\$ 16,919	\$ 80,000	\$ 28,539	\$ 31,765	\$ 57,000
Purchased Services:						
Facility Utilities	Note 6	213,685	298,000	183,936	214,210	263,500
Engineering Services		30,067	15,000	8,156	12,368	15,000
Contract Laboratory Testing		17,882	20,000	21,432	21,450	30,000
Contract Consultants		122	30,400	3,125	10,548	15,000
Biosolids/Screenings Disposal Contract	Note 5	48,190	232,000	69,457	79,951	200,000
State Fees		11,410	19,000	12,250	12,250	15,500
Related Professional Services		-	2,500	-	1,752	2,000
Subtotal Purchased Services:		\$ 321,356	\$ 616,900	\$ 298,356	\$ 352,529	\$ 541,000
Capital Operating Expense:						
Capital Operating Expense-TP		\$ -	\$ 5,000	\$ 4,470	\$ 5,000	\$ 103,600
Subtotal Capital Operating Expense:		\$ -	\$ 5,000	\$ 4,470	\$ 5,000	\$ 103,600
Total HDTRWRF Operating Exp:		\$ 548,030	\$ 938,706	\$ 609,111	\$ 697,981	\$ 1,023,864

Operating Expenditures (Treatment Facility)

Operating Expenditures- (Treatment Facility) \$1,023,864

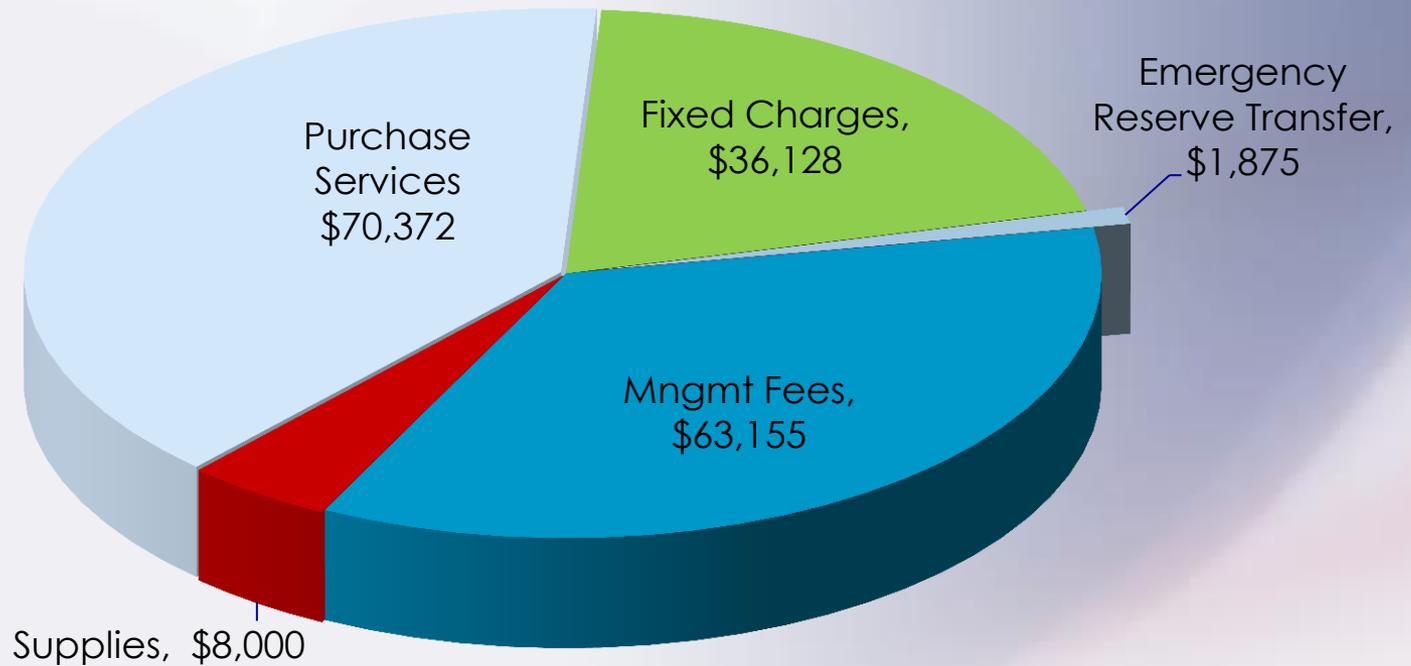


2016 Proposed Operating Expenditures- Administrative Services

<i>Operating Expenditures</i>		Actual 2014	Adopted Budget 2015	Month Ending Dec. 2015	Estimated Year End 2015	Proposed 2016
Administrative Services						
Management Services:						
Management Fees		59,728	58,394	59,728	59,728	63,155
Subtotal Management Services:	Note 4	\$ 59,728	\$ 58,394	\$ 59,728	\$ 59,728	\$ 63,155
Supplies:						
Office		-	4,000	-	500	3,500
Janitorial		-	1,000	-	150	1,500
Computer		-	1,500	-	750	1,500
Small Office Equipment		-	1,500	-	500	1,500
Subtotal Supplies:		\$ -	\$ 8,000	\$ -	\$ 1,900	\$ 8,000
Purchased Services:						
Administrative Utilities		2,834	6,000	-	-	-
Office Equip Repair/Service Contracts		-	2,500	-	1,000	2,500
Legal Publications		-	500	-	-	500
Legal Consultants		-	20,000	-	-	15,000
Accounting Services		-	5,000	-	500	5,000
Engineering Services		-	3,500	-	1,500	3,500
Contract Prof. Services	Note 8	38,898	56,000	18,283	28,367	42,372
Administration Training Expenses		-	2,500	-	-	1,500
Subtotal Purchased Services:		\$ 41,732	\$ 96,000	\$ 18,283	\$ 31,367	\$ 70,372
Fixed Charges:						
Insurance on Buildings		10,361	22,373	7,871	22,121	22,378
Insurance on Vehicles/Equipment		197	5,000	197	500	1,500
Liability Insurance		6,039	12,000	5,528	9,885	12,000
Bank Service Charges		-	250	-	25	250
Penalties and Fines		-	-	-	-	-
Subtotal Fixed Charges:		\$ 16,597	\$ 39,623	\$ 13,596	\$ 32,531	\$ 36,128
Total Administrative Expenditures:		\$ 118,057	\$ 202,017	\$ 91,607	\$ 125,526	\$ 177,655
Total District Operating Expenditures:		724,017	1,197,797	708,119	843,562	1,261,209
Reserves Transfers:		-	-	-	-	1,875
Total of All Operational Expenditures:	Note 2	724,017	1,197,797	708,119	843,562	1,263,084
Estimated Operations Fund Balance		\$ 36,517	\$ 1	\$ 345,069	\$ 296,120	\$ 6
Depreciation	Note 9	\$ 786,981	\$ -	\$ -	\$ -	\$ -

Operating Expenditures (Administrative)

Operating Expenditures- (Administrative) \$179,530



- Mngmt Fees
- Purchased Services
- Emergency Reserve Transfer
- Supplies
- Fixed Charges

2016 Operating Budget Worksheet Notes for HDTRWRF

OPERATING BUDGET WORKSHEET NOTES FOR HDTRWRF

2016 Proposed Budget

Nov. 10, 2015 Version 5

Note 1: Each entity member contributes estimated Operating Resource needs proportional, based on estimated flows

FSD Operational Revenue base on Avg Daily Flow of .857720 MGD @ \$3.50 per 1000 gallons

CCMD Operational Revenue base on Avg Daily Flow of .131000 MGD @ \$3.50 per 1000 gallons

Flow 12-Months Operations		360882888	0.98872	Total EST. FLOW	1
1,000 gal		360882.89	0.85772	FSD %	0.867505
	Revenue	Flows	0.131	CCMD %	0.132495
FSD Est Ops	\$1,095,738	313067.9			
CCMD Est Ops	\$167,353	47815			
Total Est. Ops Rev.	\$1,263,090	360882.9			

Note 2: Each entity member contributes estimated Operating Expenditure needs proportional, based on estimated flows

Planned Expenses equal estimated Revenues for a Balanced Budget

	Expenses	Flows
FSD Est Ops	\$1,095,738	313067.9
CCMD Est Ops	\$167,353	47815
Total Est. Ops Exp.	\$1,263,090	

Note 3: Contract Labor Services

ALL CONTRACT LABOR TO BE INVOICED FOR ACTUAL HOURS WORKED ONLY BASED ON SUBMITTED TIME RECORDS

*Salaries represented are Total Costs inclusive of employee's fringe benefit package.

		Total Cost Compensation*	Est. Hours	Est. Annual Labor Cost
Tim	Plant Superintendent	\$90,348	1872	\$81,313.20
Charlie	Lead Laboratory Technician	\$87,375	520	\$21,843.75
Ralph	Plant Operator I	\$83,281	2080	\$83,281.00
Matt	Plant Operator II	\$74,445	1560	\$55,833.75
	Information Technology	\$50,862	FTE	\$5,086.20
			3.00	\$247,357.90
			Total Est Hrs	\$55,106.99 \$220,427.95

In 2016 it is estimated staff involved at the HDT Facility will be two (2) Operators and

Plant Superintendent time will consume 90% and Operators at 100% and 75% respectively.

Note 3a: *Other staff As-needed Only with Actual Labor Cost - Budget at plus 10% of Estimated Labor \$24,735.79

2016 Operating Budget Worksheet Notes for HDTRWF

Note 4: Contract Management Services

Operating administrative overhead costs are projected at 5% of Operational Revenues

Management Service Fee	\$63,155
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Proposed Management Services to paid proportionally to FSD 86.75% & CCMD 13.25%

Note 5: Bio-Solids Contract (Parker Ag Services)

2016 Veris Environmental (Parker) Disposal Contract I	0.025	\$247,500
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Note 6: Utility Expenses (Black Hills Energy and MVEA)

Black Hills	\$15,000	
Century Link	\$6,000	
American Disposal	\$7,500	20-yard Rolloff
MVEA	\$235,000	
	<u>\$263,500</u>	

Note 7: Operator Vehicle Expenses Est. Daily Miles Est. Days Cost per Mile* Est. Annual Expense

Plant Superintendent	54	260	0.575	\$8,073.00
Plant Operator I	68	300	0.575	\$11,730.00
Plant Operator II	42	300	0.575	\$7,245.00
				<u>\$27,048.00</u>
				\$6,762.00

Note 7a: *Other vehicle As-needed Only with Actual Cost - Budget at plus 10% of Estimated mileage \$2,704.80

* Cost per Mile Includes Fuel and Maintenance

Annual Federal Rate will be used

Note 8: AF CURE

Membership and Project Involvement	\$50,000
Other Unknown Services	\$6,000
	<u>\$56,000</u>

Note 9: *Amount not used in Cash Basis Budget - Accrual Use Only

Note 10: *Operational Capital Purchase Amount - Item Specifics Listed in 5-Year CIP

2016 Proposed Operating Tabor Reserves

<u>DESIGNATED ACCOUNTS</u>	<u>Actual 2014</u>	<u>Adopted Budget 2015</u>	<u>Month Ending Dec. 2015</u>	<u>Estimated Year End 2015</u>	<u>Proposed 2016</u>
<u>TABOR Emergency Reserve Fund:</u>					
Beginning Balance	-	35,034	35,034	35,034	36,018
Revenue:					
Increase Emergency Res.	-	-	984	984	1,875
Increase from Transfers	-	-	-	-	-
Expenditures:					
Transfer to Other Funds	-	-	-	-	-
<u>Ending Balance:</u>	\$ -	\$ 35,034	\$ 36,018	\$ 36,018	\$ 37,893
<u>TABOR Emergency Reserve Total: (A)</u>	\$ -	\$ 35,034	\$ 36,018	\$ 36,018	\$ 37,893

\$ 37,893

(A) Emergency Reserves Maintained at Minimum 3% Requirement

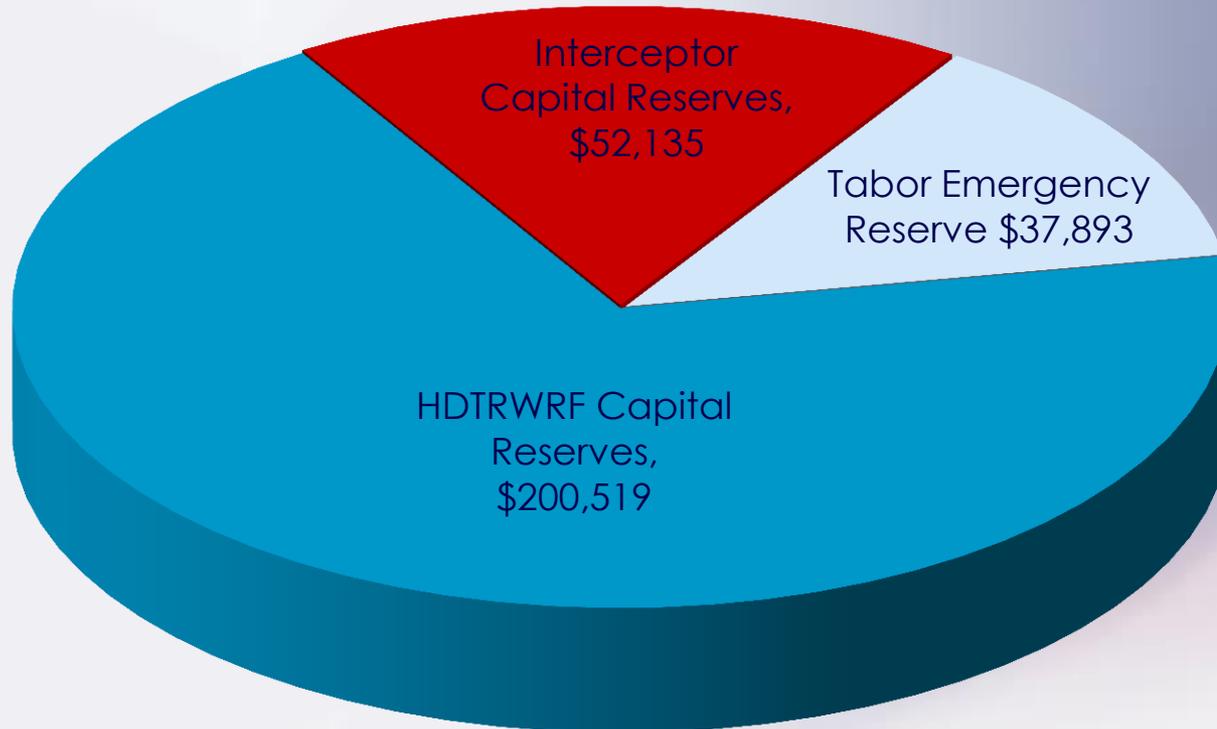
2016 Proposed Capital Project Reserves (FSD/CCMD)

CAPITAL PROJECTS RESERVE WORKSHEET					
2016 Proposed Budget					
Nov. 10, 2015 Version 5					
<u>DESIGNATED ACCOUNTS</u>					
	Actual 2014	Adopted 2015	Month Ending Dec. 2015	Estimated Year End 2015	Proposed 2016
<u>HDTRWRF Capital Reserves</u>					
Beginning Balance	-	200,000	200,000	200,000	200,519
Revenue:					
Increase Capital Reserves	-	-	519	519	-
Transfer from Operations	-	-	-	-	-
Increase from Transfers/Misc	-	-	-	-	-
Expenditures:					
Transfer to Operations	-	-	-	-	-
Transfer to Other Funds	-	-	-	-	-
Ending Balance:	\$ -	\$ 200,000	\$ 200,519	\$ 200,519	\$ 200,519
<u>Interceptor Capital Reserves</u>					
Beginning Balance	-	50,000	50,000	50,000	52,135
Revenue:					
Increase Capital Reserves	-	-	2,135	2,135	-
Transfer from Operations	-	-	-	-	-
Increase from Transfers/Misc	-	-	-	-	-
Expenditures:					
Transfer to Operations	-	-	-	-	-
Transfer to Other Funds	-	-	-	-	-
Ending Balance:	\$ -	\$ 50,000	\$ 52,135	\$ 52,135	\$ 52,135
TOTAL RESERVES	\$ -	\$ 250,000	\$ 252,654	\$ 252,654	\$ 252,654
All future capital reserve projects to be funded by ownership allocation					

2016 Proposed Reserves

Capital Project Reserves \$252,654
(HDTRWRF)/(Interceptor)

Tabor Emergency Reserve \$37,893 *Operational Reserve*



■ HDTRWRF Capital Reserves
■ Tabor Emergency Reserves

■ Interceptor Capital Reserves

**Tabor Emergency Reserve is an
Operational Reserve**

The background of the slide is a stylized American flag, featuring a blue field with white stars in the upper right and red and white stripes in the lower left. The text is centered on the white field.

2016 Budget Summary

2016 Budget Summary

Nov. 10, 2015 Version 5

The governing body of
LOWER FOUNTAIN METROPOLITAN SEWAGE DISPOSAL DISTRICT

2016 BUDGET SUMMARY

FUND	FSD Expenditures	Percent Allocation	CCMD Expenditures	Percent Allocation	Vintage Expenditures	Percent Allocation	CSU Expenditures	Percent Allocation	Fund Totals
General Administration	\$8,830	25%	\$8,830	25%	\$8,830	25%	\$8,830	25%	\$35,320
HDTRWRF Capital	\$262,500	75%	\$87,500	25%	\$0	0%	\$0	0%	\$350,000
TOTALS	\$271,330		\$96,330		\$8,830		\$8,830		

Allocations Per Fund

General Administration	\$735.83		\$735.83		\$735.83		\$735.83		
HDTRWRF Capital	\$16,406.25		\$5,468.75		\$0		\$0		
Monthly Allocation	\$17,142.08		\$6,204.58		\$735.83		\$735.83		

2016 OPERATIONAL FUND

	FSD		CCMD		Vintage		CSU	
Operational Expenses	\$1,095,738	86.75%	\$167,353	13.25%	\$0		\$0	
Operational Monthly	\$91,311.47		\$13,946.04		\$0		\$0	

2016 TOTAL MONTHLY ALLOCATION

	FSD		CCMD		Vintage		CSU	
Total Monthly Allocation	\$108,453.55		\$20,150.63		\$735.83		\$735.83	

2016 CAPITAL RESERVES FUND BALANCE

	FSD	%	CCMD	%	
HDTRWRF	\$150,389	75%	\$50,130	25%	\$200,519
Interceptor	\$45,608	87.48%	\$6,527	12.52%	\$52,135
Fund Totals	\$195,997		\$56,657		\$252,654

5-YEAR CAPITAL REQUESTS

5-Year Capital Improvement Plan Schedule

Nov. 10, 2015 Version 5

Dept.	Project	2016	2017	2018	2019	2020	FUND	Description
Collections								
Capital Project	Chemical Feed Building	\$0	\$0	\$100,000	\$150,000	\$0	Capital	Chemical Feed Building at CCMD Meter Vault
Purchase/Repl	System Rehabilitation	\$5,000	\$5,000	\$10,000	\$50,000	\$50,000	Operating	General WW Collection System Rehabilitation
Purchase/Repl	CIPP Rehabilitation	\$0	\$2,500	\$5,000	\$25,000	\$25,000	Operating	Identified Cured in Place Pipe (CIPP) lining Projects
Purchase/Repl	Computerized Maint System 1/3	\$1,000	\$1,000	\$1,000	\$2,000	\$2,000	Operating	Enhancements Upgrade to Elements Maintenance/Asset Management System
Equip	Pumping Equip	\$0	\$0	\$2,500	\$5,000	\$15,000	Operating	Pump Purchase/Replacement
		\$6,000						
Treatment								
Capital Project	Phosphorous Removal Project	\$650,000	\$1,500,000	\$2,500,000	\$0	\$0	Capital	Funding to Meet Total Phosphorous Limits
Capital Project	Outfall Piping to Fountain Creek	\$0	\$0	\$500,000	\$500,000	\$0	Capital	Pipe Effluent discharge to Fountain Creek
Equip	Skid Loader	\$0	\$0	\$0	\$0	\$45,000	Operating	Purchase Grounds Maintenance Implements
Equip	4x4 Quad Utility Vehicle	\$15,000	\$0	\$0	\$0	\$17,500	Operating	Purchase Utility vehicle for laboratory samples transport
Equip	Facility Grounds Equipment	\$4,000	\$2,500	\$2,500	\$7,500	\$10,000	Operating	Purchase/Replace Grounds Maintenance Equipment
Equip	Idexx Sealer for Spectro	\$4,100	\$0	\$0	\$0	\$4,500	Operating	Purchase Nutrient Compliance Equipment
Purchase/Repl	WW Treatment Components	\$10,000	\$75,000	\$150,000	\$150,000	\$150,000	Operating	HDTRWRF Renewals & Replacements
Equip	Security System Upgrade	\$0	\$12,000	\$0	\$0	\$15,000	Operating	Purchase Security Camera System - Digital
Purchase/Repl	UV Disinfection System	\$2,500	\$2,500	\$10,000	\$2,500	\$12,500	Operating	Purchase Replacement UV Components
Equip	Pumping Equip	\$5,000	\$0	\$5,000	\$0	\$5,000	Operating	Purchase Portable 4-inch Trash Pump - GAS
Purchase/Repl	Building Improvements	\$10,000	\$10,000	\$15,000	\$25,000	\$25,000	Operating	General Building Improvements
Purchase/Repl	IT/SCADA Systems	\$5,000	\$5,000	\$5,000	\$7,500	\$50,000	Operating	IT System Software/Hardware Upgrades
Equip	Portable Man Boom Lift	\$25,000	\$0	\$0	\$0	\$0	Operating	Building and Grounds Maintenance
Purchase/Repl	Headworks Equip/Room	\$2,500	\$2,500	\$5,000	\$5,000	\$10,000	Operating	Purchase/Replace Headworks Equipment Components
Purchase/Repl	VFD's	\$5,000	\$7,500	\$10,000	\$20,000	\$25,000	Operating	Purchase/Replace Allen Bradley Components
Purchase/Repl	Abasin Diffusors	\$2,500	\$2,500	\$5,000	\$10,000	\$25,000	Operating	Purchase/Replace Aeration Basin Components
Purchase/Repl	Laboratory Equipment	\$5,000	\$5,000	\$7,500	\$7,500	\$15,000	Operating	Purchase Laboratory Equipment Related to Nutrients
Purchase/Repl	Computerized Maint System 1/3	\$1,000	\$1,000	\$1,000	\$2,000	\$2,000	Operating	Enhancements Upgrade to Elements Maintenance/Asset Management System
		\$650,000	\$96,600					
Admin								
Purchase/Repl	Computerized Maint System 1/3	\$1,000	\$1,000	\$1,000	\$2,000	\$2,000	Operating	Enhancements Upgrade to Elements Maintenance/Asset Management System
		\$1,000						
		\$103,600	\$1,635,000	\$3,335,500	\$971,000	\$505,500		