



# Austin Water Utility

## Joint Committee on AWU's Financial Plan

May 7, 2014

# New Forecast Options

Requested by Large Volume Representative

Dan Wilcox

4/23/2014

# Forecast – Option #9

## Assumptions

- Spread the water rate increase over a 3 year period while leaving the wastewater and reclaimed rates the same as in the base option
- Debt service coverage and ending balance reduced
- Years 3-5 to retain same financial metrics as Base Option

<b>Forecast Summary</b> (\$ in Millions)	<b>Estimate 2014</b>	<b>Year 1 2015</b>	<b>Year 2 2016</b>	<b>Year 3 2017</b>	<b>Year 4 2018</b>	<b>Year 5 2019</b>
<b>Total Revenue</b>	\$508.9	\$543.9	\$585.8	\$624.4	\$651.8	\$668.1
<b>Total Requirements</b>	\$523.9	\$541.4	\$581.8	\$601.9	\$635.0	\$638.2
<b>Ending Balance</b>	\$43.2	\$45.7	\$49.6	\$72.2	\$89.1	\$119.0
Days of O&M	20	23	27	58	77	111
<b>Debt Service Coverage</b>						
Combined	1.31	1.43	1.52	1.58	1.55	1.61
Water	1.20	1.37	1.49	1.59	1.56	1.59
<b>CIP Spending</b>	\$237.3	\$181.8	\$167.5	\$157.1	\$164.3	\$169.1
<b>Cash Funding of CIP %</b>	24.8%	28.2%	41.6%	41.5%	42.9%	42.4%
<b>Rate Increases</b>						
Water	7.4%	7.4%	7.4%	7.4%	3.0%	2.5%

## Forecast – Option #9

- Impacts / Benefits / Concerns
  - Debt coverage does not meet financial policies or rating agency benchmarks in years 1-2
  - Ending balance financial policy not met in years 1-2
  - Water rate increase reduced at the expense of sound financial policies
  - Higher possibility of a rating agency downgrade which would increase borrowing costs

# Forecast – Option #10

## Assumptions

- Spread the water rate increase over a 2 year period while leaving the wastewater and reclaimed rates the same as in the base option
- Debt service coverage and ending balance reduced
- Years 2-5 to retain same financial metrics as Base Option

<b>Forecast Summary</b> (\$ in Millions)	<b>Estimate 2014</b>	<b>Year 1 2015</b>	<b>Year 2 2016</b>	<b>Year 3 2017</b>	<b>Year 4 2018</b>	<b>Year 5 2019</b>
<b>Total Revenue</b>	\$508.9	\$549.4	\$598.3	\$625.0	\$651.6	\$667.8
<b>Total Requirements</b>	\$523.9	\$541.4	\$582.2	\$602.4	\$635.5	\$638.6
<b>Ending Balance</b>	\$43.2	\$51.2	\$67.2	\$89.9	\$106.1	\$135.3
Days of O&M	20	32	54	83	101	132
<b>Debt Service Coverage</b>						
Combined	1.31	1.46	1.58	1.58	1.55	1.61
Water	1.20	1.42	1.60	1.59	1.56	1.58
<b>CIP Spending</b>	\$237.3	\$181.8	\$167.5	\$157.1	\$164.3	\$169.1
<b>Cash Funding of CIP %</b>	24.8%	28.2%	41.6%	41.5%	42.9%	42.2%
<b>Rate Increases</b>						
Water	7.4%	9.6%	9.6%	3.0%	3.0%	2.5%

# Forecast – Option #10

- Impacts / Benefits / Concerns
  - Debt coverage does not meet financial policies or rating agency benchmarks in year 1
  - Ending balance financial policy not met in year 1
  - Water rate increase reduced at the expense of sound financial policies
  - Higher possibility of a rating agency downgrade which would increase borrowing costs



# Forecast – Option #11

## Assumptions

- Reduced water consumption by 2.0BG in 2015 from current projections
- Maintain target levels of debt coverage and balances

<b>Forecast Summary</b> (\$ in Millions)	<b>Estimate 2014</b>	<b>Year 1 2015</b>	<b>Year 2 2016</b>	<b>Year 3 2017</b>	<b>Year 4 2018</b>	<b>Year 5 2019</b>
<b>Total Revenue</b>	\$508.5	\$566.9	\$598.7	\$624.3	\$651.0	\$667.6
<b>Total Requirements</b>	\$523.7	\$541.1	\$582.1	\$602.3	\$635.4	\$638.4
<b>Ending Balance</b>	\$43.0	\$68.8	\$85.3	\$107.4	\$123.2	\$152.5
Days of O&M	20	60	81	108	124	154
<b>Debt Service Coverage</b>						
Combined	1.31	1.54	1.58	1.58	1.55	1.61
Water	1.20	1.58	1.60	1.59	1.56	1.58
<b>CIP Spending</b>	\$237.3	\$181.8	\$167.5	\$157.1	\$164.3	\$169.1
<b>Cash Funding of CIP %</b>	24.8%	28.2%	41.6%	41.5%	42.9%	42.4%
<b>Rate Increases</b>						
Water	7.4%	23.7%	2.5%	3.1%	3.0%	2.5%

# Forecast – Option #11

- Impacts / Benefits / Concerns
  - Water rates increased beyond base forecast option (Option 12) due to reduced consumption levels
  - Financial policies strengthened as in base option
  - Debt service coverage improvements
  - Ending fund balance cash portion improved
  - Continued strengthening of cash funding of CIP over time



# Forecast – Option #12

## Assumptions

- Reduced water consumption by 2.0BG in 2015 from current projections
- Eliminate transfers to the General Fund, Sustainability Fund, Economic Incentives Reserve Fund, and the Economic Development Fund
- Maintain target levels of debt coverage, but increased balances

<b>Forecast Summary</b> (\$ in Millions)	<b>Estimate 2014</b>	<b>Year 1 2015</b>	<b>Year 2 2016</b>	<b>Year 3 2017</b>	<b>Year 4 2018</b>	<b>Year 5 2019</b>
<b>Total Revenue</b>	\$508.5	\$567.4	\$599.2	\$624.5	\$651.6	\$668.3
<b>Total Requirements</b>	\$523.7	\$495.1	\$532.3	\$548.6	\$578.3	\$578.8
<b>Ending Balance</b>	\$43.0	\$115.3	\$182.1	\$258.0	\$331.6	\$421.1
Days of O&M	20	134	227	325	410	502
<b>Debt Service Coverage</b>						
Combined	1.31	1.54	1.58	1.58	1.55	1.61
Water	1.20	1.58	1.60	1.59	1.56	1.59
<b>CIP Spending</b>	\$237.3	\$181.8	\$167.5	\$157.1	\$164.3	\$169.1
<b>Cash Funding of CIP %</b>	24.8%	28.2%	41.6%	41.5%	42.9%	42.4%
<b>Rate Increases</b>						
Water	7.4%	23.9%	2.5%	3.0%	3.0%	2.5%

## Forecast – Option #12

- Impacts / Benefits / Concerns
  - Elimination of transfers does not reduce water rates as they are a current use of coverage dollars
  - Debt service coverage improvements
  - Ending fund balance cash portion significantly higher or could be used for equity financing of CIP
  - Continued strengthening of cash funding of CIP over time to approximately 40%

# Rate Design Options

## New Rate Design Options

# Rate Design – Option #9

- Assumptions
  - Based on forecast Option #11 which reduces water consumption further in 2015-19 and increases rates
  - Use of Base Option rate design assumptions
  - Overall fixed revenue at 20%
  - Slight increase to the meter based minimum charge
  - Spread between blocks 1 and 5 for the tiered minimum fee and volume rates maintained

# Option #9: Residential Rates

## Meter Equivalent Minimum Charge

Meter Size	Existing Minimum Charge	Alternative Option #9 Minimum Charge
5/8"	\$7.10	\$7.90
3/4"	\$11.00	\$13.00
1"	\$14.00	\$15.00
1 1/2"	\$23.00	\$25.00
2"	\$36.00	\$40.00
4"	\$114.00	\$131.00
6"	\$231.00	\$264.00
10"	\$946.00	\$1,127.00

### Meter Minimum Charge

- Small change to the 5/8" meter minimum charge

### Tiered Minimum Charge

- Maintain spread between blocks 1 and 5 to about \$10.50

## Tiered Minimum Charge

Tier	Gallons	Existing	Alternative Option #9
Tier 1	0 – 2,000	\$2.00	\$2.50
Tier 2	2,001 – 6,000	\$4.50	\$5.50
Tier 3	6,001 – 11,000	\$7.45	\$8.90
Tier 4	11,001 – 20,000	\$12.55	\$13.00
Tier 5	20,001 - over	\$12.55	\$13.00

# Option #9: Residential Rates

Volumetric Rates (\$/1,000 Gals.)			
Block	Gallons	Existing	Alternative Option #9
Tier 1	0 – 2,000	\$1.84	\$3.60
Tier 2	2,001 – 6,000	\$3.39	\$5.25
Tier 3	6,001 – 11,000	\$6.20	\$7.97
Tier 4	11,001 – 20,000	\$9.95	\$11.70
Tier 5	20,001 - over	\$12.84	\$14.60

## Volumetric Rates

- Approximately \$1.76 increase to all blocks
- Maintain \$11.00 spread between blocks 1 and 5



## Option #9: Residential Water Bill Impacts

Monthly Usage Gallons 5/8" Meter	Existing Bills 2014	Proposed Bills 2015	\$ Variance	% Variance	% of Average COS Rate
0	\$ 9.10	\$ 10.40	\$ 1.30	14.3%	
1,000	11.09	14.19	3.10	28.0%	-14.8%
2,000	13.08	17.98	4.90	37.5%	-21.6%
5,000	26.20	37.30	11.10	42.4%	-16.6%
6,000	29.74	42.74	13.00	43.7%	-16.2%
7,000 Avg Cust. (1)	38.35	53.41	15.06	39.3%	-11.9%
9,000	51.74	70.62	18.88	36.5%	-3.5%
15,000	109.94	138.60	28.66	26.1%	20.7%
25,000	225.39	272.00	46.61	20.7%	53.3%
30,000	290.34	345.95	55.61	19.2%	65.7%
60,000	680.04	789.65	109.61	16.1%	99.1%

(1) Annualized monthly bills.

# Option #9: Residential CAP Customers Water Bill Impacts

Monthly Usage Gallons 5/8" Meter	Existing Bills 2014	Proposed Bills 2015	\$ Variance	% Variance	CAP Bill Discount
0	\$ -	\$ -	\$ -	0.0%	100.0%
1,000	1.60	3.03	1.43	89.4%	78.6%
2,000	3.20	6.06	2.86	89.4%	66.3%
5,000	11.75	18.90	7.15	60.9%	49.3%
6,000	14.60	23.18	8.58	58.8%	45.8%
7,000 Avg Cust. (1)	18.37	28.46	10.09	54.9%	46.7%
9,000	28.10	41.87	13.77	49.0%	40.7%
15,000	69.50	93.05	23.55	33.9%	32.9%
25,000	175.70	216.35	40.65	23.1%	20.5%
30,000	241.40	291.25	49.85	20.7%	15.8%
60,000	635.60	740.65	105.05	16.5%	6.2%

(1) Annualized monthly bills.

# Option #9: Fixed Revenue

Percentage fixed revenue by class

Class	Existing	Alternative Option #9
Residential	27.0%	27.2%
Multifamily	17.3%	17.3%
Commercial	15.9%	15.9%
Large Volume	11.5%	11.5%
Wholesale	11.0%	11.0%
Overall	20.3%	20.0%

## Option #9: Volatility Measure

- Volatility Measure: Description
  - Volatility measure compares the calculated revenue losses using the consumption reductions experienced in 2010 and using the existing rates versus the proposed option rates
  - Positive variance equals less volatility and lower potential revenue losses with proposed option rates
  - Negative variance equals more volatility and higher potential revenue losses with proposed option rates
- Base Option Results: Positive \$1.04 Million

## Option #9

- Impacts / Benefits / Concerns
  - Lower consumption projections increases water rates
  - Significant bill impacts to average residential customer of \$15.06 or 39.3%
  - Higher bill impacts for lower volume users when compared to base option
  - \$1.04 million decrease in volatility

# Rate Design – Option #10

- Assumptions
  - Based on forecast Option #12 which reduces water consumption further in 2015-19 and increases rates and reduces transfers to general and other funds
  - Use of Base Option rate design assumptions
  - Overall fixed revenue at 20%
  - Slight increase to the meter based minimum charge
  - Spread between blocks 1 and 5 for the tiered minimum fee and volume rates maintained



# Option #10: Residential Rates

## Meter Equivalent Minimum Charge

Meter Size	Existing Minimum Charge	Alternative Option #9 Minimum Charge
5/8"	\$7.10	\$7.90
3/4"	\$11.00	\$13.00
1"	\$14.00	\$16.00
1 1/2"	\$23.00	\$28.00
2"	\$36.00	\$44.00
4"	\$114.00	\$142.00
6"	\$231.00	\$287.00
10"	\$946.00	\$1,228.00

## Meter Minimum Charge

- Small change to the 5/8" meter minimum charge

## Tiered Minimum Charge

- Maintain spread between blocks 1 and 5 to about \$10.50

## Tiered Minimum Charge

Tier	Gallons	Existing	Alternative Option #10
Tier 1	0 – 2,000	\$2.00	\$2.50
Tier 2	2,001 – 6,000	\$4.50	\$5.50
Tier 3	6,001 – 11,000	\$7.45	\$8.90
Tier 4	11,001 – 20,000	\$12.55	\$13.00
Tier 5	20,001 - over	\$12.55	\$13.00

# Option #10: Residential Rates

Volumetric Rates (\$/1,000 Gals.)			
Block	Gallons	Existing	Alternative Option #10
Tier 1	0 – 2,000	\$1.84	\$3.66
Tier 2	2,001 – 6,000	\$3.39	\$5.25
Tier 3	6,001 – 11,000	\$6.20	\$8.02
Tier 4	11,001 – 20,000	\$9.95	\$11.77
Tier 5	20,001 - over	\$12.84	\$14.66

## Volumetric Rates

- Approximately \$1.82 increase to all blocks
- Maintain \$11.00 spread between blocks 1 and 5

# Option #10: Residential Water Bill Impacts

Monthly Usage Gallons 5/8" Meter	Existing Bills 2014	Proposed Bills 2015	\$ Variance	% Variance	% of Average COS Rate
0	\$ 9.10	\$ 10.40	\$ 1.30	14.3%	
1,000	11.09	14.25	3.16	28.5%	-14.7%
2,000	13.08	18.10	5.02	38.4%	-21.4%
5,000	26.20	37.42	11.22	42.8%	-16.7%
6,000	29.74	42.86	13.12	44.1%	-16.4%
7,000 Avg Cust. (1)	38.35	53.59	15.24	39.7%	-12.1%
9,000	51.74	70.89	19.15	37.0%	-3.7%
15,000	109.94	139.25	29.31	26.7%	20.5%
25,000	225.39	273.30	47.91	21.3%	53.0%
30,000	290.34	347.55	57.21	19.7%	65.4%
60,000	680.04	793.05	113.01	16.6%	98.6%

(1) Annualized monthly bills.

# Option #10: Residential CAP Customers Water Bill Impacts

<b>Monthly Usage Gallons 5/8" Meter</b>	<b>Existing Bills 2014</b>	<b>Proposed Bills 2015</b>	<b>\$ Variance</b>	<b>% Variance</b>	<b>CAP Bill Discount</b>
0	\$ -	\$ -	\$ -	0.0%	100.0%
1,000	1.60	3.38	1.78	111.3%	76.3%
2,000	3.20	6.76	3.56	111.3%	62.7%
5,000	11.75	20.65	8.90	75.7%	44.8%
6,000	14.60	25.28	10.68	73.2%	41.0%
7,000 Avg Cust. (1)	18.37	30.55	12.18	66.3%	43.0%
9,000	28.10	44.12	16.02	57.0%	37.8%
15,000	69.50	96.20	26.70	38.4%	30.9%
25,000	175.70	220.80	45.10	25.7%	19.2%
30,000	241.40	296.00	54.60	22.6%	14.8%
60,000	635.60	747.20	111.60	17.6%	5.8%

(1) Annualized monthly bills.

# Option #10: Fixed Revenue

Percentage fixed revenue by class

Class	Existing	Alternative Option #10
Residential	27.0%	27.1%
Multifamily	17.3%	17.3%
Commercial	15.9%	15.9%
Large Volume	11.5%	11.5%
Wholesale	11.0%	11.0%
Overall	20.3%	20.0%

# Option #10: Volatility Measure

- Volatility Measure: Description
  - Volatility measure compares the calculated revenue losses using the consumption reductions experienced in 2010 and using the existing rates versus the proposed option rates
  - Positive variance equals less volatility and lower potential revenue losses with proposed option rates
  - Negative variance equals more volatility and higher potential revenue losses with proposed option rates
- Base Option Results: Positive \$1.03 Million



## Option #10

- Impacts / Benefits / Concerns
  - Lower consumption projections increases water rates
  - Significant bill impacts to average residential customer of \$15.24 or 39.7%
  - Higher bill impacts for lower volume users when compared to base option
  - \$1.03 million decrease in volatility

# Rate Design Options

- All 10 rate design options summaries are included in your handouts which include the additional information of the residential bills as a percent of cost of service rate
- For those consumption levels showing a negative percentage – these customers are paying below the average cost of service rate and are subsidized by the higher volume users
- For those consumption levels showing a positive percentage – these customers are paying above the average cost of service rate for the class and are subsidizing the lower volume users

# Expense Review

# AWU Operating Budget Development

- Process
  - Utility wide review by each program area and division
  - Set targets for budgets for each division
    - For 2015, 5% reduction for non-personnel costs
  - Finance staff review budgets to assist in meeting target levels
    - Review historical spending and close gap between budget and actual spending
  - Any non-personnel costs above the target would be included in an “above budget” item requiring justification

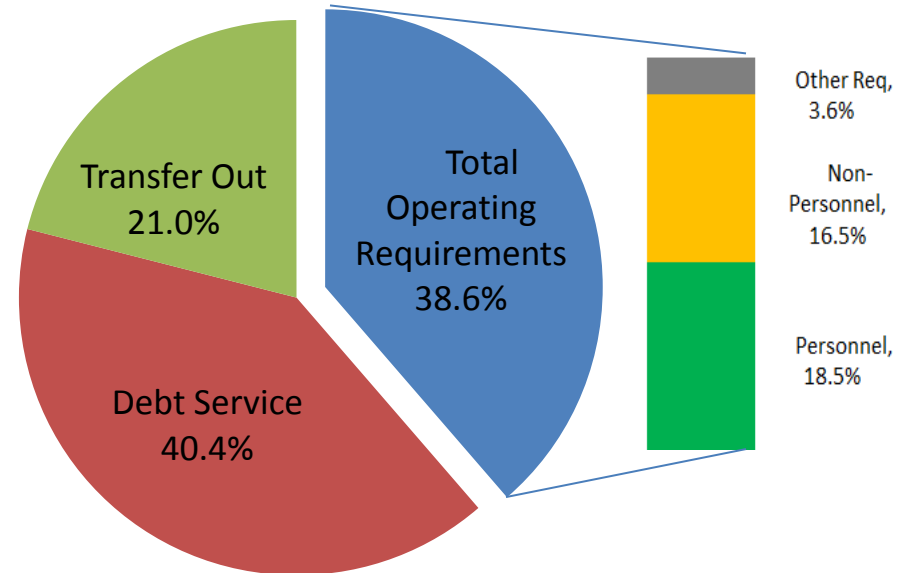
# Total Requirements Summary

	Actual FY 2012	Actual FY 2013	Amended Budget FY 2014	Estimate FY 2014	Forecast FY 2015	Variance Bud 2014 2015
Operations & Maintenance *	\$ 149.6	\$ 172.5	\$ 189.4	\$ 185.9	\$ 188.1	\$ (1.3)
Other Operating Costs	22.0	19.7	18.0	18.0	19.6	1.6
Total Debt Service	184.6	197.8	214.3	214.0	216.7	2.4
Total Transfers Out	100.5	109.7	117.1	106.0	113.0	(4.1)
Total Requirements	\$ 456.7	\$ 499.7	\$ 538.8	\$ 523.9	\$ 537.4	\$ (1.4)
\$ Increase from Prior Year		\$ 43.0	\$ 39.1	\$ (14.9)		\$ (1.4)
% Increase from Prior Year		9.4%	7.8%	-2.8%		-0.3%

\* Forecast 2015 includes \$1.9 million proposed 3.5% wage adjustment

# FY 2015 Forecast Detail

(\$ in millions)	FY2015 Projected	
	\$	%
Operating Requirements		
Personnel	99.5	18.5%
Non-Personnel	88.6	16.5%
Other Requirements	19.6	3.6%
<b>Total Operating Req.</b>	<b>\$207.7</b>	<b>38.6%</b>
Debt Service	216.7	40.4%
Transfer Out	113.0	21.0%
<b>Total Requirements</b>	<b>\$537.4</b>	<b>100.0%</b>



\* Personnel includes \$1.9 million proposed 3.5% wage adjustment



# Expense Handout Review

- Major line item summary
- Transfer out summary
- Line item summary by fund, program and division
  - Division review

# Major Line Item Summary

- Schedule showing FY2010–2013 Actual and FY2014 Approved Budget

Object Code	Object Name	Actual Expenses				Approved Budget
		FY2010	FY2011	FY2012	FY2013	FY2014
5001-5196	Total Personnel Cost	77,441,425	77,991,140	81,678,656	87,945,988	96,542,449
5650	Services-Bio Solid Reuse	-	-	-	2,045,951	4,350,000
5675	Services-security	1,605,556	1,020,706	1,856,381	1,949,642	2,476,584
5860	Services-other	3,887,606	7,514,209	3,386,724	7,686,631	10,887,460
6160	Electric services	16,527,770	17,522,924	21,339,481	22,613,873	22,590,729
6179	Water Services Interlocal	531,485	877,841	1,634,401	432,633	1,230,000
6203	Interdeptl charges	2,476,637	2,420,170	2,474,803	2,224,442	1,602,205
6207	Intradeptl chgs-street cut rpr	5,577,090	6,081,932	8,071,563	7,036,650	8,500,000
6250	Fleet-equip.preventative maint	2,812,120	2,870,811	2,597,969	2,940,008	3,037,553
6255	Transportation-city veh fuel	1,836,605	1,759,453	1,901,824	2,022,482	1,637,678
6324	Insurance-all risk-gen lib	1,049,539	711,730	741,990	878,582	1,054,960
6396	Maintenance-pipelines	1,274,156	1,356,627	1,387,677	1,379,290	2,466,008
6450	Advertising/publication	506,506	864,918	837,117	1,159,777	1,234,701
6805	Water Conservation Rebate	3,313,767	415,131	477,988	480,360	1,580,000
6898	Bad debt expense	1,468,582	853,955	1,252,604	2,288,652	1,350,000
7132	Pipes and fittings	1,189,812	1,561,073	1,348,676	1,354,245	1,390,335
7134	Chemicals	7,476,676	8,928,787	8,485,599	8,806,456	11,065,386
7600	Small tools/minor equipment	932,738	832,089	1,097,184	1,141,471	1,211,918
8142	Commercial paper admin exp	471,681	20,258	511,366	4,080,518	2,651,299

# Transfer Out Summary

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected

	Actual FY2013	Approved FY2014	Projected FY2015
General Fund Transfer	34.5	37.9	39.0
Administrative Support Transfer	12.3	13.1	14.4
Sustainability Fund	4.8	4.8	5.5
AE Customer Care	18.5	17.2	18.7
AE Power Costs	22.6	22.6	22.6
Communication and Technology Management Fund	3.4	3.5	3.9
Economic Development Fund	0.0	0.6	1.2
Economic Incentives Reserve Fund	0.3	0.3	0.3
Environmental Remediation Fund	0.7	0.4	0.4
311 System Support	1.0	0.3	0.3
PARD - CIP Swimming Pools	0.1	0.1	0.1
Public Improvement District	0.0	0.1	0.1
Street Cut Costs	7.0	8.5	8.5
<b>Total Transfers Out</b>	<b>105.3</b>	<b>109.6</b>	<b>115.0</b>

# Program Summary: Treatment

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
AWU Electrical Services	2,561,998	2,868,424	
AWU Instrumentation & Control	1,949,646	2,337,604	
Laboratory Services	4,500,944	4,885,439	
Lift Stations & Remote Facilities	5,283,654	5,465,066	
Process Engineering	1,029,970	1,030,529	
Pump Stations & Reservoir Maint.	8,135,840	8,332,385	
Treatment Support	1,579,103	1,653,024	
Wastewater Treatment	27,469,956	27,901,792	
Water Treatment	22,967,328	25,651,513	
<b>Treatment</b>	<b>\$ 75,478,439 a,b</b>	<b>\$ 80,125,776b</b>	<b>\$ 77,081,815</b>

**a:** Amount may vary from Option #14 due to organizational changes or period 13 adjustments.

**b:** Amount includes Reclaimed Water Services.

# Program Summary: Pipeline Operations

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
Collection System Services	12,039,356	13,277,598	
Construction & Rehabilitation Services	4,495,041	4,579,279	
Distribution System Maintenance	14,518,193	15,754,631	
Management Services	2,658,691	1,591,422	
Water Meter Operations	4,509,070	6,537,547	
<b>Pipeline Operations</b>	<b>\$ 38,220,351<sup>a</sup></b>	<b>\$ 41,740,477</b>	<b>\$ 41,040,678</b>

<sup>a</sup>: Amount may vary from Option #14 due to organizational changes or period 13 adjustments.

# Program Summary: Engineering Services

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
Collection Engineering	4,561,761	5,570,980	
Distribution Engineering	1,433,713	2,231,156	
Facility Engineering	3,146,370	3,537,905	
<b>Engineering Services</b>	<b>\$ 9,141,844 a</b>	<b>\$ 11,340,041</b>	<b>\$ 11,121,500</b>

**a:** Amount may vary from Option #14 due to organizational changes or period 13 adjustments.

# Program Summary: Water Resources Management

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
Infrastructure Management	0	1,164,836	
Pipeline Engineering	2,630,634	2,608,001	
System Planning	2,890,196	2,182,242	
Utility Development Services	1,752,401	1,942,308	
<b>Water Resources Management</b>	<b>\$ 7,273,231<sup>a,b</sup></b>	<b>\$ 7,897,387<sup>b</sup></b>	<b>\$ 7,508,524</b>

<sup>a</sup>: Amount may vary from Option #14 due to organizational changes or period 13 adjustments.

<sup>b</sup>: Amount includes One Stop Shop.



# Program Summary: Environmental Affairs & Conservation

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
Public Involvement - Advertising	1,241,073	939,595	
Regulatory Support	1,255,725	1,234,670	
Special Services	2,400,269	2,764,698	
Water Conservation	2,561,554	5,499,719	
Wildland Conservation	2,742,166	2,748,788	
<b>Environmental Affairs &amp; Conservation</b>	<b>\$10,200,787<sup>b</sup></b>	<b>\$ 13,187,470<sup>b</sup></b>	<b>\$ 12,437,593</b>

<sup>b</sup>: Amount includes Reclaimed Water Services and One Stop Shop.

# Program Summary: Support Services

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Divisions

Division Name	Actual FY2013	Approved FY2014	Projected FY2015
Budget & Accounting	2,570,117	2,615,804	
Customer Services	1,840,401	1,890,610	
Facility Management	3,490,722	3,087,677	
Financial Management	1,607,405	1,548,984	
Information Technology	5,360,750	5,602,501	
Safety & Training	1,065,245	1,437,546	
Security Management	2,260,415	3,378,272	
Support Services - Financial Business Services	18,195,055	19,561,394	
Human Resources	1,234,680	1,212,673	
Internal Audit	526,142	617,426	
Office of Director	1,037,479	1,384,146	
Public Involvement	1,078,778	1,042,254	
Support Services - Direct Reports	3,877,079	4,256,499	
<b>Support Services -Utility</b>	<b>\$ 22,072,134<sup>a,b</sup></b>	<b>\$ 23,817,893<sup>b</sup></b>	<b>\$ 23,511,884</b>

<sup>a</sup>: Amount may vary from Option #14 due to organizational changes or period 13 adjustments.

<sup>b</sup>: Amount includes One Stop Shop.

# Program Summary: Reclaimed Water Services

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Programs

Program Name	Actual FY2013	Approved FY2014	Projected FY2015
Treatment	6,492	16,000	
Environmental Affairs & Conservation	292,788	349,309	
<b>Reclaimed Water Services</b>	<b>\$ 299,280</b>	<b>\$ 365,309</b>	<b>\$ 365,309</b>

# Program Summary: One Stop Shop

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Programs

	Actual	Approved	Projected
Program Name	FY2013	FY2014	FY2015
Water Resources Management	343,560	362,953	
Environmental Affairs & Conservation	69,185	87,909	
Support Services - Utility	240,758	137,001	
<b>One Stop Shop</b>	<b>\$ 653,503</b>	<b>\$ 587,863</b>	<b>\$ 587,863</b>

# Program Summary:

## Other Operating Expenses

- Schedule showing FY2013 Actual, FY2014 Approved, and FY2015 Projected by Object Codes

Object Code Description	Actual FY2013	Approved FY2014	Projected FY2015
City Auditor's Office	100,000	100,000	100,000
Legal Fees	170,380	870,000	870,000
Glenlake Water Service Agreement	283,047	330,000	330,000
Contingency	0	1,256,225	1,256,225
Hazardous Materials Prevention	445,030	445,030	445,030
General Liability Insurance	878,582	1,051,000	1,051,000
Private Lateral Grant	0	500,000	500,000
Bad Debt Expense	2,991,203	1,350,000	2,850,693
Microcomputer Application Software	306,853	307,000	307,000
SWAP Cost & Commercial Paper Admin Expense	4,093,669	3,878,254	3,878,254
Misc. Expenses	1,173,733	1,194,064	941,121
<b>Other Operating Expenses</b>	<b>\$ 10,442,497</b>	<b>\$ 11,281,573</b>	<b>\$ 12,529,323</b>

# Discussion and Questions?