

2017 WTD's Operating Budget Status Report through September 2017

Key Points

- Insurance is expected to cover the majority of the expenses associated with West Point restoration following the flood event in February.
- The Operating Budget does not have sufficient appropriation authority for the West Point restoration and is, therefore, projecting to be overspent in 2017.
- WTD has the funds available to cover West Point expenses as we continue to work with our insurers, but we do not have the spending authority.
- WTD will request a supplemental appropriation in 2018 for spending authorization to cover the West Point expenses.
- The 2017-2018 rate is not impacted.
- The attached spreadsheet shows the 2017 adopted operating budget by WTD section and by type of expenditure. There are two columns that show expenditures through September for West Point flood event and for the South Park flood event. WTD has submitted a FEMA claim to cover the expenses for the South Park flood event.
- Expenditures through September associated with West Point restoration is \$16 million. Expenditures through September associated with the South Park event is \$479,000. By the end of the year total projected expenditures is expected to be \$21.5 million.
- WTD anticipates submitting a supplemental appropriations request for \$21.5 million to cover West Point and South Park expenditures.
- Key take-aways:
 - The operating budget needs additional appropriations authority to cover the expenditures associated with West Point restoration efforts.
 - WTD will submit a supplemental appropriations request to Council in 2018 for West Point restoration costs.
 - There is no impact to the 2017-2018 sewer rate.
 - Insurance is expected to reimburse the majority of expenditures associated with the West Point flood event and restoration efforts.