Water board holds the line

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While you were dumping all that water on the lawn last summer, you were keeping your water rates down.

The Pueblo Board of Water Works got a detailed look at the proposed 2013 budget Tuesday, with no major surprises in the picture. A public hearing will be Nov. 20.

This year’s dry, hot weather meant a lower-than-expected increase in next year’s water rates — a 2.75 percent increase.

Why?

Metered sales were projected to bring in $22 million, but all the extra watering meant an additional $800,000 in projected revenue.

“Any time we have a situation where expenditures are lower or revenue higher, our customers get a benefit,” said Seth Clayton, director of administrative services and finance.

The water board also will see revenue of $7.6 million — in a $32.3 million budget — from water leases next year, including $5.2 million to power companies. While spot leases are not expected, the water board has several long-term contracts that provide additional revenues.

Expenditures are expected to be relatively flat, as opposed to this year’s steep hike in electric rates. Electricity purchases amount to about $3.4 million.

A 1.49 percent salary increase is included, along with a 1.25 percent hike in health insurance and 5 percent drop in dental insurance.

An end to the drought could hurt next year’s revenues, which are based on consumption of 8.35 billion gallons for residential use. Outside lawn watering is the biggest variable for revenues, Clayton said.

“Our customers are using their water wisely,” he said. “If we see a normal year, we will not see the consumption we have this year.”