



STATUS OF MWRA BUDGETS

through September 1993

Prepared for the October 21, 1993 meeting of the MWRA Advisory Board

FY94 Current Expense Budget

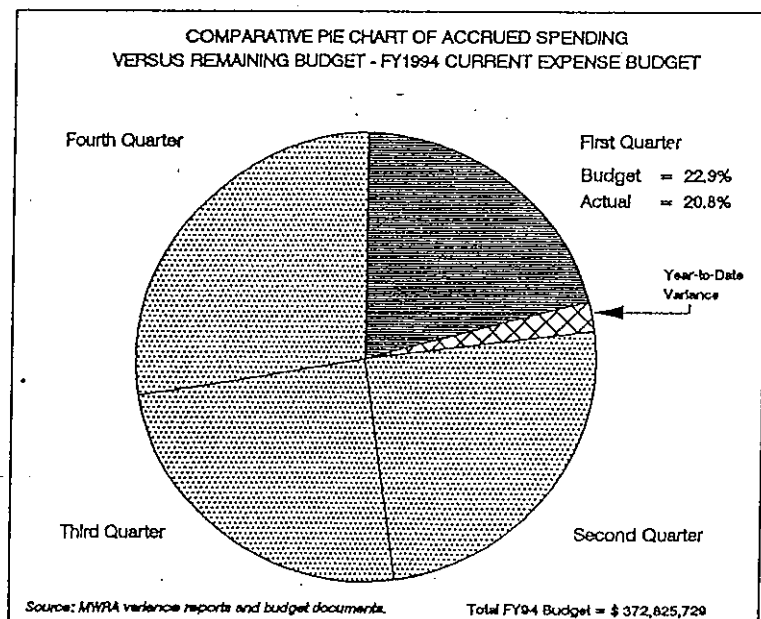
Accrued spending for the first quarter of FY94 reached \$77.5 million, or 91% of the \$85.3 million budgeted for the period.

Direct expenses totaled \$31.4 million, just over 90% of the \$34.8 million budgeted. Nearly half of the \$3.4 million variance is the result of less than budgeted spending for Wages and Salaries. Filled positions now number 1,629. Another 152 positions are vacant as of the end of September, 89 of them in the Sewerage Division; and 85 more positions are planned to be filled later in the fiscal year, primarily in support of the start up of the new Deer Island treatment facilities, for a total of 1,866 authorized positions in FY94. Wages and Salaries spending accounts for half of all direct expenses to date.

The next largest category of spending is Other Services, including the costs of sludge pelletization. Spending is \$0.3 million under budget, primarily due to less than budgeted spending for the pelletizing plant and grit and screenings removal.

Spending on Professional Services, at \$1.1 million, is more than one-third less than the \$1.7 million budgeted, almost all due to less than planned spending for laboratory and testing services. Most of the underspending is in the Harbor Studies Unit where accruals on the outfall monitoring project are later than budgeted. Expenses can be expected to increase in the next quarter.

Indirect expenses came to \$46.1 million, 9% under the \$50.5 million budgeted for the first quarter. The \$4.4 million variance is due to a revised schedule for the next borrowing, now expected later this fall.



FY94 Capital Improvement Program

Accrued spending through the January accounting period reached \$372.6 million, \$109.9 million or 23% below the \$482.5 million budgeted for the period. Accruals for the month of January came to \$42.9 million, 30% below the \$61.5 million budgeted for the month.

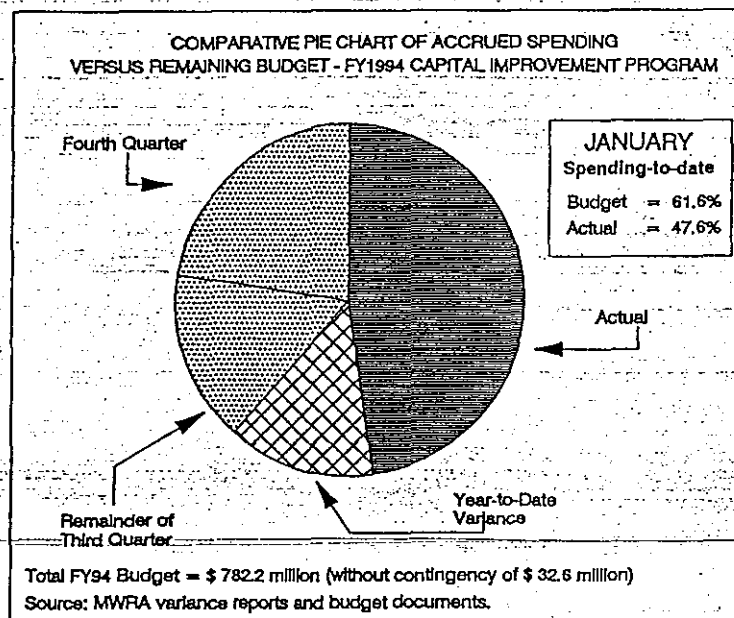
Spending on the *Boston Harbor Project* continues to dominate the capital program: at \$343.6 million for the year to date, or 92% of all spending. The Project is also \$80 million below the amount budgeted for the period, or 73% of the total variance to date. Despite overall progress on the primary and secondary treatment complexes, bad weather and delays on several contracts have contributed, and will continue to contribute to less than planned spending.

The effluent outfall and inter-island tunnels account for \$28.2 million of the variance. Problems encountered during drilling operations have put the outfall tunnel at nearly 40% below planned spending, and the inter-island tunnel at 56% below the amount budgeted for the seven-month period. Construction of the egg-shaped digester complex, the contract for which the largest amount of spending is budgeted in FY94, is \$12.8 million below the \$58.0 million budgeted for the July - January period. The next largest variance is the construction management contract, \$8.5 million or 34% below the \$25.0 million budgeted for the year to date.

Other projects contributing measurably to the variance are the *New Neponset Valley Relief Sewer*, at \$6.6 million or 81% below the \$8.155 million budgeted; the *Residuals Management* project, at \$6.5 million below the \$8.5 million budgeted (primarily due to the decision to utilize the Utah landfill as the back-up site); and *North Maintenance Facilities*, at \$2.6 million (due to a delay in acquisition of a site for a new distribution maintenance facility). Waterworks Division spending totaled \$12.6 million for the year to date, 96% of the amount budgeted.

Construction Fund Balance

The Construction Fund balance at the end of the January accounting period stood at \$360.6 million. Although disbursements for the month were over \$38.7 million, receipts from the SRF of nearly \$31 million resulted in a net decrease in the Construction Fund of \$7 million for the month. The Authority has budgeted an additional \$300.1 million for the period February - June 1994.



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