

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 9, 2013

Board Item: VI-B-2

## 2012 Budget Recap

Action by Consent

Action

Information

The 2012 budget summary is shown in the table below. Spending was lower than the budget amount in several categories. Salaries and wages and employees benefits were lower than expected because of a 5.3% vacancy rate (4% was assumed) and lower healthcare spending by employees.

Professional services and contract payments spending are below budget for a variety of reasons. Some of the expenditures involve intergovernmental agreements such as the Colorado River Cooperative Agreement for which the timing is difficult to predict. The expected payments were not made in 2012 so the money has been set aside to be used in 2013. There are a number of pending agreements and settlements that total approximately \$20 million that has been set aside for payment in 2013.

Denver Water spent \$6 million more than it expected for debt by taking advantage of favorable bond markets. A portion of debt was refunded in order to reduce Denver Water's total debt by using historically low interest rates.

### 2012 Budget Summary Through December

	\$Millions		
	YTD Budget	YTD Actual*	Difference
Salaries & Wages	\$78.5	\$74.9	(\$3.6)
Employee Benefits	\$40.2	\$37.5	(\$2.7)
Materials	\$28.9	\$28.6	(\$0.3)
Utility	\$9.2	\$9.0	(\$0.2)
Professional Services	\$55.8	\$48.0	(\$7.8)
General Equipment	\$2.5	\$2.2	(\$0.3)
Contract Payments	\$91.8	\$65.5	(\$26.3)
Refunds	\$0.7	\$1.9	\$1.2
All Other Misc	\$1.0	\$0.4	(\$0.6)
Debt Service	\$39.2	\$45.1	\$5.9
<b>Total Expenditures</b>	<b>\$347.8</b>	<b>\$313.1</b>	<b>(\$34.7)</b>

\* Figures may change

**Approvals:**

Respectfully submitted,



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