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REPORT TO THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, 4 OCTOBER 2011

SUBJECT: REVENUE AND EXPENDITURE STATEMENT AS AT AUGUST 31, 2011

BACKGROUND:

The attached statement (Attachment 1) provides the high level summary of the revenues and expenditures of the Juan de Fuca Distribution system as at August 31, 2011 and the projected forecast up to the end of the year.

COMMENTS:

Revenues from water sales are not uniform through out the year due to seasonal variations in demand. Also, debt servicing expenditures are not uniform through out the year. Transfers to Water capital fund is expended at the end of the year when excess funds available for transfer are known. Water use is typically highest in the months of July-September and debt servicing expenditures are due mostly during the last quarter of the year.

a) Revenue

Current year's volume up to August 2011 is 2.99% (146,459 cu.metres) lower than last year's August year to date. The poor spring weather in May and June contributed to the lower demand. The projected volume for the year is expected to be approximately 7,995,000 cubic metres which is 6.76% (580,000 cu.metres) lower than the budgeted volume of 8,575,000 cubic metres.

b) Expenditures

The year to date operating expenditures are lower than budget due to timing. The net projected cash position for the year end is a deficit of \$630,575 assuming the budgeted amount of \$3,260,702 is transferred to fund water capital. In the event of a deficit, the transfer to capital would be reduced by the deficit amount.

RECOMMENDATION:

That the Juan de Fuca Distribution Commission receive the staff report for information.

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Senior Business Analyst

for

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General Manager Corporate Services
Concurrence

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**CAPITAL REGIONAL DISTRICT
STATEMENT OF REVENUE AND EXPENDITURE
JUAN DE FUCA WATER DISTRIBUTION
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2011**

INTERNAL USE ONLY

J. Hull

	YTD			
	ACTUAL	SEASONAL BUDGET	DEC/31/2011 PROJECTION	
REVENUE:				
Sale of water	\$ 7,233,301	\$ 7,784,928	12,318,853	\$ 13,213,218
Household connections net of expenses	26,593	-	30,000	-
Rentals	3,920	3,500	3,500	3,500
Revenue transfer from DCC	-	-	329,495	329,495
Other income	133,548	123,333	183,650	187,650
Prior years carried forward surplus	-	-	-	-
TOTAL	\$ 7,397,361	\$ 7,911,761	\$ 12,865,498.00	\$ 13,733,863
EXPENDITURE:				
Bulk Water Purchase	\$ 2,614,656	\$ 2,803,968	4,436,994	\$ 4,759,125
Asset Management - Distribution	2,152,382	2,216,501	3,333,922	3,324,751
Fleet	(28,889)	(181,680)	(139,000)	(272,520)
Finance-Operations	957,098	975,805	1,455,358	1,463,708
Finance-Debt	139,275	139,275	543,432	563,432
Finance- Debt DCC	177,232	177,232	329,495	329,495
Transfer to Water Capital Fund	4,876	-	3,260,702	3,260,702
Transfer to Equipt Replacement Fund	181,680	181,680	272,520	272,520
Transfer to MFA Debt Reserve Fund	-	-	2,650	32,650
TOTAL	\$ 6,198,310	\$ 6,312,782	\$ 13,496,073.00	\$ 13,733,863
SURPLUS/(DEFICIT)	\$ 1,199,051 *	\$ 1,598,980	\$ (630,575)	\$ -