

**REPORT TO THE REGIONAL WATER SUPPLY COMMISSION  
MEETING OF WEDNESDAY, 15 SEPTEMBER 2010**

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**SUBJECT: REVENUE AND EXPENDITURE STATEMENT AS AT JULY 31, 2010**

**BACKGROUND:**

The attached statement (Attachment 1) provides the high level summary of the revenues and expenditures of the Regional Water Supply system as at July 31, 2010 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 2010 is 9.9% lower than the last 5 year average for the same time frame (3,019,000 cu. metres). The forecasted volume for the year is 6.9% lower than budgeted volume. Budgeted volume for the year is 51,500,000 cubic metres, the projected volume is expected to be 47,948,000 cubic metres which is 3,552,000 cu. metres less.

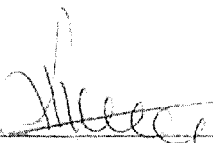
**b) Expenditures**

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 \$1,316,000 million assuming the budgeted amount of \$1,645,151 is transferred to fund capital.

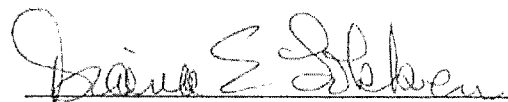
The annual bill for the average household for the wholesale portion of a water bill is projected to be \$119.08 compared to the budget amount of \$127.91.

**RECOMMENDATION:**

That the Regional Water Supply 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



J.A. (Jack) Hull, MBA, P. Eng.  
General Manager Integrated Water Services  
Concurrence

**CAPITAL REGIONAL DISTRICT  
STATEMENT OF REVENUE AND EXPENDITURE  
REGIONAL WATER SUPPLY  
FOR THE SEVEN MONTHS ENDED JULY 31, 2010**

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|  | <b>YTD</b>                 |                            |                                   |                          |
|--|----------------------------|----------------------------|-----------------------------------|--------------------------|
|  | <b>JULY YTD<br/>ACTUAL</b> | <b>SEASONAL<br/>BUDGET</b> | <b>DEC/31/2010<br/>PROJECTION</b> | <b>ANNUAL<br/>BUDGET</b> |
|  |                            |                            |                                   |                          |
| <b>REVENUE:</b>                        |                            |                            |                                   |                          |
| Sale of water                          | \$ 14,754,182              | \$ 15,896,572              | \$ 26,016,999                     | \$ 28,031,450            |
| Other income                           | 8,932                      | 18,428                     | 71,100                            | 89,427                   |
| Sale of Logs                           | -                          | -                          | -                                 | -                        |
| Unaccounted Water                      | -                          | 161,606                    | 275,809                           | 275,809                  |
| Prior years carried forward surplus    | -                          | -                          | -                                 | -                        |
| <b>TOTAL</b>                           | <b>\$ 14,763,114</b>       | <b>\$ 16,076,606</b>       | <b>\$ 26,363,908</b>              | <b>\$ 28,396,686</b>     |
| <b>EXPENDITURE:</b>                    |                            |                            |                                   |                          |
| Operating Expenditures                 | \$ 5,279,869               | \$ 6,449,844               | \$ 10,642,833                     | \$ 11,056,875            |
| Finance - Debt                         | 7,309,145                  | 7,389,395                  | 13,220,504                        | 13,522,460               |
| Transfer to Equipment Replacement Fund | 178,500                    | 178,500                    | 306,000                           | 306,000                  |
| Transfer To Water Capital Fund         | -                          | -                          | 1,645,151                         | 1,645,151                |
| Transfer To M.F.A. Debt Reserve fund   | -                          | -                          | 116,180                           | 116,180                  |
| Agriculture Rate Subsidy               | 9,455                      | -                          | 925,000                           | 925,000                  |
| Prior Years carried forward Deficit    | 825,020                    | 825,020                    | 825,020                           | 825,020                  |
| <b>TOTAL</b>                           | <b>\$ 13,601,990</b>       | <b>\$ 14,842,759</b>       | <b>\$ 27,680,688</b>              | <b>\$ 28,396,686</b>     |
| <b>SURPLUS/(DEFICIT)</b>               | <b>\$ 1,161,123</b>        | <b>\$ 1,233,846</b>        | <b>\$ (1,316,780)</b>             | <b>\$ -</b>              |