



One Pager Series  
Biennial Budget & Five-Year Financial Plan  
Operations & Maintenance Budget  
FY 2022 through FY 2026  
Proposed as of January 15, 2021

The GLWA “revenue requirement budget” is the basis for establishing the annual charges for services. Nearly 52.5% of the FY 2022 budget of \$823 million are legal commitments such as debt service (42%), lease payment (6%), Water Residential Assistance Program (WRAP) (0.5%) and legacy liabilities (4%). Capital funding reserve for replacement is 7.5% of the total budget. The Operations & Maintenance (O&M) expense represents \$329 million, or 40%, of the total requirement and is the focus of this One Pager. O&M represents an increase of \$6.5 million, or 2.0%, over FY 2021. In subsequent years the budgeted increase is 2%. Highlights for the upcoming year include:

***Water Operations – increase of \$3.1 million***  
Factors increasing the budget include Personnel Costs (\$1.0 million) due to the addition of eight positions with the largest number being in the job classification of apprenticeship as well as increases in medical plan fringe benefits; Chemicals (\$1.6 million) due to increased pricing since the last 3-year contract renewal; and, Utilities (\$0.5 million) based on historical trends.

***Wastewater Operations – decrease \$2.1 million***  
Factors increasing the budget include Personnel Costs (\$1.4 million) due to the addition of five positions in the apprenticeship program to support workforce development as well as increased medical benefit costs; Chemicals for water treatment was (\$1.0 million) based on expected pricing increase as contracts are renewed; and, Supplies & Other (\$1.7 million) for equipment and facilities maintenance.

Factors decreasing the budget include Utilities for Gas & Water (\$1.4 million) due to operational changes and equipment maintenance; decreased need for Unallocated reserve (\$2.0 million) due to stabilizing efforts in operations; decreased reliance

on contractors (\$2.8 million) for skilled labor positions (focusing on direct hire) as well as the GLWA team assuming responsibility for an instrumentation maintenance contract thereby allowing the contract to be eliminated.

***Centralized Services<sup>1</sup> – increase \$2.5 million***  
Factors increasing the budget include Information Technology (\$2.6 million) which includes a loss of \$1.4 million in shared service reimbursements as well as \$1.2 million increase for the investment in ERP subscription services and 4 FTEs to manage increasing technology needs. Facility Operations (\$1.1 million) for contractual services which fluctuate depending on equipment repair needs.

Factors decreasing the budget include reducing the Unallocated Reserve (\$0.8 million) for all centralized services in total. The Planning Services Area decreased both their total staffing plan and FTEs to realign with future priorities (\$0.4 million).

***Administrative Services<sup>2</sup> – increase \$3.1 million***  
Factors increasing are Personnel Costs (\$1.6 million) in Financial Services with 7.75 FTEs for the Business Inclusion and Diversity (B.I.D.) program, expanded WRAP oversight, and expanded needs for a contract management team. The Administration & Compliance Officer Area is adding three positions to support organizational wellness and legal services; Supplies & Other (\$0.4 million) for the new warehouse; Contractual Services (\$1.0 million) for the projected increase in business insurance rates.

***Staffing & Personnel*** – The staffing plan (number of positions) is at 1,240, an increase of 21 and full-time equivalents (FTEs) at 1,218.75, an increase of 19.25.

**Questions?** Contact the Office of the Chief Financial Officer at [cfo@glwater.org](mailto:cfo@glwater.org)

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<sup>1</sup> Includes the Planning Services, Systems Operations Control; Facility and Fleet Operations; Field Service Operations; Energy, Research & Innovation; Information Technology; and Security & Integrity/HazMat.

<sup>2</sup> Includes the Board of Directors, Chief Executive Officer, Chief Administrative & Compliance Officer, Risk Management & Safety, General Counsel, Public Affairs, Organizational Development, and Financial Services