



Pueblo Water

Board of Water Works of Pueblo, Colorado



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the years ended December 31, 2018 and 2017



COMPRHENSIVE ANNUAL FINANCIAL REPORT

For the years ended December 31, 2018 and 2017

Prepared by the Finance Division

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INTRODUCTORY SECTION

Board of Directors



Board Members: Dr. Thomas Autobee, Nick Gradisar, Sandy Gutierrez, Kevin McCarthy, and Michael Cafasso

Our five-member Board of Directors is made up of community and business leaders elected by Pueblo citizens. Pueblo is extremely fortunate to have a Board that not only performs its expected duties capably – formulating policy, reviewing and approving the budget, setting rates and conducting long-range planning – but also maintains a passionate dedication to the health and well-being of our community with their service. They also have a history of serving multiple six-year terms, and board members continue to acquire the complex knowledge required to make the best decisions to ensure Pueblo’s water system is operated and maintained in an effective and cost-efficient manner.

**Leading With Vision
Serving With Integrity**

March 11, 2019

To the Board of Water Works of Pueblo, Colorado and To Those We Serve:

We are pleased to transmit the Comprehensive Annual Financial Report of the Board of Water Works, of Pueblo, Colorado (“Pueblo Water”) for the year ended December 31, 2018. This report is presented in three sections as follows:

Introductory Section

Included in this section is the letter of transmittal, principal officials, organizational chart, and excerpts from the City charter.

Financial Section

This section includes the independent auditors’ report on the accompanying financial statements, Management’s Discussion and Analysis, the basic financial statements, and supplementary information.

Statistical Section

The Statistical section encompasses information related to: financial trends, revenue capacity, debt capacity, demographics and the economic situation of the City and County of Pueblo, and operating information generally presented on a multi-year basis.

Responsibility for the accuracy of the data as well as the thoroughness of the presentation rests with the management of Pueblo Water. To the best of our knowledge, the enclosed data are accurate in all material respects and adequately present the financial position of Pueblo Water.

Schmidt, Valentine, Whittemore & Company, PC has issued an unmodified (“clean”) opinion on Pueblo Water’s financial statements for the years ended December 31, 2018 and 2017. The independent auditors’ report is located at the front of the financial section.

Management’s Discussion and Analysis (“MD&A”) immediately follows the independent auditors’ report. The MD&A will present an objective and easily readable analysis of the financial performance of Pueblo Water. The MD&A is made up of several categories: Financial Highlights; provides a summary of Pueblo Water’s significant 2018 financial activity. Condensed Financial Statements; provides an analysis of significant activity in the basic financial statements. Budgetary Highlights; provides an analysis of Pueblo Water’s budget procedures as well as the 2018 budget -vs- actual results and the 2019 budget. Finally, Currently Known Facts, Decisions or Conditions; outlines currently known facts, decisions or conditions as of the date of the auditors’ report that may have an effect on Pueblo Water’s financial position. The MD&A is followed by the basic financial statements, notes to the financial statements, and supplementary information.

Profile of the Board of Water Works of Pueblo, Colorado

In Pueblo, a five member Board is charged with the formulation of policy, review and approval of the budget, setting rates and long-range planning that will ensure Pueblo's water system is operated and maintained in an efficient and cost-effective manner. This Board is comprised of community and business leaders elected by the citizens of Pueblo. Board members serve staggered six-year terms.

Pueblo Water has 137 employees who specialize in the many skills needed to manage, engineer, operate and maintain Pueblo's water system and sources of supply.

Pueblo's water supply originates high in the Rocky Mountains above Leadville, Colorado. Water from these high mountain watersheds flows into canals, creeks and streams and eventually into the Arkansas River. Pueblo's supply is then diverted from the Arkansas River through intake structures located within Pueblo Reservoir and transferred via pipeline to the Whitlock Treatment Plant where it is treated and filtered. The finished water is pumped through a system of transmission mains to various storage tanks and adjoining pump stations throughout the city. Water is carried from these pump stations by a vast network of interconnecting pipes to the citizens and businesses of Pueblo. There are approximately 581 miles of water mains (including both transmission and distribution mains) in the system. The water supply, treatment and distribution process continues 24 hours a day, 365 days a year.

The mission of the Board of Water Works is as follows:

The Board of Water Works is committed to providing the highest quality of water at the lowest possible cost. We are equally committed to the work force that helps achieve that goal. We strive to create and maintain an environment that encourages and recognizes teamwork, individual contribution, and the integrity of each employee.

Planning

Planning has been an important visionary component throughout Pueblo Water's history. This is evidenced through the maintenance of long-term financial, capital, main replacement, operation and maintenance, water resource, and work force succession plans.

Financial, Capital, and Operation & Maintenance

Each year, as part of the budget process, updates are performed to Pueblo Water's financial, capital, and operation and maintenance 10 year plans. Since it is Pueblo Water's practice to finance routine improvements within its normal rate structure, these plans are an integral part of that success. As a consequence, small steady rate increases are implemented each year, which is essential to ensuring adequate revenue and avoiding "rate-shock" for customers. As is the case with many water utilities around the United States, Pueblo Water recognizes the coming challenge of replacing its infrastructure and works to continually refine its supplemental 30 year capital plan. This expanded capital plan affords Pueblo Water the ability to make crucial decisions surrounding replacement of its infrastructure.

Main Replacement Program

Pueblo Water's main replacement program was started in the late 1960's and consists of a formal twenty year plan that is updated approximately every ten years through cooperation with Pueblo Water's internal engineering staff and its consulting engineer. During the intervening ten year period, Pueblo Water's internal engineering staff regularly updates the plan to ensure customer needs are met. On average, Pueblo Water spends close to \$2 million every year in connection with the program. Through this program Pueblo Water has greatly reduced the number of main breaks experienced each year. In 1972, 196 main breaks occurred, while in 2018 there were just 38.

Water Resource Plan

In 2007, Pueblo Water updated the water resource plan to project and meet the needs of the community for the next fifty years. That process has continued on a less formal basis each year since 2007.

Key Financial Policies

Along with deliberate and structured planning, Pueblo Water has adopted sound financial policies. Some of the key policies that have helped to shape their financial results for recent years are listed below:

- Small annual rate increases that are supported by customers.
- Reinvestment in system infrastructure.
- Issuance of debt, only for major projects.
- Continued investment in new technologies.
- Maintain a minimum 5% of operating revenue as General Fund unrestricted and undesignated balance.
- One-time revenues are not used to off-set rate increases, but instead are designated for future expansion.
- Maintain an operation and maintenance reserve equal to at least a sixty day equivalent of personnel and O&M expense.
- Maintain a capital reserve of no less than \$1 million.

Revenue Growth and Rates

Significant One-time Revenue

Since 2005, Pueblo Water has received one-time revenue totaling \$45.92 million. The receipt of these revenues has helped significantly to further the strategic plans of Pueblo Water. In 2009, \$30.41 million was received from the sale of a transmountain water right and diversion structure, and was used to help finance the purchase of in-basin water rights totaling \$56.13 million in that same year. Although the sale can be characterized as one-time revenue, the sale of the water right and diversion structure was specifically done to minimize the economic impact of the purchase of the in-basin water rights to Pueblo Water's customers. The remaining \$15.51 million was earned through long-term contracts to serve power plants located in the Pueblo area. In keeping with the Pueblo Water's policy on use of one-time revenues, Pueblo Water designated the use of this revenue for future water expansion projects and water rights acquisition. Of the \$15.51 million, Pueblo Water has used approximately \$12.74 million in connection with the water rights purchases from 2009 to 2018 and to construct a 1.5 million gallon tank along with the transmission and distribution mains to serve customers in a new industrial park south of Pueblo. The remaining approximately \$2.77 million has been reserved for future projects.

Consumption Trends & Customer Demographics

As a result of the ongoing drought experienced by the area since 2002, the consumption patterns of Pueblo Water's customers have changed. Through conservation, residential customers have decreased their water use by approximately 16%. Pueblo Water believes this change to be permanent. Considering 64% of Pueblo Water's annual revenue is derived from metered water sales and the cost to provide water to customers has increased, the change in consumption patterns had the potential to adversely affect Pueblo Water's financial position. However, through planning and understanding the changing business environment, Pueblo Water has been able to navigate through these turbulent times, and maintain its strong financial position without raising rates beyond 5% in any one single year. The following table compares several ratios, depicting fiscal health, for 2009 and 2018:

Ratio	2018	2009
Current ratio	3.09	3.52
Debt/ equity	0.22	0.35
Number of days of working capital	421.74	432.49

As a consequence of the factors stated above, Pueblo Water has maintained its modest projected consumption throughout its 10 year financial plan. It is currently estimated that, in a year during which Pueblo receives average precipitation, potable water consumption will be approximately 8 billion gallons compared with pre-drought levels of nearly 9 billion gallons.

Pueblo Water's practice of temporarily leasing its excess non-potable water supply has proved successful in mitigating the change in potable water sales. During the past ten years Pueblo Water has received \$85.4 million in revenue from these contracts. For 2019, it is expected that non-potable water sales will account for 26% of Pueblo Water's operating revenue. This practice allows Pueblo Water to make good use of short-term excess supply while providing for the ability to plan for future water needs in the community.

Additional, more detailed customer and revenue related information is provided in the statistical section of this report.

Operating and Capital Expenditures

During the period 2009 through 2018, Pueblo Water's operating expense increased 34% driven predominantly by costs associated with: personnel, electricity, health insurance, chemicals, maintenance, and fuel. Associated with increased operating costs, Pueblo Water has raised rates 36.25% during the period 2009 through 2018.

Staffing increased from a low of 125 full time employees in 2001 to a high of 142 full time employees in mid 2009. Increased work load required additional personnel and in 2005, Pueblo Water embarked on a company-wide succession plan which contributed to the increased staffing levels. Currently, Pueblo Water has reduced that number to 137, but as different phases of the succession plan are met the number will fluctuate.

Aside from personnel costs, electricity is the single largest operating expense for Pueblo Water. Since 2004, electricity costs related to pumping and treating have risen 134%. This has motivated Pueblo Water, to consider all avenues for increased efficiency with its electrical use including possible hydroelectric power at the Whitlock Treatment Plant.

Pueblo Water's 10 year capital plan provides a detailed and flexible structure by which Pueblo Water is able to ensure the reliability of its system and equipment. While each year includes different requirements, typically between \$3 and \$5 million is spent annually on capital improvement or replacement expenditures.

Awards

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Board of Water Works of Pueblo, Colorado for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This was the 1st year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Closing

While the intent of the transmittal letter is to provide more subjective aspects of topics related to the fiscal health of Pueblo Water, information contained in other sections of this report provide more detailed insight. The MD&A provides a view, from Management's perspective, of more recent activity. This information can be used along with the basic financial statements and notes to gain an understanding of Pueblo Water's performance for the years ended December 31, 2018 and 2017. MD&A begins on page II-4.

In connection with Pueblo Water's outstanding debt, certain disclosures pursuant to Section (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12) are required. The disclosures consist of the following:

- | | |
|--------------------------------------|--------------------------------|
| ▪ Audited Financial Statements | Section II – Financial Section |
| ▪ Annual Financial Information | |
| ○ Customer Information | Section II – MD&A – Page II-5 |
| ○ Largest Customers | Section II – MD&A – Page II-6 |
| ○ Historical Connection Fees | Section II – MD&A – Page II-7 |
| ○ Historical Changes in Net Position | Section II – MD&A – Page II-7 |
| ○ Budget Summary and Comparison | Section II – MD&A – Page II-12 |

In closing, we would very much like to express our appreciation to all who contributed to the preparation of this report. We would also like to commend the elected Board for their continued guidance, support and professionalism in the management of Pueblo's Water System.

Sincerely,

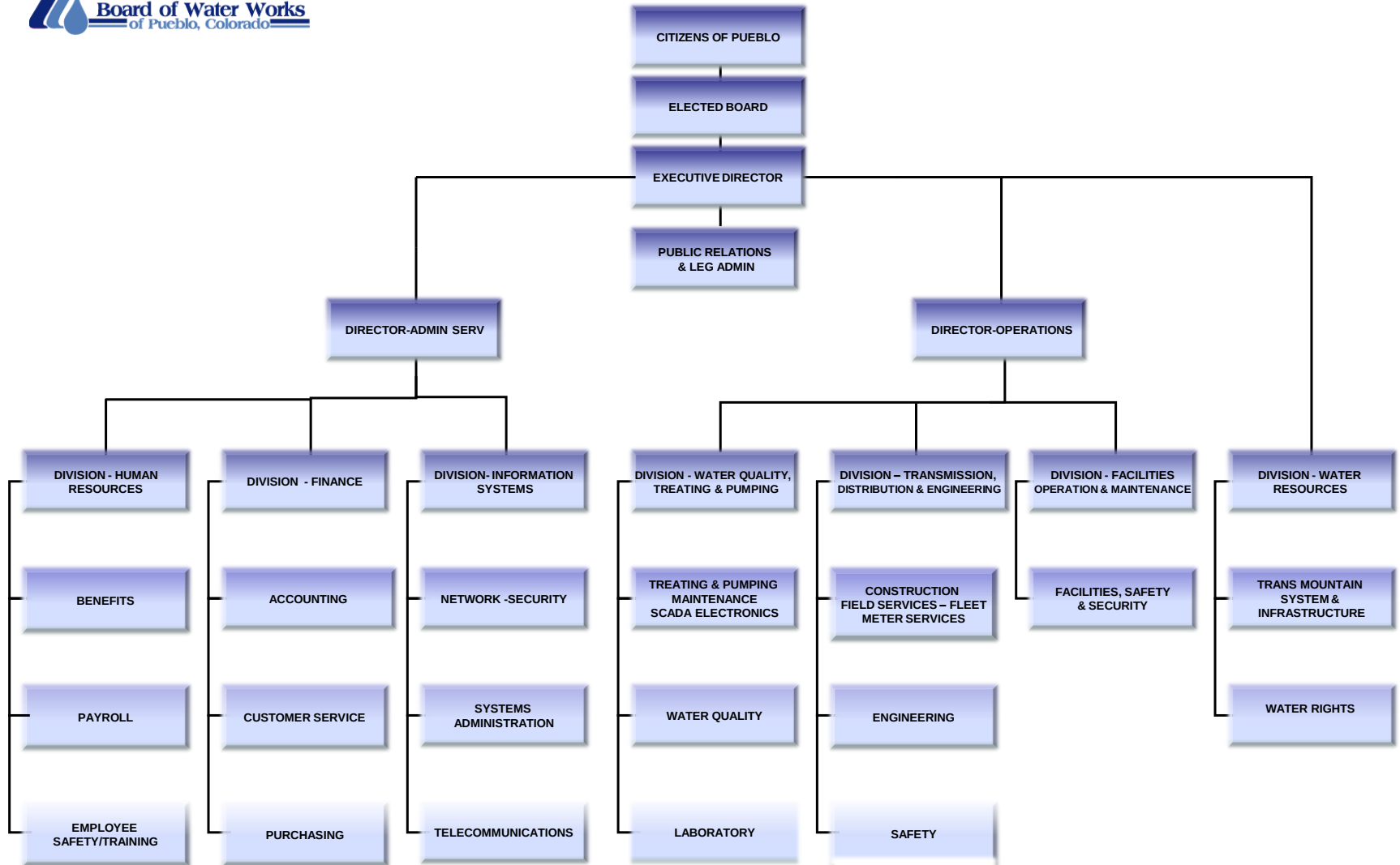


Seth J. Clayton
Executive Director



Jeanette O'Quin
Director of Administrative Services

Operations and Functional Organizational Chart



ARTICLE 15

Water and Water Works

Section 15-1. Consolidation* - Consolidation of the water works systems and properties managed and controlled by the Trustees of the Pueblo Water Works and by the Board of Commissioners of Pueblo Water Works District No. 2, may be effected upon a plan submitted by the Council, or upon such terms and conditions as may be agreed upon between the Trustees of the Pueblo Water Works and the Board of Commissioners of Public Water Works District No. 2, provided that no such plan or agreement for consolidation shall become effective until the same shall have been approved at a general city election, or at a special city election, by a majority of qualified taxpaying electors of each district voting thereon; PROVIDED, that all bonds and indebtedness of any kind of either of the Districts outstanding at the time of such consolidation shall remain the sole indebtedness and obligation of such District as contracted the indebtedness, and shall not become the indebtedness or obligation of the Consolidated District or of the City, but the property located in the District which contracted the indebtedness shall be and remain subject to the payment thereof as if such consolidation had not been effected.

* CONSOLIDATED EFFECTIVE JUNE 11, 1957.

Section 15-2. Board of Water Works of Pueblo, Colorado* - Title to the properties of the former districts now consolidated and any property of the water works is in the City of Pueblo. The entire control, management and operation thereof shall be exercised by an independent Board named "Board of Water Works of Pueblo, Colorado," over which the Council shall have no jurisdiction or control, but shall adopt all ordinances requested by said Board which shall be reasonably necessary to assist the Board in the management of the water works system and property, or to enable said Board to purchase or condemn additional water, water rights, reservoirs, reservoir sites or property of any kind, needed to supply water to the City or its inhabitants. The Board shall consist of five members all elected at large for six year terms as hereafter provided. The Board shall initially consist of the following five members: one previously elected holding a six year term expiring December 31, 1965; one previously elected holding a six year term expiring December 31, 1967; one holding a six year term expiring December 31, 1969, elected at the November 1963 election; one appointed by the City Council from January 1, 1964 to December 31, 1965, and one appointed by the City Council from January 1, 1964 to December 31, 1967. As the term of each member expires, a member to fill a new term of six years shall be elected, said terms to commence the first day of January next after their election. The Board of Water Works shall have and exercise all powers which are granted to cities of the first class by the Constitution and Laws of the State of Colorado, except the power to levy and collect taxes directly or indirectly. Surplus water may be supplied to territories outside the City until same is needed by the inhabitants of the City. It shall have power to make and execute contracts in the name of the City, institute and defend all litigation affecting its powers and duties or in relation to the water works system, and as to all other property under its management. The members of the Board shall continue to receive their present salaries until changed by ordinance of the Council. This amendment shall become effective January 1, 1964.

* As AMENDED NOVEMBER 5, 1963, BY VOTE OF 8,704 TO 5,201; ALSO AS AMENDED NOVEMBER 7, 1995, BY VOTE OF 13,064 TO 8,731.

Section 15-3. District No. 2 - The water plant together with all other property belonging to Public Water Works District No. 2 shall continue to belong to the District, and be held, managed and operated in the same manner as at present, until the ownership, control and management shall be changed pursuant to the provisions of this Charter, and no change shall be made except as herein provided unless such change be approved by a vote of the majority of the qualified taxpaying electors of the District voting thereon.

The Commissioners of Public Water Works District No. 2 shall continue to hold office until January 1, 1956. Except in the event of consolidation, three Commissioners of the Public Water Works District No. 2 shall be elected at each general city election, and shall hold office for a term of two years from the first day of January following each election. The Commissioners shall possess the same powers as are now possessed by the Commissioners of Public Water Works District No. 2.

Section 15-4. Pueblo Water Works - The Trustees of the Pueblo Water Works now in office shall continue to hold office until January 1, 1956. Except in the event of consolidation, three Trustees of the Pueblo Water Works shall be elected at each general city election, and shall hold office for a term of two years from the first day of January following each election. The trustees shall possess the same powers as are now possessed by the present Trustees of the Pueblo Water Works.

Section 15-5. Election - The nomination and election of the Commissioners and Trustees and members of the Board of Water Works of Pueblo shall be conducted in the same manner as is herein provided for the nomination and election of members of the Council.

Section 15-6. Contracts* - No contract shall be entered into, and no purchase shall be made by the Trustees or Commissioners of the existing water districts, or by the Board of Water Works of Pueblo, involving the expenditure of a sum in excess of One Thousand Dollars (\$1000.00), except for personal, professional or technical services not lending themselves to competitive bidding, until a proposal for bids for the materials or services covered by such contracts or purchase shall have been advertised by one publication in a daily newspaper of general circulation in Pueblo at least ten days prior to the making of such contract or purchase.

* As AMENDED NOVEMBER 4, 1967, BY VOTE of 10,038 To 5,793.



Government Finance Officers Association

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Presented to

**Board of Water Works of Pueblo
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Daniel H. Valentine, CPA
Virginia D. Whittemore, CPA
Bernard O. Schmidt, 1922-2013

Members:
AICPA
CSCPA

119 Colorado Avenue/Pueblo, Colorado 81004-4213/ (719) 543-2066

INDEPENDENT AUDITORS' REPORT

The Board of Water Works
Pueblo, Colorado

We have audited the accompanying financial statements of the Board of Water Works of Pueblo, Colorado, as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board of Water Works of Pueblo, Colorado, as of December 31, 2018 and 2017, and the changes in financial position and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages II-4 through II-13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Water Works of Pueblo, Colorado's financial statements as a whole. The introductory section, supplemental financial information and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental financial information, as listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2019, on our consideration of the Board of Water Works of Pueblo, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion

The Board of Water Works
Pueblo, Colorado
Page Three

on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Schmidt, Valentine, Whittemore & Company, P.C.

SCHMIDT, VALENTINE, WHITTEMORE & COMPANY, P.C.
Certified Public Accountants

March 11, 2019

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

The following is management's discussion and analysis ("MD&A") of the financial activities of the Board of Water Works of Pueblo, Colorado ("Pueblo Water") for the years ended December 31, 2018 and 2017. This information should be read in conjunction with the following basic financial statements.

2018 Review

Major Repairs and Replacements

In 2018, Pueblo Water continued to make progress with its main replacement program spending \$2.97 million replacing 2.46 miles of mains. Pueblo Water completed the replacement of the roofs for the Jones Tanks at a cost of approximately \$1.39 million during 2018. In order to ensure delivery of 20 mgd of potable water during a power outage, Pueblo Water replaced its 1976 vintage generator and related infrastructure at the Whitlock Treatment Plant during 2018. The cost of the generator and infrastructure replacement was approximately \$2.68 million. Another notable project that started in 2018 and is scheduled to be completed in 2019 is the replacement of the Gardner motor control centers. Work began on the motor control centers in the second half of 2018 and work will continue through 2019. The anticipated total cost of the project is approximately \$2.23 million.

Water Rights

In December 2016 and August 2017, Pueblo Water filed applications for both an exchange and change of the Bessemer Irrigating Ditch Company water rights it purchased between 2009 and 2011. The filings will allow the water purchased to be used for municipal purposes. Pueblo Water is currently working with opposers to resolve differences, in hopes that a stipulation can be reached. Trials for both the change and exchange case will take place starting on June 3, 2019 and November 4, 2019, respectively. The conclusion of the court process marks the culmination of a ten year process to secure Pueblo's water supply needs for the next 50 years.

Customer Service Enhancements

In 2017, Pueblo Water upgraded its customer billing software at a cost of \$1.2 million. In conjunction with the previous conversion of customer meters to automatic meter reading ("AMR"), Pueblo is now able to detect and investigate consumption anomalies in the system. Other customer enhancements as part of the project were "online turn-on/ turn-off and transfer" requests.

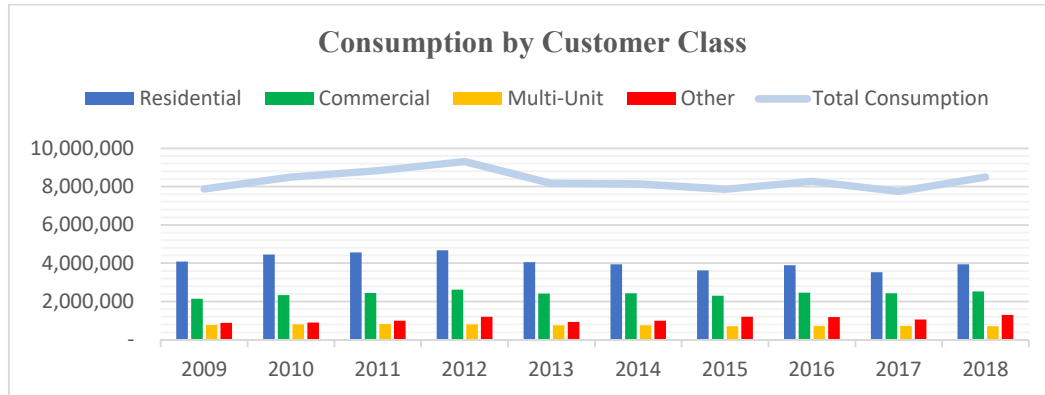
The Service Line Replacement Program (SLRP) that began in 2015, continued to prove great value for customers. The SLRP protects residential customers from bearing the cost to repair or replace damaged service lines from Pueblo Water's main to their meter. The cost of the program is just a \$1 per month charge for all customers eligible to participate in the program. During 2018, 50 service lines were repaired or replaced by Pueblo Water and 34 lead service lines were replaced by a local contractor through the program. The total cost of all service line replacements for 2018 was \$297,800 and the average cost per replacement was \$3,500.

2018 Financial Highlights

During 2018, Pueblo received less than seven inches of precipitation, the third lowest amount the community has received since 1996. The unusually dry weather was mostly consistent throughout the year spurring Pueblo Water customers to consume 8.50 billion gallons of potable water generating \$25.82 million. Precipitation in 2018 was 57% lower than 2017 and the average temperatures were near identical for each year, resulting in a 10% increase in consumption in 2018 when compared to 2017 consumption.

**BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018**

While most customer classes used more water in 2018 compared with 2017, residential customers made up the largest increase at 11.7%. Below is a chart illustrating consumption trends by customer class over the past ten years:



The following table illustrates certain factors related to potable water sales for the past five years:

Year	Customers ¹	Consumption (000s gal.)	Water Pumped (000s gal.)	Percent Unaccounted Water ²	Average Pumped Per Day (000s gal.)	Peak Day Pumpage (000s gal.)	Annual Rainfall Inches ³
2014	39,760	8,134,544	8,610,712	5.5%	23,591	46,520	11.86
2015	40,090	7,854,007	8,307,273	5.5%	22,760	45,754	16.61
2016	40,213	8,278,117	8,867,869	6.7%	24,296	46,547	11.97
2017	40,419	7,746,343	8,259,957	6.2%	22,630	47,032	15.50
2018	40,629	8,495,657	9,030,122	5.9%	24,740	50,599	6.70

¹Based on customers at December 31.

²The unaccounted for water includes water used or lost in seepage, system storage, fire protection, street cleaning and water distribution flushing.

³Reported by the United States Weather Bureau as measured at Pueblo Municipal Airport.

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Consumption from Pueblo Water's ten largest customers increased 14.1%, a rate higher rate than that of total consumption which was 9.7%. This was caused by an increase in needed energy throughout the year as well as increased irrigation for the other large customers. The following tables illustrate consumption and revenue generated from Pueblo Water's ten largest potable water customers for 2018 and 2017.

Largest Customers - Treated Water
For the Year Ended December 31, 2018

Customer	Total Consumption (000s gal.)	¹ Percent of Total Consumption	Amount Billed	² Percent of Total Revenue
Utility - Private	333,394	3.92%	\$ 913,991	3.54%
City Government	298,705	3.52%	878,553	3.40%
Steel Mill	288,325	3.39%	887,775	3.44%
State Health Service Provider	184,526	2.17%	519,364	2.01%
University	149,551	1.76%	412,517	1.60%
Public School System	119,745	1.41%	353,401	1.37%
Housing Authority	99,086	1.17%	334,826	1.30%
Country Club	90,675	1.07%	250,416	0.97%
Manufacturer	89,187	1.05%	249,387	0.97%
Medical Center	48,521	0.57%	144,969	0.56%
Total	1,701,715	20.03%	\$ 4,945,199	19.16%

¹Based on total consumption of 8.496 billion gallons

²Based on total billing in 2018 of \$25,819,695

Largest Customers - Treated Water
For the Year Ended December 31, 2017

Customer	Total Consumption (000s gal.)	¹ Percent of Total Consumption	Amount Billed	² Percent of Total Revenue
Steel Mill	274,662	3.55%	\$ 836,047	3.58%
Utility - Private	269,256	3.48%	772,230	3.30%
City Government	266,411	3.44%	764,599	3.27%
State Health Service Provider	164,587	2.12%	453,529	1.94%
University	123,887	1.60%	318,739	1.36%
Public School System	98,271	1.27%	287,709	1.23%
Housing Authority	92,137	1.19%	299,926	1.28%
Manufacturer	79,676	1.03%	221,376	0.95%
Country Club	76,970	0.99%	218,002	0.93%
State Highway Medians	45,911	0.59%	96,128	0.41%
Total	1,491,768	19.26%	\$ 4,268,285	18.26%

¹Based on total consumption of 7.746 billion gallons

²Based on total billing in 2017 of \$23,378,662

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Non-potable water sales:

Leases of non-potable water continues to be an important tool for Pueblo Water to manage changes in customer demands. During 2018, \$10.12 million was generated from approximately 28,400 acre feet of contracted non-potable water leases. Comparably, in 2017, \$9.65 million was generated from approximately 34,600 acre feet of contracted non-potable water leases.

Connection fees:

Connection fees represent the investment paid by customers and developers to connect to Pueblo Water's water system. The overall increase in revenue is due to the increase in large multi-family projects which accounted for \$93,800 of the overall \$154,600 increase in connection fee revenue from 2017. The following table illustrates revenue collected from connection fees for the past five years:

<u>Year</u>	<u>Revenue Collected</u>
2018	\$ 1,048,173
2017	893,596
2016	726,017
2015	861,036
2014	564,526

The statements of revenues, expenses and changes in net position presents the financial activity of Pueblo Water for the years ended December 31, 2018 through 2014. Operating expenses include personnel services and operation and maintenance costs by activity. See table below:

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018, 2017, 2016, 2015, AND 2014

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Operating Revenues	<u>\$ 40,044,876</u>	<u>\$ 36,058,973</u>	<u>\$ 35,946,744</u>	<u>\$ 34,453,854</u>	<u>\$ 33,046,013</u>
Operating Expenses					
Source of supply, pumping, treatment and distribution	11,964,414	11,462,596	11,496,618	11,153,896	10,889,607
General and administrative	11,972,953	11,331,448	11,105,239	10,657,272	9,934,939
Customer Service	2,191,139	2,160,741	2,106,660	2,116,153	1,907,521
Depreciation and amortization	<u>5,872,533</u>	<u>5,560,582</u>	<u>5,372,756</u>	<u>5,354,330</u>	<u>5,245,535</u>
Total operating expenses	<u>32,001,039</u>	<u>30,515,367</u>	<u>30,081,273</u>	<u>29,281,651</u>	<u>27,977,602</u>
Operating Income	8,043,837	5,543,606	5,865,471	5,172,203	5,068,411
Total Nonoperating Revenues (Expenses)	<u>(802,241)</u>	<u>(1,220,767)</u>	<u>(1,378,621)</u>	<u>(1,631,195)</u>	<u>(2,096,964)</u>
Income Before Capital Contributions	7,241,596	4,322,839	4,486,850	3,541,008	2,971,447
Other Revenues	<u>177,422</u>	<u>580,917</u>	<u>381,780</u>	<u>292,480</u>	<u>44,742</u>
Increase in Net Position	7,419,018	4,903,756	4,868,630	3,833,488	3,016,189
Net Position, January 1	<u>212,375,968</u>	<u>207,472,212</u>	<u>202,603,582</u>	<u>198,770,094</u> ¹	<u>205,839,221</u>
Net Position, December 31	<u>\$ 219,794,986</u>	<u>\$ 212,375,968</u>	<u>\$ 207,472,212</u>	<u>\$ 202,603,582</u>	<u>\$ 208,855,410</u>

¹ Includes GASB 68 adjustment for beginning balance of net pension liability of \$10,085,316.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Statements of Net Position

The statement of net position is a financial snapshot of Pueblo Water as of December 31, 2018, 2017 and 2016. It presents the fiscal resources of Pueblo Water (assets), the claims against those resources (liabilities) and the residual available for future operations (net position). Assets and liabilities are classified by liquidity as either current or non-current. Net position is separated into three categories. The first category, invested in capital assets, net of related debt, consists of capital assets (net of depreciation and amortization) less related outstanding debt incurred to purchase or produce those assets. The second category, restricted, consists of restricted assets less accrued interest on construction related long-term debt. Finally, the third category, unrestricted, consists of current assets plus other assets less all liabilities unrelated to acquisitions of capital assets.

The following table is a condensed statement of Pueblo Water's net position as of December 31, 2018, 2017 and 2016.

CONDENSED STATEMENT OF NET POSITION
DECEMBER 31, 2018, 2017 AND 2016

	2018	2017	2016	2018 - 2017		2017 - 2016	
				Increase (Decrease)	% Change	Increase (Decrease)	% Change
ASSETS							
Current assets	\$ 30,390,918	\$ 27,413,464	\$ 26,750,249	\$ 2,977,454	11%	\$ 663,215	2%
Restricted assets	4,668,537	4,593,096	4,554,004	75,441	2	39,092	1
Capital assets	238,684,954	234,990,589	233,314,403	3,694,365	2	1,676,186	1
Other noncurrent assets	2,313,460	6,241,277	8,266,240	(3,927,817)	(63)	(2,024,963)	(25)
Total assets	276,057,869	273,238,426	272,884,896	2,819,443	1	353,530	-
Deferred outflows	4,030,943	2,047,814	1,452,370	1,983,129	97	595,444	41
Total assests and deferred outflows	280,088,812	275,286,240	274,337,266	4,802,572	2	948,974	-
LIABILITIES							
Current liabilities	10,586,318	10,126,090	9,566,480	460,228	5	559,610	6
Long-term liabilities	47,839,971	50,442,372	56,646,236	(2,602,401)	(5)	(6,203,864)	(11)
Liabilities payable from restricted assets	296,104	312,578	334,957	(16,474)	(5)	(22,379)	(7)
Total liabilities	58,722,393	60,881,040	66,547,673	(2,158,647)	(4)	(5,666,633)	(9)
Deferred inflows	1,571,433	2,029,232	317,381	(457,799)	(23)	1,711,851	539
Total liabilities and deferred inflows	60,293,826	62,910,272	66,865,054	(2,616,446)	(4)	(3,954,782)	(6)
NET POSITION							
Net investment in capital assets	200,689,437	193,454,852	188,344,588	7,234,585	4	5,110,264	3
Restricted	4,372,433	4,280,518	4,219,047	91,915	2	61,471	1
Unrestricted	14,733,116	14,640,598	14,908,577	92,518	1	(267,979)	(2)
Total net position	\$ 219,794,986	\$ 212,375,968	\$ 207,472,212	\$ 7,419,018	3%	\$ 4,903,756	2%

- **Current Assets** in 2018 increased \$2.98 million, or 11% from 2017. They increased \$.66 million, or 2% between 2017 and 2016. The increase in 2018 was primarily due to the maturity of long-term investments that were reinvested in current money market funds. The increase in 2017 was primarily the net result of long-term investment maturing and decreases in accounts receivable and inventories.
- **Restricted Assets** are assets held as security for outstanding debt and saw moderate increases during 2018 and 2017. The increases during 2018 and 2017 are primarily the result of returns from the respective investments.
- **Capital Assets** in 2018 increased \$3.69 million, or 2% from 2017. They increased \$1.68 million, or 1% between 2017 and 2016. The increase in both years was due to additions, offset by increased accumulated depreciation and asset retirements.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

- **Other Noncurrent Assets** in 2018 decreased \$3.93 million, or 63% from 2017. They decreased \$2.02 million, or 25% between 2017 and 2016. The decrease in both years was primarily due to long-term investments maturing and being reinvested in current money market funds.
- **Deferred Outflows** in 2018 increased by \$1.98 million, or 97% from 2017. They increased \$.60 million, or 41% between 2017 and 2016. The increase in both years was a result of pension related economic/demographic losses, net difference between projected and actual earnings associated with pension plan investments, the amortization of the bond discount and amortization or the deferred loss on refunding interest expense.
- **Current Liabilities** in 2018 increased \$.46 million, or 5% from 2017. They increased \$.56 million, or 6% between 2017 and 2016. The increase in 2018 was the result of various factors such as an increase in current maturities, accounts payable and unearned revenue. These increases were offset by a decrease in retainage held for construction contracts. The increase in 2017 was primarily the result of an increase in current maturities, accounts payable and retainage held for construction contracts.
- **Long-term Liabilities** in 2018 decreased \$2.60 million, or 5% from 2017. They decreased \$6.20 million, or 11% between 2017 and 2016. The decrease in 2018 was primarily due to principal payments on revenue bonds and the loan and repayment contract. These decreases were offset by an increase in the net pension liability, net of investment losses and contributions. The decrease in 2017 was primarily due to principal payments on revenue bonds and the loan and repayment contract and a decrease in the net pension liability, net of investment gains and contributions.
- **Deferred Inflows** decreased \$.46 million, or 23% from 2017 as a result of pension related investment losses from differences between actual and expected plan earnings used in the calculation of the net pension liability. They increased \$1.71 million, or 539% between 2017 and 2016 as a result of pension related investment gains from difference between actual and expected plan earnings used in the calculation of the net pension liability.

Statements of Revenues, Expenses and Changes in Net Position

While the statements of net position display the Board's assets, liabilities and net position at year-end, the statements of revenues, expenses, and changes in net position provide information about the source of the change in net position during the year. Net position increased \$7.42 million in 2018 consisting of income before capital contributions of \$7.24 million and capital contributions of \$.18 million. Net position increased \$4.90 million in 2017 consisting of income before capital contributions of \$4.32 million and capital contributions of \$.58 million. The statements of revenues, expenses and changes in net position presents the financial activity of Pueblo Water for the years ended December 31, 2018, 2017 and 2016. Operating expenses include personnel services and operation and maintenance costs by activity. See the following table:

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 and 2016

	2018	2017	2016	2018 - 2017		2017 - 2016	
				Increase (Decrease)	% Change	Increase (Decrease)	% Change
Operating Revenues	\$ 40,044,876	\$ 36,058,973	\$ 35,946,744	\$ 3,985,903	11%	\$ 112,229	- %
Operating Expenses							
Source of supply, pumping, treatment and distribution	11,964,414	11,462,596	11,496,618	501,818	4	(34,022)	-
General and administrative	11,972,953	11,331,448	11,105,239	641,505	6	226,209	2
Customer Service	2,191,139	2,160,741	2,106,660	30,398	1	54,081	3
Depreciation and amortization	5,872,533	5,560,582	5,372,756	311,951	6	187,826	3
Total operating expenses	32,001,039	30,515,367	30,081,273	1,485,672	5	434,094	1
Operating Income	8,043,837	5,543,606	5,865,471	2,500,231	45	(321,865)	(5)
Total Nonoperating Revenues (Expenses)	(802,241)	(1,220,767)	(1,378,621)	418,526	34	157,854	11
Income Before Capital Contributions	7,241,596	4,322,839	4,486,850	2,918,757	68	(164,011)	(4)
Other Revenues	177,422	580,917	381,780	(403,495)	(69)	199,137	52
Increase in Net Position	7,419,018	4,903,756	4,868,630	2,515,262	51	35,126	1
Net Position, January 1	212,375,968	207,472,212	202,603,582	4,903,756	2	4,868,630	2
Net Position, December 31	\$ 219,794,986	\$ 212,375,968	\$ 207,472,212	\$ 7,419,018	3%	\$ 4,903,756	2%

Operating Revenues

The following table presents a comparison of the operating revenues (in millions) for 2018 and 2017.

Operating Revenues	2018	2017	Increase (Decrease)	% Change
Water sales to general customers	\$ 25.82	\$ 23.38	\$ 2.44	10.44%
Raw water sales	10.12	9.65	0.47	4.87
Plant water investment fee	0.96	0.81	0.15	18.52
Other	3.14	2.22	0.92	41.44
Total	\$ 40.04	\$ 36.06	\$ 3.98	11.04%

Revenue from potable water sales to general customers increased in 2018 due to an increase in consumption of 9.7% and a rate increase, effective January 1, 2018, designed to increase overall system water rate revenue by 2.75%. Changes in water consumption from year to year are generally directly related to changes in temperature and inversely related to changes in precipitation. Longer term changes in consumption are the result of changes in conservation habits on the part of customers and changes in the customer base.

Water sales to general customers in 2017 decreased due to a decrease in the volume of water sold (7.75 billion gallons sold in 2017 compared to 8.28 billion gallons sold in 2016). The overall decrease in revenue was mitigated by a rate increase effective January 1, 2017, designed to increase overall system water rate revenue by 3.25%.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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DECEMBER 31, 2018

Operating Expenses

Over the past five years Pueblo Water has experienced a 15% increase in total operating costs, excluding depreciation and amortization. This represents a dollar increase of \$3.40 million when comparing operating expenses for 2018 with those in 2014. The majority of this increase can be attributed to increased energy costs for treating and pumping potable water.

There are three main categories of operating expenses. First, personnel services, which consists of salaries and benefits paid or accrued to or for Pueblo Water employees. Second, operation and maintenance, and third other operating expense which consists primarily of depreciation. The percentage of these categories as a relation to total operating expense has changed very little over the past five years. The following table illustrates the relationship of each category to total operating expense as a percentage for the past five years:

Operating Expenses	2018	2017	2016	2015	2014
Personnel services	53% ¹	54% ²	48%	48%	48%
Operation and maintenance	31%	33%	33%	32%	33%
Other operating expense	16%	13%	19%	20%	19%

¹Includes an additional contribution to Pueblo Water's defined benefit pension plan of \$1.75 million.

²Includes an additional contribution to Pueblo Water's defined benefit pension plan of \$1.6 million.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses include investment income, the sale of assets, interest expense on bonded indebtedness, and interest on a capital lease obligation. Nonoperating revenues and expenses increased by \$.42 million or 34% in 2018 compared to 2017. Comparing 2017 with 2016, nonoperating revenues and expenses increased by \$.16 million, or 11%. The increase in both years was a result of higher investment income and lower interest expense resulting from lower bonded indebtedness.

Other Revenues

Other revenues represent the contribution of infrastructure to the System by developers. The value of contributed infrastructure decreased \$.40 million, or 69%, in 2018 when compared with 2017. Normally, differences from year to year are caused by the general level of construction activity in the Pueblo area.

Long-Term Debt Activity

For the periods ending December 31, 2018 and 2017, the only transactions involving long-term debt were the scheduled debt payments for the revenue bonds, loan and repayment contract and a capital lease. Information on the Board's long-term debt can be found in notes 8, 9, and 10 to the basic financial statements.

Budgetary Process

Pueblo Water's budget is determined by a variety of methods. The process begins in early August when divisional budget requests are submitted to the Director of Administrative Services. These requests are reviewed by senior management and subsequently used by the Director of Administrative Services to prepare a preliminary budget. The preliminary budget is then submitted to the Executive Director for his review and input. In early October the preliminary budget is submitted to the Board of Directors for their input at which time it is made available for public inspection. The final budget, including all appropriate resolutions, is usually adopted at Pueblo Water's November Board meeting, and subsequently submitted to the State of Colorado Department of Local Affairs.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

The following table illustrates Pueblo Water's General Fund 2018 Budget compared to actual as well as the 2019 Budget:

GENERAL FUND BUDGET SUMMARY AND COMPARISON

	<u>2018</u> <u>BUDGET</u>	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>
OPERATING REVENUES			
Water sales - Metered	\$ 24,415,375	\$ 25,819,695	\$ 25,103,460
Water sales - Utility Private	6,063,229	6,254,369	6,275,446
Water sales - Raw water	2,556,076	2,693,435	2,488,871
Water sales - Utility Public	1,176,077	1,176,100	1,217,264
Taps and meters	55,000	84,808	55,000
Material sales	55,000	262,883	55,000
Main assessments	10,000	14,087	10,000
Fire protection - public	9,365	12,317	9,365
Discounts	1,500	6,347	1,500
Rental income	25,688	29,026	26,405
Late field reading fee	7,000	23,300	7,000
Turn-on fee	70,000	70,900	70,000
Check processing fee	15,000	13,470	15,000
Field collection fee	1,500	1,570	1,500
Missed appointment fee	1,500	2,160	1,500
Finance charges	1,000	19,115	1,000
Miscellaneous	603,628	883,063	602,699
Service line protection plan	420,000	430,307	420,000
Plant water investment fee	500,000	963,365	750,000
Insurance recovery	10,000	1,231	10,000
Comanche operations and maintenance reimbursement	500,000	596,276	500,000
Busk-Ivanhoe administration fee	25,000	25,000	25,000
Wastewater billing reimbursement	462,092	461,676	478,265
Stormwater billing reimbursement	199,883	200,376	206,879
Street repair collection fee	-	-	75,000
	<u>37,183,913</u>	<u>40,044,876</u>	<u>38,406,154</u>
Total operating revenue	37,183,913	40,044,876	38,406,154
NONOPERATING REVENUES			
	<u>4,504,796</u> ¹	<u>1,534,622</u> ²	<u>6,711,926</u> ³
Total revenue	<u>\$ 41,688,709</u>	<u>\$ 41,579,498</u>	<u>\$ 45,118,080</u>
EXPENDITURES			
Personnel Services	\$ 16,185,281	\$ 17,019,442	\$ 16,150,637
Operation and Maintenance	10,760,848	9,996,539	11,381,488
Capital Outlay and Interfund Transfers	<u>14,742,580</u>	<u>14,563,517</u>	<u>17,585,955</u>
Total expenditures	<u>\$ 41,688,709</u>	<u>\$ 41,579,498</u>	<u>\$ 45,118,080</u>

¹Includes \$ 4,280,369 in contributions from reserve

²Includes \$ 1,098,471 in contributions from reserve

³Includes \$ 2,160,539 in contributions from reserve and \$4,000,000 in bond proceeds

BOARD OF WATER WORKS OF PUEBLO, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

Currently Known Facts, Decisions or Conditions

This section outlines currently known facts, decisions, or conditions as of the date of the auditor's report that may have an effect on Pueblo Water's financial position (net position) or results of operations (revenue, expenses, and other changes in net position).

Below is a summary of material capital projects, not otherwise mentioned, Pueblo Water anticipates will be completed in 2019:

- Main improvement or expansion projects totaling \$2.55 million.
- Installation of hydroelectric power at the Whitlock Treatment Plant totaling approximately \$4 million.

Pueblo Water has met its goal to convert all meters to AMR and it is expected that these costs will continue as Pueblo Water plans to replace AMR meters every 10 to 12 years.

Requests for Information

This report is provided as a general overview of Pueblo Water's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Finance Division Manager
Board of Water Works of Pueblo, Colorado
P. O. Box 400
Pueblo, CO 81002-0400

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATEMENTS OF NET POSITION
DECEMBER 31, 2018 AND 2017

ASSETS			LIABILITIES AND NET POSITION		
	2018	2017		2018	2017
CURRENT ASSETS			CURRENT LIABILITIES		
Cash on hand and in banks (Note 2)	\$ 3,284,996	\$ 2,751,337	Current maturities of long-term debt (Notes 8 & 9)	\$ 3,575,210	\$ 3,494,145
Cash investments (Note 2)			Current maturities of obligation under capital lease (Note 10)	5,097	4,618
Money market funds	17,541,868	12,644,348	Accounts payable (Note 16)	5,013,237	4,742,599
Certificates of deposit	4,096,087	7,106,418	Retainage withheld on construction contracts	51,222	142,478
Accounts receivable (Note 3)			Construction deposit	124,606	122,043
Customers--net of provision for			Current portion of accrued vacation payroll (Note 14)	364,444	361,432
uncollectible accounts of			Customer meter deposits	773,894	800,640
\$ 21,738 and \$ 19,580	4,277,594	3,610,573	Unearned revenue	388,034	172,746
Inventories	729,550	824,289	Accrued liabilities		
Prepaid items	419,700	416,058	Payroll	269,008	261,837
Accrued interest receivable	41,123	60,441	Interest	21,081	23,113
Total current assets	<u>30,390,918</u>	<u>27,413,464</u>	Sales taxes	<u>485</u>	<u>439</u>
			Total current liabilities	<u>10,586,318</u>	<u>10,126,090</u>
RESTRICTED ASSETS			LONG-TERM LIABILITIES		
Cash investments (Note 2)			Revenue bonds (Notes 8 & 9)		
Money market funds	2,191,156	2,050,228	(net of current maturities-- \$3,195,000 and \$3,130,000)	29,605,000	32,800,000
Accrued interest receivable	22,950	22,950	Unamortized bond premium	469,686	626,248
Long-term investments	<u>2,454,431</u>	<u>2,519,918</u>	Loan and repayment contract (Notes 8 & 9)		
Total restricted assets	<u>4,668,537</u>	<u>4,593,096</u>	(net of current maturities--\$380,210 and \$364,145)	4,680,329	5,060,539
CAPITAL ASSETS (NOTE 4)			Obligation under capital lease (Note 10)		
Land	2,284,590	2,284,590	(net of current maturities--\$5,097 and \$4,618)	6,120	11,216
Infrastructure	133,998,453	129,276,447	Net pension liability (Note 11)	10,031,079	8,885,945
Buildings	75,686,100	72,769,202	Accrued sick leave and vacation payroll (Note 14)		
Machinery and equipment	42,925,683	40,279,039	(net of current portion--\$364,444 and \$361,432)	2,140,696	2,220,224
Water rights	98,865,769	98,865,769	Accrued payroll taxes on accrued sick leave and vacation payroll	191,643	197,497
Intangible software	9,566	9,566	Other postemployment benefits (Note 13)	<u>715,418</u>	<u>640,703</u>
Construction in progress	<u>2,139,336</u>	<u>3,669,043</u>	Total long-term liabilities	<u>47,839,971</u>	<u>50,442,372</u>
	355,909,497	347,153,656			
Less accumulated depreciation and amortization	<u>117,224,543</u>	<u>112,163,067</u>	LIABILITIES PAYABLE FROM RESTRICTED		
Total capital assets	<u>238,684,954</u>	<u>234,990,589</u>	ASSETS (NOTE 17)	<u>296,104</u>	<u>312,578</u>
OTHER NONCURRENT ASSETS			Total liabilities	<u>58,722,393</u>	<u>60,881,040</u>
Long-term investments (Note 2)	<u>2,313,460</u>	<u>6,241,277</u>			
			DEFERRED INFLOWS OF RESOURCES		
Total assets	<u>276,057,869</u>	<u>273,238,426</u>	Net difference between projected and actual earnings		
			on pension plan investments (Notes 5 & 11)	1,301,789	1,735,719
DEFERRED OUTFLOWS OF RESOURCES (NOTES 5 & 11)			Deferred revenue (Note 7)	<u>269,644</u>	<u>293,513</u>
Unamortized discount	4,013	5,146	Total deferred inflows of resources	<u>1,571,433</u>	<u>2,029,232</u>
Net difference between expected and actual experience and projected					
and actual earnings on pension plan investments	3,685,018	1,586,785	NET POSITION		
Deferred amount on refunding	<u>341,912</u>	<u>455,883</u>	Net investment in capital assets (Note 21)	200,689,437	193,454,852
Total deferred outflows of resources	<u>\$ 4,030,943</u>	<u>\$ 2,047,814</u>	Restricted for debt service	4,372,433	4,280,518
			Unrestricted	<u>14,733,116</u>	<u>14,640,598</u>
			Total net position	<u>\$ 219,794,986</u>	<u>\$ 212,375,968</u>

The accompanying notes are an integral part of the financial statements

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES	<u>\$ 40,044,876</u>	<u>\$ 36,058,973</u>
OPERATING EXPENSES		
Personnel services and operation and maintenance		
Source of supply, pumping, treatment and distribution	11,964,414	11,462,596
General and administrative	11,972,953	11,331,448
Customer service	2,191,139	2,160,741
Depreciation and amortization	<u>5,872,533</u>	<u>5,560,582</u>
Total operating expenses	<u>32,001,039</u>	<u>30,515,367</u>
NET OPERATING REVENUE	<u>8,043,837</u>	<u>5,543,606</u>
NONOPERATING REVENUES AND (EXPENSES)		
Investment income		
Interest income	609,587	406,536
Realized gain (loss) on investments	389	(62,220)
Unrealized gain (loss) on investments	(57,164)	(47,205)
Sale of assets	84,207	26,500
Interest expense on bonded indebtedness	(1,437,898)	(1,542,582)
Interest expense on capital lease obligation	<u>(1,362)</u>	<u>(1,796)</u>
Total nonoperating revenues and (expenses)	<u>(802,241)</u>	<u>(1,220,767)</u>
INCOME BEFORE OTHER REVENUES	7,241,596	4,322,839
OTHER REVENUES		
Contributions to capital assets (Note 22)	<u>177,422</u>	<u>580,917</u>
INCREASE IN NET POSITION	7,419,018	4,903,756
NET POSITION, JANUARY 1	<u>212,375,968</u>	<u>207,472,212</u>
NET POSITION, DECEMBER 31	<u><u>\$ 219,794,986</u></u>	<u><u>\$ 212,375,968</u></u>

The accompanying notes are an integral part of the financial statements

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 37,971,228	\$ 35,359,563
Payments to employees	(10,270,513)	(10,154,830)
Payments to suppliers	(12,382,929)	(11,783,209)
Other receipts (payments)	<u>(2,673,670)</u>	<u>(3,115,308)</u>
Net cash provided by operating activities	<u>12,644,116</u>	<u>10,306,216</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interest paid on meter deposits	<u>(2,032)</u>	<u>(3,065)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(9,733,995)	(6,273,357)
Proceeds from sales of capital assets	84,207	26,500
Principal payments on revenue bonds and notes	(3,494,145)	(3,388,434)
Principal payments on capital lease obligation	(4,617)	(4,185)
Interest payments on revenue bonds and notes	(1,495,830)	(1,606,420)
Interest payments on capital lease obligation	<u>(1,362)</u>	<u>(1,796)</u>
Net cash provided by (used for) capital and related financing activities	<u>(14,645,742)</u>	<u>(11,247,692)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	(5,600,210)
Maturities of investments	4,656,000	6,665,000
Interest received on investments	<u>628,906</u>	<u>406,803</u>
Net cash provided by (used for) investing activities	<u>5,284,906</u>	<u>1,471,593</u>
NET INCREASE (DECREASE) IN CASH	3,281,248	527,052
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>23,832,859</u>	<u>23,305,807</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 27,114,107</u>	<u>\$ 23,832,859</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		
REPRESENTED BY		
Cash on hand and in banks	\$ 3,284,996	\$ 2,751,337
Money market funds	17,541,868	12,644,348
Certificates of deposit	4,096,087	6,386,946
Restricted assets		
Money market funds	<u>2,191,156</u>	<u>2,050,228</u>
 Total	 <u>\$ 27,114,107</u>	 <u>\$ 23,832,859</u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH		
PROVIDED BY OPERATING ACTIVITIES		
Net operating revenue	\$ 8,043,837	\$ 5,543,606
Adjustments to reconcile net operating revenue		
to net cash provided by operating activities		
Depreciation and amortization	5,872,532	5,560,582
Loss on abandonment of assets	133,312	64,552
Noncash portion of pension expense	(1,387,029)	(1,494,674)
Amortization of deferred revenue	(23,869)	(23,868)
Changes in assets and liabilities		
(Increase) decrease in accounts receivable	(667,021)	278,035
(Increase) decrease in inventories	94,739	402,618
(Increase) decrease in prepaid items	(3,642)	(5,427)
Increase (decrease) in accrued sick leave		
and vacation payroll	(76,516)	(101,378)
Increase (decrease) in accrued payroll taxes		
on accrued sick leave and vacation payroll	(5,854)	(7,755)
Increase (decrease) in unearned revenue	215,288	4,623
Increase (decrease) in accounts payable	393,153	73,694
Increase (decrease) in customer meter deposits	(26,746)	(63,655)
Increase (decrease) in accrued liabilities	7,217	548
Increase (decrease) in other postemployment benefits	<u>74,715</u>	<u>74,715</u>
Net cash provided by operating activities	<u>\$ 12,644,116</u>	<u>\$ 10,306,216</u>

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Contributions to utility plant from various developer installed facilities and other governments for 2018 and 2017 were \$177,422 and \$ 580,917, respectively.

The accompanying notes are an integral part of the financial statements

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The five member board (“Elected Board”) of the Board of Water Works of Pueblo, Colorado (“Pueblo Water”) is elected by the citizens of Pueblo and operates a municipal water works system that provides water service to the City of Pueblo, Colorado and adjacent areas. The City’s charter provides that title to the properties of the system is in the name of the City of Pueblo, Colorado, but that the entire control, management and operation of the system shall be exercised by Pueblo Water, over which the City Council shall have no jurisdiction or control. In addition, the charter provides that the City of Pueblo, Colorado shall adopt all ordinances requested by Pueblo Water which shall be reasonably necessary in the management of the system.

Pueblo Water’s mission statement commits the utility to provide the highest quality of water at the lowest possible cost, with an equal commitment to the work force that helps achieve that goal. The utility strives to create and maintain an environment that encourages and recognizes teamwork, individual contribution, and the integrity of each employee.

In November 1995, voters approved an amendment to the Charter of the City of Pueblo, Colorado that makes explicit the fact that Pueblo Water does not have directly, or indirectly, the right to levy taxes. Throughout its history, Pueblo Water has never levied taxes, always operating from revenues raised from the provision of water to the citizens of Pueblo, other municipalities, and to industries and farmers.

By removing the authority to levy taxes, the voters affirmed the enterprise status in relation to Amendment One, also known as the Taxpayer’s Bill of Rights (TABOR). Amendment One was never intended to apply to enterprise activities such as Pueblo Water but some confusion existed as to whether a governmental entity having the ability to levy a tax could also be considered an exempt entity under TABOR provisions. Pueblo Water’s status is now very clear following the citizens’ affirmative vote.

Pueblo Water has a five-member governing body, which is elected by the citizens of Pueblo for overlapping six-year terms. In evaluating how to define Pueblo Water, for financial reporting purposes, management has considered all potential component units. In accordance with Governmental Accounting Standards Board (“GASB”) Statements No. 14, *The Financial Reporting Entity*, and 39, *Determining Whether Certain Organizations Are Component Units*, an amendment of GASB Statement No. 14, Pueblo Water is classified as an “other stand-alone government” since Pueblo Water is a legally separate and distinct entity from the City of Pueblo under the Charter of the City, and the City is not financially accountable for Pueblo Water.

Pueblo Water has no component units as defined in GASB Statements No. 14 and 39 and amended by Statement No. 61. However, Pueblo Water is party to an Intergovernmental Agreement with the City of Aurora, Colorado forming the Busk-Ivanhoe Water System Authority (originally referred to as the Busk-Ivanhoe Water System). The Busk-Ivanhoe Water System was originally created in 1971 as a joint venture, when Pueblo Water and the City of Aurora, Colorado each bought approximately fifty percent of the water rights of the High Line Canal Company. Although originally no formal organization was established, the System was created as a joint venture between the two purchasers for the purpose of maintaining the water collection system and collecting and distributing the water pertaining to the water rights acquired by the two parties. Effective January 1, 2008, an Intergovernmental Agreement was established to create the Busk-Ivanhoe Water System Authority as a governmental entity separate from Pueblo Water and Aurora, pursuant to Section 18(2)(a) and (b) of Article XIV, Constitution of the State of Colorado, and to Part 2 of Article 1 of Title 29, Colorado Revised Statutes, to effect the development, operation, maintenance, and capital improvement of the Busk-Ivanhoe Water System. Pueblo Water and the City of Aurora each pay an annual assessment to the Authority. For the years ended December 31, 2018 and 2017, Pueblo Water and the City of Aurora paid assessments of \$225,000 and \$225,000, respectively. Complete financial statements for the Busk-Ivanhoe Water System Authority can be obtained from Pueblo Water.

Measurement Focus and Basis of Accounting

Pueblo Water’s financial statements are accounted for on the flow of economic resources measurement focus, using the accrual basis of accounting. Under this method, all assets and liabilities associated with operations are included on the statement of net position, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Accounting Standards

Pueblo Water applies all applicable pronouncements of the GASB.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual Budget

Pueblo Water annually adopts a budget for the following year. This process begins in early August when divisional budget requests are submitted to the Director of Administrative Services. These requests are reviewed by senior management, following which the Director of Administrative Services prepares a preliminary budget for the entire entity and submits it to the Executive Director for his review and input in relation to the anticipated revenues and Pueblo Water's ten year plan. In early October, the preliminary budget is submitted to the Elected Board for its input, and it is also made available for public inspection at that time. The final budget, including all of the appropriate resolutions, is usually adopted at the Elected Board's November meeting, and it is then submitted to the State of Colorado Department of Local Affairs. The actual results of operations are presented in accordance with generally accepted accounting principles which differ in certain respects from those practices used in the preparation of the budget. For purposes of preparing budget comparisons in this report, actual results of operations have been adjusted to a basis consistent with the budgeted revenues and expenditures.

Restricted for Debt Service

Net assets restricted for debt service consist of the revenue bonds debt service fund included in cash investments. The revenue bonds debt service fund is used to pay principal and interest on the revenue bonds as they come due.

Cash

For purposes of the statements of cash flows, certificates of deposit and money market funds are considered to be cash equivalents.

Investments

Pueblo Water's investments consist of U.S. Treasury and agency notes and bonds. The method of valuation for all investments is fair market value.

Materials and Supplies Inventory

Inventories are valued on the weighted average method, which approximates lower of cost or market.

Capital Assets

Purchased and constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair market value on the date received. Net interest costs incurred during periods of construction are capitalized as part of the cost of the asset. Assets are capitalized if they have a cost of \$5,000 or more and have a useful life of more than one year. Depreciation or amortization of capital assets is computed on the straight-line method based on estimated service lives of properties by classes. Estimated useful lives used in computing depreciation or amortization are as follows:

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

	<u>Years</u>
Structures and improvements, reservoirs, intakes and mains	40-50
Pumping equipment	40
Meters, valves, hydrants, taps, water treating equipment and wells	25
Heavy equipment, office furniture and equipment, computer equipment, pump plant controller, cathodic protection for lines and tanks, miscellaneous department equipment	5-10
Transportation equipment	4
Intangible software	10

Maintenance and repairs are charged to expense as incurred, whereas major betterments are capitalized and depreciated or amortized. At the time of retirement or disposition of depreciable property, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is reflected in either operating expense (loss) or nonoperating revenues (gain).

Costs of certain engineering, feasibility, environmental and other studies are capitalized until the related projects become operational. When projects become operational, the costs are transferred to property, plant, and equipment and depreciated over the estimated useful life of the asset. In the event the projects do not become operational or the costs do not benefit future projects, all accumulated costs are expensed in the period such determination is made.

Capital Contributions

Capital contributions consist of capital infrastructure received from property owners, governmental agencies, and customers who receive benefit from such assets. Contributions are recognized in the statement of revenues, expenses, and changes in net assets as capital contributions, when earned. Contributions are recognized at fair market value at the time of contribution.

Employee Compensated Absences

Pueblo Water's policy is to accrue as an expense and liability employee vacation, sick leave and other compensated absences when the employee vests in such benefits.

Pensions

For purposes of measuring the net pension liability and deferred outflows/ inflows of resources related to pensions, and pension expense, information about the net position of the Retirement Plan for Employees of the Board of Water Works of Pueblo, Colorado (Plan) and additions to/ deductions from the Plan's net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair market value.

Operating Revenues and Expenses

Operating revenues consist primarily of charges to customers for potable and non-potable water. Operating expenses consist of the cost of providing water, including administrative expenses and depreciation on capital assets and amortization. All other revenues and expenses are classified as nonoperating. Unbilled revenue, which results from cycle billing practices, is recorded in the following year.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Rates and Fees

Consumption and service charges:

- On November 20, 2018, Pueblo Water approved a rate increase, effective January 1, 2019, of 3.50%.
- On November 21, 2017, Pueblo Water approved a rate increase, effective January 1, 2018, of 2.75%.

Plant Water Investment Fees:

- On December 18, 2018, Pueblo Water approved a rate increase, effective May 1, 2019, of 3.50%.
- On December 19, 2017, Pueblo Water approved a rate increase, effective May 1, 2018, of 2.75%.

Employee Relations

Pueblo Water and Local 1045 of the American Federation of State, County and Municipal Employees (AFL-CIO) adopted a working policy for the period of January 1, 2019 through December 31, 2019. Approximately 69% of the Board's employees are members of Local 1045.

Recently Issued Accounting Standards

In 2018, Pueblo Water implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Since Pueblo Water was already reporting the expense and net liability for Other Postemployment Benefits, the most significant impact of this statement was additional note disclosures.

In 2017, Pueblo Water implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Since Pueblo Water was already reporting the expense for Executive Supplemental Pension plan, the most significant impact of this statement was additional note disclosures.

Note 2 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, Pueblo Water's deposits may not be returned. All Pueblo Water deposits are either insured by FDIC or covered by the Colorado Public Deposit Protection Act ("PDPA") and are therefore not exposed to custodial credit risk. The PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by the State of Colorado. Amounts in excess of Federal insurance must be collateralized. The eligible collateral is determined by the Public Deposit Protection Act. This act allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. Cash investments shown as restricted assets on the statement of net position consist of funds restricted for the service of long-term debt.

Colorado Statutes and Pueblo Water's investment policy authorize Pueblo Water to purchase the following type of investments:

- U.S. Government direct obligations and unconditionally guaranteed federal agency securities
- Other Federal agency securities that have a liquid market with a readily determinable market value
- Certificates of deposit at financial institutions
- Commercial paper, rated in the highest tier
- Investment-grade obligations of state, provincial and local governments and public authorities
- Money market mutual funds and local government investment pools

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Pueblo Water's investments (current and long-term) at December 31, 2018 and 2017, and their maturities were as follows:

Current and Long-Term Investments As of December 31, 2018				
Investment Type	Fair Value	Investment Maturities (in years)		
		Less Than 1	1 - 5	6 - 10
U.S. agencies	\$ 4,767,891	\$ -	\$ 2,313,460	\$ 2,454,431
Money market funds (not considered securities)	19,733,024	19,733,024	-	-
Certificates of deposit	<u>4,096,087</u>	<u>4,096,087</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 28,597,002</u>	<u>\$ 23,829,111</u>	<u>\$ 2,313,460</u>	<u>\$ 2,454,431</u>

For purposes of the statement of cash flows, certificates of deposit and money market funds are considered to be cash equivalents

Current and Long-Term Investments As of December 31, 2017				
Investment Type	Fair Value	Investment Maturities (in years)		
		Less Than 1	1 - 5	6 - 10
U.S. agencies	\$ 8,761,195	\$ -	\$ 6,241,277	\$ 2,519,918
Money market funds (not considered securities)	14,694,576	14,694,576	-	-
Certificates of deposit	<u>7,106,418</u>	<u>7,106,418</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 30,562,189</u>	<u>\$ 21,800,994</u>	<u>\$ 6,241,277</u>	<u>\$ 2,519,918</u>

For purposes of the statement of cash flows, certificates of deposit and money market funds are considered to be cash equivalents

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, Pueblo Water's investment policy provides for structuring the portfolio so that securities mature concurrent with cash flow requirements. Unless matched to a specific cash flow, Pueblo Water will not directly invest in securities maturing more than five years from the date of purchase.

Credit Risk

Pueblo Water limits the purchase of commercial paper and corporate bonds to those rated in the highest tier by a nationally recognized rating agency. As of December 31, 2018 and 2017, Pueblo Water had no direct investments in commercial paper or corporate bonds. While the Insured Cash Sweep (ICS) and the Stifel Insured Bank Program are not rated money market funds, they are fully insured by the FDIC. As of December 31, 2018 and 2017, Pueblo Water had the following money market fund investments:

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Money Market Fund	2018	2017	Ratings		
			Moody's	Fitch	S&P
Colostrust Plus+	\$ 19,694,532	\$ 14,628,528	Aaa	AAA/VI-	AAAm
ICS	-	98	n/a	n/a	n/a
Stifel Insured Bank Program	-	8,741	n/a	n/a	n/a
WF Prime Invest MM Fund	38,492	57,209	Aaa	n/a	AAAm
Total	<u>\$ 19,733,024</u>	<u>\$ 14,694,576</u>			

Concentration of Credit Risk

Pueblo Water places no limit on the amount invested in any one issuer. The amount of investments that represent 5% or more of Pueblo Water's investments as of December 31, 2018 (\$1,429,850) can be determined from the above information.

Fair Value

Pueblo Water categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted process; Level 3 inputs are significant unobservable inputs. Pueblo Water has the following recurring fair value measurements as of December 31, 2018 and 2017:

Investments Measured at Fair Value As of December 31, 2018				
	12/31/2018	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. agencies	\$ 4,767,891	\$ -	\$ 4,767,891	\$ -
Money market funds (measured at net asset value)	19,733,024			
Certificates of deposit	4,096,087			
Total money market funds and certificates of dep	<u>\$ 23,829,111</u>			
Total investments	<u>\$ 28,597,002</u>			
Investments Measured at Fair Value As of December 31, 2017				
	12/31/2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. agencies	\$ 8,761,195	\$ -	\$ 8,761,195	\$ -
Money market funds (measured at net asset value)	14,694,576			
Certificates of deposit	7,106,418			
Total money market funds and certificates of dep	<u>\$ 21,800,994</u>			
Total investments	<u>\$ 30,562,189</u>			

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 3 – ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2018 and 2017 are as described below. Receivables for City charges include wastewater and stormwater fees for which Pueblo Water bills, collects and remits to the City on a monthly basis. The uncollected sewer and stormwater fees charged to customers are carried as a receivable, and unremitted and uncollected sewer and stormwater fees are carried as a liability on the statement of net position. Other receivables include, non-potable water sales and construction related receivables. The allowance for uncollectible accounts is computed at one percent of customer receivables without considering receivables for City charges and customer overpayments at year end.

<u>Accounts Receivable</u>		
	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Receivables for treated water sales	\$ 685,146	\$ 647,597
Receivables for City charges	2,005,067	1,650,714
Receivables for nonpotable water sales	826,368	674,770
Other receivables	782,751	657,072
Allowance for uncollectible accounts	<u>(21,738)</u>	<u>(19,580)</u>
 Total	 <u>\$ 4,277,594</u>	 <u>\$ 3,610,573</u>

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 4 – CAPITAL ASSETS

Capital asset activity for the years ended December 31, 2018 and 2017 were as follows:

Capital Assets For the Year Ended December 31, 2018				
	December 31, 2017	Additions & Transfers	Sales & Retirements	December 31, 2018
<u>Capital assets not being depreciated or amortized:</u>				
Land	\$ 2,284,590	\$ -	\$ -	\$ 2,284,590
Water rights	98,865,769	-	-	98,865,769
Construction in progress	<u>3,669,043</u>	<u>523,817</u>	<u>(2,053,524)</u>	<u>2,139,336</u>
Total capital assets not being depreciated	<u>104,819,402</u>	<u>523,817</u>	<u>(2,053,524)</u>	<u>103,289,695</u>
<u>Capital assets being depreciated or amortized:</u>				
Buildings and improvements	72,769,202	2,916,898	-	75,686,100
Infrastructure	129,276,447	4,974,420	(252,414)	133,998,453
Intangible software	9,566	-	-	9,566
Machinery and equipment	<u>40,279,039</u>	<u>3,338,597</u>	<u>(691,953)</u>	<u>42,925,683</u>
Total capital assets being depreciated	<u>242,334,254</u>	<u>11,229,915</u>	<u>(944,367)</u>	<u>252,619,802</u>
<u>Less accumulated depreciation and amortization:</u>				
Buildings and improvements	(32,657,026)	(1,456,337)	-	(34,113,363)
Infrastructure	(59,647,526)	(2,792,249)	202,210	(62,237,565)
Intangible software	(6,218)	(957)	-	(7,175)
Machinery and equipment	<u>(19,852,297)</u>	<u>(1,622,989)</u>	<u>608,846</u>	<u>(20,866,440)</u>
Total accumulated depreciation	<u>(112,163,067)</u>	<u>(5,872,532)</u>	<u>811,056</u>	<u>(117,224,543)</u>
Total capital assets being depreciated, net	<u>130,171,187</u>	<u>5,357,383</u>	<u>(133,311)</u>	<u>135,395,259</u>
Total capital assets, net	<u>\$ 234,990,589</u>	<u>\$ 5,881,200</u>	<u>\$ (2,186,835)</u>	<u>\$ 238,684,954</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Capital Assets
For the Year Ended December 31, 2017

	December 31, 2016	Additions & Transfers	Sales & Retirements	December 31, 2017
<u>Capital assets not being depreciated or amortized:</u>				
Land	\$ 2,284,590	\$ -	\$ -	\$ 2,284,590
Water rights	98,585,769	280,000	-	98,865,769
Construction in progress	2,700,378	2,089,693	(1,121,028)	3,669,043
Total capital assets not being depreciated	<u>103,570,737</u>	<u>2,369,693</u>	<u>(1,121,028)</u>	<u>104,819,402</u>
<u>Capital assets being depreciated or amortized:</u>				
Buildings and improvements	72,618,879	150,323	-	72,769,202
Infrastructure	125,722,218	3,720,116	(165,887)	129,276,447
Intangible software	9,566	-	-	9,566
Machinery and equipment	38,402,907	2,182,216	(306,084)	40,279,039
Total capital assets being depreciated	<u>236,753,570</u>	<u>6,052,655</u>	<u>(471,971)</u>	<u>242,334,254</u>
<u>Less accumulated depreciation and amortization:</u>				
Buildings and improvements	(31,235,717)	(1,421,309)	-	(32,657,026)
Infrastructure	(57,069,816)	(2,684,077)	106,367	(59,647,526)
Intangible software	(5,261)	(957)	-	(6,218)
Machinery and equipment	(18,699,110)	(1,454,239)	301,052	(19,852,297)
Total accumulated depreciation	<u>(107,009,904)</u>	<u>(5,560,582)</u>	<u>407,419</u>	<u>(112,163,067)</u>
Total capital assets being depreciated, net	<u>129,743,666</u>	<u>492,073</u>	<u>(64,552)</u>	<u>130,171,187</u>
Total capital assets, net	<u>\$ 233,314,403</u>	<u>\$ 2,861,766</u>	<u>\$ (1,185,580)</u>	<u>\$ 234,990,589</u>

Note 5 – DEFERRED OUTFLOWS OF RESOURCES

Pueblo Water has three items, two of which are included in net investment in capital assets, which are classified as deferred outflows of resources under GASB statement No. 65. In connection with the loan agreement with Colorado Water Resources and Power Development Authority for \$9,558,795 (see note 8 for further details), Pueblo Water received an original discount of \$25,212. The unamortized portion of the discount as of December 31, 2018 and 2017 was \$4,013 and \$5,146, respectively. Included with the May 3, 2005 issuance of \$28,575,000 in Water Revenue Refunding Bonds, Pueblo Water recorded an original deferred amount on refunding of \$2,574,088. The unamortized portion of the deferred amount on refunding as of December 31, 2014 was \$1,066,036. As explained further in note 8, these bonds were refunded in 2015 and consequently the unamortized portion of the original deferred amount on refunding became a part of the calculation for the deferred amount on refunding of the refunding bonds issued in 2015. In connection with the August 6, 2015 issuance of \$16,430,000 in Water Revenue Refunding Bonds, Pueblo Water recorded an original deferred amount on refunding of \$731,312. The unamortized portion of the deferred amount on refunding as of December 31, 2018 and 2017 was \$341,912 and \$455,883, respectively.

As detailed in Note 11, Pueblo Water implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions: an amendment of GASB Statement No. 27*. The pronouncement requires Pueblo Water to record the net difference between projected and actual earnings on pension plan investments as a deferred outflow on the statement of net position.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 6 – RISK MANAGEMENT

Pueblo Water is exposed to various risks of losses including torts, general liability (limited under the Colorado Governmental Immunity Act to \$350,000 per person and \$990,000 per occurrence), and property damage. It is the policy of Pueblo Water to purchase commercial insurance, including worker's compensation, for the risks of loss to which it is exposed. Under this arrangement, Pueblo Water assumes the risk for the amount of loss where sound risk management principles and prior loss experience indicate a premium savings greater than exposures assumed.

Note 7 – DEFERRED REVENUE

In 1990 and 1995, Pueblo Water acquired water rights from the State of Colorado and the City of Pueblo, Colorado, respectively, in exchange for supplying a certain amount of water each future year. In 1992 and 2004, Pueblo Water acquired water rights from individuals in exchange for supplying a certain amount of water each future year. The value of these water rights was determined based upon the fair market value of the rights acquired. The deferred income from these acquisitions is being amortized over forty years and pursuant to GASB statement No. 65 is classified as a deferred inflow of resources.

Note 8 – BONDS PAYABLE

Revenue Bonds

The bond agreements contain various restrictive covenants and requirements, including a rate covenant, maintenance of a three month operating reserve, debt service requirements and compliance with an additional bond and /or indebtedness test.

Series 2015

On August 6, 2015, Pueblo Water issued \$16,430,000 in Water Revenue Refunding Bonds; Series 2015 with interest rates between 2% and 4%, to advance refund Pueblo Water's outstanding Water Revenue Refunding Bonds, Series 2005, originally issued in the principal amount of \$28,575,000. The Series 2005 which mature on or after November 1, 2015 in the aggregate amount of \$17,075,000, with interest rates between 4.5% and 5%, were refunded. The net proceeds of \$17,434,606.50 were used to purchase U.S. government securities. Those securities were deposited with Wells Fargo Bank, the escrow agent, to provide all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the liability for those bonds has been removed from the long-term debt.

Series 2009

On October 22, 2009, Pueblo Water issued \$25,870,000 in Taxable Water Revenue Bonds (Build America Bond – Direct Payment to Issuer); Series 2009 were issued in three term bonds with rates between 4.3% and 5.7%. The Bonds were issued, together with proceeds from the sale of the Columbine Ditch, to purchase water rights from various shareholders of the Bessemer Irrigating Ditch Company. Interest payments are due semi-annually on May 1 and November 1 through 2029 with principal payments due annually on November 1.

Series 2005

On May 3, 2005, Pueblo Water issued \$28,575,000 in Water Revenue Refunding Bonds; Series 2005 with interest rates between 3.5% and 5.25%, to advance refund a portion of Pueblo Water's outstanding Water System Improvement Revenue Bonds, Series 2000A, originally issued in the principal amount of \$38,885,000. The Series 2000A Bonds which mature on or after November 1, 2011 in the aggregate amount of \$27,195,000, with interest rates between 5.75% and 6.0%, were refunded. The Series 2000A Bonds maturing in the years 2005 through 2010 were not refunded. The net proceeds of \$29,699,885 were used to purchase U.S. government securities. Those securities were deposited with American National Bank, the escrow agent, to provide all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the liability for those bonds has been removed from the long-term debt. Effective December 15, 2009, Pueblo Water removed American National Bank as paying agent for the 2005 series and hired Wells Fargo Bank, National Association as paying agent. As stated above \$17,075,000 of these bonds were advance refunded on August 6, 2015. The amount of defeased debt outstanding as of December 31, 2018 and 2017 was \$9,130,000 and \$11,895,000, respectively.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
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A summary of debt maturity for the revenue bonds as of December 31, 2018, is as follows:

Revenue Bonds As of December 31, 2018				
<u>Year of Maturity:</u>	<u>Principal</u>	<u>Interest</u>	<u>35% BAB Tax Subsidy</u>	<u>Total</u>
Current	\$ 3,195,000	\$ 1,610,030	\$ (465,791)	\$ 4,339,239
Long-term:				
2020	3,290,000	1,506,925	(459,244)	4,337,681
2021	3,405,000	1,378,153	(451,378)	4,331,775
2022	380,000	1,266,675	(443,336)	1,203,339
2023	2,780,000	1,247,485	(387,483)	3,640,002
2024 - 2028	16,120,000	3,857,060	(1,349,971)	18,627,089
2029	3,630,000	206,910	(72,419)	3,764,491
	29,605,000	9,463,208	(3,163,831)	35,904,377
Plus premium	469,686	-	-	469,686
Total long-term	30,074,686	9,463,208	(3,163,831)	36,374,063
	<u>\$ 33,269,686</u>	<u>\$ 11,073,238</u>	<u>\$ (3,629,622)</u>	<u>\$ 40,713,302</u>

Loan Agreement

On April 15, 2000, Pueblo Water entered into a loan agreement with Colorado Water Resources and Power Development Authority for \$9,558,795. Interest at 4.60% and principal payments are due semi-annually on February 1 and August 1, through 2022.

A summary of debt maturity for the loan agreement as of December 31, 2018, is as follows:

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Loan Agreement
As of December 31, 2018

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Year of Maturity:</u>			
Current	\$ 380,210	\$ 242,551	\$ 622,761
Long-term:			
2020	396,275	229,164	625,439
2021	412,340	215,178	627,518
2022	<u>3,871,714</u>	<u>199,472</u>	<u>4,071,186</u>
Total long-term	<u>4,680,329</u>	<u>643,814</u>	<u>5,324,143</u>
	<u>\$ 5,060,539</u>	<u>\$ 886,365</u>	<u>\$ 5,946,904</u>

Note 9 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2018 was as follows:

Long-Term Liabilities
For the Year Ended December 31, 2018

	December 31, 2017 (Current and Long-Term)	<u>Additions</u>	<u>Reductions</u>	December 31, 2018 (Current and Long-Term)	Due Within One Year
Revenue bonds	\$ 35,930,000	\$ -	\$ (3,130,000)	\$ 32,800,000	\$ 3,195,000
Unamortized bond premium	626,248	-	(156,562)	469,686	-
Loan and repayment contract, net	5,424,684	-	(364,145)	5,060,539	380,210
Capital lease obligation	15,834	-	(4,617)	11,217	5,097
Net pension liability	8,885,945	1,145,134	-	10,031,079	-
Accrued sick and vacation leave	2,581,656	806,621	(883,137)	2,505,140	364,444
Accrued payroll taxes on accrued leave	197,497	61,706	(67,560)	191,643	-
Other postemployment benefits	<u>640,703</u>	<u>316,754</u>	<u>(242,039)</u>	<u>715,418</u>	<u>-</u>
	54,302,567	<u>\$ 2,330,215</u>	<u>\$ (4,848,060)</u>	51,784,722	<u>\$ 3,944,751</u>
Less current portion	<u>(3,860,505)</u>			<u>(3,944,751)</u>	
Total long-term liabilities	<u>\$ 50,442,062</u>			<u>\$ 47,839,971</u>	

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 10 – LEASE

Capital Lease

Pueblo Water has entered into a lease agreement for financing office equipment in February 2016.

This lease agreement qualifies as a capital lease for accounting purposes and has been recorded at the present value of the future minimum lease payments as of the inception date. The present value of the minimum lease payments at the beginning of the lease term, was \$23,509, and Pueblo Water recorded an asset and obligation under capital lease of that amount. The assets acquired under this lease by major asset class, recorded in machinery and equipment, are as follows:

Assets Under Capital Lease			
		December 31,	
		2018	2017
Machinery and equipment	\$	23,509	\$ 23,509
Less: accumulated depreciation		(5,877)	(3,526)
	\$	<u>17,632</u>	<u>\$ 19,983</u>

Minimum capital lease payments were \$5,981 and \$5,981 during 2018 and 2017. The following is a schedule by year of future minimum lease payments, together with the present value of the minimum lease payments as of December 31, 2018:

Obligation Under Capital Lease	
As of December 31, 2018	
<u>Year Ending December 31:</u>	
2019	\$ 5,981
2020	5,981
2021	<u>498</u>
Total minimum lease payments	12,460
Less interest at 9.904%	<u>(1,243)</u>
Present value of minimum lease payments (obligation under capital lease)	11,217
Less current portion	<u>(5,097)</u>
Total long-term	<u>\$ 6,120</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
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Note 11 – PENSION PLAN

Plan Description

Pueblo Water contributes to the Retirement Plan for Employees of the Board of Water Works of Pueblo, Colorado, a single-employer defined benefit retirement plan that is administered by Innovest Portfolio Solutions, with benefit payments administered by AXA Equitable. At the November 21, 2017 board meeting, Pueblo Water engaged the services of Innovest Portfolio Solutions to manage the Plan's portfolio and subsequently moved the custodian of plan assets from LPL Financial to Charles Schwab Institutional effective December 29, 2017. The Plan provides retirement benefits to plan members and or their beneficiaries. Members of the Plan include substantially all regular full-time employees of Pueblo Water. The Plan does issue a separate financial report.

Benefits Provided

Pueblo Water provides retirement benefits to eligible employees and beneficiaries. The amount of the ultimate retirement benefit is based upon annual accruals equal to either 2.3% or 2.1% of base monthly salary. Effective April 1, 2015 only those employees who were eligible to retire as of March 31, 2015 continue to accrue at a rate of 2.3% of base monthly salary. The accrual rate for all other employees was reduced to 2.1%. In addition, for those that qualify for annual accruals equal to 2.1% of monthly base salary, future salary increases, for the purpose of calculating the benefit cannot exceed 3.5%. Employees are vested in the Plan after five years of credited service. Members with fifteen years of service are eligible to retire at either age 60 or age 55 with reduced benefits depending on the date they became vested. Members who have either reached age 65 or the total of their age and credited years of service is equal to or greater than 90 are eligible for their full benefit.

The Plan provides the opportunity of a "bonus" based upon the annualized return of the Plan's investments. If the annualized return for the previous five year period exceeds 7.5%, retirees receive a one-time bonus equal to a minimum of \$100 or a maximum of 3% of the annual pension amount.

Employees Covered

At December 31, 2018, the following employees were covered by the benefit terms of the Plan:

<u>Employees Covered</u>	
Inactive employees or beneficiaries currently receiving benefits	100
Inactive employees entitled to but not yet receiving benefits	7
Active employees	<u>137</u>
Total	<u><u>244</u></u>

Contributions

Pueblo Water's funding policy is established and may be amended by the Elected Board, which acts as trustee of the Plan. The Plan's funding policy provides for periodic Pueblo Water contributions of actuarially determined amounts sufficient to accumulate the necessary assets to pay benefits when due. Pueblo Water solicits an actuary to determine the contribution amounts on a biennial basis. These required contributions may vary over time and are not expressed in terms of fixed dollar amounts or as a percentage of annual covered payroll. Plan members are not required to make contributions. It is the intention of Pueblo Water to continue the Plan and make contributions that are necessary to maintain the Plan on a sound actuarial basis. Currently Pueblo Water intends to contribute no less than \$1,300,000 to the plan annually through 2024, then reverting to annual amounts equal to the actuarial required contribution. However, subject to the provisions of Article 10 of the Plan, Pueblo Water may discontinue contributions for any reason at any time. Pueblo Water's contribution to the Plan for the years ended December 31, 2018 and 2017 was \$3,164,710 and \$2,900,000, respectively.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
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Net Pension Liability

Pueblo Water's net pension liability for the Plan is measured as the total pension liability, less the Plan's fiduciary net position. The net pension liability of the Plan is measured as of December 31, 2018, using an actuarial valuation as of January 1, 2017. A summary of principal assumptions and methods used to determine the net pension liability is shown below:

Actuarial Assumptions	
Valuation Date	January 1, 2017
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.5%
Inflation	Not explicit
Payroll Growth	3.5%
Projected Salary Increase ¹	3.5% to 7.4%
Investment Rate of Return	7.5%
Mortality ²	Varies

¹Includes inflation and varies on age, service and type of employment

²Mortality (Pre-retirement) - Combined RP-2000 mortality tables projected with scale AA to 2028

²Mortality (Post-retirement) - Combined RP-2000 mortality tables projected with scale AA to 2020

²Mortality (Post-disablement) - 1983 Railroad Board disabled mortality table

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits). For the purpose of the Plan's valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.71% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Changes in Net Pension Liability

The changes in the net pension liability are shown below:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance as of December 31, 2017	\$ 32,440,400	\$ 23,554,455	\$ 8,885,945
Changes in the year:			
Service cost	520,681	-	520,681
Interest on the total pension liability	2,393,870	-	2,393,870
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	3,164,710	(3,164,710)
Net investment income	-	(1,395,218)	1,395,218
Administrative expenses	-	(75)	75
Benefit payments, including refunds of employee contributions	(2,085,639)	(2,085,639)	-
Net changes	828,912	(316,222)	1,145,134
Balance as of December 31, 2018	\$ 33,269,312	\$ 23,238,233	\$ 10,031,079
Plan fiduciary net position as a percentage of the total pension liability	69.85%		
Covered-employee payroll	\$ 9,497,751		
Net pension liability as a percentage of covered employee payroll	105.62%		

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance as of December 31, 2016	\$ 30,246,520	\$ 18,840,729	\$ 11,405,791
Changes in the year:			
Service cost	503,074	-	503,074
Interest on the total pension liability	2,326,414	-	2,326,414
Differences between actual and expected experience	1,174,125	-	1,174,125
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	2,900,000	(2,900,000)
Net investment income	-	3,623,584	(3,623,584)
Administrative expenses	-	(125)	125
Benefit payments, including refunds of employee contributions	(1,809,733)	(1,809,733)	-
Net changes	2,193,880	4,713,726	(2,519,846)
Balance as of December 31, 2017	\$ 32,440,400	\$ 23,554,455	\$ 8,885,945
Plan fiduciary net position as a percentage of the total pension liability	72.61%		
Covered-employee payroll	\$ 9,211,967		
Net pension liability as a percentage of covered employee payroll	96.46%		

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the Plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the Plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the Net Pension Liability to Changes in Discount Rate As of December 31, 2018 Current Single Discount		
1% Decrease 6.50%	Rate Assumption 7.50%	1% Increase 8.50%
<u>\$ 13,454,441</u>	<u>\$ 10,031,079</u>	<u>\$ 7,084,315</u>

Sensitivity of the Net Pension Liability to Changes in Discount Rate As of December 31, 2017 Current Single Discount		
1% Decrease 6.50%	Rate Assumption 7.50%	1% Increase 8.50%
<u>\$ 12,255,082</u>	<u>\$ 8,885,945</u>	<u>\$ 5,987,386</u>

Pension Expenses and Deferred Outflows/ Inflows of Resources

The table below illustrates Pueblo Water's pension expense for the year ended December 31, 2018:

Service cost	\$ 520,681
Interest on the total pension liability	2,393,870
Current-period benefit changes	-
Projected earnings on plan investments (made negative for addition here)	(1,807,046)
Pension Plan Administrative Expense	37,010
Other changes in plan fiduciary net position	75
Recognition of outflow (inflow) of resources due to liabilities	173,338
Recognition of outflow (inflow) of resources due to assets	496,763
Total pension expense	<u>\$ 1,814,691</u>

The table below illustrates Pueblo Water's pension expense for the year ended December 31, 2017:

Service cost	\$ 503,074
Interest on the total pension liability	2,326,414
Current-period benefit changes	-
Projected earnings on plan investments (made negative for addition here)	(1,453,935)
Pension Plan Administrative Expense	76,479
Other changes in plan fiduciary net position	125
Recognition of outflow (inflow) of resources due to liabilities	173,338
Recognition of outflow (inflow) of resources due to assets	(143,690)
Total pension expense	<u>\$ 1,481,805</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
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The tables below illustrate the deferred outflows/ inflows of resources by source and the net deferred outflows of resources to be recognized in future pension expense, respectively.

	As of December 31, 2018		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 827,449	\$ -	\$ 827,449
Assumption changes	-	-	-
Net difference between projected and actual earnings on Plan investments	2,857,569	1,301,789	1,555,780
Total	<u>\$ 3,685,018</u>	<u>\$ 1,301,789</u>	<u>\$ 2,383,229</u>

Year Ending December 31	Net Deferred Outflows of Resources
2019	\$ 670,101
2020	385,379
2021	379,862
2022	813,790
2023	134,097
Thereafter	-
Total	<u>\$ 2,383,229</u>

	As of December 31, 2017		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 1,000,787	\$ -	\$ 1,000,787
Assumption changes	-	-	-
Net difference between projected and actual earnings on Plan investments	585,998	1,735,719	(1,149,721)
Total	<u>\$ 1,586,785</u>	<u>\$ 1,735,719</u>	<u>\$ (148,934)</u>

Year Ending December 31	Net Deferred Outflows of Resources
2018	\$ 29,648
2019	29,648
2020	(255,074)
2021	(260,591)
2022	173,338
Thereafter	134,097
Total	<u>\$ (148,934)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
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Note 12 – OTHER RETIREMENT PLANS

Plan Description

Pueblo Water has entered into various agreements with its senior executives to provide a supplemental retirement benefit. This defined benefit plan provides for an annual benefit equivalent to 10% of the retiree's average salary over their final three years of employment. In addition, some senior executives are entitled to a death benefit ranging from \$100,000 to one times annual salary, should they become deceased while still employed by Pueblo Water. The Plan does not issue a separate financial report.

Employees Covered

At December 31, 2018, the following employees were covered by the benefit terms of the Plan:

<u>Employees Covered</u>	
Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>7</u>
Total	<u><u>14</u></u>

Funding Policy

Pueblo Water's funding policy is established and may be amended by the Elected Board, which acts as trustee of the Plan. Currently, the Plan is funded through the issuance of separate "whole-life" insurance policies, on which Pueblo Water pays an annual premium.

Total Pension Liability

Pueblo Water's total pension liability for the Plan is measured as of December 31, 2018, using an actuarial valuation as of January 1, 2017. A summary of principal assumptions and methods used to determine the net pension liability is shown below:

<u>Actuarial Assumptions</u>	
Valuation Date	January 1, 2017
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	3.7%
Inflation	Not explicit
Payroll Growth	3.5%
Projected Salary Increase	3.5%
Investment Rate of Return	5.5%
Mortality ¹	Varies

¹Mortality (Pre-retirement) - Combined RP-2000 mortality tables projected with scale AA to 2028

¹Mortality (Post-retirement) - Combined RP-2000 mortality tables projected with scale AA to 2020

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Discount Rate

Per paragraph 31 of GASB Statement No. 73, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. A discount rate of 3.71% and 3.31% was used to measure the total pension liability as of December 31, 2018 and 2017, respectively.

Changes in Total Pension Liability

The changes in total pension liability are shown below:

	Total Pension Liability
Balance as of December 31, 2017	\$ 1,480,719
Changes in the year:	
Service cost	39,481
Interest on the total pension liability	48,191
Differences between actual and expected experience	-
Changes in assumptions ¹	(60,585)
Changes in benefit terms	-
Contributions - employer	-
Net investment income	-
Administrative expenses	-
Benefit payments, including refunds of employee contributions	(89,094)
Net change in Total Pension Liability	(62,007)
Balance as of December 31, 2018	\$ 1,418,712
Covered-employee payroll	\$ 757,172
Total pension liability as a percentage of covered employee payroll	187.37%

¹ Changes in assumptions reflect the effects of changes in the discount rate each measurement period.

The following are the discount rates used in each measurement period:

Fiscal year ending December 31, 2018	3.71%
Fiscal year ending December 31, 2017	3.31%

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

	Total Pension Liability
Balance as of December 31, 2016	\$ 1,486,993
Changes in the year:	
Service cost	38,146
Interest on the total pension liability	48,316
Differences between actual and expected experience	-
Changes in assumptions	-
Changes in benefit terms	-
Contributions - employer	-
Net investment income	-
Administrative expenses	-
Benefit payments, including refunds of employee contributions	(92,736)
Net change in Total Pension Liability	(6,274)
Balance as of December 31, 2017	\$ 1,480,719
Covered-employee payroll	\$ 731,567
Total pension liability as a percentage of covered employee payroll	202.40%

Sensitivity of the Total Pension Liability to Changes in the Discount Rate

Regarding the sensitivity of the total pension liability to changes in the Single Discount Rate, the following presents the Plan's total pension liability, calculated using a Single Discount Rate of 3.71%, as well as what the Plan's total pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of the Net Pension Liability to Changes in Discount Rate As of December 31, 2018 Current Single Discount		
1% Decrease 2.71%	Rate Assumption 3.71%	1% Increase 4.71%
\$ 1,576,965	\$ 1,418,712	\$ 1,281,404

Pension Expense

The table below illustrates Pueblo Water's pension expense for the year ended December 31, 2018:

Service cost	\$ 39,481
Interest on the total pension liability	48,191
Current-period benefit changes	-
Pension Plan Administrative Expense	-
Recognition of outflow (inflow) of resources due to liabilities	-
Recognition of outflow (inflow) of resources due to assets	-
Total pension expense	\$ 87,672

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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The table below illustrates Pueblo Water's pension expense for the year ended December 31, 2017:

Service cost	\$ 38,146
Interest on the total pension liability	48,316
Current-period benefit changes	-
Pension Plan Administrative Expense	-
Recognition of outflow (inflow) of resources due to liabilities	-
Recognition of outflow (inflow) of resources due to assets	-
Total pension expense	<u>\$ 86,462</u>

Pueblo Water offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans permit employees to defer a portion of their salary to future years. Participation in the plan is optional. Pueblo Water matches employee contributions up to 3% of annual compensation. The deferred compensation is not available to the employees until termination, retirement, death or qualifying emergency. Pueblo Water has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor. Investments are managed by the plan's trustees under one of several investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

Data concerning Pueblo Water's deferred compensation plans follows:

Balance, December 31, 2017	\$ 23,745,178
2018 employee contributions	703,445
2018 employer contributions	263,179
Earnings, withdrawals, fees and market value adjustment	<u>(2,046,013)</u>
Balance, December 31, 2018	<u>\$ 22,665,789</u>

Note 13 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

Pueblo Water provides two types of other postemployment benefits ("OPEB") as follows. Neither OPEB plan issues a separate report:

a. Postemployment Healthcare Benefits

Pueblo Water provides a postemployment healthcare benefit through a single-employer, defined benefit plan. The benefit is in the form of subsidized health care costs for retired members and eligible dependents, up to member age 65. Employees who retire under early retirement (rule of 90) can enroll in the plan, with Pueblo Water paying approximately 79% of the insurer required premium, and the member paying the remaining approximately 21%. The Board has both an explicit (due to premium subsidy) and implicit (due to the retirees being included with the active members in the setting of the premium rates) subsidy. Currently, 15 retirees (including covered dependents) are receiving this benefit. Pueblo Water retains the right to amend or discontinue this benefit at any time.

b. Life Insurance

All retirees of Pueblo Water and their spouses participate in a life insurance plan. The Plan provides a death benefit of \$25,000 for future retirees and \$2,000 for the spouse. The death benefit for current retirees varies depending on when they retired and the plan in place at that time. Coverage ranges from 50% to 100% of final salary or \$25,000.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Funding Policy

Pueblo Water's funding policy is established and may be amended by the Elected Board. Pueblo Water is not required to establish an irrevocable trust fund to accumulate assets for payment of future OPEB benefits, and has elected not to do so for 2018. Pueblo Water may review its funding policy in the future. Currently, payments of OPEB benefits are made on a pay-as-you-go basis in amounts necessary to provide current benefits to recipients. For the years ended December 31, 2018 and 2017, Pueblo Water contributed, irrespective of applicable subsidies, \$124,497 and \$99,161, respectively to the postemployment benefit plans.

Annual OPEB Cost and Net OPEB Obligation

Pueblo Water's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC"). The ARC is calculated, in accordance with GASB 75, based on the entry age actuarial cost method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of Pueblo Water's annual OPEB cost for 2018 and 2017, the amount actually contributed to the OPEB plan, and changes in Pueblo Water's net OPEB obligation:

	2018	2017
Annual required contribution ("ARC")	\$ 312,899	\$ 312,899
Interest on net OPEB obligation	25,469	25,469
Adjustment to ARC	(21,614)	(21,614)
Annual OPEB cost (expense)	316,754	316,754
Contributions made	(242,039)	(242,039)
Increase in net OPEB obligation	74,715	74,715
Net OPEB obligation - beginning of year	640,703	565,988
Net OPEB obligation - end of year	<u>\$ 715,418</u>	<u>\$ 640,703</u>

Pueblo Water's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB plan, and the net OPEB obligation for 2018 and the four preceding years were as follows:

<u>Annual OPEB Cost and % of Required Contribution</u>				
Actuarial Valuation Date	Annual OPEB Cost	¹ Contributions Made	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2018	\$ 316,754	\$ 242,039	76.41%	\$ 715,418
2017	316,754	242,039	76.41%	640,703
2016	264,791	152,437	57.57%	565,988
2015	264,791	152,437	57.57%	453,634
2014	243,802	169,813	69.65%	341,280

¹Includes applicable subsidies

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Funded Status and Funding Progress

GASB 75 requires an actuarial valuation at least biennially for OPEB plans with a total membership (including employees in active service, terminated employees who have accumulated benefits but are not yet receiving them, and retired employees and beneficiaries currently receiving benefits) of more than 200. Since Pueblo Water's OPEB plan consists of more than 200 members, Pueblo Water had an actuarial study completed in 2017.

As of the most recent study, January 1, 2017, the plan was 0% funded. The actuarial accrued liability ("AAL") for benefits was \$4,122,489, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability ("UAAL") of \$4,122,489. The covered payroll (annual payroll of active employees covered by the OPEB plan) was \$9,211,967, and the ratio of the UAAL to the covered payroll was 44.75%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information below, presents multi-year trend information, based on years in which a study was performed, about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

OPEB Plan Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2017	\$ -	\$ 4,122,489	\$ 4,122,489	0.00%	\$ 9,211,967	44.75%
1/1/2015	-	3,587,965	3,587,965	0.00%	8,629,752	41.58%
1/1/2013	-	3,128,671	3,128,671	0.00%	8,376,731	37.35%
1/1/2011	-	2,089,734	2,089,734	0.00%	8,229,750	25.39%
1/1/2008	-	1,638,192	1,638,192	0.00%	7,680,813	21.33%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions include a 4.5 percent investment rate of return (net of administrative expenses), which is the expected long-term investment return on Pueblo Water's investments, and an annual healthcare cost trend rate of: 7.5% for 2016; 7.5% for 2017; the rate then decreases 0.5% each year until an ultimate annual trend of 4.5% is reached in 2023. The actuarial valuation of assets was not determined as Pueblo Water has not advance funded the obligation. The UAAL is being amortized as a level dollar amount over the 30 years on an open basis.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 14 – SICK AND VACATION LEAVE

Effective July 1, 1984, all full-time employees accumulate paid sick leave at the rate of twelve hours per month. All employees who, at that date, had accumulated in excess of 720 hours were, at their option, paid for the excess hours. Any employee who did not select the optional payoff at July 1, 1984 can do so at a later date. As of January 1, 1996, new employees accumulate paid sick leave at the rate of eight hours per month. At termination, employees are paid for any accumulated sick pay. The liability for accumulated sick pay at December 31, 2018 and 2017 is \$1,842,515 and \$1,923,943.

Each employee may accrue up to a maximum of 248 hours of vacation leave. At the employee's request, a payoff for a maximum of 56 hours of accumulated vacation leave can be made during the anniversary year. The vacation hours are valued at the employee's regular rate of pay in effect at the time. In addition, each employee receives eight hours of personal holiday annually which is not available for carryover. The liability for accumulated vacation pay at December 31, 2018 and 2017 is \$662,625 and \$657,713.

Employees are entitled to accrue vacation leave for the twelve-month period, following their date of hire (anniversary date) according to the following scale:

<u>Years of Service</u>	<u>Hours</u>
1 to 5	96
6 to 10	120
11 to 15	144
15 and over	168

Note 15 – TERMINATION BENEFITS

In compliance with federal law, Pueblo Water provides healthcare continuation under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). At December 31, 2018 there was no COBRA liability. Pueblo Water does not offer early retirement incentives or involuntary termination benefits.

Note 16 – ACCOUNTS PAYABLE

Accounts payable are comprised of outstanding bills for expenses, materials and capital assets related to the budget for the years ended December 31, 2018 and 2017. Included in outstanding bills at December 31, 2018 is \$4,186,143 owed to the City of Pueblo, Colorado for collection of the City's sewer and storm water fees. Included in outstanding bills at December 31, 2017 is \$3,587,089 owed to the City of Pueblo, Colorado for collection of the City's sewer and storm water fees.

Note 17 – LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets consist of accrued interest on long-term debt in connection with various water system improvement projects. As of December 31, 2018 and 2017 the amounts payable were \$296,104 and \$312,578, respectively.

Note 18 – CONCENTRATIONS

Pueblo Water has a contract with Public Service Company to provide the Comanche Power Station with nonpotable water for power generation. For the years ended December 31, 2018 and 2017, the contract accounted for 16% and 16% of operating revenues, respectively.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 19 – RECONCILIATION OF BUDGETARY DIFFERENCES

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

Funding Sources

Actual amounts (budgetary basis) "total funding sources"
from the budgetary comparison schedule

General Fund	\$ 41,579,498
Debt Service Fund	4,985,033
Water Development Fund	<u>1,345,890</u>
Total funding sources	47,910,421

Adjustments:

Contributions to capital assets are recorded as revenue for GAAP but are not considered a budgetary resource.	177,422
Contributions from reserves are considered a budgetary resource but are not considered revenue for GAAP reporting.	(1,098,471)
Transfers from other funds are inflows of budgetary resources but are not a current year revenue for GAAP reporting.	<u>(6,130,055)</u>

Total of all revenues as reported on the Statement of Revenues, Expenses, and Changes in Net Position	<u><u>\$ 40,859,317</u></u>
--	-----------------------------

Total revenues as reported on the Statement of Revenues,
Expenses, and Changes in Net Position is comprised of:

Operating revenues	\$ 40,044,876
Interest income	609,587
Realized gain (loss) on investments	389
Unrealized gain (loss) on investments	(57,164)
Sale of assets	84,207
Contributions to capital assets	<u>177,422</u>
	<u><u>\$ 40,859,317</u></u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Funding Uses

Actual amounts (budgetary basis) "total uses"
from the budgetary comparison schedule

General Fund	\$ 41,579,498
Debt Service Fund	4,985,033
Water Development Fund	<u>1,345,890</u>
Total uses	47,910,421

Adjustments:

Capital items are treated as expenditures for budgetary
purposes but are capitalized for financial reporting (8,572,766)

Labor used to construct capital assets is capitalized for GAAP
and classified as personnel services for budgetary purposes (232,759)

Capital items with an original cost less than
\$5,000 are treated as an operating expense for GAAP and
shown as a capital item for budgetary purposes 101,793

Outflows for budgetary purposes not recognized for financial
reporting purposes:

Transfers	(6,130,055)
Contributions from reserves	(892,797)
Principal payments on long-term debt	(3,511,671)

Expense items shown for financial reporting not treated as
budgetary outflows:

Other postemployment benefits	74,715
Difference between cash and non-cash pension contributions	(1,387,029)
Depreciation	5,871,576
Amortization	957
Bad debts	5,946
Loss on abandonment of assets	160,742
Interest expense on capital obligation	1,362

Interest expense for budget reporting purposes is based
upon monthly transfers to the Debt Service Fund while interest
expense for the financial statements reflect GAAP 39,864

Total of all expenses as reported on the Statement of Revenues,
Expenses, and Changes in Net Position \$ 33,440,299

Total expenses as reported on the Statement of Revenues

Expenses and Changes in Net Position is comprised of:

Operating expenses	\$ 32,001,039
Interest expense on bonded indebtedness	1,437,898
Interest expense on capital obligation	<u>1,362</u>
	<u><u>\$ 33,440,299</u></u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 20 – CONTRACT COMMITMENTS

As of December 31, 2018 the Board had a contract commitment with Green Electric, Black Hills Energy, Black & Veatch and various vendors for the replacement of new motor control centers and motors at Gardner Pump Station. The total amount of the contracts is \$2,062,222, of which \$1,988,963 had yet to be earned as of December 31, 2018.

Note 21 – NET INVESTMENT IN CAPITAL ASSETS

In the net position sections of the *Statements of Net Position*, Net Investment in Capital Assets is comprised of the following as of December 31, 2018 and 2017:

Net Investment in Capital Assets		
	December 31,	
	2018	2017
Net capital assets	\$ 238,684,954	\$ 234,990,589
Unamortized discount	4,013	5,146
Current maturities of long-term debt	(3,580,307)	(3,498,763)
Revenue bonds	(29,605,000)	(32,800,000)
Deferred amount on refunding	341,912	455,883
Unamortized bond premium	(469,686)	(626,248)
Loan and repayment contract	(4,680,329)	(5,060,539)
Capital lease obligations	(6,120)	(11,216)
	<u>\$ 200,689,437</u>	<u>\$ 193,454,852</u>

Note 22 – CAPITAL CONTRIBUTIONS

Inception-to-date and current year proceeds from capital contributions were as follows:

Capital Contributions	
Inception through December 31, 2016	\$ 20,917,921
2017 Additions	<u>580,917</u>
Inception through December 31, 2017	21,498,838
2018 Additions	<u>177,422</u>
Inception through December 31, 2018	<u>\$ 21,676,260</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

Note 23 – CLOSURE AND POST-CLOSURE CARE COSTS

In 2013 the Colorado Department of Public Health and Environment (CDPHE) issued new regulations for water treatment plants that produce a coagulant sludge during the water treatment process. According to Section 9 of the Hazardous Waste Regulations (6 CCR 1007-2, part I, p. 166-181.16) Pueblo Water's Whitlock Water Treatment Facility is defined as a class "A" Waste Impoundment facility, and accordingly is subject to the provisions of the regulation that require a closure plan. Included with the regulations is the requirement that Pueblo Water disclose certain items from GASB Statement No. 18 within the notes to Pueblo Water's financial statements.

The impoundments covered in Pueblo Water's closure plan are used exclusively to dry alum sludge which is a by-product of the water treatment process utilized at the plant. The impoundments are temporary storage locations and are cleaned by physically removing the sludge and transporting it to an approved landfill on an annual basis. Since the impoundments are not of the same nature as a Municipal Solid Waste Landfill (MSWLF) Pueblo Water does not believe it is subject to all of the requirements promulgated in GASB Statement No. 18. Consequently, Pueblo Water does not recognize an annual cost and associated liability related to the contemplated closure and post-closure care costs, rather these costs are shown below in compliance with the regulations set forth by the CDPHE.

Pueblo Water currently anticipates total closure costs of \$396,494 and post-closure costs of \$12,763.

Note 24 – SUBSEQUENT EVENTS

Pueblo Water has evaluated subsequent events through March 11, 2019, which is the date the financial statements were available to be issued. As of that date there were no material subsequent events affecting Pueblo Water's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BOARD OF WATER WORKS OF PUEBLO, COLORADO
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2018 AND 2017

Required Supplementary Information

As part of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions: an amendment of GASB Statement No. 27*, Pueblo Water is required to include supplementary information showing the ten year history of:

1. Sources of changes in the net pension liability.
2. Information about the components of the net pension liability and related ratios, including the Plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll.
3. A comparison of actual employer contributions to the actuarially determined contributions based on the Plan's funding policy.

A schedule of changes in net pension liability and related ratios for the four years since GASB Statement No. 68 was implemented is shown below:

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear				
Fiscal year ending December 31,	2018	2017	2016	2015
Total pension liability				
Service Cost	\$ 520,681	\$ 503,074	\$ 500,567	\$ 479,982
Interest on the total pension liability	2,393,870	2,326,414	2,166,514	2,088,627
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	-	1,174,125	-	-
Changes of assumptions	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,085,639)	(1,809,733)	(1,613,701)	(1,487,687)
Net change in total pension liability	828,912	2,193,880	1,053,380	1,080,922
Total pension liability - beginning	32,440,400	30,246,520	29,193,140	28,112,218
Total pension liability - ending (a)	\$ 33,269,312	\$ 32,440,400	\$ 30,246,520	\$ 29,193,140
Plan fiduciary net position				
Employer contributions	\$ 3,164,710	\$ 2,900,000	\$ 1,300,000	\$ 1,300,000
Employee contributions	-	-	-	-
Pension plan net investment income	(1,395,218)	3,623,584	1,345,096	(29,881)
Benefit payments, including refunds of employee contributions	(2,085,639)	(1,809,733)	(1,613,701)	(1,487,687)
Pension plan administrative expense	-	-	-	-
Other	(75)	(125)	-	-
Net Change in plan fiduciary net position	(316,222)	4,713,726	1,031,395	(217,568)
Plan fiduciary net position - beginning	23,554,455	18,840,729	17,809,334	18,026,902
Plan fiduciary net position - ending (b)	\$ 23,238,233	\$ 23,554,455	\$ 18,840,729	\$ 17,809,334
Net pension liability - ending (a) - (b)	\$ 10,031,079	\$ 8,885,945	\$ 11,405,791	\$ 11,383,806
Plan fiduciary net position as a percentage of total pension liability	69.85%	72.61%	62.29%	61.01%
Covered-employee payroll	\$ 9,497,751	\$ 9,211,967	\$ 8,934,679	\$ 8,629,752
Net pension liability as a percentage of covered-employee payroll	105.62%	96.46%	127.66%	131.91%

BOARD OF WATER WORKS OF PUEBLO, COLORADO
REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2018 AND 2017

A comparison of actual employer contributions to the actuarially determined contributions based on the Plan's funding policy for the past ten years is shown below:

Schedule of Contributions					
Year Ended	Actuarially Determined	Actual	Contribution Deficiency	Covered	Actual Contribution as a % of
December 31,	Contribution	Contribution ²	(Excess)	Payroll ¹	Covered Payroll
2018	\$ 1,414,710	\$ 3,164,710	\$ (1,750,000)	\$ 9,497,751	33.32%
2017	1,414,710	2,976,479	(1,561,769)	9,211,967	32.31%
2016	1,252,794	1,379,559	(126,765)	8,934,679	15.44%
2015	1,252,974	1,383,263	(130,289)	8,629,752	16.03%
2014	1,215,910	1,015,648	200,262	8,199,483	12.39%
2013	1,000,524	990,845	9,679	8,199,483	12.08%
2012	1,000,524	922,178	78,346	8,229,750	11.21%
2011	1,000,524	910,529	89,995	8,229,750	11.06%
2010	1,105,409	853,825	251,584	7,633,513	11.19%
2009	771,221	850,994	(79,773)	7,633,513	11.15%
2008	771,221	850,681	(79,460)	7,046,332	12.07%

¹ Covered payroll is the amount in force as of the valuation date and differs from actual payroll paid during the year

² Actual contributions include advisor fees not paid by the Plan

SUPPLEMENTARY INFORMATION

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
REVENUES BY SOURCE
FOR THE YEAR ENDED DECEMBER 31, 2018

GENERAL FUND

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
OPERATING REVENUES				
Water sales - Metered	\$ 24,415,375	\$ 24,415,375	\$ 25,819,695	\$ 1,404,320
Water sales - Utility Private	6,063,229	6,063,229	6,254,369	191,140
Water sales - Raw water	2,556,076	2,556,076	2,693,435	137,359
Water sales - Utility Public	1,176,077	1,176,077	1,176,100	23
Taps and meters	55,000	55,000	84,808	29,808
Material sales	55,000	55,000	262,883	207,883
Main assessments	10,000	10,000	14,087	4,087
Fire protection - public	9,365	9,365	12,317	2,952
Discounts	1,500	1,500	6,347	4,847
Rental income	25,688	25,688	29,026	3,338
Late field reading fee	7,000	7,000	23,300	16,300
Turn-on fee	70,000	70,000	70,900	900
Check processing fee	15,000	15,000	13,470	(1,530)
Field collection fee	1,500	1,500	1,570	70
Missed appointment fee	1,500	1,500	2,160	660
Finance charges	1,000	1,000	19,115	18,115
Miscellaneous	603,628	603,628	883,063	279,435
Service line protection plan	420,000	420,000	430,307	10,307
Plant water investment fee	500,000	500,000	963,365	463,365
Insurance recovery	10,000	10,000	1,231	(8,769)
Comanche operations and maintenance reimbursement	500,000	500,000	596,276	96,276
Busk-Ivanhoe administration fee	25,000	25,000	25,000	-
Wastewater billing reimbursement	462,092	462,092	461,676	(416)
Stormwater billing reimbursement	199,883	199,883	200,376	493
Total operating revenues	37,183,913	37,183,913	40,044,876	2,860,963
NONOPERATING REVENUES				
Interest income	204,427	204,427	343,233	138,806
Sale of assets	20,000	20,000	92,918	72,918
Contribution (to) from reserve	4,280,369	4,280,369	1,098,471	(3,181,898)
Total nonoperating revenues	4,504,796	4,504,796	1,534,622	(2,970,174)
Total revenue	\$ 41,688,709	\$ 41,688,709	\$ 41,579,498	\$ (109,211)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
EXPENDITURES BY OBJECT
FOR THE YEAR ENDED DECEMBER 31, 2018

GENERAL FUND

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
EXPENDITURES				
PERSONNEL SERVICES				
Administration	\$ 1,070,067	\$ 1,070,067	\$ 961,379	\$ (108,688)
Finance	1,537,716	1,537,716	1,362,330	(175,386)
Information Systems	708,494	708,494	628,384	(80,110)
Water Quality and Treatment	3,346,934	3,346,934	3,150,905	(196,029)
Transmission, Distribution and Engineering	5,564,112	5,564,112	5,386,170	(177,942)
Facilities Operation and Maintenance	954,906	954,906	868,943	(85,963)
Water Resources	660,957	660,957	474,460	(186,497)
Human Resources	2,342,095	2,342,095	4,186,871	1,844,776
Total personnel services	16,185,281	16,185,281	17,019,442	834,161
OPERATIONS AND MAINTENANCE				
Administration	795,050	795,050	610,644	(184,406)
Finance	1,080,218	1,080,218	908,735	(171,483)
Information Systems	419,950	419,950	407,922	(12,028)
Water Quality and Treatment	2,166,325	2,166,325	2,198,949	32,624
Transmission, Distribution and Engineering	1,285,613	1,285,613	1,127,460	(158,153)
Facilities Operation and Maintenance	3,354,515	3,354,515	3,219,552	(134,963)
Water Resources	1,321,695	1,321,695	1,261,931	(59,764)
Human Resources	337,482	337,482	261,346	(76,136)
Total operations and maintenance	10,760,848	10,760,848	9,996,539	(764,309)
CAPITAL OUTLAY/ FUND TRANSFERS				
Administration	1,250	1,250	899	(351)
Finance	6,153,443	6,153,443	6,142,603	(10,840)
Information Systems	12,500	12,500	2,558	(9,942)
Water Quality and Treatment	279,000	279,000	20,428	(258,572)
Transmission, Distribution and Engineering	5,255,344	5,255,344	5,048,250	(207,094)
Facilities Operation and Maintenance	2,928,903	2,928,903	3,251,620	322,717
Water Resources	109,640	109,640	96,260	(13,380)
Human Resources	2,500	2,500	899	(1,601)
Total capital outlay	14,742,580	14,742,580	14,563,517	(179,063)
Total expenditures	\$ 41,688,709	\$ 41,688,709	\$ 41,579,498	\$ (109,211)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

ADMINISTRATION

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Director	\$ 453,750	\$ 453,750	\$ 481,050	\$ 27,300
Specialist	284,505	284,505	193,369	(91,136)
Board Members	<u>13,800</u>	<u>13,800</u>	<u>13,800</u>	<u>-</u>
Total salaries and wages	<u>752,055</u>	<u>752,055</u>	<u>688,219</u>	<u>(63,836)</u>
BENEFITS				
Longevity	3,851	3,851	3,580	(271)
Employee assistance	131	131	130	(1)
Social security	59,510	59,510	51,883	(7,627)
Pension	22,148	22,148	19,685	(2,463)
Health insurance	124,567	124,567	95,562	(29,005)
Dental insurance	6,269	6,269	4,746	(1,523)
Disability insurance	5,168	5,168	4,677	(491)
Life insurance	8,417	8,417	7,610	(807)
Sick leave	34,334	34,334	32,933	(1,401)
Vacation leave	<u>53,617</u>	<u>53,617</u>	<u>52,354</u>	<u>(1,263)</u>
Total benefits	<u>318,012</u>	<u>318,012</u>	<u>273,160</u>	<u>(44,852)</u>
Total personnel services	<u>\$ 1,070,067</u>	<u>\$ 1,070,067</u>	<u>\$ 961,379</u>	<u>\$ (108,688)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

ADMINISTRATION

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATION AND MAINTENANCE				
Outside services	\$ 573,400	\$ 573,400	\$ 444,399	\$ (129,001)
Utilities - other	5,400	5,400	6,345	945
Maintenance	2,000	2,000	727	(1,273)
Advertising	12,600	12,600	11,103	(1,497)
Travel and training	132,950	132,950	82,827	(50,123)
Office supplies	3,000	3,000	2,809	(191)
Subscriptions and memberships	<u>65,700</u>	<u>65,700</u>	<u>62,434</u>	<u>(3,266)</u>
Total operation and maintenance	<u>\$ 795,050</u>	<u>\$ 795,050</u>	<u>\$ 610,644</u>	<u>\$ (184,406)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

ADMINISTRATION

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>1,250</u>	\$ <u>1,250</u>	\$ <u>899</u>	\$ <u>(351)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

FINANCE

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Division manager	\$ -	\$ -	\$ 76,095	\$ 76,095
Manager	204,233	204,233	64,190	(140,043)
Supervisor	-	-	39,352	39,352
Specialist	162,726	162,726	146,148	(16,578)
Skills and trades	663,226	663,226	567,485	(95,741)
Part-time/ temporary	25,025	25,025	14,269	(10,756)
Overtime	14,500	14,500	14,695	195
Total salaries and wages	1,069,710	1,069,710	922,234	(147,476)
BENEFITS				
Longevity	7,942	7,942	6,197	(1,745)
Employee assistance	371	371	369	(2)
Social security	79,351	79,351	77,165	(2,186)
Pension	28,338	28,338	26,694	(1,644)
Health insurance	195,231	195,231	187,862	(7,369)
Dental insurance	11,111	11,111	10,401	(710)
Disability insurance	6,908	6,908	6,498	(410)
Life insurance	11,339	11,339	10,684	(655)
Sick leave	54,089	54,089	50,726	(3,363)
Vacation leave	73,326	73,326	63,500	(9,826)
Total benefits	468,006	468,006	440,096	(27,910)
Total personnel services	\$ 1,537,716	\$ 1,537,716	\$ 1,362,330	\$ (175,386)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

FINANCE

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
OPERATION AND MAINTENANCE				
Outside services	\$ 292,480	\$ 292,480	\$ 312,290	\$ 19,810
Utilities	92,220	92,220	78,553	(13,667)
Maintenance - office equipment	8,870	8,870	8,242	(628)
Equipment lease and rental	900	900	679	(221)
Interest expense - meter deposits	1,000	1,000	170	(830)
Collection expense	750	750	115	(635)
Cash (over) short	150	150	105	(45)
Contingency	150,000	150,000	-	(150,000)
Insurance - property	259,000	259,000	256,403	(2,597)
Advertising	1,500	1,500	1,215	(285)
Travel and training	13,950	13,950	6,732	(7,218)
Office supplies	44,600	44,600	32,338	(12,262)
Postage	212,000	212,000	210,619	(1,381)
Subscriptions and memberships	2,798	2,798	1,274	(1,524)
Total operation and maintenance	<u>\$ 1,080,218</u>	<u>\$ 1,080,218</u>	<u>\$ 908,735</u>	<u>\$ (171,483)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

FINANCE

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
CAPITAL OUTLAY				
Computer and office equipment	\$ 24,750	\$ 24,750	\$ 12,548	\$ (12,202)
Transfer to Debt Service Fund	4,909,383	4,909,383	4,909,705	322
Transfer to Water Development Fund	<u>1,219,310</u>	<u>1,219,310</u>	<u>1,220,350</u>	<u>1,040</u>
Total capital outlay	<u>\$ 6,153,443</u>	<u>\$ 6,153,443</u>	<u>\$ 6,142,603</u>	<u>\$ (10,840)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

INFORMATION SYSTEMS

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Manager	\$ 89,691	\$ 89,691	\$ 92,062	\$ 2,371
Specialist	251,332	251,332	208,316	(43,016)
Skills and trades	119,571	119,571	102,279	(17,292)
Part-time/ temporary	21,775	21,775	10,964	(10,811)
Overtime	7,500	7,500	4,139	(3,361)
Total salaries and wages	489,869	489,869	417,760	(72,109)
BENEFITS				
Longevity	3,610	3,610	3,374	(236)
Employee assistance	131	131	129	(2)
Social security	36,342	36,342	35,526	(816)
Pension	11,127	11,127	11,901	774
Health insurance	99,116	99,116	92,105	(7,011)
Dental insurance	4,875	4,875	4,501	(374)
Disability insurance	3,224	3,224	2,817	(407)
Life insurance	5,270	5,270	4,606	(664)
Sick leave	22,688	22,688	24,251	1,563
Vacation leave	32,242	32,242	31,414	(828)
Total benefits	218,625	218,625	210,624	(8,001)
Total personnel services	\$ 708,494	\$ 708,494	\$ 628,384	\$ (80,110)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

INFORMATION SYSTEMS

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATION AND MAINTENANCE				
Outside services	\$ 357,050	\$ 357,050	\$ 373,399	\$ 16,349
Utilities	5,000	5,000	1,339	(3,661)
Maintenance - office equipment	6,000	6,000	14,102	8,102
Equipment lease and rental	600	600	585	(15)
Travel and training	19,700	19,700	898	(18,802)
Office supplies	27,300	27,300	17,393	(9,907)
Subscriptions and memberships	<u>4,300</u>	<u>4,300</u>	<u>206</u>	<u>(4,094)</u>
Total operation and maintenance	<u>\$ 419,950</u>	<u>\$ 419,950</u>	<u>\$ 407,922</u>	<u>\$ (12,028)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

INFORMATION SYSTEMS

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>12,500</u>	\$ <u>12,500</u>	\$ <u>2,558</u>	\$ <u>(9,942)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

WATER QUALITY AND TREATMENT

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Division manager	\$ 127,584	\$ 127,584	\$ 117,991	\$ (9,593)
Manager	109,749	109,749	102,982	(6,767)
Supervision	187,456	187,456	241,922	54,466
Specialist	216,438	216,438	204,031	(12,407)
Skills and trades	1,557,986	1,557,986	1,291,091	(266,895)
Part time/ temporary	57,423	57,423	38,776	(18,647)
Overtime	75,000	75,000	162,685	87,685
Total salaries and wages	<u>2,331,636</u>	<u>2,331,636</u>	<u>2,159,478</u>	<u>(172,158)</u>
BENEFITS				
Longevity	15,643	15,643	14,566	(1,077)
Employee assistance	634	634	672	38
Social security	171,402	171,402	182,843	11,441
Pension	62,054	62,054	58,768	(3,286)
Health insurance	438,835	438,835	410,499	(28,336)
Dental insurance	21,804	21,804	20,216	(1,588)
Disability insurance	14,454	14,454	14,392	(62)
Life insurance	24,717	24,717	23,539	(1,178)
Sick leave	113,835	113,835	110,579	(3,256)
Vacation leave	151,920	151,920	155,353	3,433
Total benefits	<u>1,015,298</u>	<u>1,015,298</u>	<u>991,427</u>	<u>(23,871)</u>
Total personnel services	<u>\$ 3,346,934</u>	<u>\$ 3,346,934</u>	<u>\$ 3,150,905</u>	<u>\$ (196,029)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

WATER QUALITY AND TREATMENT

	<u>Budgeted Amounts</u>			Actual Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 115,525	\$ 115,525	\$ 82,392	\$ (33,133)
Utilities	1,206,400	1,206,400	1,125,077	(81,323)
Repair and maintenance - equipment	10,000	10,000	1,138	(8,862)
Maintenance - office equipment	1,000	1,000	994	(6)
Chemical (over) short	2,500	2,500	854	(1,646)
Travel and training	10,350	10,350	608	(9,742)
Office supplies	3,200	3,200	3,802	602
Safety	4,700	4,700	4,162	(538)
Chemicals	719,000	719,000	862,040	143,040
Laboratory	93,000	93,000	117,882	24,882
Subscriptions and memberships	<u>650</u>	<u>650</u>	<u>-</u>	<u>(650)</u>
 Total operation and maintenance	 <u>\$ 2,166,325</u>	 <u>\$ 2,166,325</u>	 <u>\$ 2,198,949</u>	 <u>\$ 32,624</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

WATER QUALITY AND TREATMENT

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
CAPITAL OUTLAY				
Computer and office equipment	\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
Lab equipment	<u>229,000</u>	<u>229,000</u>	<u>20,428</u>	<u>(208,572)</u>
Total capital outlay	<u>\$ 279,000</u>	<u>\$ 279,000</u>	<u>\$ 20,428</u>	<u>\$ (258,572)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Division manager	\$ 127,584	\$ 127,584	\$ 149,014	\$ 21,430
Manager	322,943	322,943	291,711	(31,232)
Supervision	187,456	187,456	176,244	(11,212)
Specialist	131,001	131,001	123,575	(7,426)
Skills and trades	2,844,223	2,844,223	2,548,465	(295,758)
Part-time/ temporary	79,544	79,544	63,838	(15,706)
Overtime	125,000	125,000	145,090	20,090
Total salaries and wages	3,817,751	3,817,751	3,497,937	(319,814)
BENEFITS				
Longevity	28,238	28,238	27,874	(364)
Employee assistance	1,310	1,310	1,365	55
Social security	277,781	277,781	309,760	31,979
Pension	100,340	100,340	109,299	8,959
Health insurance	801,741	801,741	809,235	7,494
Dental insurance	40,114	40,114	40,216	102
Disability insurance	25,292	25,292	25,732	440
Life insurance	41,498	41,498	42,263	765
Sick leave	188,671	188,671	253,602	64,931
Vacation leave	241,376	241,376	268,887	27,511
Total benefits	1,746,361	1,746,361	1,888,233	141,872
Total personnel services	\$ 5,564,112	\$ 5,564,112	\$ 5,386,170	\$ (177,942)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
OPERATION AND MAINTENANCE				
Outside services	\$ 103,978	\$ 103,978	\$ 76,721	\$ (27,257)
Engineering consulting	8,500	8,500	-	(8,500)
Utilities	100,950	100,950	92,985	(7,965)
Auto and truck	131,000	131,000	126,581	(4,419)
Repair and maintenance - equipment	7,000	7,000	3,921	(3,079)
Maintenance - office equipment	15,142	15,142	13,598	(1,544)
Maintenance - mains	162,000	162,000	178,059	16,059
Maintenance - meters	9,000	9,000	3,942	(5,058)
Maintenance - hydrants	15,800	15,800	16,801	1,001
Maintenance - valves	11,000	11,000	23,898	12,898
Maintenance - cathodic protection	2,550	2,550	2,788	238
Private water service lines	420,000	420,000	294,567	(125,433)
Service lines	10,000	10,000	35,467	25,467
Tool replacement	63,550	63,550	49,959	(13,591)
Barricades	2,500	2,500	783	(1,717)
Warehouse (over) short	6,000	6,000	16,391	10,391
Uninsured small claims	10,000	10,000	(5,253)	(15,253)
Communication	1,300	1,300	-	(1,300)
Travel and training	35,450	35,450	11,790	(23,660)
Gasoline and oil	125,000	125,000	149,486	24,486
Office supplies	6,900	6,900	5,844	(1,056)
Shop supplies	12,500	12,500	11,532	(968)
Safety	10,000	10,000	5,440	(4,560)
Meter shop supplies	3,500	3,500	2,647	(853)
Subscriptions and memberships	11,993	11,993	9,513	(2,480)
Total operation and maintenance	\$ 1,285,613	\$ 1,285,613	\$ 1,127,460	\$ (158,153)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	<u>Budgeted Amounts</u>			Actual Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
CAPITAL OUTLAY				
Mains	\$ 3,423,344	\$ 3,423,344	\$ 3,319,145	\$ (104,199)
Valves	63,000	63,000	48,519	(14,481)
Meters	1,084,000	1,084,000	1,077,941	(6,059)
Fire hydrants	65,000	65,000	83,936	18,936
Taps	12,000	12,000	19,237	7,237
Cathodic protection	99,500	99,500	27,588	(71,912)
Computer and office equipment	32,500	32,500	33,242	742
Heavy equipment	53,000	53,000	50,385	(2,615)
Transportation	<u>423,000</u>	<u>423,000</u>	<u>388,257</u>	<u>(34,743)</u>
Total capital outlay	<u>\$ 5,255,344</u>	<u>\$ 5,255,344</u>	<u>\$ 5,048,250</u>	<u>\$ (207,094)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

FACILITIES OPERATION AND MAINTENANCE

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Manager	\$ 109,749	\$ 109,749	\$ 101,731	\$ (8,018)
Specialist	135,671	135,671	127,486	(8,185)
Skills and trades	346,469	346,469	275,924	(70,545)
Part-time/ temporary	17,939	17,939	20,666	2,727
Overtime	70,000	70,000	42,698	(27,302)
Total salaries and wages	679,828	679,828	568,505	(111,323)
BENEFITS				
Longevity	4,091	4,091	3,570	(521)
Employee assistance	175	175	171	(4)
Social security	46,105	46,105	49,953	3,848
Pension	17,757	17,757	17,276	(481)
Health insurance	119,037	119,037	116,316	(2,721)
Dental insurance	5,802	5,802	6,085	283
Disability insurance	4,143	4,143	3,939	(204)
Life insurance	6,769	6,769	6,449	(320)
Sick leave	29,767	29,767	46,338	16,571
Vacation leave	41,432	41,432	50,341	8,909
Total benefits	275,078	275,078	300,438	25,360
Total personnel services	\$ 954,906	\$ 954,906	\$ 868,943	\$ (85,963)

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

FACILITIES OPERATION AND MAINTENANCE

	<u>Budgeted Amounts</u>			Actual Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 287,190	\$ 287,190	\$ 285,356	\$ (1,834)
Engineering consulting	22,000	22,000	9,017	(12,983)
Utilities	1,912,200	1,912,200	1,952,154	39,954
Repair and maintenance - equipment	220,200	220,200	208,700	(11,500)
Maintenance - building	829,900	829,900	699,941	(129,959)
Communication	11,250	11,250	3,588	(7,662)
Tool replacement	28,100	28,100	22,106	(5,994)
Travel and training	3,650	3,650	7,859	4,209
Office supplies	700	700	546	(154)
Safety supplies	14,650	14,650	14,062	(588)
Janitorial supplies	10,000	10,000	11,281	1,281
Subscriptions and memberships	<u>14,675</u>	<u>14,675</u>	<u>4,942</u>	<u>(9,733)</u>
Total operation and maintenance	<u>\$ 3,354,515</u>	<u>\$ 3,354,515</u>	<u>\$ 3,219,552</u>	<u>\$ (134,963)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

FACILITIES OPERATION AND MAINTENANCE

	<u>Budgeted Amounts</u>			Actual Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Budget</u>
CAPITAL OUTLAY				
Improvements and replacements	\$ 573,000	\$ 573,000	\$ 431,397	\$ (141,603)
Computer and office equipment	20,000	20,000	7,634	(12,366)
Pumping equipment	1,689,000	1,689,000	2,153,189	464,189
Treating equipment	<u>646,903</u>	<u>646,903</u>	<u>659,400</u>	<u>12,497</u>
 Total capital outlay	 <u>\$ 2,928,903</u>	 <u>\$ 2,928,903</u>	 <u>\$ 3,251,620</u>	 <u>\$ 322,717</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

WATER RESOURCES

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Division manager	\$ 127,584	\$ 127,584	\$ 125,358	\$ (2,226)
Supervision	93,728	93,728	85,977	(7,751)
Specialist	<u>233,324</u>	<u>233,324</u>	<u>128,689</u>	<u>(104,635)</u>
Total salaries and wages	<u>454,636</u>	<u>454,636</u>	<u>340,024</u>	<u>(114,612)</u>
BENEFITS				
Longevity	3,129	3,129	2,994	(135)
Employee assistance	87	87	86	(1)
Social security	35,010	35,010	27,471	(7,539)
Pension	13,639	13,639	10,180	(3,459)
Health insurance	84,733	84,733	58,502	(26,231)
Dental insurance	4,369	4,369	2,942	(1,427)
Disability insurance	3,182	3,182	2,375	(807)
Life insurance	5,181	5,181	3,864	(1,317)
Sick leave	24,788	24,788	2,791	(21,997)
Vacation leave	<u>32,203</u>	<u>32,203</u>	<u>23,231</u>	<u>(8,972)</u>
Total benefits	<u>206,321</u>	<u>206,321</u>	<u>134,436</u>	<u>(71,885)</u>
Total personnel services	<u>\$ 660,957</u>	<u>\$ 660,957</u>	<u>\$ 474,460</u>	<u>\$ (186,497)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

WATER RESOURCES

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
OPERATION AND MAINTENANCE				
Outside services	\$ 161,300	\$ 161,300	\$ 136,437	\$ (24,863)
Consulting services	77,500	77,500	55,321	(22,179)
Comanche return flow	750	750	-	(750)
Homestake Aurora	7,500	7,500	7,500	-
Twin Lakes water rights	344,305	344,305	344,305	-
Busk Ivanhoe water rights	225,000	225,000	225,000	-
Water storage and transportation	303,200	303,200	300,659	(2,541)
Short-term water purchases	80	80	68	(12)
Utilities	17,050	17,050	20,889	3,839
Maintenance - equipment	8,500	8,500	9,632	1,132
Maintenance - office equipment	2,000	2,000	727	(1,273)
Tool replacement	2,600	2,600	1,975	(625)
Clear Creek reservoir	8,850	8,850	3,173	(5,677)
Wurtz ditch	1,000	1,000	428	(572)
Wurtz extension	1,000	1,000	-	(1,000)
Ewing ditch	1,000	1,000	-	(1,000)
Ranch property maintenance	6,500	6,500	5,871	(629)
Dwelling - Leadville	1,000	1,000	1,670	670
Dwelling - Clear Creek	2,000	2,000	1,908	(92)
Snowplowing operations	35,000	35,000	32,326	(2,674)
Transmountain maintenance	70,000	70,000	79,874	9,874
Travel and training	39,500	39,500	17,307	(22,193)
Office supplies	1,250	1,250	300	(950)
Subscriptions and memberships	4,810	4,810	16,561	11,751
Total operation and maintenance	<u>\$ 1,321,695</u>	<u>\$ 1,321,695</u>	<u>\$ 1,261,931</u>	<u>\$ (59,764)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

WATER RESOURCES

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
CAPITAL OUTLAY				
Clear creek resevoir	\$ -	\$ -	\$ 96,260	\$ 96,260
Computer equipment	1,400	1,400	-	(1,400)
Expansion	<u>108,240</u>	<u>108,240</u>	<u>-</u>	<u>(108,240)</u>
 Total capital outlay	 <u>\$ 109,640</u>	 <u>\$ 109,640</u>	 <u>\$ 96,260</u>	 <u>\$ (13,380)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

PERSONNEL SERVICES

HUMAN RESOURCES

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
SALARIES & WAGES				
Manager	\$ 99,078	\$ 99,078	\$ 72,319	\$ (26,759)
Specialist	254,520	254,520	228,699	(25,821)
Part-time/ temporary	16,274	16,274	15,311	(963)
Overtime	-	-	3,499	3,499
Total salaries and wages	369,872	369,872	319,828	(50,044)
BENEFITS				
Longevity	1,685	1,685	1,522	(163)
Employee assistance	109	109	106	(3)
Social security	28,642	28,642	33,610	4,968
Pension	10,608	10,608	9,482	(1,126)
Defined benefit pension plan	1,493,460	1,493,460	3,201,720	1,708,260
Worker's compensation insurance	281,348	281,348	375,238	93,890
Unemployment insurance	1,500	1,500	115	(1,385)
Health insurance	41,050	41,050	41,373	323
Health insurance - retirees	55,000	55,000	124,497	69,497
Dental insurance	2,791	2,791	2,920	129
Disability insurance	2,475	2,475	2,074	(401)
Life insurance	4,045	4,045	3,405	(640)
Life insurance - retirees	12,000	12,000	13,775	1,775
Sick leave	16,493	16,493	30,877	14,384
Vacation leave	21,017	21,017	26,329	5,312
Total benefits	1,972,223	1,972,223	3,867,043	1,894,820
Total personnel services	\$ 2,342,095	\$ 2,342,095	\$ 4,186,871	\$ 1,844,776

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

OPERATION AND MAINTENANCE

HUMAN RESOURCES

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
OPERATION AND MAINTENANCE				
Outside services	\$ 82,350	\$ 82,350	\$ 40,094	\$ (42,256)
Employment costs	50,735	50,735	40,298	(10,437)
Utilities	700	700	874	174
Maintenance - office equipment	3,000	3,000	3,055	55
Health reimbursement - In-patient copay	10,000	10,000	9,952	(48)
Pension supplement	134,427	134,427	125,877	(8,550)
Travel and training	42,405	42,405	28,402	(14,003)
Office supplies	4,240	4,240	3,552	(688)
Subscriptions and memberships	<u>9,625</u>	<u>9,625</u>	<u>9,242</u>	<u>(383)</u>
 Total operation and maintenance	 <u>\$ 337,482</u>	 <u>\$ 337,482</u>	 <u>\$ 261,346</u>	 <u>\$ (76,136)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2018

CAPITAL OUTLAY

HUMAN RESOURCES

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Actual Over (Under) Budget.</u>
	<u>Original</u>	<u>Final</u>		
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>2,500</u>	\$ <u>2,500</u>	\$ <u>899</u>	\$ <u>(1,601)</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
REVENUES BY SOURCE AND EXPENDITURES BY OBJECT
FOR THE YEAR ENDED DECEMBER 31, 2018

WATER DEVELOPMENT FUND

	Budgeted Amounts			Actual Over (Under)
	Original	Final	Actual	Budget
NONOPERATING REVENUES				
Interest income	\$ 46,360	\$ 46,360	\$ 125,540	\$ 79,180
Net transfer from general fund	<u>1,219,310</u>	<u>1,219,310</u>	<u>1,220,350</u>	<u>1,040</u>
Total nonoperating revenues	<u>1,265,670</u>	<u>1,265,670</u>	<u>1,345,890</u>	<u>80,220</u>
EXPENDITURES				
Outside services	775,000	775,000	528,421	(246,579)
Capital Improvements	100,000	100,000	-	(100,000)
Contribution to (from) reserve	<u>390,670</u>	<u>390,670</u>	<u>817,469</u>	<u>426,799</u>
Total expenditures	<u>1,265,670</u>	<u>1,265,670</u>	<u>1,345,890</u>	<u>80,220</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
BUDGETARY COMPARISON SCHEDULE
REVENUES BY SOURCE AND EXPENDITURES BY OBJECT
FOR THE YEAR ENDED DECEMBER 31, 2018

DEBT SERVICE FUND

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Budget
NONOPERATING REVENUES				
Interest income	\$ 10,000	\$ 10,000	\$ 75,328	\$ 65,328
Contribution from general fund	<u>4,909,383</u>	<u>4,909,383</u>	<u>4,909,705</u>	<u>322</u>
Total nonoperating revenues	<u>4,919,383</u>	<u>4,919,383</u>	<u>4,985,033</u>	<u>65,650</u>
DEBT RETIREMENT				
Contribution to reserve	10,000	10,000	75,328	65,328
Principal - Series 2015	2,710,000	2,710,000	2,710,000	-
Principal - Series B	364,144	364,144	370,838	6,694
Principal - Series 2009	430,833	430,833	430,833	-
Interest - Series 2015	324,200	324,200	324,200	-
Interest - Series B	255,348	255,348	250,016	(5,332)
Interest - Series 2009	<u>824,858</u>	<u>824,858</u>	<u>823,818</u>	<u>(1,040)</u>
Total debt retirement	<u>4,919,383</u>	<u>4,919,383</u>	<u>4,985,033</u>	<u>65,650</u>
EXCESS (DEFICIENCY) OF REVENUES OVER DEBT RETIREMENT	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION



Statistical Section Contents and Explanation

The statistical section of the Board of Water Works of Pueblo, Colorado's ("Pueblo Water") comprehensive annual financial report presents detailed information to provide context for users of the Pueblo Water's financial statements. The information presented allows users to obtain a better understanding of the Pueblo Water's overall financial health and stability.

While care has been taken to provide adequate explanation of the information provided, should questions remain please direct them to:

Director of Administrative Services
Board of Water Works of Pueblo, Colorado
P.O. Box 400
Pueblo, Colorado 81002-0400

Financial Trends Information

This section provides information related to Pueblo Water's net position, revenues, expenses, and changes in net position for the years ended 2009 through 2018. Also included in this section is information related to Pueblo Water's performance based upon several financial health ratios. During the period 2009 to 2018, Pueblo Water received significant one-time revenues, an explanation of this revenue can be found in the transmittal letter in section I of this report.

Revenue Capacity Information

Information provided in this section is intended to provide users with information about Pueblo Water's customers, revenue concentrations, service area, and historical consumption.

Debt Capacity Information

Retaining sufficient debt capacity is of major importance for companies that operate in capital intense environments. This section provides information related to Pueblo Water's outstanding debt, coverage ratios, and debt per capita over the past ten years.

Demographic and Economic Information

The information in this section is intended to provide the user with an idea of the overall economy in which Pueblo Water operates. Where possible information for the past ten years has been provided, otherwise information has been limited to what is available.

Statistical Section Contents and Explanation (Continued)

Operating Information

This section shows information intended to provide additional insight into Pueblo Water's operation. The section focuses on the following:

- Number of full time employees at December 31 for the years 2009 through 2018.
- Customer payment demographics
- Purchasing statistics.
- Capital assets by function.
- Facts pertaining to Pueblo Water's water supply for the years 2009 through 2018.
- A map of Pueblo Water's water collection system.
- Pump station capacities.
- Potable Water pumped and related energy costs for the years 2009 through 2018.
- Facts related to water quality.
- Facts related to Pueblo Water's transmission and distribution system.

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BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SUMMARY
2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Population served (inside-city)	111,240	112,019	110,652	109,532	107,914	107,682	107,808	107,924	108,221	106,896
Total treated water consumption (million gallons)	8,496	7,746	8,278	7,854	8,135	8,158	9,311	8,836	8,497	7,872
Average daily consumption (million gallons)	23	21	23	22	22	22	26	24	23	22
Average daily consumption per capita (gallons)	209	189	205	196	207	208	237	224	215	202
Maximum daily production (million gallons)	51	47	46	46	47	50	55	51	52	48
Maximum hour treated water use rate (million gallons per day)	2.13	1.96	1.92	1.92	1.96	2.08	2.29	2.13	2.17	2.00
Treated water pumped (million gallons)	9,030	8,260	8,868	8,307	8,611	8,781	9,775	9,438	9,030	8,425
Raw water storage capacity (acre-feet)	66,239	66,239	66,239	66,239	66,239	66,239	66,239	66,239	66,239	66,239
Supply from Arkansas River (acre-feet)	40,597	47,770	49,843	58,761	40,451	38,514	39,015	41,184	40,597	36,690
Supply from Colorado River (acre-feet)	14,211	17,247	20,177	16,174	24,780	21,122	11,511	26,068	28,672	26,633
Raw water pumping capacity (mgd)	228.00	228.00	228.00	228.00	228.00	228.00	228.00	228.00	228.00	228.00
Treatment plant capacity (mgd)	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00
Treated water reservoir capacity (million gallons)	56.40	56.40	56.40	56.40	56.40	56.40	56.40	56.40	56.40	56.40
Transmission and distribution mains (miles)	574.95	580.87	580.05	580.05	579.54	579.23	572.37	570.99	570.65	564.89
Total active taps - end of year	40,629	40,419	40,213	40,090	39,760	39,879	39,792	39,554	39,739	39,742
Fire hydrants operated and maintained	4,154	4,113	4,077	4,043	4,028	3,996	3,985	3,975	3,967	3,951
Fire hydrants tested and repaired	836	823	1,265	1,087	917	947	1,215	1,549	429	164
Main breaks	38	48	31	45	45	57	48	47	54	47
Leak detection requests	741	729	903	873	869	931	868	1,022	1,012	946
Total employees (authorized)	137	137	137	137	137	137	137	137	139	140
Additions to capital assets	\$ 11,229,916	\$ 6,332,655	\$ 3,906,534	\$ 3,779,125	\$ 7,018,617	\$ 3,608,749	\$ 4,160,647	\$ 9,403,163	7,990,290	70,341,378
Total long-term debt	\$ 47,839,971	\$ 50,442,372	\$ 56,646,236	\$ 60,060,986	\$ 52,140,838	\$ 55,362,871	\$ 57,999,406	\$ 60,608,056	62,676,844	64,908,426

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
A - FINANCIAL TRENDS INFORMATION

NET POSITION BY COMPONENT: 2018 - 2009

	2018	2017	2016	2015 ¹	2014	2013	2012	2011	2010	2009
NET POSITION:										
Net investment in capital assets	\$ 200,689,437	\$ 193,454,852	\$ 188,344,588	\$ 186,101,708	\$ 183,247,758	\$ 179,956,407	\$ 178,594,400	\$ 176,696,123	\$ 169,183,876	\$ 166,467,175
Restricted for debt service funds	4,372,433	4,280,518	4,219,047	4,149,507	4,094,443	3,953,730	3,961,610	3,821,403	3,528,336	3,288,579
Unrestricted	14,733,116	14,640,598	14,908,577	12,352,367	21,513,209	21,929,084	21,980,207	19,211,351	22,328,457	17,791,392
Total net position	<u>\$ 219,794,986</u>	<u>\$ 212,375,968</u>	<u>\$ 207,472,212</u>	<u>\$ 208,855,410</u>	<u>\$ 208,855,410</u>	<u>\$ 205,839,221</u>	<u>\$ 204,536,217</u>	<u>\$ 199,728,877</u>	<u>\$ 195,040,669</u>	<u>\$ 187,547,146</u>

Note: _____

¹Includes an adjustment to unrestricted net position for the balance of Pueblo Water's net pension liability of \$10,085,316 as of January 1, 2015, consistent with implementation of GASB 68.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
A - FINANCIAL TRENDS INFORMATION

FINANCIAL CONDITION ANALYSIS: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011 ⁵	2010	2009
¹ Current Assets	\$ 32,704,378	\$ 33,654,741	\$ 35,016,489	\$ 33,143,143	\$ 30,521,335	\$ 30,004,713	\$ 29,704,470	\$ 26,649,141	\$ 31,215,942	\$ 26,006,289
Current Liabilities	10,586,318	10,126,090	9,566,480	9,358,399	8,989,309	7,543,746	7,133,749	6,720,818	8,125,938	7,386,949
LT Debt	47,839,971	50,442,372	56,646,236	60,060,986	52,140,838	55,362,871	57,999,406	60,608,056	62,676,844	64,908,426
Equity	219,794,986	212,375,968	207,472,212	202,603,582	208,855,410	205,839,221	204,536,217	199,728,877	195,040,669	187,547,146
Interest Expense	1,439,260	1,544,378	1,646,457	1,803,797	2,328,172	2,437,835	2,514,700	2,605,852	2,707,720	2,129,778
² Net Revenue	13,407,764	10,222,896	12,332,798	11,221,329	10,854,801	9,072,256	12,003,270	10,312,786	14,455,935	37,084,669
Annual Debt Svc	5,432,012	5,440,274	5,444,240	5,249,107	4,841,435	4,812,034	4,796,184	4,798,818	4,990,894	4,152,107
³ Cash + Receivables	31,514,005	32,353,953	33,330,241	32,038,611	29,214,460	28,669,453	28,257,025	24,985,761	28,979,218	24,105,271
⁴ Projected Daily Operational Exp	74,724	71,670	65,876	64,138	61,431	61,071	59,223	58,670	57,364	55,736
RATIOS										
Current Ratio	3.09	3.32	3.66	3.40	3.40	3.98	4.16	3.97	3.84	3.52
(Current assets/ current liabilities)										
Quick Ratio	2.98	3.20	3.48	3.25	3.25	3.80	3.96	3.72	3.57	3.26
(Cash+ accounts receivable/ current liabilities)										
Debt/ Equity Ratio	0.22	0.24	0.27	0.25	0.25	0.27	0.28	0.30	0.32	0.35
(LT debt/ equity)										
Debt Service Coverage	2.47	1.88	2.27	2.24	2.24	1.89	2.50	2.15	2.90	8.93
(Total rev-operating exp./ annual debt service)										
# of Days of Working Capital	421.74	451.43	505.96	475.56	475.56	469.44	477.13	425.87	505.18	432.49
#of Months of Working Capital	14.06	15.05	16.87	15.85	15.85	15.65	15.90	14.20	16.84	14.42
(Cash+receivables/ Avg. daily operational exp.)										

¹For purposes of ratios involving current assets, investments classified as long-term have been included since they are available for sale.

²Net Revenue for this purpose is calculated as: operating revenue plus investment income and proceeds from the sale of assets less operating expenses excluding noncash items such as depreciation and amortization, consistent with the Board's debt covenants.

³For purposes of this ratio all unrestricted investments are included with cash.

⁴Daily operational expense is calculated as operating expense less noncash items divided by 365 days.

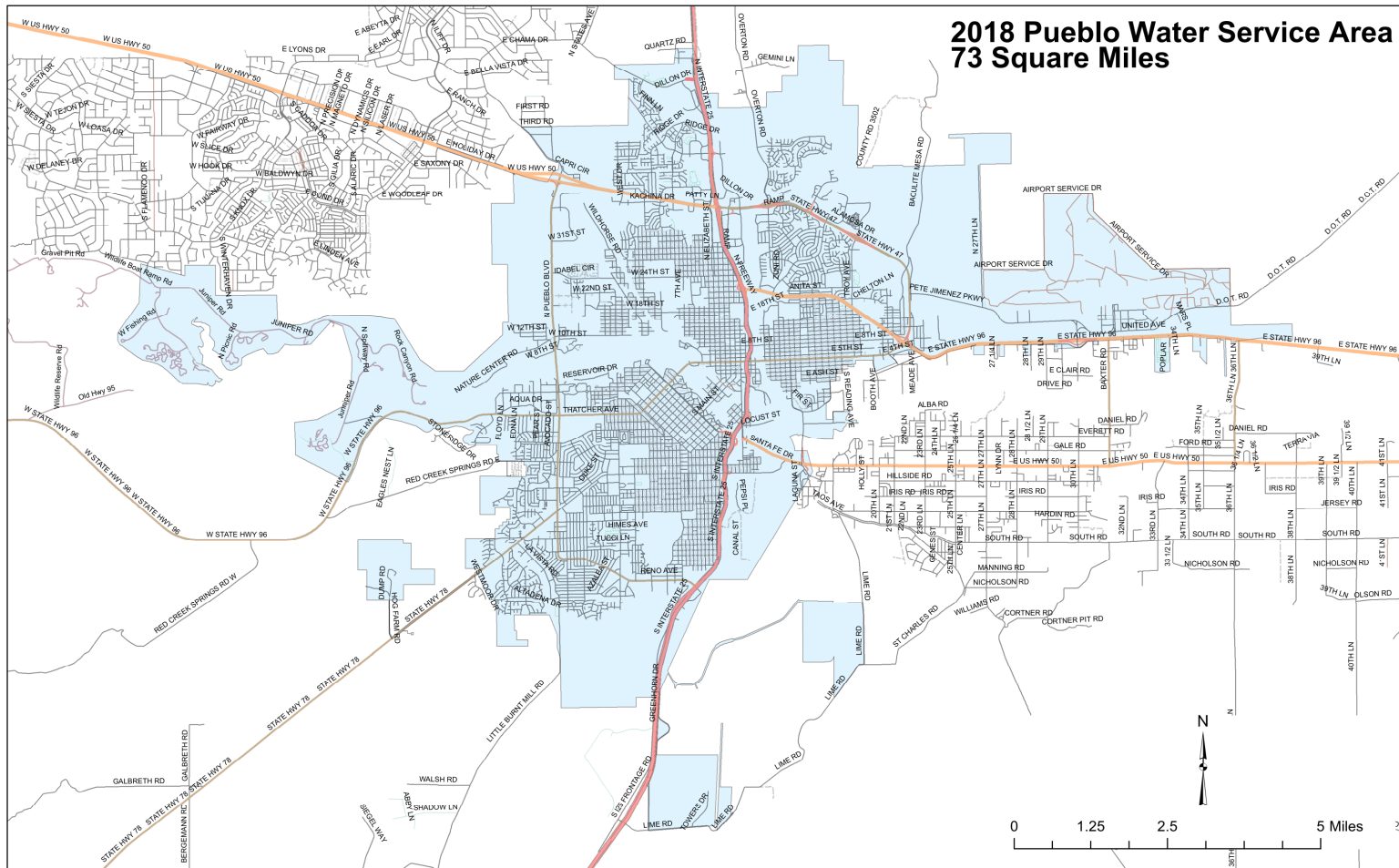
⁵Beginning in 2012 the Board implemented GASB 65 retroactively to 2011. Consequently, in 2011 and all future years the amount deferred on advance refundings is shown as a deferred outflow on the asset side of the balance sheet. This change affects the balance of long-term liabilities

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
A - FINANCIAL TRENDS INFORMATION

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
OPERATING REVENUES:										
Potable water	\$ 25,819,695	\$ 23,378,662	\$ 23,993,983	\$ 22,250,970	\$ 21,978,975	\$ 21,634,582	\$ 23,050,590	\$ 21,637,933	\$ 20,079,709	\$ 17,900,029
Non-potable water	10,123,904	9,646,525	9,090,388	9,473,606	9,048,907	7,492,801	8,331,494	8,132,725	7,218,775	6,886,854
Other	4,101,277	3,033,786	2,862,373	2,729,278	2,018,131	2,241,717	1,962,999	1,506,390	7,604,249	1,811,461
Total operating revenues	<u>40,044,876</u>	<u>36,058,973</u>	<u>35,946,744</u>	<u>34,453,854</u>	<u>33,046,013</u>	<u>31,369,100</u>	<u>33,345,083</u>	<u>31,277,048</u>	<u>34,902,733</u>	<u>26,598,344</u>
OPERATING EXPENSES:										
Source of supply, pumping, treatment and distribution	11,964,414	11,462,596	11,496,618	11,153,896	10,889,607	10,643,609	10,534,768	10,262,566	10,101,402	9,920,350
General and administrative	11,972,953	11,331,448	11,105,239	10,657,272	9,934,939	9,899,263	9,285,611	9,263,565	9,060,875	8,832,536
Customer service	2,191,139	2,160,741	2,106,660	2,116,153	1,907,521	1,945,862	1,875,729	1,939,740	1,868,288	1,829,934
Depreciation and amortization	5,872,533	5,560,582	5,372,756	5,354,330	5,245,535	5,214,865	5,101,395	5,646,756	4,886,852	4,616,235
Total operating expenses	<u>32,001,039</u>	<u>30,515,367</u>	<u>30,081,273</u>	<u>29,281,651</u>	<u>27,977,602</u>	<u>27,703,599</u>	<u>26,797,503</u>	<u>27,112,627</u>	<u>25,917,417</u>	<u>25,199,055</u>
OPERATING INCOME	8,043,837	5,543,606	5,865,471	5,172,203	5,068,411	3,665,501	6,547,580	4,164,421	8,985,316	1,399,289
NONOPERATING REVENUES (EXPENSES):										
Investment income	552,812	297,111	225,098	170,900	205,920	(47,477)	232,900	427,876	481,949	388,851
Interest expense, less capitalized interest	(1,439,260)	(1,544,378)	(1,646,457)	(1,803,797)	(2,328,172)	(2,437,835)	(2,514,700)	(2,605,852)	(2,707,720)	(2,129,778)
Sale of capital assets	84,207	26,500	42,738	1,702	25,288	41,545	41,560	22,380	9,050	30,441,159
Other income	-	-	-	-	-	-	-	-	69,521	2,391,931
Other expense	-	-	-	-	-	-	-	-	-	-
Total nonoperating expenses, net	<u>(802,241)</u>	<u>(1,220,767)</u>	<u>(1,378,621)</u>	<u>(1,631,195)</u>	<u>(2,096,964)</u>	<u>(2,443,767)</u>	<u>(2,240,240)</u>	<u>(2,155,596)</u>	<u>(2,147,200)</u>	<u>31,092,163</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	7,241,596	4,322,839	4,486,850	3,541,008	2,971,447	1,221,734	4,307,340	2,008,825	6,838,116	32,491,452
OTHER REVENUES:	<u>177,422</u>	<u>580,917</u>	<u>381,780</u>	<u>292,480</u>	<u>44,742</u>	<u>81,270</u>	<u>500,000</u>	<u>2,679,383</u>	<u>655,407</u>	<u>6,115,427</u>
INCREASE IN NET POSITION	7,419,018	4,903,756	4,868,630	3,833,488	3,016,189	1,303,004	4,807,340	4,688,208	7,493,523	38,606,879
NET POSITION:										
Beginning of year	<u>212,375,968</u>	<u>207,472,212</u>	<u>202,603,582</u>	<u>198,770,094</u>	<u>205,839,221</u>	<u>204,536,217</u>	<u>199,728,877</u>	<u>195,040,669</u>	<u>187,547,146</u>	<u>148,940,267</u>
End of year	<u>\$219,794,986</u>	<u>\$212,375,968</u>	<u>\$207,472,212</u>	<u>\$202,603,582</u>	<u>\$208,855,410</u>	<u>\$205,839,221</u>	<u>\$204,536,217</u>	<u>\$199,728,877</u>	<u>\$195,040,669</u>	<u>\$187,547,146</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
B - REVENUE CAPACITY INFORMATION



BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
B - REVENUE CAPACITY INFORMATION

CUSTOMER SERVICE DATA: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<u>Active Taps:</u>										
Beginning of Year	40,419	40,213	40,090	39,760	39,879	39,792	39,554	39,739	39,742	39,613
¹ Activated During Year	4,665	5,323	6,315	6,291	4,477	2,995	6,450	6,532	6,345	6,722
¹ Discontinued During Year	(4,455)	(5,117)	(6,192)	(5,961)	(4,596)	(2,908)	(6,212)	(6,717)	(6,348)	(6,593)
¹ Net Increase During Year	210	206	123	330	(119)	87	238	(185)	(3)	129
Total Active Taps - End of Year	<u>40,629</u>	<u>40,419</u>	<u>40,213</u>	<u>40,090</u>	<u>39,760</u>	<u>39,879</u>	<u>39,792</u>	<u>39,554</u>	<u>39,739</u>	<u>39,742</u>
<u>Active Taps:</u>										
Inside City:										
Residential	34,657	34,459	34,355	34,299	34,008	34,080	34,070	33,863	34,059	34,040
Commercial	2,592	2,593	2,536	2,482	2,340	2,326	2,283	2,276	2,272	2,276
Multi-unit	1,970	1,973	1,997	1,995	1,889	1,984	1,966	1,968	1,986	1,994
Other	901	890	827	814	1,035	1,003	983	960	934	947
Outside City:										
Residential	440	435	430	431	420	418	421	416	417	414
Commercial	35	34	33	34	33	33	34	34	34	33
Multi-unit	28	29	30	30	30	30	30	32	32	32
Other	6	6	5	5	5	5	5	5	5	6
Total Active Taps - End of Year	<u>40,629</u>	<u>40,419</u>	<u>40,213</u>	<u>40,090</u>	<u>39,760</u>	<u>39,879</u>	<u>39,792</u>	<u>39,554</u>	<u>39,739</u>	<u>39,742</u>
¹ Turn-Offs Due to Delinquent Accounts	3,899	3,754	3,436	3,915	3,845	3,859	3,001	3,307	3,199	3,002
¹ Average Number of Turn-Offs Per Month	325	313	286	326	320	322	250	276	267	250

¹ Prior to 2013 amounts include transfers of service.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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B - REVENUE CAPACITY INFORMATION

WATER SOLD IN DOLLARS BY TYPE OF CUSTOMER: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Sales of Treated Water										
Inside City Customers:										
Residential	\$ 14,266,031	\$ 12,750,992	\$ 13,256,788	\$ 12,316,079	\$ 12,415,591	\$ 12,357,850	\$ 13,332,680	\$ 12,677,866	\$ 11,685,827	\$ 10,543,946
Commercial	7,481,351	6,912,971	7,006,028	6,398,245	6,189,891	5,979,352	6,128,085	5,556,303	5,159,438	4,461,785
Multi-Unit	2,449,519	2,366,165	2,358,612	2,279,362	2,180,303	2,111,552	2,146,763	2,095,805	1,983,529	1,805,992
Other	670,791	595,395	517,086	423,688	343,331	333,680	546,560	480,451	467,755	429,824
Outside City Customers:										
Residential	302,478	296,342	278,942	247,978	257,588	249,876	271,462	257,297	235,989	210,686
Commercial	399,286	383,776	424,639	417,249	413,510	423,882	454,629	407,318	399,159	311,263
Multi-Unit	157,224	155,917	161,844	167,402	177,310	176,982	169,049	161,684	146,872	135,485
Other	991	960	981	967	1,451	1,408	1,362	1,209	1,140	1,049
Total Treated Water Sales	<u>25,727,672</u>	<u>23,462,518</u>	<u>24,004,920</u>	<u>22,250,970</u>	<u>21,978,975</u>	<u>21,634,582</u>	<u>23,050,590</u>	<u>21,637,933</u>	<u>20,079,709</u>	<u>17,900,029</u>
Sales of Nonpotable Water	<u>10,123,904</u>	<u>9,646,525</u>	<u>9,090,388</u>	<u>9,473,606</u>	<u>9,048,907</u>	<u>7,492,801</u>	<u>8,331,494</u>	<u>8,132,726</u>	<u>7,218,775</u>	<u>6,886,854</u>
Total Sales of Water	<u>\$ 35,851,576</u>	<u>\$ 33,109,043</u>	<u>\$ 33,095,308</u>	<u>\$ 31,724,576</u>	<u>\$ 31,027,882</u>	<u>\$ 29,127,383</u>	<u>\$ 31,382,084</u>	<u>\$ 29,770,659</u>	<u>\$ 27,298,484</u>	<u>\$ 24,786,883</u>
Rate Increase	2.75%	3.25%	3.00%	3.25%	3.00%	2.75%	3.50%	5.00%	5.00%	4.75%

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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B - REVENUE CAPACITY INFORMATION

WATER SOLD IN THOUSAND GALLONS BY TYPE OF CUSTOMER: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Sales of Treated Water										
Inside City Customers:										
Residential	3,951,223	3,536,203	3,896,519	3,620,259	3,885,448	4,007,476	4,607,073	4,506,742	4,400,613	4,026,600
Commercial	2,533,371	2,426,554	2,458,477	2,304,341	2,321,108	2,291,189	2,495,064	2,327,748	2,211,708	2,041,597
Multi-Unit	716,931	726,705	727,709	718,153	719,764	714,411	770,595	778,514	762,409	731,577
Other	1,112,256	875,740	998,784	1,015,600	1,001,435	930,611	1,203,321	999,662	900,861	879,333
Outside City Customers:										
Residential	55,836	56,314	54,987	48,978	54,476	54,052	62,546	61,323	58,222	53,655
Commercial	94,186	92,640	106,694	108,772	110,357	116,956	129,756	120,045	123,411	100,765
Multi-Unit	31,854	32,187	34,947	37,904	41,956	43,324	42,643	42,124	39,955	38,177
Other	-	-	-	-	-	-	-	-	-	-
Total Consumption	<u>8,495,657</u>	<u>7,746,343</u>	<u>8,278,117</u>	<u>7,854,007</u>	<u>8,134,544</u>	<u>8,158,019</u>	<u>9,310,998</u>	<u>8,836,158</u>	<u>8,497,179</u>	<u>7,871,704</u>
Annual Precipitation in Inches	6.70	15.50	11.97	16.61	11.86	9.67	4.96	9.23	11.63	15.08

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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B - REVENUE CAPACITY INFORMATION

SUMMARY OF WATER RATES: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<u>Treated Water - Inside City</u>										
Monthly Service Charge by Meter Size (includes first 2,000 gallons):										
3/4"	\$ 11.91	\$ 11.59	\$ 11.23	\$ 10.90	\$ 10.56	\$ 10.25	\$ 9.98	\$ 9.64	\$ 9.18	\$ 8.74
1"	15.23	14.82	14.35	13.93	13.49	13.10	12.75	12.32	11.73	11.17
1-1/2"	25.34	24.66	23.88	23.18	22.45	21.80	21.22	20.50	19.52	18.59
2"	40.53	39.45	38.21	37.10	35.93	34.88	33.95	32.80	31.24	29.75
3"	76.02	73.99	71.66	69.57	67.38	65.42	63.67	61.52	58.59	55.80
4"	114.86	111.79	108.27	105.12	101.81	98.84	96.19	92.94	87.85	83.67
6"	189.94	184.86	179.04	173.83	168.36	163.46	159.09	153.71	146.39	139.42
8"	253.35	246.57	238.81	231.85	224.55	218.01	212.18	205.00	195.24	185.94
Multiple Dwelling Units: ¹ Additional Units	6.58	6.40	6.20	6.02	5.83	5.66	5.51	5.32	5.07	4.83
Volume Charge	2.73	2.66	2.58	2.50	2.42	2.35	2.29	2.21	2.10	2.00
<u>Treated Water - Private Fire Protection</u>										
Monthly Service Charge by Meter Size										
3"	15.27	14.86	14.39	13.97	13.53	13.14	12.79	12.36	11.77	11.21
4"	17.39	16.92	16.39	15.91	15.41	14.96	14.56	14.07	13.40	12.76
6"	27.65	26.91	26.06	25.30	24.50	23.79	23.15	22.37	21.30	20.29
8"	37.96	36.94	35.78	34.74	33.65	32.67	31.80	30.72	29.26	27.87
10"	48.21	46.92	45.44	44.12	42.73	41.49	40.38	39.01	37.15	35.38
12"	58.51	56.94	55.15	53.54	51.85	50.34	48.99	47.33	45.08	42.93
Treated Water - Public Fire Protection	18.99	18.48	17.90	16.83	16.83	16.34	15.90	15.36	14.63	13.93
<u>Treated Water - Metered Hydrant Sales</u>										
Monthly Service Charge (includes first 2,000 gallons)	18.99	18.48	17.90	17.38	16.83	16.34	15.90	15.36	14.63	13.93
Volume Charge	4.11	4.00	3.87	3.76	3.64	3.53	3.44	3.32	3.16	3.01
<u>Treated Water - Outside City</u>										
Monthly Service Charge by Meter Size (includes first 2,000 gallons):										
3/4"	17.87	17.39	16.84	16.35	15.84	15.38	14.97	14.46	13.77	13.11
1"	22.85	22.24	21.54	20.91	20.25	19.66	19.13	18.48	17.60	16.76
1-1/2"	37.99	36.97	35.81	34.77	33.68	32.70	31.82	30.74	29.28	27.89
2"	60.79	59.16	57.30	55.63	53.88	52.31	50.91	49.19	46.85	44.62
3"	114.06	111.01	107.52	104.39	101.10	98.16	95.53	92.30	87.90	83.71
4"	171.02	166.44	161.20	156.50	151.57	147.16	143.22	138.38	131.79	125.51
6"	284.96	277.33	268.60	260.78	252.57	245.21	238.65	230.58	219.60	209.14
8"	380.04	369.87	358.23	347.80	336.85	327.04	318.29	307.53	292.89	278.94
Multiple Dwelling Units: ¹ Additional Units	9.91	9.64	9.34	9.07	8.78	8.52	8.29	8.01	7.63	7.27
Volume Charge	4.11	4.00	3.87	3.76	3.64	3.53	3.44	3.32	3.16	3.01
<u>Treated Water - Private Fire Protection</u>										
Monthly Service Charge by Meter Size										
3"	22.90	22.29	21.59	20.96	20.30	19.71	19.18	18.53	17.65	16.81
4"	26.10	25.40	24.60	23.88	23.13	22.46	21.86	21.12	20.11	19.15
6"	41.47	40.36	39.09	37.95	36.76	35.69	34.73	33.56	31.96	30.44
8"	56.97	55.45	53.70	52.14	50.50	49.03	47.72	46.11	43.91	41.82
10"	72.38	70.44	68.22	66.23	64.15	62.28	60.61	58.56	55.77	53.11
12"	87.76	85.41	82.72	80.31	77.78	75.51	73.49	71.00	67.62	64.40
Treated Water - Public Fire Protection	18.99	18.48	17.90	17.38	16.83	16.34	15.90	15.36	14.63	13.93

BOARD OF WATER WORKS OF PUEBLO, COLORADO
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B - REVENUE CAPACITY INFORMATION

LARGEST RETAIL CUSTOMERS - WATER CONSUMPTION AND REVENUE - 2018

Customer Name	Consumption			Revenue		Monthly Statistics	
	Gallons Sold (000)	Acre Feet Sold	Percent of Total Consumption	Water Revenue	Percent of Total Water Revenue	Average Gallons Sold per Month (000)	Average Revenue per Month
10,000,000 Plus Gallons Monthly:							
Utility - Private	333,394	1,023	3.92%	\$ 913,991	3.54%	27,783	\$ 76,166
City Government	298,705	917	3.52%	878,553	3.40%	24,892	73,213
Steel Mill	288,325	885	3.39%	887,775	3.44%	24,027	73,981
State Health Service Provider	184,526	566	2.17%	519,364	2.01%	15,377	43,280
University	149,551	459	1.76%	412,517	1.60%	12,463	34,376
Public School System	119,745	368	1.41%	353,401	1.37%	9,979	29,450
5,000,000 - 10,000,000 Gallons Monthly:							
Housing Authority	99,086	304	1.17%	334,826	1.30%	8,257	27,902
Country Club	90,675	278	1.07%	250,416	0.97%	7,556	20,868
Manufacturer	89,187	274	1.05%	249,387	0.97%	7,432	20,782
1,000,000 - 5,000,000 Gallons Monthly:							
Medical Center	48,521	149	0.57%	144,969	0.56%	4,043	12,081
State Highway Medians	45,291	139	0.53%	68,418	0.26%	3,774	5,701
Cemetery	43,883	135	0.52%	122,014	0.47%	3,657	10,168
Manufactured Home Community	34,033	104	0.40%	153,727	0.60%	2,836	12,811
Manufacturing	29,664	91	0.35%	81,829	0.32%	2,472	6,819
Laundry and Linen Service	23,270	71	0.27%	64,840	0.25%	1,939	5,403
Medical Center	23,211	71	0.27%	66,082	0.26%	1,934	5,507
Correction Facility	22,358	69	0.26%	63,197	0.24%	1,863	5,266
State Fair Complex	20,625	63	0.24%	62,060	0.24%	1,719	5,172
Community College	19,182	59	0.23%	55,715	0.22%	1,599	4,643
Recreational	18,766	58	0.22%	53,445	0.21%	1,564	4,454
Recreational	14,684	45	0.17%	41,379	0.16%	1,224	3,448
Apartment Community	14,202	44	0.17%	43,875	0.17%	1,184	3,656
Manufacturing	13,604	42	0.16%	39,298	0.15%	1,134	3,275
Residential Development	13,201	41	0.16%	41,193	0.16%	1,100	3,433
Apartment Community	12,969	40	0.15%	39,326	0.15%	1,081	3,277
Manufacturing	12,928	40	0.15%	37,469	0.15%	1,077	3,122
Manufacturing	12,866	39	0.15%	36,437	0.14%	1,072	3,036
Apartment Community	11,524	35	0.14%	35,737	0.14%	960	2,978
Residential Development	11,372	35	0.13%	36,633	0.14%	948	3,053
Retail	11,092	34	0.13%	32,551	0.13%	924	2,713
Totals	2,110,440	6,477	24.84%	\$ 6,120,424	23.70%	175,870	\$ 510,035

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
B - REVENUE CAPACITY INFORMATION

Contributions of Discounted Water: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Rate per 1,000 gallons	\$ 2.73	\$ 2.66	\$ 2.58	\$ 2.50	\$ 2.42	\$ 2.35	\$ 2.29	\$ 2.21	\$ 2.10	\$ 2.00
<u>Water - no charge</u>										
Pueblo City Parks	\$ 1,236,766	\$ 970,812	\$ 1,205,464	\$ 1,221,935	\$ 1,022,975	\$ 909,201	\$ 1,142,561	\$ 1,044,570	\$ 821,669	\$ 774,390
Pueblo City Schools Parks	453,671	377,191	412,065	369,561	369,561	366,837	410,460	372,089	298,215	272,124
Pueblo City Building/Special Use	28,114	24,834	29,670	45,575	36,927	19,968	24,949	26,025	20,817	22,580
Pueblo City Right of Ways	29,560	9,193	7,874	4,980	8,371	31,758	33,624	35,981	19,940	10,030
Historic Arkansas Riverwalk Project	29,227	26,236	24,704	27,910	26,893	29,918	36,084	31,477	23,100	24,816
Colorado State Highway	-	-	-	-	-	-	-	-	11,519	7,508
	<u>1,777,338</u>	<u>1,408,266</u>	<u>1,679,777</u>	<u>1,669,961</u>	<u>1,464,727</u>	<u>1,357,682</u>	<u>1,647,678</u>	<u>1,510,142</u>	<u>1,195,260</u>	<u>1,111,448</u>
<u>Water - 50% charge</u>										
Pueblo City Right of Ways	99,203	84,482	83,607	68,604	83,167	69,748	86,270	63,995	58,288	59,567
Colorado State Highway	67,184	61,062	60,498	62,074	53,866	64,517	69,244	54,517	37,991	31,085
	<u>166,387</u>	<u>145,544</u>	<u>144,105</u>	<u>130,678</u>	<u>137,033</u>	<u>134,265</u>	<u>155,514</u>	<u>118,512</u>	<u>96,279</u>	<u>90,652</u>
Total value of water contributions	<u>\$ 1,943,725</u>	<u>\$ 1,553,810</u>	<u>\$ 1,823,882</u>	<u>\$ 1,800,639</u>	<u>\$ 1,601,760</u>	<u>\$ 1,491,947</u>	<u>\$ 1,803,192</u>	<u>\$ 1,628,654</u>	<u>\$ 1,291,539</u>	<u>\$ 1,202,100</u>
<u>Water - no charge (gallons stated in 1000's)</u>										
Pueblo City Parks	453,028	364,967	467,234	488,774	422,717	386,894	498,935	473,728	391,271	387,195
School District 60 Parks	166,180	141,801	159,715	147,824	152,711	156,101	179,240	168,748	142,007	136,062
Pueblo City Building/Special Use	10,298	9,336	11,500	18,230	15,259	8,497	10,895	11,803	9,913	11,290
Pueblo City Right of Ways	10,828	3,456	3,052	1,992	3,459	13,514	14,683	16,318	9,495	5,015
Historic Arkansas Riverwalk Project	10,706	9,863	9,575	11,164	11,113	12,731	15,757	14,275	11,000	12,408
Colorado State Highway	-	-	-	-	-	-	-	-	5,485	3,754
	<u>651,040</u>	<u>529,423</u>	<u>651,076</u>	<u>667,984</u>	<u>605,259</u>	<u>577,737</u>	<u>719,510</u>	<u>684,872</u>	<u>569,171</u>	<u>555,724</u>
<u>Water - 50% charge (gallons stated in 1000's)</u>										
Pueblo City Right of Ways	72,676	31,760	32,406	27,442	34,367	29,680	37,672	29,023	27,756	29,784
Colorado State Highway	49,219	22,956	23,449	24,830	22,259	27,454	30,238	24,724	18,091	15,543
	<u>121,895</u>	<u>54,716</u>	<u>55,855</u>	<u>52,271</u>	<u>56,625</u>	<u>57,134</u>	<u>67,910</u>	<u>53,747</u>	<u>45,847</u>	<u>45,326</u>
Total gallons of water contributions	<u>772,935</u>	<u>584,139</u>	<u>706,931</u>	<u>720,256</u>	<u>661,884</u>	<u>634,871</u>	<u>787,420</u>	<u>738,619</u>	<u>615,019</u>	<u>601,050</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
B - REVENUE CAPACITY INFORMATION

CONNECTION FEES: 2018 - 2009

<u>Year</u>	<u>Revenue Collected</u>
2018	\$ 1,048,173
2017	893,596
2016	726,017
2015	861,036
2014	564,526
2013	664,800
2012	553,386
2011	229,505
2010	6,423,645
2009	731,632

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
C - DEBT CAPACITY INFORMATION

RATIOS OF TOTAL OUTSTANDING DEBT BY TYPE: 2018 - 2009

Year	Total Principal Balance Outstanding by Debt Type			Gross Revenues	Ratio of Total Debt to Gross Revenue	Estimated Inside-City Population Served	Debt Per Capita
	Water Revenue Bonds	Loans & Repayment Contracts	Total				
2018	\$ 32,800,000	\$ 5,060,539	\$ 37,860,539	\$ 40,681,895	0.93	111,240	\$ 340
2017	35,930,000	5,424,683	41,354,683	36,382,584	1.14	112,019	369
2016	38,965,000	5,778,116	44,743,116	36,219,470	1.24	110,652	404
2015	41,915,000	6,115,487	48,030,487	34,631,754	1.39	109,532	439
2014	45,380,000	6,447,501	51,827,501	33,277,221	1.56	107,914	480
2013	47,695,000	6,768,805	54,463,805	31,363,168	1.74	107,682	506
2012	49,895,000	7,074,044	56,969,044	33,619,543	1.69	107,808	528
2011	52,010,000	7,368,572	59,378,572	31,727,304	1.87	107,924	550
2010	54,045,000	9,560,355	63,605,355	35,393,732	1.80	108,221	588
2009	55,980,000	9,946,541	65,926,541	57,428,354	1.15	106,896	617

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
C - DEBT CAPACITY INFORMATION

PLEDGED-REVENUE COVERAGE: 2018 - 2009

Year	Gross Revenues	Less Operating Expenses	Net Available Revenue	Total Debt Service			Coverage
				Principal	Interest	Total	
2018	\$ 40,681,895	\$ 27,274,131	\$ 13,407,764	\$ 3,494,144	\$ 1,937,868	\$ 5,432,012	2.47
2017	36,382,584	26,159,688	10,222,896	3,388,434	2,051,840	5,440,274	1.88
2016	36,219,470	24,044,682	12,174,788	3,287,370	2,156,870	5,444,240	2.24
2015	34,631,754	23,410,425	11,221,329	3,152,014	2,097,093	5,249,107	2.14
2014	33,277,221	22,422,420	10,854,801	2,636,304	2,205,131	4,841,435	2.24
2013	31,363,168	22,290,912	9,072,256	2,505,238	2,306,796	4,812,034	1.89
2012	33,619,543	21,616,273	12,003,270	2,409,530	2,386,654	4,796,184	2.50
2011	31,727,304	21,414,518	10,312,786	2,324,174	2,474,644	4,798,818	2.15
2010	35,393,732	20,937,797	14,455,935	2,321,188	2,669,706	4,990,895	2.90
2009	57,428,354	20,343,685	37,084,669	2,217,648	1,934,459	4,152,107	8.93

BOARD OF WATER WORKS OF PUEBLO, COLORADO
 STATISTICAL SECTION
 C - DEBT CAPACITY INFORMATION

RATIOS OF WATER REVENUE BONDED DEBT OUTSTANDING: 2018 - 2009

<u>Year</u>	<u>Water Revenue Bonds</u>	<u>Gross Revenues</u>	<u>Ratio of Water Revenue Debt to Gross Revenue</u>	<u>Estimated Inside-City Population Served</u>	<u>Water Revenue Debt Per Capita</u>
2018	\$ 32,800,000	\$ 40,681,895	0.81	111,240	\$ 295
2017	35,930,000	36,382,584	0.99	112,019	321
2016	38,965,000	36,219,470	1.08	110,652	352
2015	41,915,000	34,631,754	1.21	109,532	383
2014	45,380,000	33,277,221	1.36	107,914	421
2013	47,695,000	31,363,168	1.52	107,682	443
2012	49,895,000	33,619,543	1.48	107,808	463
2011	52,010,000	31,727,304	1.64	107,924	482
2010	54,045,000	35,393,732	1.53	108,221	499
2009	55,980,000	57,428,354	0.97	106,896	524

BOARD OF WATER WORKS OF PUEBLO, COLORADO
 STATISTICAL SECTION
 C - DEBT CAPACITY INFORMATION

RATIOS OF LOANS AND REPAYMENT CONTRACTS OUTSTANDING: 2018 - 2009

<u>Year</u>	<u>Loans and Repyament Contract</u>	<u>Gross Revenues</u>	<u>Ratio of Loans and Repayment Contracts to Gross Revenue</u>	<u>Estimated Inside-City Population Served</u>	<u>Water Revenue Debt Per Capita</u>
2018	\$ 5,060,539	\$ 40,681,895	0.12	111,240	\$ 45
2017	5,424,683	36,382,584	0.15	112,019	48
2016	5,778,116	36,219,470	0.16	110,652	52
2015	6,115,487	34,631,754	0.18	109,532	56
2014	6,447,501	33,277,221	0.19	107,914	60
2013	6,768,805	31,363,168	0.22	107,682	63
2012	7,074,044	33,619,543	0.21	107,808	66
2011	7,368,572	31,727,304	0.23	107,924	68
2010	9,560,355	35,393,732	0.27	108,221	88
2009	9,946,541	57,428,354	0.17	106,896	93

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - DEMOGRAPHIC AND ECONOMIC INFORMATION

DEMOGRAPHIC AND ECONOMIC INFORMATION

Population and Median Age							
Year	City of Pueblo	Percent Change	Pueblo County	Percent Change	Colorado	Percent Change	Median Age
1960	91,181	-	118,707	-	1,753,947	-	25.0
1970	97,453	6.88%	118,238	-0.40%	2,207,259	25.85%	27.0
1980	101,686	4.34%	125,972	6.54%	2,889,964	30.93%	29.9
1990	98,629	-3.01%	123,051	-2.32%	3,294,394	13.99%	34.5
2000	102,121	3.54%	141,472	14.97%	4,301,261	30.56%	36.7
2010	106,595	4.38%	159,063	12.43%	5,029,196	16.92%	37.5
2016	108,496	1.78%	162,038	1.87%	5,425,481	7.88%	36.9
2017	111,034	2.34%	165,715	2.27%	5,594,670	3.12%	37.2
2018	111,240	2.53%	166,447	2.72%	5,711,572	5.27%	37.3

SOURCE: U.S. Bureau of the Census

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 through 2023

Median Disposable Income			
Year	City of Pueblo	Pueblo County	Colorado
2015	\$ 29,273	\$ 34,534	\$ 49,357
2016	\$ 32,504	\$ 37,145	\$ 50,163
2017	\$ 32,432	\$ 37,661	\$ 52,593
2018	\$ 33,213	\$ 38,685	\$ 53,646

Source: U.S. Census Bureau & Esri forecasts

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - DEMOGRAPHIC AND ECONOMIC INFORMATION

Labor Force Estimates

Year	Pueblo MSA		Colorado	
	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed
2018 ¹	76,331	5.9%	3,118,212	3.9%
2017	75,134	4.6%	3,029,796	3.0%
2016	73,107	4.2%	2,908,395	3.0%
2015	71,740	4.9%	2,819,144	3.5%
2014	73,046	5.9%	2,824,225	4.2%
2013	74,524	9.6%	2,754,654	6.8%
2012	75,795	10.7%	2,743,290	8.0%
2011	76,302	10.5%	2,723,172	8.3%
2010	74,737	10.4%	2,687,396	8.9%
2009	74,867	9.3%	2,727,625	8.3%

¹Preliminary and subject to change

Total Business Establishments and Employment - Pueblo County

Industry	Annual 2018		Annual 2017		Annual Change	
	Units	Employment	Units	Employment	Units	Employment
Construction	374	3,597	357	3,433	4.76%	4.78%
Education and health services	534	12,779	534	12,862	0.00%	-0.65%
Financial activities	374	1,696	363	1,677	3.03%	1.13%
Information	32	666	31	652	3.23%	2.15%
Leisure and hospitality	380	7,173	384	6,725	-1.04%	6.66%
Manufacturing	103	4,343	104	4,167	-0.96%	4.22%
Natural resources and mining	57	520	50	375	14.00%	38.67%
Other services	299	1,507	274	1,452	9.12%	3.79%
Professional and business services	512	6,097	490	6,466	4.49%	-5.71%
Trade, transportation and utilities	728	11,169	724	10,993	0.55%	1.60%
Total	3,393	49,547	3,311	48,802		

Source: US Department of Labor, Bureau of Labor Statistics, <http://data/bls.gov/>

Note: 2018 figures are through 2nd Quarter 2018 and are preliminary.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - DEMOGRAPHIC AND ECONOMIC INFORMATION

Principal Employers in the Pueblo Area			
2018			
Organization	Employees	Rank	% of Total City Employment
PARKVIEW MEDICAL CTR*	3,100	1	4.06%
PUEBLO CITY SCHOOLS (D60)*	1,766	2	2.31%
PUEBLO COUNTY*	1,099	3	1.44%
WALMART 4 (STORES)*	1,040	4	1.36%
SCHOOL DISTRICT 70*	1,026	5	1.34%
EVRAZ ROCKY MOUNTAIN STEEL MLS*	979	6	1.28%
VESTAS TOWER AMERICA INC*	863	7	1.13%
CITY OF PUEBLO*	767	8	1.00%
CONVERGYS CORP	700	9	0.92%
TARGET CORP (Distribution Center & Store)	700	9	0.92%

2017			
Organization	Employees	Rank	% of Total City Employment
Parkview Hospital	2,900	1	4.02%
Pueblo City Schools	1,840	2	2.55%
Colorado Mental Health CMHIP	1,200	3	1.66%
Pueblo County Government	1,106	4	1.53%
Pueblo County Schools	1,101	5	1.53%
Walmart	1,035	6	1.44%
Evraz Inc.	979	7	1.36%
Vestas Towers America Inc.	967	8	1.34%
St Mary Corwin Hospital	934	9	1.30%
City of Pueblo	733	10	1.02%

Retail Sales						
Year ¹	City of Pueblo	Percent Change	Pueblo County	Percent Change	Colorado	Percent Change
2004	\$ 2,421,658,904	-	\$ 2,750,578,292	-	\$ 114,280,780,304	-
2005	2,561,676,903	5.78%	2,904,255,851	5.59%	122,907,090,008	7.55%
2006	2,692,081,419	5.09%	3,070,066,563	5.71%	129,193,266,000	5.11%
2007	2,810,325,812	4.39%	3,831,860,679	24.81%	139,129,190,000	7.69%
2008	3,613,545,622	28.58%	3,911,932,991	2.09%	152,245,281,000	9.43%
2009	3,512,355,834	-2.80%	3,732,589,000	-4.58%	143,072,484,000	-6.03%
2010	2,986,407,539	-14.97%	3,465,945,069	-7.14%	136,194,678,000	-4.81%
2011	3,291,627,800	10.22%	3,913,809,348	12.92%	150,975,208,392	10.85%
2012	3,498,832,388	6.29%	4,204,857,060	7.44%	159,839,957,441	5.87%
2013	3,416,192,398	-2.36%	4,349,142,036	3.43%	171,362,038,352	7.21%
2014	3,531,797,210	3.38%	4,454,010,876	2.41%	175,727,028,654	2.55%
2015	3,478,123,660	-1.52%	4,408,210,144	-1.03%	182,845,695,387	4.05%

¹For the year ended June 30th.

As of 2016, this information is no longer updated by the Colorado Department of Revenue

Source: Colorado Department of Revenue

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - DEMOGRAPHIC AND ECONOMIC INFORMATION

Building Permit Activity in the City of Pueblo

Year	Single Family		Multi-family		Commercial/ Industrial	
	Permits	Valuation	Permits	Valuation	Permits	Valuation
2018	408	\$ 61,396,445	-	\$ -	88	\$ 35,448,780
2017	263	40,985,357	7	3,343,491	129	41,810,630
2016	196	33,768,880	1	120,000	81	18,543,898
2015	223	37,938,450	18	13,913,055	78	39,377,405
2014	149	25,849,598	1	319,387	70	32,948,566
2013	80	12,813,921	-	-	12	14,408,248
2012	100	14,157,465	5	7,017,691	15	53,794,529
2011	48	7,827,598	1	227,300	7	3,844,000
2010	85	16,991,371	7	2,360,674	23	28,042,209
2009	69	10,956,624	30	12,265,710	18	27,188,988

Source: Pueblo Regional Building Department

www.prbd.com

History of Foreclosures in Pueblo County

Year	Number of Foreclosures Filed	Percent Change
2018	330	-19.90%
2017	412	-17.76%
2016	501	-3.47%
2015	519	-22.07%
2014	666	-20.62%
2013	839	-29.20%
2012	1,185	-6.47%
2011	1,267	-8.32%
2010	1,382	-11.92%
2009	1,569	14.44%

Source: Pueblo County Public Trustee

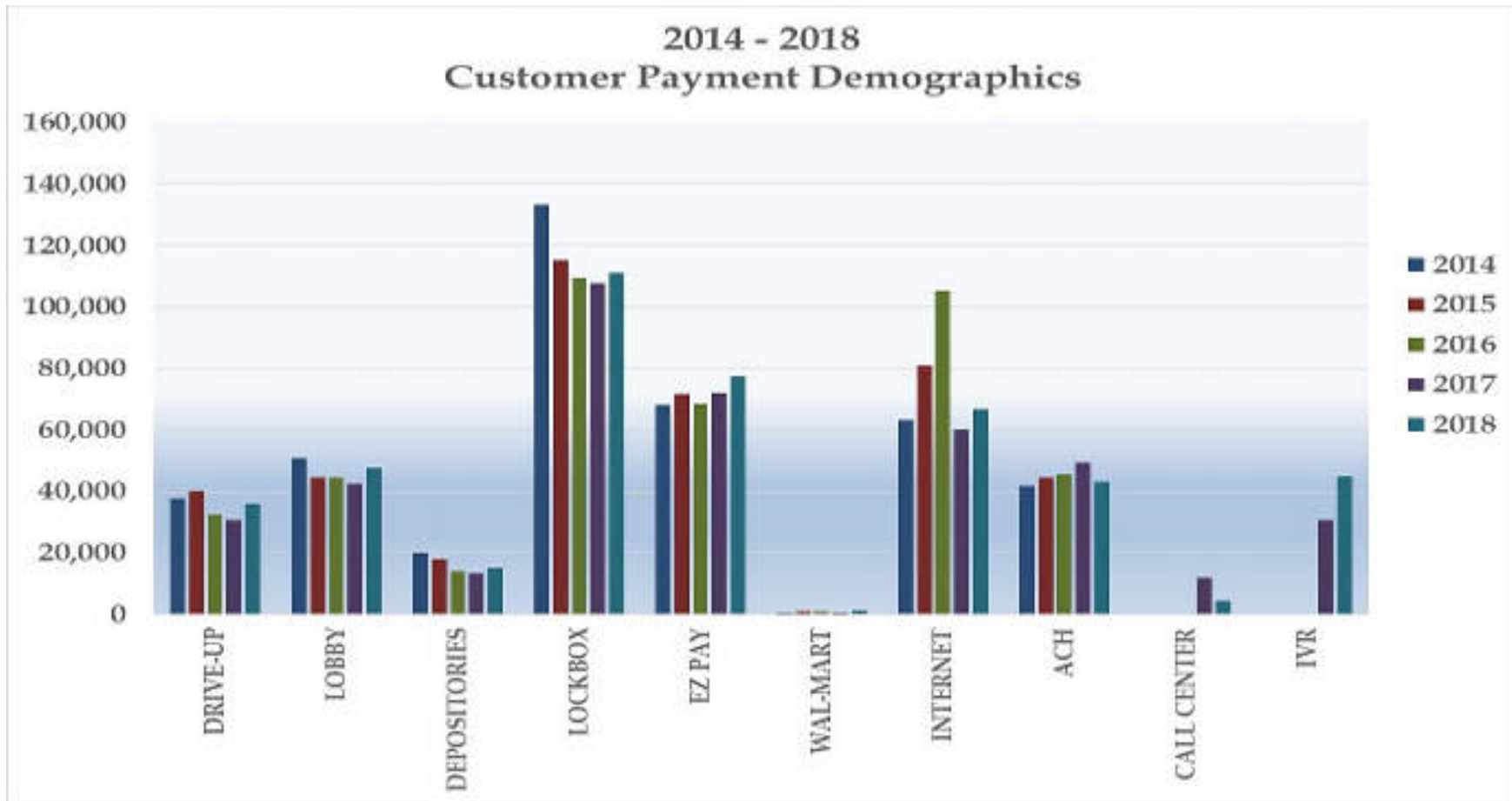
BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION

EMPLOYEES BY DIVISION

	NUMBER OF POSITIONS									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
ADMINISTRATION										
Director	3	3	3	3	3	3	3	2	2	2
Specialist	3	3	3	3	3	3	3	2	2	2
Total	6	6	6	6	6	6	6	4	4	4
FINANCE										
Division Manager	-	-	-	-	-	-	-	1	1	1
Manager	2	2	2	2	2	2	2	1	1	1
Supervision	-	-	1	1	-	-	-	1	2	2
Specialist	3	3	2	2	2	2	2	2	2	2
Skills & Trade	13	13	13	13	13	13	13	13	13	14
Total	18	18	18	18	17	17	17	18	19	20
INFORMATION SYSTEMS										
Division Manager	-	-	1	1	1	1	1	1	1	1
Manager	1	1	-	-	-	-	-	-	-	-
Supervision	-	-	-	-	-	-	-	-	-	-
Specialist	3	3	4	4	4	4	4	4	4	4
Skills & Trade	2	2	2	2	2	2	2	2	2	2
Total	6	6	7	7	7	7	7	7	7	7
WATER QUALITY, TREATING & PUMPING										
Division Manager	1	1	1	1	1	1	1	1	1	1
Manager	1	1	1	1	1	-	-	-	-	-
Supervision	2	2	2	2	1	-	-	1	1	1
Specialist	3	3	3	3	4	4	4	3	3	3
Skills & Trade	23	23	22	22	12	12	12	12	12	12
Total	30	30	29	29	19	17	17	17	17	17
TRANSMISSION, DISTRIBUTION & ENGINEERING										
Division Manager	1	1	1	1	1	1	1	1	1	1
Manager	3	3	1	1	1	1	2	3	3	3
Supervision	2	2	4	4	4	4	3	2	2	2
Specialist	2	2	2	2	2	2	2	2	2	2
Skills & Trade	52	52	52	52	52	52	51	51	52	52
Total	60	60	60	60	60	60	59	59	60	60
FACILITIES OPERATIONS & MAINTENANCE										
Division Manager	-	-	-	-	-	1	1	1	1	1
Manager	1	1	1	1	1	-	-	-	-	-
Supervision	-	-	-	-	-	2	2	2	2	2
Specialist	2	2	2	2	2	2	2	2	2	2
Skills & Trade	5	5	5	5	16	16	17	17	17	17
Total	8	8	8	8	19	21	22	22	22	22
WATER RESOURCES										
Division Manager	1	1	1	1	1	1	1	1	1	1
Supervision	1	1	1	1	1	1	1	1	2	2
Specialist	2	2	2	2	2	2	2	3	2	2
Total	4	4	4	4	4	4	4	5	5	5
HUMAN RESOURCES										
Division Manager	-	-	1	1	1	1	1	1	1	1
Manager	1	1	-	-	-	-	-	-	-	-
Specialist	4	4	4	4	4	4	4	4	4	4
Total	5	5	5	5	5	5	5	5	5	5
TOTAL FULL TIME POSITIONS	137	137	137	137	137	137	137	137	139	140

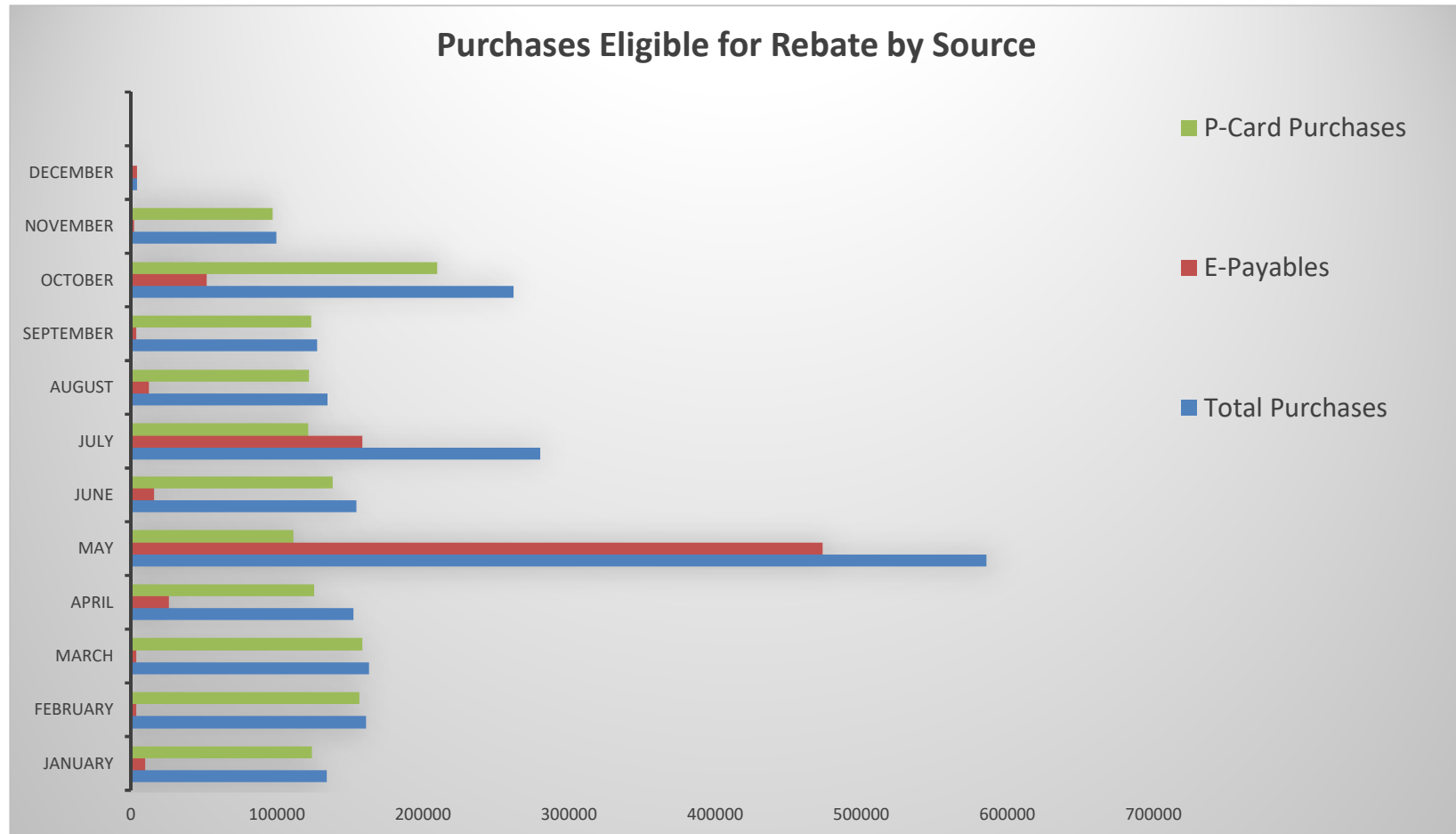
BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION

The following chart compares customer payment demographics for 2014– 2018.



Due to the ability for CIS Infinity to report on payment postings by type, the payment methods for Pueblo Water’s automated telephone system (IVR) and payments taken by the call center are now broke out in this comparison. Both payment methods were previously reported as internet payments from 2014 - 2016.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION



Pueblo Water makes purchases using various methods including check, electronic funds transfer, procurement card and electronic payables. Purchases made with procurement cards and electronic payables are eligible for a rebate through a program issued by Bank of America. The chart above illustrates purchases made during 2018 on a monthly basis by sources eligible for the rebate.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION

CAPITAL ASSETS BY FUNCTION: 2018- 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
CAPITAL ASSETS										
Non-depreciable assets										
Land	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590	\$ 2,284,590
Water rights	98,865,769	98,865,769	98,585,769	98,585,769	98,585,769	98,585,769	98,585,769	98,585,769	97,443,902	96,565,061
Construction in progress	2,139,336	3,669,043	2,700,378	914,431	614,474	1,444,459	819,085	283,696	669,482	3,273,587
Total non-depreciable assets	<u>103,289,695</u>	<u>104,819,402</u>	<u>103,570,737</u>	<u>101,784,790</u>	<u>101,484,833</u>	<u>102,314,818</u>	<u>101,689,444</u>	<u>101,154,055</u>	<u>100,397,974</u>	<u>102,123,238</u>
Buildings and improvements										
Distribution reservoirs and tanks	25,105,059	22,606,141	22,606,141	22,606,141	22,376,349	20,240,084	20,240,084	20,240,084	16,741,369	13,180,236
Other buildings and improvements	50,581,041	50,163,061	50,012,738	49,675,464	49,203,572	48,980,059	48,849,542	48,781,469	48,402,680	48,251,354
Total buildings and improvements	75,686,100	72,769,202	72,618,879	72,281,605	71,579,921	69,220,143	69,089,626	69,021,553	65,144,049	61,431,590
Accumulated depreciation	<u>(34,113,363)</u>	<u>(32,657,025)</u>	<u>(31,235,717)</u>	<u>(29,818,231)</u>	<u>(28,402,578)</u>	<u>(27,010,839)</u>	<u>(25,642,092)</u>	<u>(24,273,895)</u>	<u>(23,383,469)</u>	<u>(22,133,796)</u>
Net buildings and improvements	<u>41,572,737</u>	<u>40,112,177</u>	<u>41,383,162</u>	<u>42,463,374</u>	<u>43,177,343</u>	<u>42,209,304</u>	<u>43,447,534</u>	<u>44,747,658</u>	<u>41,760,580</u>	<u>39,297,794</u>
Infrastructure										
River intakes and wells	908,066	908,066	908,066	908,066	908,066	908,066	908,066	908,066	908,066	908,066
Collection and impounding reservoir	5,883,733	5,883,733	5,883,733	5,883,733	5,883,733	5,883,733	5,883,733	5,760,586	5,760,586	5,760,586
Transmission mains and meters	127,206,654	122,484,648	118,930,419	116,320,461	113,758,283	110,141,156	108,128,769	105,544,999	102,807,416	100,138,647
Total infrastructure	133,998,453	129,276,447	125,722,218	123,112,260	120,550,082	116,932,955	114,920,568	112,213,651	109,476,068	106,807,299
Accumulated depreciation	<u>(62,237,566)</u>	<u>(59,647,528)</u>	<u>(57,069,817)</u>	<u>(54,673,894)</u>	<u>(52,214,174)</u>	<u>(49,924,685)</u>	<u>(47,533,609)</u>	<u>(45,297,387)</u>	<u>(43,040,507)</u>	<u>(40,849,633)</u>
Net infrastructure	<u>71,760,887</u>	<u>69,628,919</u>	<u>68,652,401</u>	<u>68,438,366</u>	<u>68,335,908</u>	<u>67,008,270</u>	<u>67,386,959</u>	<u>66,916,264</u>	<u>66,435,561</u>	<u>65,957,666</u>
Machinery and equipment										
Pumping	22,940,099	23,154,868	23,137,758	23,167,410	23,168,403	23,058,817	22,441,920	22,088,480	21,574,446	21,333,637
Treating	8,939,553	6,287,714	6,262,009	6,406,810	6,480,810	6,480,810	6,450,509	6,330,631	6,159,416	6,132,078
Other equipment	11,046,031	10,836,457	9,003,140	8,923,520	8,826,001	8,439,255	8,217,643	7,731,312	8,255,464	8,011,697
Total machinery and equipment	42,925,683	40,279,039	38,402,907	38,497,740	38,475,214	37,978,882	37,110,072	36,150,423	35,989,326	35,477,412
Accumulated depreciation	<u>(20,866,440)</u>	<u>(19,852,296)</u>	<u>(18,699,109)</u>	<u>(17,948,090)</u>	<u>(16,819,200)</u>	<u>(15,573,787)</u>	<u>(14,614,851)</u>	<u>(13,499,553)</u>	<u>(13,099,992)</u>	<u>(11,880,724)</u>
Net machinery and equipment	<u>22,059,243</u>	<u>20,426,743</u>	<u>19,703,798</u>	<u>20,549,650</u>	<u>21,656,014</u>	<u>22,405,095</u>	<u>22,495,221</u>	<u>22,650,870</u>	<u>22,889,334</u>	<u>23,596,688</u>
Intangible Assets										
Intangible software	9,566	9,566	9,566	9,566	9,566	9,566	9,566	9,566	-	-
Accumulated amortization	<u>(7,174)</u>	<u>(6,218)</u>	<u>(5,261)</u>	<u>(4,304)</u>	<u>(3,348)</u>	<u>(2,391)</u>	<u>(1,435)</u>	<u>(478)</u>	-	-
Net intangible assets	<u>2,392</u>	<u>3,348</u>	<u>4,305</u>	<u>5,262</u>	<u>6,218</u>	<u>7,175</u>	<u>8,131</u>	-	-	-
Net capital assets	<u>\$ 238,684,954</u>	<u>\$ 234,990,589</u>	<u>\$ 233,314,403</u>	<u>\$ 233,241,442</u>	<u>\$ 234,660,316</u>	<u>\$ 233,944,662</u>	<u>\$ 235,027,289</u>	<u>\$ 235,468,847</u>	<u>\$ 231,483,449</u>	<u>\$ 230,975,386</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION

WATER SUPPLY, USE AND STORAGE: 2018 - 2009
(all values in acre-feet)

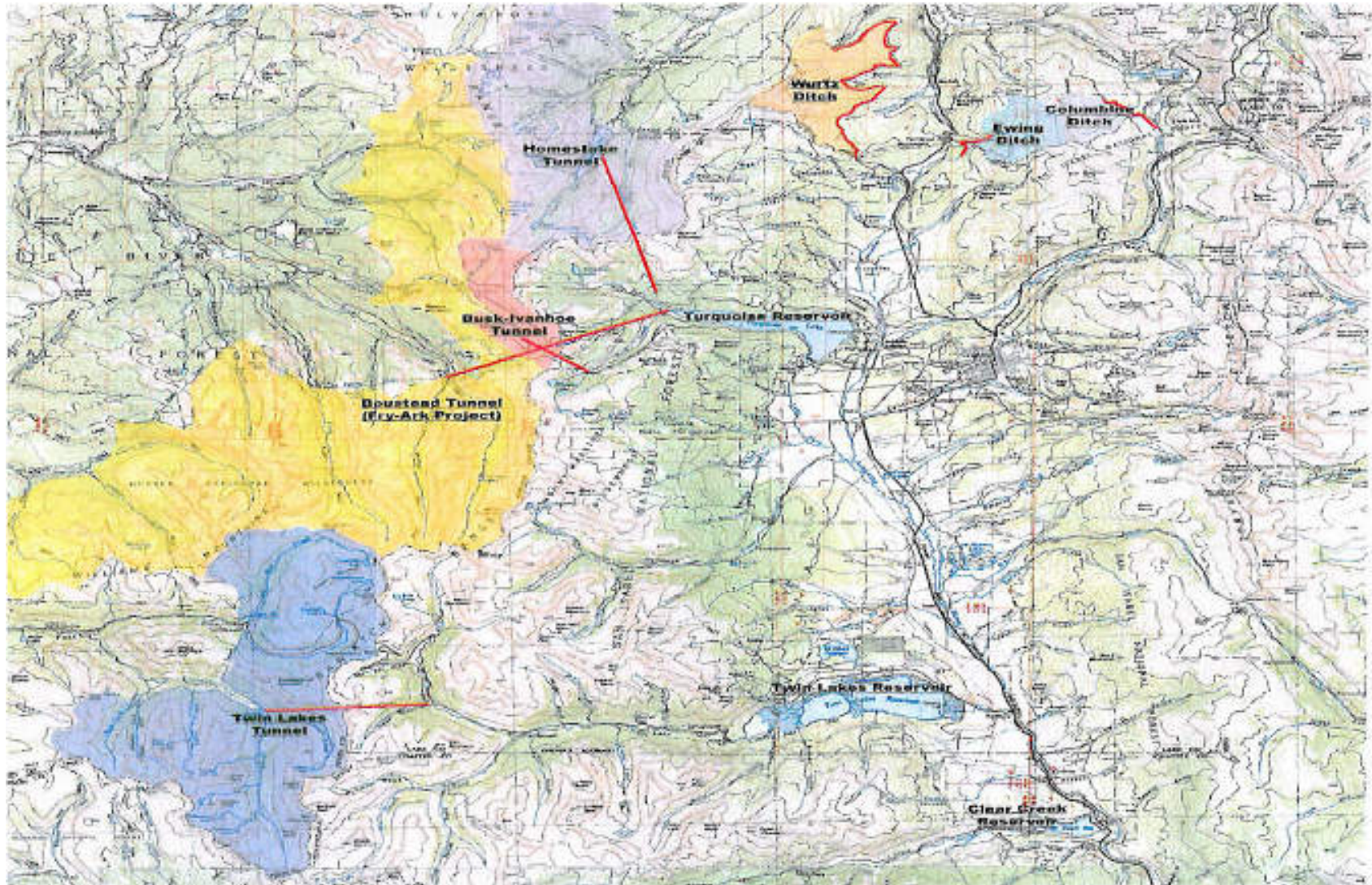
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
SUPPLY:										
Arkansas River Basin ¹	40,597	47,770	49,843	58,761	40,451	38,514	39,015	41,184	40,597	36,690
Colorado River Basin ²	14,211	17,247	20,177	16,174	24,780	21,122	11,511	26,068	28,672	26,633
Total	54,808	65,017	70,020	74,935	65,231	59,636	50,526	67,252	69,269	63,323
USE:										
Potable	27,091	25,750	27,987	26,307	26,437	26,608	29,746	28,822	27,611	25,767
Raw Water - Comanche Power Plant	13,894	12,783	12,783	12,150	11,848	11,994	13,000	10,774	10,471	9,494
Raw Water - Outside City Limits	14,503	21,799	30,188	27,040	18,161	9,302	21,026	27,267	20,274	20,023
Total	55,488	60,332	70,958	65,497	56,446	47,904	63,772	66,863	58,356	55,284
STORAGE:										
Pueblo Reservoir ³										
Capacity	43,200	43,200	43,200	40,200	40,200	40,200	40,200	40,200	37,200	37,200
Content on December 31	24,707	30,315	23,952	26,897	24,159	18,968	19,089	28,961	29,137	24,866
Content as % of capacity	57%	70%	55%	67%	60%	47%	47%	72%	78%	67%
Clear Creek Reservoir										
Capacity	11,439	11,439	11,439	11,439	11,439	11,439	11,439	11,439	11,439	11,439
Content on December 31	6,657	7,174	7,006	7,317	6,854	7,741	6,542	6,807	7,364	6,757
Content as % of capacity	58%	63%	61%	64%	60%	68%	57%	60%	64%	59%
Twin Lakes Reservoir										
Capacity	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600
Content on December 31	2,583	3,368	6,607	8,912	7,622	6,075	285	4,197	6,805	6,143
Content as % of capacity	21%	27%	52%	71%	60%	48%	2%	33%	54%	49%
Turquoise Reservoir										
Capacity	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Content on December 31	2,321	2,458	2,411	3,948	2,405	3,361	1,271	2,496	3,455	3,250
Content as % of capacity	46%	49%	48%	79%	48%	67%	25%	50%	69%	65%
Total System Storage										
Capacity	72,239	72,239	72,239	69,239	69,239	69,239	69,239	69,239	66,239	66,239
Content on December 31	36,268	43,315	39,976	47,074	41,040	36,145	27,187	42,461	46,761	41,016
Content as % of capacity	50%	60%	55%	68%	59%	52%	39%	61%	71%	62%

¹The amounts shown reflect only direct flow rights actually used and not the full amounts available in priority.

²Colorado River Basin supply includes reuse

³Includes Fry-Ark Project water storage and non-project water stored under excess capacity contract with USBR

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION



BOARD OF WATER WORKS OF PUEBLO, COLORADO
 STATISTICAL SECTION
 E - OPERATING INFORMATION

PUMPING SUMMARY

2018-vs- 2017 Review

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Treated water pumped (million gallons)	9,030	8,260	9.32%
Number of treated water pump stations	10	10	0.00%
Maximum pumping capacity (mgd)	217.90	217.90	0.00%
Pumping energy costs	\$ 2,992,292	\$ 2,875,095	4.08%

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
E - OPERATING INFORMATION

Pumping Station Capacities - 2018

Pump Station	Zone	Pump Number	Year Installed	Pump Manufacturer	Motor Manufacturer	Horse- Power	Speed (rpm)	Pumping Capacity (mgd)
Old Gardner	1000	1	1952	DeLaval	Century	300	1,170	6.50
		2	1952	DeLaval	Century	200	1,170	3.60
		3	1952	DeLaval	Century	125	1,170	2.20
North Gardner	1000	4	1952	Allis-Chalmers	Allis-Chalmers	350	1,170	7.30
		4	1965	Worthington	Electric	500	1,180	8.90
		5	1965	Worthington	Titan II, US Motors	500	1,775	8.90
South Gardner	1000	2D	1965	DeLaval	Caterpillar	425	1,200	5.76
		1	2002	Allis-Chalmers	Siemens	600	1,770	9.10
		2	1965	Worthington	Electric	700	1,186	12.50
		3	1965	Worthington	Electric	700	1,186	12.50
		1D	1965	DeLaval	Caterpillar	425	1,200	5.04
McCabe	2000	1	2010	Allis-Chalmers	Siemens	600	1,770	8.40
		2	2010	Allis-Chalmers	Siemens	600	1,770	8.60
		3	1997	Ingersoll-Dresser	Titan II, US Motors	600	1,780	6.00
		4	1997	Ingersoll-Dresser	Titan II, US Motors	600	1,780	6.70
		5	1997	Ingersoll-Dresser	Titan II, US Motors	600	1,780	8.40
		6	1956	Ingersoll-Dresser	Titan II, US Motors	600	1,780	8.50
J.O. Jones	3000	7	1965	Allis-Chalmers	General Electric	350	1,780	5.90
		1	1965	DeLaval	Allis-Chalmers	200	1,180	5.50
		2	1965	DeLaval	Allis-Chalmers	200	1,180	5.50
		3	1965	DeLaval	Allis-Chalmers	200	1,180	5.50
		1	2007	Goulds Pumps	Marathon Electric	300	1,780	5.70
		2	2007	Goulds Pumps	WEG	300	1,780	5.70
Belmont	5000/7000	1	2006	American Marsh	TECO Westinghouse	75	1,775	1.95
		2	2006	American Marsh	TECO Westinghouse	75	1,775	1.95
		3	2005	American Marsh	TECO Westinghouse	125	1,780	3.86
Watts	3000	1	2013	Aurora Pumps	Nidec US	200	1,800	5.04
		2	2013	Aurora Pumps	Nidec US	200	1,800	5.04
		3	2013	Aurora Pumps	Nidec US	200	1,800	5.04
LaVista	6000/4000	2		Allis-Chalmers	Allis-Chalmers	350	1,180	4.90
		3	1963	Allis-Chalmers	Allis-Chalmers	350	1,180	5.30
		4	1963	Allis-Chalmers	Allis-Chalmers	350	1,180	5.30
		5	1963	Allis-Chalmers	Allis-Chalmers	350	1,180	5.30
		1D	1963	Allis-Chalmers	Caterpillar	330	1,180	5.04
Zone 8000	8000	5	2000	Paco	TECO Westinghouse	150	1,750	2.88
		4	2000	Paco	TECO Westinghouse	150	1,750	2.88
		3	2000	Berkeley	Marathon Electric	25	3,600	0.36
		2	2000	Berkeley	Marathon Electric	25	3,600	0.36
						12,930		217.90
<u>Summary by Pumping Station</u>								
Old Gardner						975		19.60
North Gardner						1,425		23.56
South Gardner						2,425		39.14
McCabe						3,950		52.50
J.O. Jones						600		16.50
J.O. Jones						600		11.40
Belmont						275		7.76
Watts						300		15.12
LaVista						1,730		25.84
Zone 8000						350		6.48
						12,630		217.90
<u>Summary by Zone</u>								
1000						4,825		82.30
2000						3,950		52.50
3000						900		31.62
5000/7000						875		19.16
6000/4000						1,730		25.84
8000						350		6.48
						12,630		217.90

BOARD OF WATER WORKS OF PUEBLO, COLORADO
 STATISTICAL SECTION
 E - OPERATING INFORMATION

Treated Water Pumped & Energy Costs: 2018-2009

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Treated water pumped (million gallons)	9,030	8,260	8,868	8,307	8,611	8,781	9,775	9,438	9,030	8,425
Treatment plant capacity (mgd)	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00
Treating & Pumping Energy Costs	\$ 2,992,292	\$ 2,875,095	\$ 3,034,837	\$ 2,883,630	\$ 2,924,429	\$ 2,888,977	\$ 3,081,285	\$ 2,507,741	\$ 2,076,522	\$ 2,186,461
Energy Costs per 1,000 gallons	\$ 0.33	\$ 0.35	\$ 0.34	\$ 0.35	\$ 0.34	\$ 0.33	\$ 0.32	\$ 0.27	\$ 0.23	\$ 0.26

2018 Analytical Results Summary for Pueblo's Treated Water								
Parameter	Units	Primary Standard	Secondary Standard	MCL	MCLG	Range of Detection in Pueblo Water	Pueblo Treated Water Average Level	Number of Samples Analyzed
Clarity								
Turbidity	NTU	◆		0.5	0.5	0.03 - 0.18	0.06	251
Microbiological								
Total Coliform Bacteria**	P/A	◆		less than 5% per month positive	0	P - A***	A	2160
E. coli Bacteria**	P/A	◆		N/A	0	A	A	2160
Radiologicals°								
Gross Alpha	pCi/L			N/A	N/A	2.5	2.5	1
Gross Alpha (Less Radon and Uranium)	pCi/L	◆		15	0	0.2	0.2	1
Radium-226	pCi/L	◆		5	0	0.1	0.1	1
Radium-228	pCi/L	◆		5	0	0.3	0.3	1
Uranium	pCi/L			N/A	N/A	2.3	2.3	1
Uranium	µg/L	◆		30	0	3.3	3.3	1
Inorganic Chemicals								
Trace Metals								
Aluminum	µg/L		◆	50 - 200	N/A	26.6 - 110	61.2	10
Antimony	µg/L	◆		6	6	<1.00	<1.00	10
Arsenic	µg/L	◆		10	0	<1.00	<1.00	10
Barium	µg/L	◆		2000	2000	44.4 - 70.7	56.8	10
Beryllium	µg/L	◆		4	4	<1.00	<1.00	10
Cadmium	µg/L	◆		5	5	<1.00	<1.00	10
Calcium	mg/L			N/A	N/A	53.8 - 78.0	60.4	10
Chromium	µg/L	◆		100	100	<1.00 - 1.29	<1.00	10
Cobalt	µg/L			N/A	N/A	<1.00	<1.00	10
Copper	µg/L		◆	1000	N/A	<1.00 - 1.87	1.07	10
Iron	mg/L		◆	300	N/A	<0.50	<0.50	10
Lead	µg/L			N/A	N/A	<1.00	<1.00	10
Magnesium	mg/L			N/A	N/A	11.7 - 16.2	13.7	10
Manganese	µg/L		◆	50	N/A	<1.00 - 2.24	1.51	10
Mercury	µg/L	◆		2	2	<0.50 - 0.61	<0.50	10
Molybdenum	µg/L			N/A	N/A	4.00 - 5.52	4.67	10
Nickel	µg/L			N/A	N/A	1.78 - 3.14	2.23	10
Potassium	mg/L			N/A	N/A	1.97 - 2.94	2.42	10
Selenium	µg/L	◆		50	50	5.29 - 7.40	6.13	10
Silver	µg/L		◆	100	N/A	<1.00	<1.00	10
Sodium	mg/L			N/A	N/A	16.0 - 26.6	19.1	10
Thallium	µg/L	◆		2	0.0005	<1.00	<1.00	10
Vanadium	µg/L			N/A	N/A	<1.00 - 1.11	<1.00	10
Zinc	µg/L		◆	5000	N/A	<1.00 - 21.8	2.77	10

2018 Analytical Results Summary for Pueblo's Treated Water								
Parameter	Units	Primary Standard	Secondary Standard	MCL	MCLG	Range of Detection in Pueblo Water	Pueblo Treated Water Average Level	Number of Samples Analyzed
Organic Chemicals								
Trihalomethanes r (Disinfection Byproduct)	µg/L	◆						
Bromodichloromethane	µg/L				0	1.09 - 3.30	2.11	16
Bromoform	µg/L				0	<0.5	<0.5	16
Chloroform	µg/L				N/A	3.23 - 9.66	5.94	16
Dibromochloromethane	µg/L				6	<0.5 - 0.62	<0.5	16
Total Trihalomethanes	µg/L	◆		80	N/A	4.32 - 13.4	8.28	16
Haloacetic Acids r (Disinfection Byproduct)	µg/L	◆						
Bromoacetic acid	µg/L				N/A	<1.00	<1.00	16
Dibromoacetic acid	µg/L				N/A	<2.00	<2.00	16
Dichloroacetic acid	µg/L				0	1.58 - 9.82	7.30	16
Monochloroacetic acid	µg/L				N/A	<2.00	<2.00	16
Trichloroacetic acid	µg/L				300	1.39 - 3.72	2.32	16
Total Haloacetic Acid	µg/L	◆		60	N/A	3.22 - 13.4	9.61	16
Total Volatile Organic Compounds (VOC's)		◆						
Benzene	µg/L	◆		5	0	<0.50	<0.50	1
Bromobenzene	µg/L			N/A	N/A	<0.50	<0.50	1
Bromochloromethane	µg/L			N/A	N/A	<0.50	<0.50	1
Bromodichloromethane	µg/L			N/A	N/A	3.20	3.20	1
Bromomethane	µg/L			N/A	N/A	<0.50	<0.50	1
n-Butylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
sec-Butylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
tert-Butylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
Carbon tetrachloride	µg/L	◆		5	0	<0.50	<0.50	1
Chlorobenzene	µg/L	◆		100	100	<0.50	<0.50	1
Chlorodibromomethane	µg/L			N/A	N/A	0.6	0.6	
Chloroethane	µg/L			N/A	N/A	<0.50	<0.50	1
Chloroform	µg/L			N/A	N/A	6.2	6.2	1
Chloromethane	µg/L			N/A	N/A	<0.50	<0.50	1
o-Chlorotoluene	µg/L			N/A	N/A	<0.50	<0.50	1
p-Chlorotoluene	µg/L			N/A	N/A	<0.50	<0.50	1
Dibromochloromethane	µg/L			N/A	N/A	<0.50	<0.50	1
Dibromomethane	µg/L			N/A	N/A	<0.50	<0.50	1
m- Dichlorobenzene	µg/L	◆		N/A	N/A	<0.50	<0.50	1
o- Dichlorobenzene	µg/L			600	600	<0.50	<0.50	1
p- Dichlorobenzene	µg/L	◆		75	75	<0.50	<0.50	1
Dichlorodifluoromethane	µg/L			N/A	N/A	<0.50	<0.50	1
1,1- Dichloroethane	µg/L			N/A	N/A	<0.50	<0.50	1
1,2- Dichloroethane	µg/L	◆		5	0	<0.50	<0.50	1
1,1- Dichloroethylene	µg/L	◆		7	7	<0.50	<0.50	1
cis-1,2- Dichloroethylene	µg/L	◆		70	70	<0.50	<0.50	1
trans-1,2- Dichloroethylene	µg/L	◆		100	100	<0.50	<0.50	1
1,2- Dichloropropane	µg/L	◆		5	5	<0.50	<0.50	1
1,3- Dichloropropane	µg/L			N/A	N/A	<0.50	<0.50	1
2,2- Dichloropropane	µg/L			N/A	N/A	<0.50	<0.50	1
1,1- Dichloropropene	µg/L			N/A	N/A	<0.50	<0.50	1
cis-1,3- Dichloropropene	µg/L			N/A	N/A	<0.50	<0.50	1
trans-1,3- Dichloropropene	µg/L			N/A	N/A	<0.50	<0.50	1
1,3- Dichloropropene	µg/L			N/A	N/A	<0.50	<0.50	1
Ethylbenzene	µg/L	◆		700	700	<0.50	<0.50	1
Hexachlorobutadiene	µg/L			N/A	N/A	<0.50	<0.50	1
Isopropylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
p-Isopropyltoluene	µg/L			N/A	N/A	<0.50	<0.50	1
Methylene chloride	µg/L	◆		5	0	<0.50	<0.50	1
Naphthalene	µg/L			N/A	N/A	<0.50	<0.50	1
n-Propylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
Styrene	µg/L	◆		100	100	<0.50	<0.50	1
Tetrachloroethylene	µg/L			5	5	<0.50	<0.50	1
1,1,1- Trichloroethane	µg/L	◆		200	200	<0.50	<0.50	1
1,1,1,2- Tetrachloroethane	µg/L			N/A	N/A	<0.50	<0.50	1
1,1,2,2- Tetrachloroethane	µg/L			N/A	N/A	<0.50	<0.50	1
Toluene	µg/L	◆		1000	1000	<0.50	<0.50	1
1,2,3- Trichlorobenzene	µg/L			N/A	N/A	<0.50	<0.50	1
1,2,4- Trichlorobenzene	µg/L	◆		70	70	<0.50	<0.50	1
1,1,2- Trichloroethane	µg/L	◆		5	3	<0.50	<0.50	1
Trichloroethylene	µg/L	◆		5	0	<0.50	<0.50	1
Trichlorofluoromethane	µg/L			N/A	N/A	<0.50	<0.50	1
1,2,3- Trichloropropane	µg/L			N/A	N/A	<0.50	<0.50	1
1,2,4- Trimethylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
1,3,5- Trimethylbenzene	µg/L			N/A	N/A	<0.50	<0.50	1
Vinyl chloride	µg/L	◆		2	0	<0.50	<0.50	1
m,p- Xylene	µg/L			N/A	N/A	<0.50	<0.50	1
o-Xylene	µg/L			N/A	N/A	<0.50	<0.50	1
Xylenes, Total	µg/L	◆		10000	10000	<0.50	<0.50	1
Total Trihalomethane	µg/L	◆		80	80	10	10	1

2018 Analytical Results Summary for Pueblo's Treated Water								
Parameter	Units	Primary Standard	Secondary Standard	MCL	MCLG	Range of Detection in Pueblo Water	Pueblo Treated Water Average Level	Number of Samples Analyzed
Organic Chemicals (cont'd)								
Pesticides		◆						
Aldrin	µg/L			N/A	N/A	<0.0095	<0.0095	2
alpha-Chlordane	µg/L			2	2	<0.0095	<0.0095	2
gamma-Chlordane	µg/L			2	0	<0.0095	<0.0095	2
Chlordane	µg/L			2	2	<0.19	<0.19	2
Dieldrin	µg/L			N/A	N/A	<0.0095	<0.0095	2
Endrin	µg/L			2	2	<0.0095	<0.0095	2
Hexachlorocyclopentadiene	µg/L			50	50	<0.095	<0.095	2
Heptachlor	µg/L			0.4	0.4	<0.0095	<0.0095	2
Heptachlor epoxide	µg/L			0.2	0.2	<0.0095	<0.0095	2
Hexachlorobenzene	µg/L			1	0	<0.0095	<0.0095	2
Methoxychlor	µg/L			40	40	<0.047	<0.047	2
Toxaphene	µg/L			3	0	<0.71	<0.71	2
gamma-BHC	µg/L			0.2	0.2	<0.0095	<0.0095	2
Aroclor 1016	µg/L			0.5	0	<0.076	<0.076	2
Aroclor 1221	µg/L			0.5	0	<0.24	<0.24	2
Aroclor 1232	µg/L			0.5	0	<0.095	<0.095	2
Aroclor 1242	µg/L			0.5	0	<0.095	<0.095	2
Aroclor 1248	µg/L			0.5	0	<0.095	<0.095	2
Aroclor 1254	µg/L			0.5	0	<0.095	<0.095	2
Aroclor 1260	µg/L			0.5	0	<0.095	<0.095	2
PCB-Total	µg/L			0.5	0	<0.24	<0.24	2
1,2-Dibromo-3-chloropropane	µg/L			0.2	0.2	<0.0097	<0.0097	2
1,2-Dibromoethane	µg/L			0.05	0.05	<0.0097	<0.0097	2
Alachlor	µg/L			2	0	<0.1	<0.1	2
Atrazine	µg/L			3	3	<0.1	<0.1	2
Simazine	µg/L			4	4	<0.07	<0.07	2
Herbicides		◆						
2,4,-D	µg/L			70	70	<0.10	<0.10	2
2,4,5-TP	µg/L			50	50	<0.20	<0.20	2
Dicamba	µg/L			N/A	N/A	<0.30	<0.30	2
Dalapon	µg/L			200	200	<1.0	<1.0	2
Dinoseb	µg/L			7	7	<0.20	<0.20	2
Pentachlorophenol	µg/L			1	0	<0.040	<0.040	2
Picloram	µg/L			500	500	<0.10	<0.10	2
Butachlor	µg/L			N/A	N/A	<0.1	<0.1	2
Metolachlor	µg/L			N/A	N/A	<0.1	<0.1	2
Metribuzin	µg/L			N/A	N/A	<0.1	<0.1	2
Propachlor	µg/L			N/A	N/A	<0.1	<0.1	2
Diquat	µg/L			20	20	<0.40	<0.40	2
Endothall	µg/L			100	100	<9.0	<9.0	2
Carbamate Pesticides		◆						
3-Hydroxycarbofuran	µg/L			N/A	N/A	<0.5	<0.5	2
Aldicarb	µg/L			3	1	<0.5	<0.5	2
Aldicarb sulfone	µg/L			2	1	<0.5	<0.5	2
Aldicarb sulfoxide	µg/L			4	1	<0.5	<0.5	2
Carbaryl	µg/L			N/A	N/A	<0.5	<0.5	2
Carbofuran	µg/L			40	40	<0.5	<0.5	2
Methiocarb	µg/L			N/A	N/A	<0.5	<0.5	2
Methomyl	µg/L			N/A	N/A	<0.5	<0.5	2
Oxamyl (Vydate)	µg/L			200	200	<0.5	<0.5	2
Propoxur	µg/L			N/A	N/A	<0.5	<0.5	2
Other Organic Chemicals		◆						
Benzo(a)pyrene	µg/L			0.2	0	<0.02	<0.02	2
Bis(2-ethylhexyl)adipate	µg/L			400	0	<0.57	<0.57	2
Bis(2-ethylhexyl)phthalate	µg/L			6	0	<0.57	<0.57	2

2018 Analytical Results Summary for Pueblo's Treated Water								
Parameter	Units	Primary Standard	Secondary Standard	MCL	MCLG	Range of Detection in Pueblo Water	Pueblo Treated Water Average Level	Number of Samples Analyzed
Additional Parameters								
Alkalinity (as CaCO3)	mg/L			N/A	N/A	87.2 - 108	99	64
Ammonia (as Nitrogen)	mg/L			N/A	N/A	0.06 - 0.26	0.17	107
Calcium Hardness (as CaCO3)	mg/L			N/A	N/A	119 - 191	141	52
Chlorine (Total Chloramine)	mg/L	◆		4	4	3.08 - 4.34	3.75	251
Chloride	mg/L		◆	250	N/A	9.65 - 13.7	11.3	48
Conductivity	µmho/cm		◆	N/A	N/A	330 - 542	481	251
Fluoride	mg/L	◆		4, 2*	4	0.40 - 1.07	0.67	365
Total Hardness (as CaCO3)	mg/L			N/A	N/A	132 - 209	181	52
Nitrate (as Nitrogen)	mg/L	◆		10	10	0.28	0.28	1
Nitrite (as Nitrogen)	mg/L	◆		1	1	<0.05	<0.05	1
Total Nitrate and Nitrite (as Nitrogen)	mg/L	◆		10	10	0.28	0.28	1
Ortho-Phosphate (as Phosphorous)	mg/L			N/A	N/A	<0.50	<0.50	4
pH	units		◆	6.5-8.5	N/A	7.03 - 7.88	7.45	251
Total Dissolved Solids	mg/L		◆	500	N/A	300 - 379	335	52
Sulfate	mg/L		◆	250	N/A	107 - 132	119	51
Total Organic Carbon	mg/L	◆		Removal	N/A	1.60 - 2.26	1.8	12

Listed above are regulated and unregulated contaminants detected in Pueblo's drinking water in 2018.

All are below regulated levels.

Drinking water produced by the Whitlock Treatment Facility meets all Health and Safety Standards as mandated by the Safe Drinking Water Act and the State of Colorado.

Terms and Definitions Used in the Above Data Table

P/A - Presence/Absence - The determination of whether or not there is coliform bacteria present in a water sample.

Primary Standards - Mandatory Health Related Standards

Secondary Standards - Aesthetic Standards

MCL - Maximum Contaminant Level - The highest level of a contaminant that is allowed in drinking water. MCL's are set as close to the MCLG's as feasible using the best available treatment technology.

MCLG - Maximum Contaminant Level Goal - The level of a contaminant in drinking water below which there is no known or expected risk to health.

MRDL - Maximum Residual Disinfection Level - The maximum level of disinfectant residual allowed in a distribution system. Total chlorine (chloramine) in the table was measured at the Treatment Plant. Distribution chlorine levels are lower.

Turbidity - Turbidity is a measure of the cloudiness of water. We monitor it because it is a good indicator of the effectiveness of our plant's filtration system.

NTU - Nephelometric Turbidity Unit - A unit of measurement of turbidity in water.

Oocysts - A life cycle stage of a parasitic organism.

µg/L - microgram per liter or one part per billion

mg/L - milligram per liter or one part per million

AL - Action Level - Results over the action level require changes in water treatment technique.

µmho/cm - a unit of measurement of the conductivity of the water

< - Less Than

☐ - THM and HAA values are an average of all DBP collection points in the distribution system.

* Public notification is required if fluoride concentration exceeds 2.0 mg/L.

** Total coliform and E. coli bacteriological samples are collected at designated locations throughout the distribution system each month.

*** There were 2 positive Total Coliform samples in 2018.

° Radiologicals analyzed in 2012.

Please contact the Board of Water Works Water Quality Laboratory for any information regarding water quality at (719) 584-0467. Hours are 8:00 am - 4:30 pm Monday through Friday.

2018 Analytical Results Summary for Pueblo's Raw Water Arkansas River Intake				
Parameter	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed
Clarity				
Turbidity	NTU	1.00 - 21.0	2.78	251
Microbiological				
Total Coliform Bacteria	MPN/100 mL	109.2 - 15531	1735.0	195
E. Coli Bacteria	MPN/100 mL	<1 - 1632.8	39.3	195
Inorganic Chemicals				
Trace Metals				
Aluminum	µg/L	<1.00 - 6.35	1.33	10
Antimony	µg/L	<1.00	<1.00	10
Arsenic	µg/L	<1.00 - 2.04	<1.00	10
Barium	µg/L	46.0 - 74.5	58.6	10
Beryllium	µg/L	<1.00	<1.00	10
Cadmium	µg/L	<1.00	<1.00	10
Calcium	mg/L	56.8 - 71.3	64.3	10
Chromium	µg/L	<1.00 - 1.37	<1.00	10
Cobalt	µg/L	<1.00	<1.00	10
Copper	µg/L	<1.00 - 1.19	<1.00	10
Iron	mg/L	<0.50	<0.50	10
Lead	µg/L	<1.00	<1.00	10
Magnesium	mg/L	12.9 - 17.2	14.9	10
Manganese	µg/L	<1.00 - 235	32.9	10
Mercury	µg/L	<0.50	<0.50	10
Molybdenum	µg/L	4.19 - 5.58	4.71	10
Nickel	µg/L	1.97 - 3.22	2.69	10
Potassium	mg/L	1.86 - 2.90	2.40	10
Selenium	µg/L	4.58 - 7.39	5.84	10
Silver	µg/L	<1.00	<1.00	10
Sodium	mg/L	15.2 - 25.6	20.2	10
Thallium	µg/L	<1.00	<1.00	10
Vanadium	µg/L	<1.00 - 1.32	<1.00	10
Zinc	µg/L	1.01 - 58.0	8.67	10

2018 Analytical Results Summary for Pueblo's Raw Water Arkansas River Intake				
Parameters (Cont'd)	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed

Additional Parameters				
Alkalinity (as CaCO ₃)	mg/L	112 - 126	117	53
Ammonia (as Nitrogen)	mg/L	<0.01 - 0.10	0.02	104
Calcium Hardness (as CaCO ₃)	mg/L	129 - 207	152	52
Chloride	mg/L	6.78 - 9.06	7.92	48
Conductivity	µmho/cm	345 - 555	504	251
Fluoride	mg/L	0.44 - 0.62	0.49	364
Total Hardness (as CaCO ₃)	mg/L	158 - 222	194	52
pH	units	7.46 - 8.67	8.03	251
Total Dissolved Solids	mg/L	316 - 379	353	52
Sulfate	mg/L	107 - 139	120	51

Listed above are regulated and unregulated contaminants detected in the raw water in 2018.

Terms and Definitions Used in the Above Data Table

Turbidity - Turbidity is a measure of the cloudiness of water. We monitor it because it is a good indicator of the effectiveness of our plant's filtration system.

NTU - Nephelometric Turbidity Unit - A unit of measurement of turbidity in the water.

MPN/100 mL - Most Probable Number per 100 milliliter - The most probable number of bacterial colonies per 100 milliliters of a water sample.

ND - Not Detected

µg/L - microgram per liter or one part per billion

mg/L - milligram per liter or one part per million

µmho/cm - a unit of measurement of the conductivity of the water

< - Less Than

Please contact the Board of Water Works Water Quality Laboratory for any additional information regarding water quality at (719)584-0467. Hours are 8:00 am - 4:30 pm Monday through Friday.

2018 Analytical Results Summary for Pueblo's Raw Water Pipeline				
Parameter	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed
Clarity				
Turbidity	NTU	0.44 - 9.03	1.57	241
Microbiological				
Total Coliform Bacteria	MPN/100 mL	2 - >24196	1733.0	187
E. Coli Bacteria	MPN/100 mL	<1 - 73.8	6	187
Radiologicals*				
Gross Alpha	pCi/L	5.1	5.1	1
Gross Alpha (Less Radon and Uranium)	pCi/L	2.6	2.6	1
Radium-226	pCi/L	0.0	0.0	1
Radium-228	pCi/L	0.30	0.30	1
Uranium	pCi/L	2.5	2.5	1
Uranium	µg/L	3.6	3.60	1
Inorganic Chemicals				
Trace Metals				
Aluminum	µg/L	<1.00 - 11.6	2.08	10
Antimony	µg/L	<1.00	<1.00	10
Arsenic	µg/L	<1.00 - 1.19	<1.00	10
Barium	µg/L	46.5 - 75.3	58.2	10
Beryllium	µg/L	<1.00	<1.00	10
Cadmium	µg/L	<1.00	<1.00	10
Calcium	mg/L	49.7 - 66.8	58.2	10
Chromium	µg/L	<1.00 - 1.46	<1.00	10
Cobalt	µg/L	<1.00	<1.00	10
Copper	µg/L	1.17 - 1.82	1.44	10
Iron	mg/L	<0.50	<0.50	10
Lead	µg/L	<1.00	<1.00	10
Magnesium	mg/L	11.1 - 15.8	13.5	10
Manganese	µg/L	<1.00 - 4.22	1.25	10
Mercury	µg/L	<0.50	<0.50	10
Molybdenum	µg/L	4.13 - 5.59	4.72	10
Nickel	µg/L	1.93 - 3.14	2.40	10
Potassium	mg/L	1.89 - 2.64	2.25	10
Selenium	µg/L	5.33 - 7.06	5.99	10
Silver	µg/L	<1.00	<1.00	10
Sodium	mg/L	14.4 - 23.1	18	10
Thallium	µg/L	<1.00	<1.00	10
Vanadium	µg/L	<1.00 - 1.62	1.20	10
Zinc	µg/L	<1.00 - 2.06	<1.00	10

2018 Analytical Results Summary for Pueblo's Raw Water Pipeline

Parameter	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed
Organic Chemicals				
Total Volatile Organic Compounds (VOC's)				
Benzene	µg/L	<0.50	<0.50	1
Bromobenzene	µg/L	<0.50	<0.50	1
Bromochloromethane	µg/L	<0.50	<0.50	1
Bromodichloromethane	µg/L	<0.50	<0.50	1
Bromoform	µg/L	<0.50	<0.50	1
Bromomethane	µg/L	<0.50	<0.50	1
n-Butylbenzene	µg/L	<0.50	<0.50	1
sec-Butylbenzene	µg/L	<0.50	<0.50	1
tert-Butylbenzene	µg/L	<0.50	<0.50	1
Carbon tetrachloride	µg/L	<0.50	<0.50	1
Chlorobenzene	µg/L	<0.50	<0.50	1
Chloroethane	µg/L	<0.50	<0.50	1
Chloroform	µg/L	<0.50	<0.50	1
Chloromethane	µg/L	<0.50	<0.50	1
o-Chlorotoluene	µg/L	<0.50	<0.50	1
p-Chlorotoluene	µg/L	<0.50	<0.50	1
Dibromochloromethane	µg/L	<0.50	<0.50	1
Dibromomethane	µg/L	<0.50	<0.50	1
m- Dichlorobenzene	µg/L	<0.50	<0.50	1
o- Dichlorobenzene	µg/L	<0.50	<0.50	1
p- Dichlorobenzene	µg/L	<0.50	<0.50	1
Dichlorodifluoromethane	µg/L	<0.50	<0.50	1
1,1- Dichloroethane	µg/L	<0.50	<0.50	1
1,2- Dichloroethane	µg/L	<0.50	<0.50	1
1,1- Dichloroethylene	µg/L	<0.50	<0.50	1
cis-1,2- Dichloroethylene	µg/L	<0.50	<0.50	1
trans-1,2- Dichloroethylene	µg/L	<0.50	<0.50	1
1,2- Dichloropropane	µg/L	<0.50	<0.50	1
1,3- Dichloropropane	µg/L	<0.50	<0.50	1
2,2- Dichloropropane	µg/L	<0.50	<0.50	1
1,1- Dichloropropene	µg/L	<0.50	<0.50	1
cis-1,3- Dichloropropene	µg/L	<0.50	<0.50	1
trans-1,3- Dichloropropene	µg/L	<0.50	<0.50	1
1,3- Dichloropropene	µg/L	<0.50	<0.50	1
Ethylbenzene	µg/L	<0.50	<0.50	1
Hexachlorobutadiene	µg/L	<0.50	<0.50	1
Isopropylbenzene	µg/L	<0.50	<0.50	1
p-Isopropyltoluene	µg/L	<0.50	<0.50	1
Methylene chloride	µg/L	<0.50	<0.50	1
Naphthalene	µg/L	<0.50	<0.50	1
n-Propylbenzene	µg/L	<0.50	<0.50	1
Styrene	µg/L	<0.50	<0.50	1
Tetrachloroethylene	µg/l	<0.50	<0.50	1
1,1,1 - Trichloroethane	µg/l	<0.50	<0.50	1
1,1,1,2- Tetrachloroethane	µg/L	<0.50	<0.50	1
1,1,2,2- Tetrachloroethane	µg/L	<0.50	<0.50	1
Toluene	µg/L	<0.50	<0.50	1
1,2,3- Trichlorobenzene	µg/L	<0.50	<0.50	1
1,2,4- Trichlorobenzene	µg/L	<0.50	<0.50	1
1,1,2- Trichloroethane	µg/L	<0.50	<0.50	1
Trichloroethylene	µg/L	<0.50	<0.50	1
Trichlorofluoromethane	µg/L	<0.50	<0.50	1
1,2,3- Trichloropropane	µg/L	<0.50	<0.50	1
1,2,4- Trimethylbenzene	µg/L	<0.50	<0.50	1
1,3,5- Trimethylbenzene	µg/L	<0.50	<0.50	1
Vinyl chloride	µg/L	<0.50	<0.50	1
m,p- Xylene	µg/L	<0.50	<0.50	1
o-Xylene	µg/L	<0.50	<0.50	1
Xylenes, Total	µg/L	<0.50	<0.50	1

2018 Analytical Results Summary for Pueblo's Raw Water Pipeline				
Parameter	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed
Organic Chemicals (continued)				
Pesticides				
Aldrin	µg/L	<0.0095	<0.0095	2
alpha-Chlordane	µg/L	<0.0095	<0.0095	2
gamma-Chlordane	µg/L	<0.0095	<0.0095	2
Chlordane	µg/L	<0.19	<0.19	2
Dieldrin	µg/L	<0.0095	<0.0095	2
Endrin	µg/L	<0.0095	<0.0095	2
Hexachlorocyclopentadiene	µg/L	<0.095	<0.095	2
Heptachlor	µg/L	<0.0095	<0.0095	2
Heptachlor epoxide	µg/L	<0.0095	<0.0095	2
Hexachlorobenzene	µg/L	<0.0095	<0.0095	2
Methoxychlor	µg/L	<0.047	<0.047	2
Toxaphene	µg/L	<0.71	<0.71	2
gamma-BHC	µg/L	<0.0095	<0.0095	2
Aroclor 1016	µg/L	<0.076	<0.076	2
Aroclor 1221	µg/L	<0.24	<0.24	2
Aroclor 1232	µg/L	<0.095	<0.095	2
Aroclor 1242	µg/L	<0.095	<0.095	2
Aroclor 1248	µg/L	<0.095	<0.095	2
Aroclor 1254	µg/L	<0.095	<0.095	2
Aroclor 1260	µg/L	<0.095	<0.095	2
PCB-Total	µg/L	<0.24	<0.24	2
Alachlor	µg/L	<0.1	<0.1	2
Atrazine	µg/L	<0.1	<0.1	2
Simazine	µg/L	<0.07	<0.07	2
Herbicides				
2,4,-D	µg/L	<0.10	<0.10	2
2,4,5-TP	µg/L	<0.20	<0.20	2
Dicamba	µg/L	<0.30	<0.30	2
Dalapon	µg/L	<1.0	<1.0	2
Dinoseb	µg/L	<0.20	<0.20	2
Pentachlorophenol	µg/L	<0.040	<0.040	2
Picloram	µg/L	<0.10	<0.10	2
Butachlor	µg/L	<0.1	<0.1	2
Metolachlor	µg/L	<0.1	<0.1	2
Metribuzin	µg/L	<0.1	<0.1	2
Propachlor	µg/L	<0.1	<0.1	2
Endothall	µg/L	<0.90	<0.90	2
Carbamate Pesticides				
3-Hydroxycarbofuran	µg/L	<0.500	<0.500	2
Aldicarb	µg/L	<0.500	<0.500	2
Aldicarb sulfone	µg/L	<0.500	<0.500	2
Aldicarb sulfoxide	µg/L	<0.500	<0.500	2
Carbaryl	µg/L	<0.500	<0.500	2
Carbofuran	µg/L	<0.500	<0.500	2
Methiocarb	µg/L	<0.500	<0.500	2
Methomyl	µg/L	<0.500	<0.500	2
Oxamyl (Vydate)	µg/L	<0.500	<0.500	2
Propoxur	µg/L	<0.500	<0.500	2
1,2-Dibromo 3-chloropropane	µg/L	<0.0098	<0.0098	2
1,2-Dibromoethane	µg/L	<0.0098	<0.0098	2
Other Organic Chemicals				
Benzo(a)pyrene	µg/L	<0.02	<0.02	2
Bis(2-ethylhexyl)adipate	µg/L	<0.60	<0.60	2
Bis(2-ethylhexyl)phthalate	µg/L	<0.60	<0.60	2

2018 Analytical Results Summary for Pueblo's Raw Water Pipeline				
Parameter	Units	Range of Detection	Pueblo Raw Water Average Level	Number of Samples Analyzed
Additional Parameters				
Alkalinity (as CaCO ₃)	mg/L	92 - 123	107.0	62
Ammonia (as Nitrogen)	mg/L	<0.01 - 0.12	0.02	100
Calcium Hardness (as CaCO ₃)	mg/L	115 - 182	140	50
Chloride	mg/L	6.05 - 47.8	8.15	46
Conductivity	µmho/cm	321 - 672	460	241
Fluoride	mg/L	0.40 - 0.53	0.46	351
Total Hardness (as CaCO ₃)	mg/L	144 - 212	181	50
Ortho-Phosphate (as Phosphorous)	mg/L	<0.50	<0.50	4
pH	units	7.36 - 8.81	8.12	241
Total Dissolved Solids	mg/L	279 - 470	324	50
Sulfate	mg/L	93.1 - 124	109	49
Total Organic Carbon	mg/L	2.34 - 3.05	2.5	12

Listed above are regulated and unregulated contaminants detected in the raw water in 2018.

Terms and Definitions Used in the Above Data Table

Oocysts - Life cycle stage of a parasitic organism.

Turbidity - Turbidity is a measure of the cloudiness of water. We monitor it because it is a good indicator of the effectiveness of our plant's filtration system.

NTU - Nephelometric Turbidity Unit - A unit of measurement of turbidity in the water.

MPN/100 mL - Most Probable Number per 100 milliliter - The most probable number of bacterial colonies per 100 milliliters of a water sample.

ND - Not Detected

µg/L - microgram per liter or one part per billion

mg/L - milligram per liter or one part per million

µmho/cm - a unit of measurement of the conductivity of the water

< - Less Than

* Radiologicals analyzed in 2012. **Organics analyzed in 2017.

Please contact the Board of Water Works Water Quality Laboratory for any additional information regarding water quality at (719)584-0467. Hours are 8:00 am - 4:30 pm Monday through Friday.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - OPERATING INFORMATION

Water Services: 2018 - 2009

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Fire Hydrants	4,154	4,113	4,077	4,043	4,028	3,996	3,985	3,975	3,967	3,951
New Installation	28	25	41	15	32	11	10	8	16	38
Replacement	44	28	25	20	40	31	29	39	37	11
Maintenance	836	823	1,265	1,087	917	947	1,215	1,510	392	153
Leak Detection	741	729	903	873	869	931	868	1,022	1,012	946
Main Breaks	38	48	31	45	45	57	48	47	54	47
Service Turn Ons	4,432	3,707	3,484	4,191	4,089	4,078	3,932	3,879	3,711	3,875
Service Turn Offs	4,273	4,843	4,182	4,718	4,673	4,563	4,484	4,721	4,547	4,787
Sprinkler Shut Off	233	252	264	273	241	264	260	303	309	309
Sprinkler Turn On	182	232	234	249	228	228	243	240	268	274
¹ Automated Meter Reading	40,794	40,613	40,548	37,337	33,862	30,318	26,454	22,925	18,961	14,189
Manual Meter Reading	2	2	2	3,053	6,502	10,525	13,776	17,309	21,230	25,941
² Total Meters	40,796	40,615	40,550	40,390	40,364	40,843	40,230	40,234	40,191	40,130
AMR conversion costs	\$ -	\$ -	\$ 717,483	\$ 822,982	\$ 968,917	\$ 729,595	\$ 833,332	\$ 784,864	\$ 855,440	\$ 913,577

¹The Automated Meter Reading (AMR) project was started in 2007. The project is designed and planned for installation and phase in through 2016.

²Includes fire hydrant meters and water dispensing station accounts.

BOARD OF WATER WORKS OF PUEBLO, COLORADO
STATISTICAL SECTION
D - OPERATING INFORMATION

Transmission & Distribution Mains - 2018

Pipe Summary

Type of Material	Total Footage	Total Miles	Transmission Footage	Transmission Miles	Distribution Footage	Distribution Miles	Raw Water Footage	Raw Water Miles
AC	1,202,878	227.82	31,080	5.89	1,171,798	221.93	-	-
Cast Iron	673	0.13	673	0.13	-	-	-	-
Cast Iron and Galvanized	2,758	0.52	-	-	2,758	0.52	-	-
Cast Iron CML	586,366	111.05	4,212	0.80	582,154	110.26	-	-
Cast Iron UL	3,916	0.74	963	0.18	2,953	0.56	-	-
Concrete Cylinder	5,054	0.96	3,466	0.66	1,588	0.30	-	-
Ductile Iron	30,280	5.73	11,689	2.21	15,869	3.01	2,722	0.52
HDPE	3,870	0.73	966	0.18	2,904	0.55	-	-
HDPE Polar	262	0.05	-	-	262	0.05	-	-
PVC	980,288	185.66	80,411	15.23	899,877	170.43	-	-
PVC Polar	110	0.02	-	-	110	0.02	-	-
Steel	253,557	48.02	199,257	37.74	22,703	4.30	31,597	5.98
Wood	-	-	-	-	-	-	-	-
	<u>3,070,012</u>	<u>581.44</u>	<u>332,717</u>	<u>63.01</u>	<u>2,702,976</u>	<u>511.93</u>	<u>34,319</u>	<u>6.50</u>

Size of Material

3"	2,758	0.52	-	-	2,758	0.52	-	-
4"	7,772	1.47	-	-	7,772	1.47	-	-
6"	758,276	143.61	-	-	758,276	143.61	-	-
8"	1,069,178	202.50	-	-	1,069,178	202.50	-	-
10"	8,995	1.70	-	-	8,995	1.70	-	-
12"	592,445	112.21	-	-	592,445	112.21	-	-
14"	240	0.05	-	-	240	0.05	-	-
16"	263,312	49.87	-	-	263,312	49.87	-	-
18"	2,163	0.41	2,163	0.41	-	-	-	-
20"	64,546	12.22	64,546	12.22	-	-	-	-
21"	18,209	3.45	18,209	3.45	-	-	-	-
24"	105,712	20.02	102,990	19.51	-	-	2,722	0.52
28"	966	0.18	966	0.18	-	-	-	-
30"	85,446	16.18	83,967	15.90	-	-	1,479	0.28
36"	11,797	2.23	11,797	2.23	-	-	-	-
42"	36,415	6.90	36,415	6.90	-	-	-	-
48"	9,728	1.84	9,728	1.84	-	-	-	-
54"	1,275	0.24	1,275	0.24	-	-	-	-
60"	1,944	0.37	661	0.13	-	-	1,283	0.24
66"	10,489	1.99	-	-	-	-	10,489	1.99
78"	12,954	2.45	-	-	-	-	12,954	2.45
84"	5,392	1.02	-	-	-	-	5,392	1.02
	<u>3,070,012</u>	<u>581.44</u>	<u>332,717</u>	<u>63.01</u>	<u>2,702,976</u>	<u>511.93</u>	<u>34,319</u>	<u>6.50</u>

Main Extensions

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
4"	-	-	-	-	-	-	217	-	-	-
6"	-	-	674	279	102	-	4	-	-	-
8"	2,813	5,983	1,971	1,154	2,497	971	1,367	533	2,299	2,332
12"	287	2,098	2,943	1,109	141	432	40	3	708	4,060
16"	-	-	272	-	-	92	2,581	26,135	1,296	26,890
20"	-	-	-	-	-	-	8	-	-	1,095
24"	-	-	-	-	-	55	418	1,047	-	9,083
30"	-	-	-	-	-	217	-	-	-	-
36"	-	-	-	-	-	-	1,305	-	-	-
42"	-	-	-	-	-	-	1,184	-	-	-
	<u>3,100</u>	<u>8,081</u>	<u>5,860</u>	<u>2,542</u>	<u>2,740</u>	<u>1,767</u>	<u>7,124</u>	<u>27,718</u>	<u>4,303</u>	<u>43,460</u>

For more information, please contact:
Director of Administrative Services
Board of Water Works of Pueblo, Colorado
P.O. Box 400
Pueblo, CO 81002-0400
719-584-0233

