
Washington Aqueduct

washingtonaqueduct.nab.usace.army.mil

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Description	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$64,591,817	\$64,481,705	-0.2

Note: Prior year actuals are not reported for the Washington Aqueduct, because the agency does not use the District's financial system for its actual transactions.

The mission of Washington Aqueduct is to collect, purify, and pump an adequate supply of potable water to the distribution system managed by the District of Columbia Water and Sewer Authority (DC Water), Arlington County, and Fairfax Water Authority, in Virginia.

The agency plans to fulfill its mission by achieving the following strategic goals:

- Provide an adequate supply of high quality potable water;
- Provide potable water at an equitable, economical rate that covers all costs; and
- Protect the drinking water consumer from both microbial risk and adverse health effects due to chemicals in the drinking water.

Washington Aqueduct owns and operates intake facilities on the Potomac River at Great Falls and Little Falls, Maryland. Washington Aqueduct also owns and operates two 10-mile gravity conduit systems with a combined 200 million gallon per day (mgd) capacity, a 525-mgd raw water pumping station and transmission system, two major treatment plants with 320-mgd capacity, three booster pumping stations, a 480-mgd finished water pumping station, seven finished storage reservoirs, and many large diameter transmission mains.

Washington Aqueduct is owned and operated by the U.S. Army Corps of Engineers and is governed by a Wholesale Customer Board. It sells water to three wholesale customers: DC Water, Arlington County, Virginia, and Fairfax Water Authority, in Virginia. For the first time since 1947, when Falls Church became a customer of the Washington Aqueduct, a change occurred in the wholesale customers. On January 3, 2014 Fairfax County Water Authority assumed ownership and operation of the water distribution system previously owned and operated by the City of Falls Church.

A revision was made to the Memorandum of Understanding among the Army (through Washington Aqueduct), DC Water and Sewer Authority, Arlington County and Fairfax County Water Authority to establish Fairfax County Water Authority as a wholesale customer of Washington Aqueduct in place of the City of Falls Church. The number of customers served will remain the same initially, but could grow as Fairfax County Water Authority may extend the use of Washington Aqueduct water to other parts of their system. If

this happens it would have a positive effect on overall rates. In FY 2013, Washington Aqueduct pumped 48.2 billion gallons of purified water to its customers, a decrease of 5.4 percent from FY 2012. In Fiscal Years 2014 and 2015, Washington Aqueduct projects the production and supply of water to its customers to continue the trend of decreasing by approximately one to three percent per year.

Washington Aqueduct does not receive appropriated funding from the District of Columbia or the federal government.

DC Water funds the District of Columbia's portion of the costs of the Washington Aqueduct. As a wholesale customer, DC Water purchases potable water and makes payments to Washington Aqueduct based on the number of gallons provided. Washington Aqueduct charges a rate based on water sale agreements with DC Water, Arlington County, and Fairfax Water Authority. The individual wholesale customers are responsible for water distribution.

Water Quality

Water being produced by Washington Aqueduct treatment plants has consistently met and surpassed all Environmental Protection Agency (EPA) drinking water standards.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table LB0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget.

Table LB0-1
(dollars in thousands)

Appropriated Fund	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund				
Special Purpose Revenue Funds	64,592	0	-64,592	-100.0
Total for General Fund	64,592	0	-64,592	-100.0
Enterprise and Other				
Enterprise and Other Funds	0	64,482	64,482	N/A
Total for Enterprise and Other	0	64,482	64,482	N/A
Gross Funds	64,592	64,482	-110	-0.2

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table LB0-2 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget.

Table LB0-2
(dollars in thousands)

	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
Comptroller Source Group				
50 - Subsidies and Transfers	64,592	64,482	-110	-0.2
Subtotal Nonpersonal Services (NPS)	64,592	64,482	-110	-0.2
Gross Funds	64,592	64,482	-110	-0.2

*Percent change is based on whole dollars.

Program Description

The Washington Aqueduct operates through the following program:

Sale of Water – The main program at Washington Aqueduct is the sale of drinking water to its three customers for further distribution to the distribution systems they serve. The Wholesale Customer Board also approves Washington Aqueduct's budget. During Fiscal Years 2014 and 2015, the agency expects to pump an estimated 49 and 48 billion gallons of purified water to its customers, respectively.

Program Structure Change

The Washington Aqueduct has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table LB0-3 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget.

Table LB0-3
(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Washington Aqueduct						
(1100) Washington Aqueduct	64,592	64,482	-110	0.0	0.0	0.0
Subtotal (1000) Washington Aqueduct	64,592	64,482	-110	0.0	0.0	0.0
Total Proposed Operating Budget	64,592	64,482	-110	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Notes: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Washington Aqueduct's proposed FY 2015 gross budget is \$64,481,705, which represents a 0.2 percent decrease from its FY 2014 approved gross budget of \$64,591,817. The budget is comprised entirely of Enterprise and Other funds.

Note: For FY 2015, a new appropriated fund, Enterprise and Other Funds, was created to replace the appropriated fund associated with the General Fund. In tables that categorized changes by fund, the budget associated with the original appropriated fund, Special Purpose Revenue, is reflected as a decrease. As the budget shifts from the General Fund to the new Enterprise and Other appropriated fund, the budget is shown as a corresponding increase.

Agency Budget Submission

Shift: The budget shows a shift from Special Purpose Revenue funds to Enterprise and Other funds, a decrease of \$64,592,000 offset by an increase of \$64,482,000. Included in the shift, the budget reflects a decrease of \$110,112,000 in Special Purpose Revenue funds. The budget proposal achieves savings in the amount of \$110,112,000 based on current and projected costs for chemicals, and a slightly lower projection for energy costs. Additionally, the FY 2015 budget proposal is impacted by a projected reduction in debt service costs as a result of a revised estimate of debt service needs.

Mayor's Proposed Budget

No Change: The Washington Aqueduct's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The Washington Aqueduct's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table LB0-4 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table LB0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE		64,592	0.0
Shift: To reallocate funding within agency (across fund types)	Washington Aqueduct	-64,592	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2014 Approved Budget and FTE		0	0.0
Shift: To reallocate funding within agency (across fund types)	Washington Aqueduct	64,482	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Agency Budget Submission		64,482	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Mayor's Proposed Budget		64,482	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 District's Proposed Budget		64,482	0.0
Gross for LB0 - Washington Aqueduct		64,482	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)