



## 2021 Operations Budget

Staff recommends amending the 2021 operations budget to fund a water lease opportunity. During 2020, water demands exceeded a typical year due to hot and dry conditions. As a result, Centennial Water is entering the 2021 irrigation season with below average water storage in its reservoirs. Additionally, Englewood informed us that a portion of the water leased to us (700 acre-foot) would not be available for lease in 2021. We budgeted \$94,786 in 2021 for this water that we normally get in May and June.

Centennial Water has an opportunity to lease water from Castle Rock. Castle Rock has water rights accumulating in their Chatfield Reallocation Storage, which they have offered to lease to Centennial Water. The agreement only runs through 2021. The lease rate is \$340 per acre-foot (\*af). The maximum delivery is 1,000 af. The agreement initiates with 200 af delivery and payment (\$68,000) due within 10 days of mutual execution of lease. Additional deliveries, of up to 800 af, will be by mutual agreement of both parties.

The net impact to the 2021 operations budget of the above changes to water leases is an increase of \$245,214. The increase will be funded by existing fund balances.

	2019 Actual	2020 Budget	2020 Projected	Amended 2021 Budget
<i>REVENUES &amp; OTHER RECEIPTS</i>				
Operating revenues				
Water utilization charges	\$ 23,262,642	\$ 24,912,880	\$ 26,841,985	\$ 25,962,880
Wastewater utilization charges	11,542,746	12,840,000	12,095,000	13,400,000
Other operating	583,292	798,390	746,568	942,290
Intergovernmental/fund reimbursement	656,279	518,000	537,570	594,350
Rental income	286,632	265,800	265,500	249,100
<i>Total operating revenues</i>	<u>36,331,591</u>	<u>39,335,070</u>	<u>40,486,622</u>	<u>41,148,620</u>
Other revenues				
Gain (loss)	53,060	-	10,000	10,000
Lease Proceeds	-	-	-	-
Miscellaneous	-	15,000	32,000	15,000
Net investment income	3,156,384	1,196,000	1,372,000	472,000
<i>TOTAL REVENUES &amp; OTHER RECEIPTS</i>	<u>39,541,035</u>	<u>40,546,070</u>	<u>41,900,622</u>	<u>41,645,620</u>
<i>OUTLAYS</i>				
Operations expense				
Water operations	9,487,952	10,649,329	10,591,995	10,634,639
Wastewater operations	4,677,723	5,693,588	5,388,214	5,561,468
Technical management	4,052,722	4,675,346	4,916,132	5,554,112
General management	2,990,863	3,426,493	3,237,253	3,438,464
<i>Total operations expense</i>	<u>21,209,260</u>	<u>24,444,756</u>	<u>24,133,594</u>	<u>25,188,683</u>
Miscellaneous Capital and Leases				
Water Leases	3,025,032	3,040,612	3,111,227	3,366,623
Direct payments	322,683	-	68,000	76,000
Capital Lease Payments	-	-	-	-
<i>TOTAL OUTLAYS</i>	<u>24,556,975</u>	<u>27,485,368</u>	<u>27,312,821</u>	<u>28,631,306</u>
<i>OPERATING TRANSFERS</i>				
From (to) Debt Service Fund	(9,727,018)	(9,500,000)	(11,100,000)	(9,300,000)
From (to) Major Repair Fund	(2,500,000)	(2,900,000)	(2,900,000)	(3,800,000)
From (to) Water Acquisition & Protection Fund	-	-	-	-
From (to) Financial Assurance Fund	(2,000,000)	-	(600,000)	-
From (to) Capital Projects Fund	-	-	-	-
<i>TOTAL OPERATING TRANSFERS</i>	<u>(14,227,018)</u>	<u>(12,400,000)</u>	<u>(14,600,000)</u>	<u>(13,100,000)</u>
<i>NET RECEIPTS/(OUTLAY) OF FUNDS AND OPERATING TRANSFERS</i>				
	757,042	660,702	(12,199)	(85,686)
<i>FUNDS AVAILABLE - BEGINNING</i>				
	13,057,525	13,367,079	13,814,567	13,802,368
<i>FUNDS AVAILABLE - ENDING</i>				
	<u>\$ 13,814,567</u>	<u>\$ 14,027,781</u>	<u>\$ 13,802,368</u>	<u>\$ 13,716,682</u>