

Koryzno, Edward (Treasury)

From: Workman, Wayne (TREASURY)
Sent: Tuesday, February 10, 2015 4:30 PM
To: Widigan, Robert (TREASURY); Koryzno, Edward (Treasury); Dempkowski, Angela (Treasury)
Subject: RE: Answers for Treasury

Finish what you have right now

From: Widigan, Robert (TREASURY)
Sent: Tuesday, February 10, 2015 4:28 PM
To: Workman, Wayne (TREASURY); Koryzno, Edward (Treasury); Dempkowski, Angela (Treasury)
Subject: FW: Answers for Treasury
Importance: High

All,

I just received the below from Liz.

Rob

From: Elizabeth Murphy [<mailto:emurphy@cityofflint.com>]
Sent: Tuesday, February 10, 2015 4:26 PM
To: Widigan, Robert (TREASURY)
Subject: Fwd: Answers for Treasury

Follow up on your questions from this am.
LIZ

----- Forwarded message -----

From: Albert Mooney <amooney@cityofflint.com>
Date: Tue, Feb 10, 2015 at 4:17 PM
Subject: Answers for Treasury
To: Elizabeth Murphy <emurphy@cityofflint.com>
Cc: Gerald Ambrose <GAmbrose@cityofflint.com>, Howard Croft <hcroft@cityofflint.com>, Amanda Trujillo <atrujillo@cityofflint.com>

Hi Liz,

In regard to the answers to the questions, I have listed the responses for which I have information compiled below.

1. The "Units" from the Treasurer Analysis is million cubic feet. The amounts are derived from two separate sources of data to allow for an evaluation of an entire 12 month period. For the period from January through April (which is before the Flint River was utilized as the source of the water), the amounts represent the actual billings from the Detroit Water & Sewer invoices. For the period from May through December, the amounts are from the production totals that are reported to our Office from Brent Wright in Water Operations. I understand that there has been a decrease in units as the usage previously attributable to General Motors operations on the Flint water system has been diverted to the Genesee County system.

5. The total of the invoices the City of Flint paid for the DWSD water for the 12 months prior to May 1st was \$25,503,911. The invoices were for 1,285,982.1 million cubic feet. The analysis total of \$23,546,288 is based on the actual usage amounts (which included the aforementioned period from January through April when DWSD provided water) and will reflect lower usage as General Motors left the system, customer changes in usage, and variations in watering.

6. The estimated financial impact needs to be roughly defined due to assumptions pertaining to the incremental expenses incurred from treating the water from the river. Without a full year of history, developing trends for certain expenses is difficult and some billing cycles for certain additional material expenses like electric power lag by one month the actual period for which the expense was incurred. Also, because of certain positions being eliminated in the budget and with wage and benefit changes from contract concessions distorting the data, obtaining a "trued up" year over year comparison of expenses poses a challenge. Looking at the six months of actual data, the incremental additional expenses to treat the water from the river have been \$1,469,962. This is compared with the budgeted incremental additional expenses that approximate \$2,875,048.

These amounts need to be evaluated in conjunction with the \$25,503,911 the City of Flint paid for the DWSD water for the 12 months prior to May 1st and the previously provided Treasurer Analysis total of \$23,546,288.

If you have any questions or need more information, please let me know (I attached two workbooks which provides background information). Thank you.

Al Mooney, Interim City Treasurer

(810) 766-7470 ext. [REDACTED]

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Liz Murphy
Assistant to the Emergency Manager
City of Flint
810 237 2025