

REPORT TO THE REGIONAL WATER SUPPLY COMMISSION
MEETING OF WEDNESDAY, 5 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 Regional Water Supply 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 12.2% (3,472,000 cu. metres) lower than the last 5 year average (2007-2011) for the same time frame. The forecasted volume for the year is 3.8% lower than budgeted volume. Budgeted volume for the year is 47,721,000 cubic metres, the projected volume is expected to be 45,891,000 cubic metres which is 1,830,000 cu. metres less.

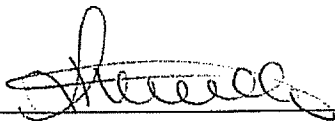
b) Expenditures

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 \$1,074,709 million assuming the budgeted amount of \$2,107,065 is transferred to fund water capital. In the event of a deficit, the transfer to capital would be reduced by the deficit amount.

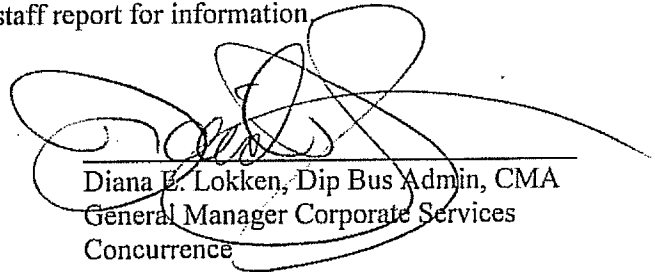
The annual bill for the average household for the wholesale portion of a water bill is projected to be \$128.84 compared to the budget amount of \$133.93.

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



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

**CAPITAL REGIONAL DISTRICT
STATEMENT OF REVENUE AND EXPENDITURE
REGIONAL WATER SUPPLY
FOR THE SEVEN MONTHS ENDED JULY 31, 2012**

	YTD		DEC/31/2012 PROJECTION	ANNUAL BUDGET
	JULY YTD ACTUAL	SEASONAL BUDGET		
REVENUE:				
Sale of water	\$ 14,232,412	\$ 15,470,418	\$ 26,151,705	\$ 27,196,198
Other income	4,111	5,600	57,300	73,900
Sale of Logs	-	-	-	-
Unaccounted Water	330,141	330,143	565,960	565,960
Prior years carried forward surplus	-	-	-	-
TOTAL	\$ 14,566,664	\$ 15,806,161	\$ 26,774,965	\$ 27,836,058
EXPENDITURE:				
Operating Expenditures	\$ 5,947,487	\$ 6,088,557	\$ 10,514,143	\$ 10,437,527
Finance - Debt	7,478,997	7,500,315	13,833,360	13,879,360
Transfer to Equipment Replacement Fund	214,557	214,554	367,806	367,806
Transfer To Water Capital Fund	-	1,053,533	2,107,065	2,107,065
Transfer To M.F.A. Debt Reserve fund	45,000	45,000	102,300	119,300
Agriculture Rate Subsidy	-	9,250	925,000	925,000
Prior Years carried forward Deficit	-	-	-	-
TOTAL	\$ 13,686,040	\$ 14,911,208	\$ 27,849,674	\$ 27,836,058
SURPLUS/(DEFICIT)	\$ 880,624	\$ 894,953	\$ (1,074,709)	\$ -