

OVERVIEW

ADMINISTRATIVE SERVICES

The Administrative Services Division encompasses the departments of Accounting, Billing, Customer Service, Human Resources, Information Technology and Purchasing. These departments provide a variety of services to internal and external customers, with a staffing level of twenty-nine positions. The proposed budget for 2007 anticipates one additional Customer Service Representative within the total of twenty-nine.

During 2007, the Accounting Department anticipates working with an outside contractor to do a detailed inventory, barcoding, and insurance valuation of the Company's fixed assets. With the acquisition of our HTE software came the capability of using barcode technology to track and inventory our fixed assets. This project will allow us to utilize this capability and in turn improve our internal controls. This project is also important to complete on the heels of the water treatment plant expansion and will allow for the segregation of process centers throughout the plant. It is important to note that the project will only deal with tangible assets of the Company with a value greater than \$ 1,000 and will not encompass valuation of intangible assets such as water rights. Work processes associated with customer billing, remittance processing and collections continue to evolve. A reorganization of customer-related employees is planned with a goal of improved service delivery, load-sharing among departments and greater balance of workload in the departments. One additional FTE is anticipated in the budget to meet the needs of the service enhancement.

The Human Resources Department continues to look for efficiencies in relation to recruitment, hiring and personnel administration, and expects to implement, with the assistance of the IT Department, an additional applicant tracking software module in 2007. The department has established a strategic plan to serve as its guide as the company progresses through anticipated workforce changes. Funds were requested for new Identification and Security software, equipment and supplies to replace cumbersome and labor-intense methods. In addition to the customary involvements with payroll and benefits administration; safety program coordination, employee assistance program, pension/retirement administration, etc., the department will coordinate the biennial actuarial valuation of the Board's Defined Benefit Pension Program.

The Information Technology department will continue to expand and improve the technology-related services for both internal and external customers. IT will also continue to coordinate the involvements of the Technology Committee to identify, recommend and prioritize technology issues for the Water Works. Planning will occur during 2007 for the implementation of Disaster Recovery/High Availability hardware and software in 2008, to provide the Board of Water Works with operational continuity in the event of a disaster or system failure. Hardware and software upgrades will continue, replacing aged systems as called for in the five-year plan; the Customer Service area will see a change out of receipt printers and barcode scanners that are used with remittance processing and the department will assist with upgrades to the CAD workstations and fileserver in Engineering. During 2006, the IT Department was instrumental in the implementation of *H2Online* which provides on-line account access and bill pay via credit card to customers who choose to enroll in the option. E-billing is expected to be made available as an additional customer convenience in early 2007.

Jerry J. Cantrell

BOARD OF WATER WORKS OF PUEBLO, COLORADO
DETAIL OF EXPENDITURES

PERSONNEL SERVICES

ADMINISTRATIVE SERVICES

	<u>2005</u> <u>ACTUAL</u>	<u>2006</u> <u>BUDGET</u>	<u>2006</u> <u>ESTIMATED</u>	<u>2007</u> <u>BUDGET</u>
SALARIES & WAGES				
Division manager	\$ 86,716	\$ 94,075	\$ 92,745	\$ 103,722
Manager	71,701	158,676	154,452	173,871
Supervision	127,517	62,101	60,267	66,215
Specialist	421,257	483,048	467,847	526,522
Skills and trades	503,385	593,503	563,217	692,407
Part-time	11,020	27,565	5,164	22,809
Overtime	16,245	12,000	19,893	16,000
	<u>1,237,841</u>	<u>1,430,968</u>	<u>1,363,585</u>	<u>1,601,546</u>
TOTAL salaries and wages				
BENEFITS				
Longevity	-	11,520	9,226	12,274
Employee assistance	540	540	542	560
Social security	106,396	108,366	107,947	120,824
Pension	38,532	41,440	40,452	46,882
Health insurance	158,785	174,000	168,546	180,256
Dental insurance	19,113	20,260	20,543	21,449
Disability insurance	9,464	10,186	9,889	11,117
Life insurance	17,099	18,378	17,851	20,572
Sick leave	83,492	80,475	80,350	87,879
Vacation leave	85,747	90,057	89,950	101,149
	<u>519,168</u>	<u>555,222</u>	<u>545,296</u>	<u>602,962</u>
TOTAL benefits				
TOTAL personnel services	<u>\$ 1,757,009</u>	<u>\$ 1,986,190</u>	<u>\$ 1,908,881</u>	<u>\$ 2,204,508</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
DETAIL OF EXPENDITURES

OPERATION AND MAINTENANCE

ADMINISTRATIVE SERVICES

	2005 <u>ACTUAL</u>	2006 <u>BUDGET</u>	2006 <u>ESTIMATED</u>	2007 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 232,983	\$ 212,100	\$ 219,528	\$ 290,250
Employment costs	32,159	23,000	17,329	24,200
Utilities	75,931	83,750	85,158	87,350
Maintenance - building	115,995	60,200	110,000	116,200
Maintenance - office equipment	55,570	76,900	70,709	80,350
Equipment lease and rental	1,014	1,400	720	600
Interest expense - meter deposits	8,492	7,500	17,000	20,000
Collection expense	976	750	591	750
Cash (over) short	(40)	100	185	100
Advertising	1,910	1,500	1,500	1,800
In-service training	29,131	43,300	35,122	47,100
Office supplies	60,781	101,450	84,970	117,800
Janitor supplies	1,024	2,400	1,759	3,000
Safety	3,593	3,900	2,560	4,050
Postage	163,066	161,800	158,000	170,300
Subscriptions and memberships	8,004	9,400	10,485	9,400
	<u>790,589</u>	<u>789,450</u>	<u>815,616</u>	<u>973,250</u>
Total operation and maintenance	\$ <u>790,589</u>	\$ <u>789,450</u>	\$ <u>815,616</u>	\$ <u>973,250</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO
 DETAIL OF EXPENDITURES

CAPITAL OUTLAY

ADMINISTRATIVE SERVICES

	2005 <u>ACTUAL</u>	2006 <u>BUDGET</u>	2006 <u>ESTIMATED</u>	2007 <u>BUDGET</u>
CAPITAL OUTLAY				
Furniture and fixtures	\$ -	\$ -	\$ -	\$ 4,600
Improvements and replacements	43,550	40,500	35,000	72,150
Computer equipment	119,613	44,400	26,161	63,300
Office equipment	6,776	-	-	-
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Total capital outlay	<u>\$ 169,939</u>	<u>\$ 84,900</u>	<u>\$ 61,161</u>	<u>\$ 140,050</u>