

### GM Abercrombie's Proposed 2013 EID Operating Budget

**From:** Greg Prada

**Sent:** Thursday, October 18, 2012 5:15 PM

**To:** undisclosed recipients

**Subject:** GM Abercrombie's Proposed 2013 EID Operating Budget

Here are highlights of General Manager Jim Abercrombie's proposed 2013 Operating Budget to be presented to EID's Board on Monday October 22, 2012, at 9am:

- \$60 million new debt
- \$2.4 million (5.4%) gross operating spending increase to \$47.1 million
- \$14.3 million of Headquarters administration
- \$4.4M gross engineering expenses
- \$3.1 million of accounting gimmicks to mask huge Project 184 and other future customer engineering expenses
- 221.5 employees with up to 50 days paid time off annually
- \$78,000 average salary, including 35 employees above \$100,000
- \$49,000 per employee benefits, mostly for platinum pensions and medical plans
- \$0.5 million slush fund

In the face of 102% water rate increases for 2010-2015, fiscally responsible Directors would DIRECT General Manager Abercrombie to get serious about top heavy senior staff, excessive overhead and other spending cuts, and to get rid of his "smoke and mirrors" accounting gimmicks that camouflage even more millions of dollars of spending.

If EID's current Board does not direct Abercrombie to slash spending, the double digit EID rate hikes to current ratepayers will keep coming while the financial hole of crippling debt and capitalized current spending will get deeper and deeper for future ratepayers.

For more details see: <http://www.eid.org/modules/showdocument.aspx?documentid=3139>