



BOARD OF DIRECTORS

Information Summary

April 16, 2009

Subject

Second Draft of the FY 2009-10 AMWUA Budget

Summary

This budget request is being provided for your review. It represents a 3% decrease from last year's approved budget.

Considerations

The following is a listing of significant information related to this preliminary budget:

Administration and Fringe Benefits

A total increase of 2% due to health insurance costs. A total salary and cost of living freeze has been proposed for all positions.

Professional Services

Increase of 1.26% attributable to financial audit contract.

Occupancy

Increase of 8% attributable to office space lease and common area maintenance escalations. AMWUA recently reassessed telephone requirements and renegotiated the telephone contract and effected a 28% annual decrease in telephone charges.

Travel/Training

A 46% decrease attributable to a restriction on out of town travel and the suspension of college tuition reimbursements.

Capital Outlay

Decrease of 87%. Fiscal Year 2008-09 budget included the computer replacement expenditure, AMWUA's largest capital asset requirement. The computer system typically lasts three to four years. The \$10,000 in this budget request represents the cost of the copy machine lease.

Office Supplies and Expenses

Decrease of 15% by instructing all employees to make every effort to conserve.

Water Conservation

Decrease of 13% based on reprioritization of projects.

Wastewater Assessments Allocation

The allocation percentages for the five SROG cities have been adjusted to reflect ownership in the 91st Avenue WWTP after the commissioning of the newly constructed UP01, which increases the total plant ownership from 179.25 to 204.50 mgd.

Prior Committee Action

The preliminary draft of this budget was presented to the AMWUA Board of Directors at the February 2009 meeting. A few minor changes were made to better reflect anticipated actual expenditures for FY 2009 and projected expenditures for FY 2010.

The second draft of this budget was presented to the AMWUA Management Board at the April 2009 meeting.

Recommendation

No action requested at this time.

Attachment

Second Draft of the FY 2009-10 AMWUA Budget.