

REPORT TO THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, 4 SEPTEMBER 2012

SUBJECT: REVENUE AND EXPENDITURE STATEMENT AS AT JULY 31, 2012

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 July 31, 2012 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

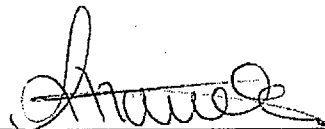
Current year's volume up to July 31, 2012 is 1.85% (78,915 cu.metres) lower than last year's July year to date. The poor weather in May, June & July contributed to the lower demand. The projected volume for the year is expected to be approximately 7,867,000 cubic metres which is 7.32% (622,000 cu.metres) lower than the budgeted volume of 8,489,000 cubic metres.

b) Expenditures

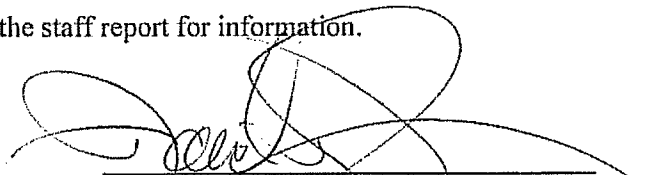
The year to date operating expenditures are lower than budget due to timing. The net projected cash position for the year end is a deficit of \$643,574 assuming the budgeted amount of \$3,260,090 is transferred to fund water capital. In the event of a deficit, the transfer to capital would be reduced by the deficit amount.

RECOMMENDATION:

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



Shanney Thaver, CMA
Senior Business Analyst


Diana E. Lokken, Dip Bus Admin, CMA
General Manager Corporate Services
Concurrence

Ted Robbins, B.Sc., C. Tech.
Acting General Manager, Integrated Water Services
Concurrence

**CAPITAL REGIONAL DISTRICT
STATEMENT OF REVENUE AND EXPENDITURE
JUAN DE FUCA WATER DISTRIBUTION
FOR THE SEVEN MONTHS ENDED JULY 31, 2012**

INTERNAL USE ONLY

J. Hull

	YTD		DEC/31/2012 PROJECTION	ANNUAL BUDGET
	ACTUAL	SEASONAL BUDGET		
REVENUE:				
Sale of water	\$ 6,217,996	\$ 7,064,710	12,526,480	\$ 13,516,186
Household connections net of expenses	2,897	-	3,500	-
Rentals	-	-	-	3,500
Revenue transfer from DCC	-	-	329,495	329,495
Other income	129,245	103,833	181,000	181,110
Prior years carried forward surplus	0	-	-	-
TOTAL	\$ 6,350,138	\$ 7,168,543	\$ 13,040,475	\$ 14,030,291
EXPENDITURE:				
Bulk Water Purchase	\$ 2,363,628	\$ 2,586,669	4,483,632	\$ 4,837,881
Asset Management - Distribution	1,834,722	2,001,761	3,417,369	3,431,590
Fleet	31,623	(171,354)	(214,437)	(293,750)
Finance-Operations	871,020	862,741	1,479,275	1,478,985
Finance-Debt	139,275	139,275	606,765	641,140
Finance- Debt DCC	177,232	177,232	329,495	329,495
Transfer to Water Capital Fund	-	-	3,260,090	3,260,090
Transfer to Equipt Replacement Fund	171,353	171,354	293,750	293,750
Transfer to MFA Debt Reserve Fund	25,000	-	28,110	51,110
TOTAL	\$ 5,613,853	\$ 5,767,679	\$ 13,684,049	\$ 14,030,291
SURPLUS/(DEFICIT)	\$ 736,285 *	\$ 1,400,865	\$ (643,574)	\$ -