



## NORTH RED DEER RIVER WATER SERVICES COMMISSION

### Regular Meeting

November 5, 2018 @ 9 AM

LACOMBE CITY HALL

### AGENDA

1. Call to Order
2. Adoption of Agenda
3. Governance
  - a. Annual Elections – (attached)
    - i) Election of Chairman
    - ii) Election of Vice Chairman

New Chairperson of Commission assumes Chairing of Meeting

4. Adoption of Minutes
  - a. September 17, 2018 - Regular Meeting (*attached*)
5. Presentation
  - a. Matt Goudy, CAO City of Lacombe
6. Reports
  - a. Operations (*attached*)
  - b. Administrator (*attached*)
    - i) Monthly Report
    - ii) Financial - As of September 30, 2018
  - c. Chair
7. Correspondence
8. Old Business
9. New Business
  - a. 2019 Budget Update (*attached*) – For information

10. In Camera

a. Waterline Extension

11. Next Meeting Date: December 10, 2018 at 9 AM

12. Adjournment



**North Red Deer  
River Water  
Services  
Commission**

5432 56<sup>th</sup> Avenue  
Lacombe, Alberta T4L 1E9

## Memorandum

**TO:** Commission Board Members

**FROM:** Justin de Bresser, Administrator

**DATE:** November 5, 2018

**RE:** Annual Election of Chair and Vice Chair

REF: 47/112  
2018

### **PURPOSE:**

To outline the process for the election of the Chair and Vice Chair positions of the North Red Deer River Water Services Commission

### **BACKGROUND:**

Section 4.4 of the Commission's Bylaw #1 requires the election of the position of Chair and Vice Chair.

The Chair is responsible for the management of the quarterly Board meetings and to call special meetings if required. The Vice Chair's role is to fill in in the absence of the Chair. Both positions are signing officers for the Commission.

### **ISSUE ANALYSIS:**

At the Nov 1 2017 meeting the board elected Ken Wigmore as Chair and Richard Poole as Vice Chair.

There are no specific election rules outlined in the bylaws of the Commission, therefore, Administration is recommending that the election process outlined in the Robert's Rules of Order be followed. The election would go as follows:

1. Acting Chair calls for nominations from the floor for the position of the Chair.
2. Once all the nominations have been received from the floor, the Acting Chair closes nominations. Board member should not nominate themselves.
3. If more than one name is put forth for the position of the Chair, then the Acting Chair will call for a vote by show of hands for each candidate.
4. The candidate with the most votes will be declared the elected Chair for the year.
5. If only one name is received that person will be acclaimed as Chair for the year.

The same process would be followed for the election of the Vice Chair position.

**FINANCIAL IMPLICATIONS:**

None

**LEGISLATIVE AUTHORITY:**

- Section 4.4 of Commission Bylaw #1

**ALTERNATIVES:**

1. The Board could propose changes to the election process

**ATTACHMENTS:**

- N/a

**ACTION/RECOMMENDATION:**

THAT the Board accept this report as information.

**NORTH RED DEER RIVER WATER SERVICES COMMISSION**  
**REGULAR MEETING MINUTES**  
**September 17, 2018**

**In Attendance:** Chair Ken Wigmore, Lacombe County Councillor  
Mayor Grant Creasey, City of Lacombe  
Councillor Ted Dillon, Town of Ponoka  
Councillor Mark Matejka, Ponoka County  
Mayor Richard Poole, Town of Blackfalds  
Justin de Bresser, NRDRWSC Administrator  
Jennifer Peterson, Administrative Assistant

**Others Present:** Albert Frootman, CAO, Town of Ponoka  
Matthew Goudy, CAO, City of Lacombe  
Keith Boras, Environmental & Protective Services, Lacombe County  
Preston Weran, Director of Infrastructure, Town of Blackfalds  
Jordan Thompson, Acting Operation & Planning Director, City of Lacombe

**Guest:** Darlene Bouvier, Director, Urban and Special Projects

**1. Call to Order:**

*Vice Chair Creasey called the meeting to order at 2:10 pm.*

**2. Adoption of the Agenda:**

*MOVED by Mayor Poole that the agenda for September 17, 2018, be adopted as presented.*

*CARRIED*

**3. Adoption of the Minutes:**

*MOVED by Councillor Matejka that the minutes for June 25, 2018, be adopted as presented.*

*CARRIED*

**4. Reports**

Operations Report

Mr. Thompson discussed the recent operation activities.

In summary:

- Operations has begun replacing the old fibre insulation with new rigid form instillation.
- The Operator received repair call outs that were able to be addressed in the field.

#### SCADA Upgrades

Mr. Thompson advised the commission that Operations has confirmed with Eramosa that their pricing included the web base platform. The final cost submitted by them is indeed the confirmed amount of \$131,212. The contract was awarded to Eramosa and they have begun the process of upgrading the SCADA system.

*MOVED by Mayor Poole to accept the Operation's report as information.*

*CARRIED*

#### Administrator Report

Mr. de Bresser presented the Administrator's report.

In summary:

- Sale of the water line is moving forward. The Commission has received approval from Alberta Transportation to proceed. Administration is waiting for the City of Red Deer to provide a purchase/sale agreement. Once all the information has been collected, administration will present to the commission.
- Currently working on the 2019 budget which will be presented to commission at the November meeting.
- Will be attending the annual meeting with the City of Red Deer on October 4<sup>th</sup>.

Mr. de Bresser presented the financial report.

In summary:

- Water sales for June and July were above the historical average.
- The expenses remain in line with expectation of an unexpected expense to the maintenance of the current SCADA.
- The projected surplus for the end of the year is currently at \$45,441.

*MOVED by Councillor Matejka to accept the Financial Report as information.*

*CARRIED*

Chair Wigmore arrived at the meeting at 2:18 pm and took the Chair seat.

#### Chairperson's Report

Chair Wigmore thanked the commission for accommodate the change in the meeting time to allow for the presentation.

## 5. Presentation

Chair Wigmore introduced Darlene Bouvier, Director, Urban and Special Projects Province of Alberta.

Ms. Bouvier from the province's Indigenous Relations branch, described a provincial funding program to assist Alberta First Nations with connecting to a water supplies. The program is being administered by Alberta Transportation with \$100 million in funds that can be accessed. Her role is to help facilitate discussions with the First Nations and Regional Water Commissions. The First Nations bands that are interested in these discussions with the commission are Ermineskin Cree, Louis Bull Cree and Samson Cree. The commission will be asked to supply water to the boundary line and then the Federal Government will be asked to continue the build with the First Nations boundaries. Each band is asking for equal representation on the commission.

The application process:

- Meet with each First Nations band individually to assess their request and needs
- Submit an application. All applications to Alberta Transportation need to be made by the commission
- Complete a feasibility study – include all costs related

Concerns were expressed regarding the cost sharing as the current Water for Life model is a 90/10 split and when the commission constructed the line it was much larger split. Ms. Bouvier will follow up with Alberta Transportation on this concern and see what they have in place to address this. Mr. de Bresser will confirm the exact amount on what each municipality paid at the time of construction.

*MOVED by Mayor Poole to accept the letter as information.*

*CARRIED*

## 6. Correspondence/Information

The letter from the City of Red Deer regarding the 2018 Water Rate Model and Projection Rate was provided to the Board as information.

*MOVED by Councillor Matejka to accept the letter as information.*

*CARRIED*

## 7. Old Business:

No old business to bring forward at this time

## 8. New Business:

No new business to bring forward at this time

## 9. IN Camera

*MOVED by Mayor Creasey to go IN CAMERA at 2:40 pm*

*CARRIED*

*MOVED BY Mayor Poole to return to Open Meeting at 2:50 PM.*

*CARRIED*

*MOVED by Mayor Poole to direct Administration to work with the Province of Alberta on completing a feasibility study of a water line extension to the First Nation's boundary.*

*CARRIED*

## 10. Next Meeting:

Monday, November 5 at 9:00 am, City of Lacombe Council Chambers.

Monday, December 10 at 9:00 am, City of Lacombe Council Chambers.

## 11. Adjournment:

*MOVED by Councillor Matejka to adjourn this Meeting at 2:52 pm.*

*CARRIED*

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Administrator



## Memorandum for: North Red Deer River Water Services Commission

**SUBJECT:** Request for Consideration  
**PREPARED BY:** Matthew Goudy, P.Eng  
**PRESENTED BY:** Matthew Goudy, P.Eng  
**DATE:** October 31<sup>st</sup>, 2018

### PURPOSE:

To present, for the Commissions' consideration, a request to reduce the cubic meter cost of water provided to members.

### BACKGROUND:

The North Red Deer Regional Water Services Commission currently holds nearly \$4.0 M in operating reserves, and more than \$3M in capital reserves.<sup>1</sup>

The current capital debenture held by the Commission totals \$12.8M. First issued in 2006, it is due to be repaid in 2031.

A 50 Year Design horizon was used for the pre-design report of this infrastructure. The estimate average daily demands included in the pre-design report is as follows:<sup>2</sup>

Average Daily Demand (m3)	2003	2006	2011	2021	2051
Without First Nations	7345	8648	13209	16205	24278
With First Nations	9069	11650	17467	21742	36634

Experience has shown that these estimates were very high, when compared to actual usage. For example, the total Average Daily Demand on the system in 2017 is 7653 m<sup>3</sup>/day – about half of what the pre-design report would estimate. The systems design capacity is about five times the current usage.

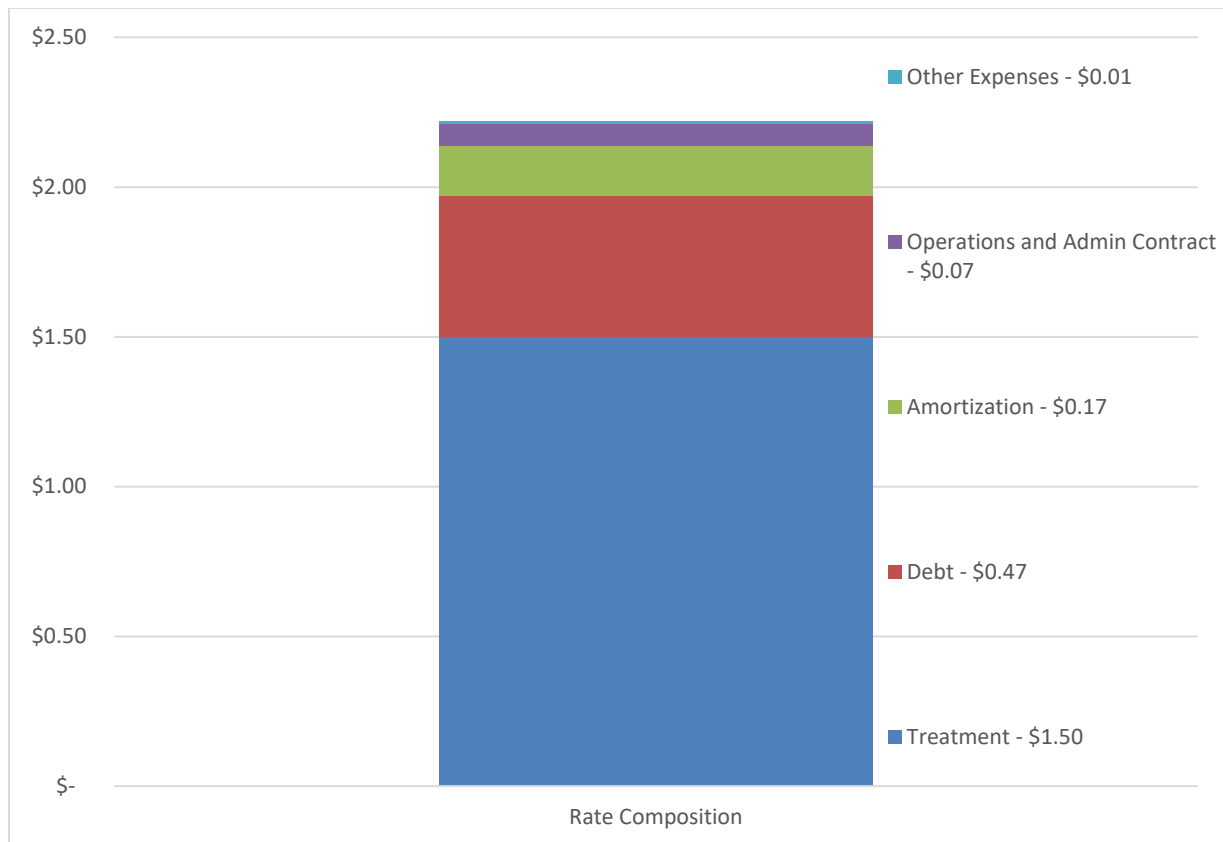
### ISSUE ANALYSIS:

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<sup>1</sup> North Red Deer River Water Services Commission Audited Financial Statements, 2017

<sup>2</sup> Water Transmission Pipeline, Pre-Design Report [Associated Engineering], May 2003

When members transitioned from local treatment systems to Regional Water (in 2006), rates were increased in all communities. The increase was largely driven by increased treatment costs (river source vs. wells), and debt payments for the transmission line. Currently, the debt accounts for \$0.47/m<sup>3</sup>, whereas the treatment and transmission costs are \$1.50/m<sup>3</sup>. In addition, the Commission charges members \$0.17/m<sup>3</sup> for amortization of the capital asset – essentially putting away money to account for depreciation of the line.



Lacombe Administration believes it is overly conservative to budget for full cost depreciation, and further, that to do so imposes an unfair burden on current ratepayers in member municipalities. It is clear, given water consumption trends, that the system capacity will far outlast the design horizon of 50 years. Compounding this issue is the amortization period of debenture – 25 years. The \$0.47/m<sup>3</sup> that today's customer pays accounts for the cost of the infrastructure they themselves are benefiting from – the water transmission line. This debenture will be paid off long before an expansion or replacement of the line is needed. Today's customer should not *also* be asked to pay for this future work – the recipient of that benefit (i.e. the future customer) should pay for that benefit.

There is a clear mechanism to accomplish this – when the current debenture is retired in 2031, there will still be *at least* 25 years left before major work is needed. In 2031, the Commission can re-allocate the \$0.47/m<sup>3</sup> (the current debt repayment cost) to capital reserves. The Commission will still be in an enviable position, with ample time to prudently plan and save for future work.



**A very conservative estimate, using 2017 volumes, and a 25 year savings period, would result in the Commission having nearly \$33M available at the earliest need for upgrade or expansion:**

$$7653 \frac{m^3}{day} * \left( 365 \frac{days}{year} \right) * 25 Years * \frac{\$0.47}{m^3} = \$32,821,803$$

**City of Lacombe Administration requests the Boards consideration to amend Policy 7/12 (the Capital & Operating Reserves [sic] Policy), section 2, to read:**

**The annual capital reserve contribution will be equal to the ~~greater~~ **lesser** of:**

- a. The annual amortization expense incurred by the Commission and reported in the Commission's annual audited financial statements; or**
- b. The ten year rolling average annual expense for the replacement of existing capital infrastructure.**

**This will result in a reduction of approximately \$0.17/m3. Further, the City requests the Board's consideration to temporarily apply a further \$0.10/m3, to achieve the following objectives:**

- reduce the Commission's capital reserves (unrestricted and restricted) to a combined maximum of \$1,000,000, and**
- Reduce the Commission's operating reserves (unrestricted, restricted, and rate stabilization) to a maximum of 90 days of cash general operating expenses, as per Commission Policy 7/12.**

**For members information, this would result in the following estimated savings for member communities in 2019. This information was estimated using 2017 volumes:**

Member	Annual Savings
<b>Town of Ponoka</b>	\$ 185,874
<b>City of Lacombe</b>	\$ 346,178
<b>Town of Blackfalds</b>	\$ 216,139
<b>Ponoka County/WC</b>	\$ 2,702

**ALTERNATIVES:**

**The Board may direct Administration to:**

**1. Implement the changes, as described in this memo,**

**OR**

**2. Request further information,**

**OR**

**3. Accept this report as information.**



**RECOMMENDATION:**

**THAT the Commission direct Administration to amend Policy 7/12 (the Capital & Operating Resrves [sic] Policy), and implement a temporary rate reduction to all members, as described in this memo.**



# M E M O R A N D U M



## North Red Deer River Water Services Commission

5432 56<sup>th</sup> Avenue  
Lacombe, Alberta T4L 1E9

Phone: (403) 782-6666  
Direct Line: (403) 782-1256  
Fax: (403) 782-2234

chuston@lacombe.ca

November 5<sup>th</sup>, 2018

Attn: NRDRWSC

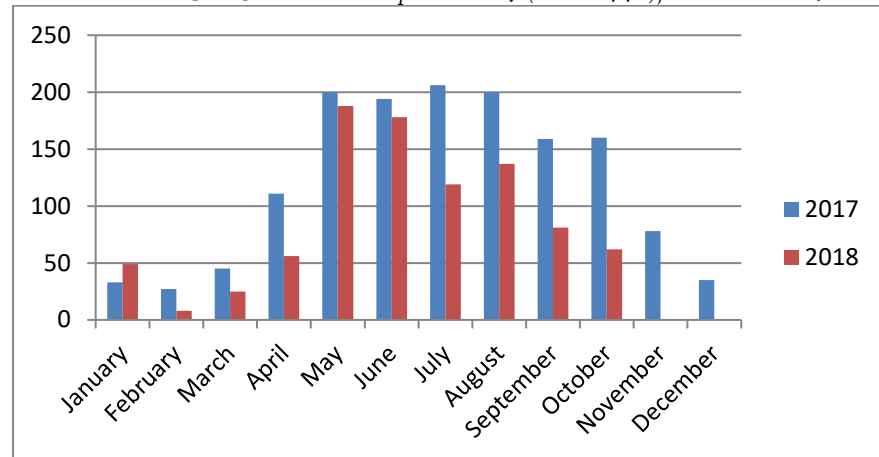
**Re: Operational Report since September 17<sup>th</sup>, 2018.**

Since the last update provided to members of the Commission, the City of Lacombe has:

### GENERAL INFORMATION

- Alberta One-Call Locate Requests:
  - September – 81 locates
  - October – 62 locates

*Alberta One-Call Locate Requests 2017 (total 1448); 2018 to date 903*



### Repair response charges:

- Operator found the actuator valve at PH'A' leaking (drip), a new valve has been ordered.

### Call-Out:

- October 21<sup>st</sup> – Operator called by RDWTP – No utility power at main vault – Fortis performing upgrades in the area, main vault was on back-up UPS power until utility power was restored in the afternoon.

### General Information:

SCADA Upgrades – Operators have engaged Eramosa and began the process of upgrading the SCADA system. Eramosa performed site visits and is working through the required upgrades to the system.

If you have any questions or comments regarding the operations described above please don't hesitate to call or email me.

Regards,

Chris Huston  
Operations Supervisor



**North Red Deer  
Regional Water  
Services  
Commission**

5432 56<sup>th</sup> Avenue  
Lacombe, Alberta  
T4L 1E9

**Memorandum**

**TO:** Commission Board Members

**FROM:** Justin de Bresser, Administrator

**DATE:** November 5, 2018

**RE:** Administrator's Report – 3<sup>rd</sup> Qtr. 2018

REF: 47/117  
(2018)

The following is a summary of items Administration has been working on since the Board's last meeting:

1. Administration held its annual planning meeting with the City of Red Deer. Topics included the sale of the water line to the City of Red Deer. The draft sales agreement will be presented once the administration receives. 2019 water rates have not been finalized yet. The commission has budgeted a 2% increase in the 2019 budget.
2. Administration and the Chair of the Commission met with the Ermineskin Cree Nation and the Province of Alberta. The details of this meeting will be discussed later on the agenda.
3. Administration has drafted the 2019 Operating budget for the boards review. This item is up for review later on the agenda.
4. Administration has been working on the 5 year projection and will present this work at the December 10<sup>th</sup> Meeting.



5432 56<sup>th</sup> Avenue  
Lacombe, Alberta T4L 1E9

## Memorandum

**TO:** Commission Board Members

**FROM:** Justin de Bresser, Administrator

**DATE:** November 5, 2018

**RE:** Q3 Variance Report Variance Report

REF: 13/860  
2018

Attached is the variance report as of September 30<sup>th</sup> 2018 for the regional water commission.

Water sales in 9 months ending September 30<sup>th</sup> were above historical averages however the commission. Projections to the end of the year anticipate water sales being slightly ahead of budget due to higher usage in Lacombe and Blackfalds whereas Ponoka, Ponoka County and City of Red Deer may be slightly under anticipated budgets.

Majority of expenses remain in line with expectations with the exception of SCADA maintenance. Tracking over budget due to unforeseen expenses to keep system active and running until new system is completed.

The projected surplus to the end of the year is currently at \$57,752 compared to a budgeted surplus of \$69,402.

# GL Department Report



GL5330

Page : 1

Date : Nov 01, 2018

Time : 10:11 am

Year : 2018

Period : 9

Budget : FINAL BUDGET

Group by: Default

Account No.	Description	CC1	CC2	CC3	Current	Year to Date	Budget	Variance	% Used
<b>REGIONAL WATER REPORTING</b>									
<b>REVENUES</b>									
06-1-47-35110	Water Sales - City of La				-207,801	-2,085,661	-2,660,343	-574,682	78
06-1-47-35120	Water Sales - Town of P				-105,156	-1,109,293	-1,469,568	-360,275	75
06-1-47-35130	Water Sales - Town of B				-130,925	-1,331,414	-1,600,139	-268,725	83
06-1-47-35140	Water Sales - Ponoka C				-1,018	-15,055	-24,923	-9,868	60
06-1-47-35150	Water Sales - City of Re				-183	-1,499	-7,550	-6,050	20
06-1-47-42200	Line Crossing Agreeeme				0	-250	-1,500	-1,250	17
06-1-47-55100	Interest Revenue				0	-48,018	-50,000	-1,982	96
06-1-47-55500	Rebates & Dividends				0	0	-30	-30	
06-1-47-85140	Lacombe County Contri				0	0	-70,195	-70,195	
06-1-47-85150	Ponoka County Contribu				0	0	-70,195	-70,195	
06-1-47-92100	Transfer from Reserves				0	0	-215,000	-215,000	
<b>REVENUES</b>					<b>-445,084</b>	<b>-4,591,191</b>	<b>-6,169,442</b>	<b>-1,578,251</b>	<b>74</b>
<b>EXPENSES</b>									
06-2-47-11110	Board Wages-City of La				300	450	1,400	950	32
06-2-47-11120	Board Wages-Town of P				150	450	600	150	75
06-2-47-11130	Board Wages-Town of B				150	450	600	150	75
06-2-47-11140	Board Wages-Lacombe				350	1,050	600	-450	175
06-2-47-11150	Board Wages-Ponoka C				150	450	600	150	75
06-2-47-21110	Board Travel-City of Lac				0	0	250	250	
06-2-47-21120	Board Travel -Town of P				30	89	250	161	36
06-2-47-21130	Board Travel-Town of Bl				15	45	250	205	18
06-2-47-21140	Board Travel-Lacombe (				8	24	250	226	10
06-2-47-21150	Board Travel-Ponoka Cc				30	89	250	161	36
06-2-47-21170	Travel-Administration				0	0	100	100	
06-2-47-21400	Membership Fees				0	114	300	186	38
06-2-47-21500	Postage & Freight				0	0	50	50	
06-2-47-21600	Staff & Volunteer Appre				0	185	300	115	62
06-2-47-21700	Telephone - Office				25	151	1,080	929	14
06-2-47-21701	Telephone - Operations				669	6,094	8,072	1,978	75
06-2-47-23000	Management Fees				4,737	42,633	56,844	14,211	75
06-2-47-23100	Accounting and Auditor				0	1,531	8,000	6,469	19
06-2-47-23200	Legal Fees				0	2,695	500	-2,195	539
06-2-47-23900	Other Professional Serv				234	7,655	16,800	9,145	46
06-2-47-25300	Equipment Repair & Ma				0	3,815	9,500	5,685	40
06-2-47-25301	SCADA Maintenance				722	27,388	9,025	-18,363	303
06-2-47-27400	Insurance & Bond Prem				0	3,396	3,889	493	87
06-2-47-34200	Administration				883	7,947	10,596	2,649	75
06-2-47-35100	Purchase of Water				367,619	3,262,611	4,096,061	833,450	80
06-2-47-35200	Operations				7,868	77,314	123,637	46,323	63
06-2-47-51000	Miscellaneous Expense:				0	738	250	-488	295
06-2-47-51100	Meeting Supplies				0	0	50	50	
06-2-47-51400	Office Supplies				0	0	150	150	
06-2-47-52400	General Materials & Sup				0	475	750	275	63
06-2-47-54400	Utilities-Electricity				257	2,507	3,500	993	72
06-2-47-56400	Valves				0	2,975	5,000	2,025	60
06-2-47-81400	Bank Charges & Interes				0	20	25	5	80
06-2-47-83100	Debenture Interest				0	289,106	570,359	281,253	51
06-2-47-83200	Debenture Principal				0	348,344	704,542	356,198	49
06-2-47-99000	Amortization				0	0	465,610	465,610	
<b>EXPENSES</b>					<b>384,196</b>	<b>4,090,793</b>	<b>6,100,040</b>	<b>2,009,247</b>	<b>67</b>
<b>REGIONAL WATER REPORTING Total</b>					<b>-60,887</b>	<b>-500,398</b>	<b>-69,402</b>	<b>430,995</b>	<b>721</b>

# North Red Deer River Water Services Commission



2019 Operating Budget  
Draft

Prepared by Justin de Bresser  
October 31 2018

## **2019 Operating Budget**

The North Red Deer River Water Services Commission transports potable water from the City of Red Deer to its member municipalities. Currently, the Commission delivers water to all its members. The 2019 budget forecasts revenues based on the water demand estimates provided by the member municipalities. The largest costs to the Commission are the purchase of water from the City of Red Deer and debenture payments.

The following is a summary of changes included in the 2019 operating budget followed by the budget itself.

### **Water Costs**

The 2019 operating budget is based on a 2% increase in water rates from the City of Red Deer. The rate from the City of Red Deer may increase from \$1.47 to \$1.50 per cubic metre effective March 1<sup>st</sup>, 2019. The Commission will receive a formal letter from the City at the end of November. The details of the rate and impact on the budget are outlined on page 3.

### **Water Sales Volumes**

Water sales volumes for 2019 have been reviewed based on the estimates and actuals from the 2018 budget. Actual consumption for 2018 is estimated to be slightly higher than forecasted for both Blackfalds and Lacombe. Whereas, the Town of Ponoka and County of Ponoka are showing they may miss 2018 budget target. Administration is forecasting slower growth in the coming years and this is reflective in the 2019 estimates. Included in the estimate is a change to the water loss estimate. Water forecasts are outlined in page 4 of this document.

### **Other Operating Revenues and Expenditures**

In addition to water purchases and sales volume estimate adjustments, Administration has also reviewed all expenses for the Commission and made a number of adjustments. The following is a summary of those adjustments. The operating budget starts on page 5.

#### ***Revenues***

1. Increase in line crossing fees of \$500 to reflect growing income.
2. Increase County contributions based on agreement
3. Increase of \$25,000 in interest revenue to reflect bond portfolio.

#### ***Expenses***

4. Decrease in Telephone – Office by \$180.
5. Increase of \$1,140 in Management Fees as per contract.
6. Increase in \$300 in Accounting and Auditor Fees (RFP Closes Nov 5<sup>th</sup> 2018)
7. Water purchases are based on projected water volumes and the new City of Red Deer rate.
8. Amortization remains unchanged. As this is a non-cash expense, the reserve policy will see this transferred to capital reserves at the end of the year in 2019.
9. Funding from rate stabilization reserve of \$215,000 to offset rate increase from City as per 5 year plan.

### Water Rates

Based on the 2% increase from the City of Red Deer, Administration is proposing to keep the rate the same as 2018 at \$2.07 per cubic meter. The operating surplus is \$2,830

**North Red Deer River Water Services Commission  
2019 Water Sales Forecast**

2018 City of Red Deer Rate	\$	1.470
2019 City of Red Deer Projected Rate	\$	1.500
% Change		2.00%

<u>Water Purchases</u>	<u>January</u>	<u>February</u>	<u>March to December</u>	<u>Total</u>
Lacombe	104,690	92,275	1,134,975	1,331,940
Ponoka	58,015	53,877	595,732	707,624
Blackfalds	69,236	58,602	709,337	837,175
Ponoka County	740	648	7,866	9,254
City of Red Deer (Not included)	-	-	-	-
Water Loss	4,733	4,141	50,285	59,159
Subtotal	237,414	209,543	2,498,194	2,945,151

Price per m3 (excludes Red Deer)	1.4700	1.4700	1.5000
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<u>Cost of Water</u>				
City	153,894	135,644	1,702,462	1,992,000
Ponoka	85,282	79,199	893,598	1,058,080
Blackfalds	101,777	86,145	1,064,005	1,251,927
Ponoka County	1,088	952	11,798	13,839
City of Red Deer	-	-	-	-
Water Loss	6,957	6,087	75,427	88,472
Subtotal	348,999	308,028	3,747,291	4,404,318

Other Expenses (Includes Amortization)				<u>2,007,111.31</u>
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Total Operating Costs				6,411,429.00
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Less non-water Revenue & Delivery Revenue from City of Red Deer				<u>440,254.00</u>
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Total Water Sale Revenue Required				5,971,175.00
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<u>Water Sales Required</u>				
City	216,708.30	191,009.25	2,349,397.26	2,757,114.81
Ponoka	120,091.05	111,525.39	1,233,165.61	1,464,782.05
Blackfalds	143,318.52	121,306.64	1,468,326.80	1,732,951.96
Ponoka County	1,532.40	1,340.85	16,281.80	19,155.05
Subtotal	481,650.27	425,182.13	5,067,171.47	5,974,003.87
Operating Surplus				2,828.87
Price per m3	\$ 2.0700	\$ 2.0700	\$ 2.0700	
Rate Increase				0.00%

**North Red Deer River Water Services Commission  
2019 Water Sales Forecast**

	2018 Projected			2018	
	<u>Jan to Sep</u>	<u>Oct to Dec</u>	<u>Total</u>	<u>Budget</u>	<u>Variance</u>
City of Lacombe	1,013,352	305,400	1,318,752	1,288,926	2.26%
Town of Ponoka	539,008	161,610	700,618	712,000	-1.62%
Town of Blackfalds	646,609	182,277	828,886	775,261	6.47%
Lacombe County	-	-	-	20,200	0.00%
Ponoka County	7,301	1,512	8,813	12,076	-37.02%
City of Red Deer	3,010	939	3,949	14,059	0.00%
Water Loss	43,930	11,131	55,061	24,566	55.38%
	<u>2,253,210</u>	<u>662,869</u>	<u>2,916,079</u>	<u>2,847,088</u>	<u>2.37%</u>

**2019 (Estimated)**

	<u>January</u>	<u>February</u>	<u>March to December</u>	<u>Total</u>
City of Lacombe	104,690	92,275	1,134,975	1,331,940
Town of Ponoka	58,015	53,877	595,732	707,624
Town of Blackfalds	69,236	58,602	709,337	837,175
Ponoka County	740	648	7,866	9,254
City of Red Deer	300	279	3,409	3,988
Water Loss	4,733	4,141	50,285	59,159
	<u>237,714</u>	<u>209,822</u>	<u>2,501,603</u>	<u>2,949,139</u>

**Historical**

	<u>Actual 2015</u>	<u>Actual 2016</u>	<u>Actual 2017</u>	<u>Projected 2018</u>	<u>Estimated 2019</u>
City of Lacombe	1,361,741	1,258,887	1,282,142	1,318,752	1,331,940
Town of Ponoka	715,080	696,163	688,423	700,618	707,624
Town of Blackfalds	752,324	737,533	800,516	828,886	837,175
Ponoka County	8,383	9,721	10,006	8,813	9,254
City of Red Deer		-	12,170	3,949	3,988
Water Loss	52,169	14,696	55,061	58,573	59,159
	<u>2,889,697</u>	<u>2,717,000</u>	<u>2,848,318</u>	<u>2,919,591</u>	<u>2,949,139</u>

City of Lacombe	2.50%	-7.55%	1.85%	2.86%	1.00%
Town of Ponoka	1.22%	-2.65%	-1.11%	1.77%	1.00%
Town of Blackfalds	10.93%	-1.97%	8.54%	3.54%	1.00%
Ponoka County	14.27%	15.96%	2.93%	-11.92%	5.00%
City of Red Deer			0.00%	0.00%	1.00%
Water Loss	39.08%	-71.83%	274.67%	6.38%	1.00%
Total	4.77%	-5.98%	4.83%	2.50%	1.01%

## Budget Department by Category



From Category: 47 To Category: 47  
 Account Code: 06-1-??-????? To : 06-2-??-?????

Budget Detail: PROVISIONAL BUDGET  
 Year: 2019

Account Code	Account Description	2018 ACTUAL VALUES	2018 FINAL BUDGET	2019 PROVISIONA L BUDGET	Variance	Var %
<b>REGIONAL WATER COMMISSION</b>						
<b>REVENUES</b>						
<b>Regional Water Revenues</b>						
06-1-47-35110	Water Sales - City of Lacombe	-2,085,661	-2,660,343	-2,757,115	-96,772	3.51
06-1-47-35120	Water Sales - Town of Ponoka	-1,109,293	-1,469,568	-1,464,781	4,787	-0.33
06-1-47-35130	Water Sales - Town of Blackfalds	-1,331,414	-1,600,138	-1,732,953	-132,815	7.66
06-1-47-35140	Water Sales - Ponoka County	-15,055	-24,922	-19,156	5,766	-30.10
06-1-47-35150	Water Sales - City of Red Deer	-1,499	-7,550	-1,954	5,596	-286.39
06-1-47-42200	Line Crossing Agreement Fee	-500	-1,500	-1,500	0	0.00
06-1-47-55100	Interest Revenue	-48,018	-50,000	-75,000	-25,000	33.33
06-1-47-55500	Rebates & Dividends	0	-30	-30	0	0.00
06-1-47-85140	Lacombe County Contribution	0	-70,195	-73,385	-3,190	4.35
06-1-47-85150	Ponoka County Contribution	0	-70,195	-73,385	-3,190	4.35
06-1-47-92100	Transfer from Reserves	0	-215,000	-215,000	0	0.00
Total REVENUES		-4,591,440	-6,169,441	-6,414,259	244,818	
06-2-47-11100	Wages	150	0	0	0	0.00
06-2-47-11110	Board Wages-City of Lacombe	450	1,400	600	-800	-133.33
06-2-47-11120	Board Wages-Town of Ponoka	450	600	600	0	0.00
06-2-47-11130	Board Wages-Town of Blackfalds	450	600	600	0	0.00
06-2-47-11140	Board Wages-Lacombe County	1,050	600	1,400	800	57.14
06-2-47-11150	Board Wages-Ponoka County	450	600	600	0	0.00
06-2-47-13000	Payroll Benefits	5	0	0	0	0.00
06-2-47-21110	Board Travel-City of Lacombe	0	250	250	0	0.00
06-2-47-21120	Board Travel -Town of Ponoka	89	250	250	0	0.00
06-2-47-21130	Board Travel-Town of Blackfalds	45	250	250	0	0.00
06-2-47-21140	Board Travel-Lacombe County	24	250	250	0	0.00
06-2-47-21150	Board Travel-Ponoka County	89	250	250	0	0.00
06-2-47-21170	Travel-Administration	0	100	100	0	0.00
06-2-47-21400	Membership Fees	114	300	300	0	0.00
06-2-47-21500	Postage & Freight	0	50	50	0	0.00
06-2-47-21600	Staff & Volunteer Appreciation	185	300	300	0	0.00
06-2-47-21700	Telephone - Office	151	1,080	900	-180	-20.00
06-2-47-21701	Telephone - Operations	6,094	8,072	8,072	0	0.00
06-2-47-23000	Management Fees	47,370	56,844	57,984	1,140	1.97
06-2-47-23100	Accounting and Auditor Fees	1,531	8,000	8,300	300	3.61
06-2-47-23200	Legal Fees	2,695	500	500	0	0.00
06-2-47-23900	Other Professional Services	7,655	16,800	16,800	0	0.00
06-2-47-25300	Equipment Repair & Maintenance	3,815	9,500	9,500	0	0.00
06-2-47-25301	SCADA Maintenance	27,388	9,025	9,025	0	0.00
06-2-47-27400	Insurance & Bond Premiums	3,396	3,889	3,889	0	0.00
06-2-47-34200	Administration	8,830	10,596	10,812	216	2.00
06-2-47-35100	Purchase of Water	3,262,611	4,096,061	4,404,318	308,257	7.00
06-2-47-35200	Operations	77,314	123,637	123,637	0	0.00
06-2-47-51000	Miscellaneous Expenses	738	250	250	0	0.00
06-2-47-51100	Meeting Supplies	0	50	50	0	0.00
06-2-47-51400	Office Supplies	0	150	150	0	0.00
06-2-47-52400	General Materials & Supplies	475	750	750	0	0.00
06-2-47-54400	Utilities-Electricity	2,577	3,500	3,500	0	0.00
06-2-47-56400	Valves	2,975	5,000	5,000	0	0.00
06-2-47-81400	Bank Charges & Interest	20	25	25	0	0.00
06-2-47-83100	Debenture Interest	289,106	570,359	539,889	-30,470	-5.64
06-2-47-83200	Debenture Principal	348,344	704,542	736,668	32,126	4.36
06-2-47-99000	Amortization	0	465,610	465,610	0	0.00
Total EXPENSES		4,096,636	6,100,040	6,411,429	311,389	

Budget Department by Category



From Category: 47      To Category: 47  
Account Code: 06-1-??-?????      To : 06-2-??-?????

Budget Detail: PROVISIONAL BUDGET  
Year: 2019

Account Code	Account Description	2018 ACTUAL VALUES	2018 FINAL BUDGET	2019 PROVISIONA L BUDGET	Variance	Var %
	Regional Water Revenues (Surplus)/Deficit	-494,804	-69,401	-2,830	-66,571	
	Report Total -->	-494,804	-69,401	-2,830	-66,571	

**CITY OF LACOMBE**  
**Budget Department Report**



**GL5290**  
**Date:** Nov 01, 2018

**Page:** 3  
**Time:** 8:48 am

2019 PROVISIONAL BUDGET

Account Code ID	Account Name Description	Status	Quantity	Rate	Burden %	Amount
06-1-47-35110	Water Sales - City of Lacombe					
1173	January Purchases	A	104690.00	-2.07	0.0000	-216,708
1173	February Purchases	A	92275.00	-2.07	0.0000	-191,009
1173	March to December Purchases	A	1134975.00	-2.07	0.0000	-2,349,398
	<b>Total</b>		<b>Water Sales - City of Lacombe</b>			<b>-2,757,116</b>
06-1-47-35120	Water Sales - Town of Ponoka					
1174	January Purchases	A	58015.00	-2.07	0.0000	-120,091
1174	February Purchases	A	53877.00	-2.07	0.0000	-111,525
1174	March to December Purchases	A	595732.00	-2.07	0.0000	-1,233,165
	<b>Total</b>		<b>Water Sales - Town of Ponoka</b>			<b>-1,464,782</b>
06-1-47-35130	Water Sales - Town of Blackfalds					
1175	January Purchases	A	69236.00	-2.07	0.0000	-143,319
1175	February Purchases	A	58602.00	-2.07	0.0000	-121,306
1175	March to December Purchases	A	709337.00	-2.07	0.0000	-1,468,328
	<b>Total</b>		<b>Water Sales - Town of Blackfalds</b>			<b>-1,732,952</b>
06-1-47-35140	Water Sales - Ponoka County					
2413	January Purchases	A	740.00	-2.07	0.0000	-1,532
2413	February Purchases	A	648.00	-2.07	0.0000	-1,341
2413	March to December Purchases	A	7866.00	-2.07	0.0000	-16,283
	<b>Total</b>		<b>Water Sales - Ponoka County</b>			<b>-19,156</b>
06-1-47-35150	Water Sales - City of Red Deer					
4121	2019 Delivery Charges - Jan - Feb	A	579.00	-0.49	0.0000	-284
4121	2019 Delivery Charges - Mar - Dec	A	3409.00	-0.49	0.0000	-1,670
	<b>Total</b>		<b>Water Sales - City of Red Deer</b>			<b>-1,954</b>
06-1-47-42200	Line Crossing Agreement Fee					
3753	Based on \$250 per applicant	A	1.00	-1500.00	0.0000	-1,500
	<b>Total</b>		<b>Line Crossing Agreement Fee</b>			<b>-1,500</b>
06-1-47-55100	Interest Revenue					
2566	Interest @2% on Bank Account	A	1.00	-75000.00	0.0000	-75,000
	<b>Total</b>		<b>Interest Revenue</b>			<b>-75,000</b>
06-1-47-55500	Rebates & Dividends					
2567	AADM&C	A	1.00	-30.00	0.0000	-30
	<b>Total</b>		<b>Rebates &amp; Dividends</b>			<b>-30</b>
06-1-47-85140	Lacombe County Contribution					
1176	2019 Contribution	A	1.00	-73385.00	0.0000	-73,385
	<b>Total</b>		<b>Lacombe County Contribution</b>			<b>-73,385</b>
06-1-47-85150	Ponoka County Contribution					
1177	2019 Contribution	A	1.00	-73385.00	0.0000	-73,385
	<b>Total</b>		<b>Ponoka County Contribution</b>			<b>-73,385</b>
06-1-47-92100	Transfer from Reserves					



2019 PROVISIONAL BUDGET

Account Code ID	Account Name Description	Status	Quantity	Rate	Burden %	Amount
4122	Return excess surplus as per 5 yr plan	A	1.00	-215000.00	0.0000	-215,000
	<b>Total</b>	<b>Transfer from Reserves</b>				<b>-215,000</b>
06-2-47-11110	Board Wages-City of Lacombe					
1080	4 Meetings per Year	A	1.00	600.00	0.0000	600
	<b>Total</b>	<b>Board Wages-City of Lacombe</b>				<b>600</b>
06-2-47-11120	Board Wages-Town of Ponoka					
1081	4 Meetings	A	1.00	600.00	0.0000	600
	<b>Total</b>	<b>Board Wages-Town of Ponoka</b>				<b>600</b>
06-2-47-11130	Board Wages-Town of Blackfalds					
1082	4 Meetings Per Year	A	1.00	600.00	0.0000	600
	<b>Total</b>	<b>Board Wages-Town of Blackfalds</b>				<b>600</b>
06-2-47-11140	Board Wages-Lacombe County					
1083	4 Meetings	A	1.00	1400.00	0.0000	1,400
	<b>Total</b>	<b>Board Wages-Lacombe County</b>				<b>1,400</b>
06-2-47-11150	Board Wages-Ponoka County					
1084	4 Meetings	A	1.00	600.00	0.0000	600
	<b>Total</b>	<b>Board Wages-Ponoka County</b>				<b>600</b>
06-2-47-21110	Board Travel-City of Lacombe					
1085	2018 Budget	A	1.00	250.00	0.0000	250
	<b>Total</b>	<b>Board Travel-City of Lacombe</b>				<b>250</b>
06-2-47-21120	Board Travel -Town of Ponoka					
1086	2018 Budget	A	1.00	250.00	0.0000	250
	<b>Total</b>	<b>Board Travel -Town of Ponoka</b>				<b>250</b>
06-2-47-21130	Board Travel-Town of Blackfalds					
1087	2018 Budget	A	1.00	250.00	0.0000	250
	<b>Total</b>	<b>Board Travel-Town of Blackfalds</b>				<b>250</b>
06-2-47-21140	Board Travel-Lacombe County					
1088	2018 Budget	A	1.00	250.00	0.0000	250
	<b>Total</b>	<b>Board Travel-Lacombe County</b>				<b>250</b>
06-2-47-21150	Board Travel-Ponoka County					
1089	2018 Budget	A	1.00	250.00	0.0000	250
	<b>Total</b>	<b>Board Travel-Ponoka County</b>				<b>250</b>
06-2-47-21170	Travel-Administration					
1090	Travel & Expenses	A	1.00	100.00	0.0000	100
	<b>Total</b>	<b>Travel-Administration</b>				<b>100</b>
06-2-47-21400	Membership Fees					
6	AADM&C	A	1.00	300.00	0.0000	300
	<b>Total</b>	<b>Membership Fees</b>				<b>300</b>



2019 PROVISIONAL BUDGET

Account Code ID	Account Name Description	Status	Quantity	Rate	Burden %	Amount
06-2-47-21500	Postage & Freight					
7	Postage & Handling	A	1.00	50.00	0.0000	50
	<b>Total</b>	<b>Postage &amp; Freight</b>				<b>50</b>
06-2-47-21600	Staff & Volunteer Appreciation					
4120	Former Board Recognition	A	1.00	300.00	0.0000	300
	<b>Total</b>	<b>Staff &amp; Volunteer Appreciation</b>				<b>300</b>
06-2-47-21700	Telephone - Office					
8	Administrative Cell - New contract	A	1.00	900.00	0.0000	900
	<b>Total</b>	<b>Telephone - Office</b>				<b>900</b>
06-2-47-21701	Telephone - Operations					
1167	Monitoring Cell Phones (\$672 per month)	A	1.00	8072.00	0.0000	8,072
	<b>Total</b>	<b>Telephone - Operations</b>				<b>8,072</b>
06-2-47-23000	Management Fees					
9	Mgt - Jan to Dec	A	1.00	57984.00	0.0000	57,984
	<b>Total</b>	<b>Management Fees</b>				<b>57,984</b>
06-2-47-23100	Accounting and Auditor Fees					
1104	Auditor - Based on Contract - Last Year	A	1.00	8300.00	0.0000	8,300
	<b>Total</b>	<b>Accounting and Auditor Fees</b>				<b>8,300</b>
06-2-47-23200	Legal Fees					
1091	Legal Fees	A	1.00	500.00	0.0000	500
	<b>Total</b>	<b>Legal Fees</b>				<b>500</b>
06-2-47-23900	Other Professional Services					
1092	Alberta First Call	A	1.00	6500.00	0.0000	6,500
1092	Other	A	1.00	1000.00	0.0000	1,000
1092	Water Testing	A	1.00	2800.00	0.0000	2,800
1092	General Engineering	A	1.00	1500.00	0.0000	1,500
1092	Right of Way Survey	A	1.00	5000.00	0.0000	5,000
	<b>Total</b>	<b>Other Professional Services</b>				<b>16,800</b>
06-2-47-25300	Equipment Repair & Maintenance					
1170	Repair & Maintenance	A	1.00	9500.00	0.0000	9,500
	<b>Total</b>	<b>Equipment Repair &amp; Maintenance</b>				<b>9,500</b>
06-2-47-25301	SCADA Maintenance					
1169	SCADA Maintenance (\$752/month)	A	1.00	9025.00	0.0000	9,025
	<b>Total</b>	<b>SCADA Maintenance</b>				<b>9,025</b>
06-2-47-26200	Building Rent					
14	Rent	A	1.00	0.00	0.0000	0
	<b>Total</b>	<b>Building Rent</b>				<b>0</b>
06-2-47-27400	Insurance & Bond Premiums					
10	Insurance	A	1.00	3889.00	0.0000	3,889



2019 PROVISIONAL BUDGET

Account Code ID	Account Name Description	Status	Quantity	Rate	Burden %	Amount
<b>Total Insurance &amp; Bond Premiums</b>						<b>3,889</b>
06-2-47-34200	Administration					
19	Acct - Jan to Dec	A	1.00	10812.00	0.0000	10,812
<b>Total Administration</b>						<b>10,812</b>
06-2-47-35100	Purchase of Water					
1171	January to February Purchases	A	446957.00	1.47	0.0000	657,027
1171	March to December Purchases	A	2498194.00	1.50	0.0000	3,747,291
1171	City of Red Deer -Jan to Feb	A	1.00	0.00	0.0000	0
1171	City of Red Deer - Mar to Dec	A	1.00	0.00	0.0000	0
<b>Total Purchase of Water</b>						<b>4,404,318</b>
06-2-47-35200	Operations					
1168	Operation Expenses	A	1.00	123637.00	0.0000	123,637
<b>Total Operations</b>						<b>123,637</b>
06-2-47-51000	Miscellaneous Expenses					
11	Miscellaneous	A	1.00	250.00	0.0000	250
<b>Total Miscellaneous Expenses</b>						<b>250</b>
06-2-47-51100	Meeting Supplies					
3089	Commission Meetings	A	1.00	50.00	0.0000	50
<b>Total Meeting Supplies</b>						<b>50</b>
06-2-47-51400	Office Supplies					
12	Paper/Forms etc.	A	1.00	150.00	0.0000	150
<b>Total Office Supplies</b>						<b>150</b>
06-2-47-52400	General Materials & Supplies					
1761		A	1.00	750.00	0.0000	750
<b>Total General Materials &amp; Supplies</b>						<b>750</b>
06-2-47-54400	Utilities-Electricity					
1166	Meter Stations	A	1.00	3500.00	0.0000	3,500
<b>Total Utilities-Electricity</b>						<b>3,500</b>
06-2-47-56400	Valves					
2568	Repairs	A	1.00	5000.00	0.0000	5,000
<b>Total Valves</b>						<b>5,000</b>
06-2-47-81400	Bank Charges & Interest					
15		A	1.00	25.00	0.0000	25
<b>Total Bank Charges &amp; Interest</b>						<b>25</b>
06-2-47-83100	Debenture Interest					
1763	Laon No. 4000001 (\$2,000,000 loan)	A	1.00	59092.00	0.0000	59,092
1763	Loan No. 4000002 (\$17,000,000)	A	1.00	480797.00	0.0000	480,797
<b>Total Debenture Interest</b>						<b>539,889</b>
06-2-47-83200	Debenture Principal					



2019 PROVISIONAL BUDGET

Account Code ID	Account Name Description	Status	Quantity	Rate	Burden %	Amount
1172	Loan No. 4000001 (\$2,000,000)	A	1.00	76091.00	0.0000	76,091
1172	Loan No. 4000002 (17,000,000)	A	1.00	660577.00	0.0000	660,577
Total		Debenture Principal				736,668
06-2-47-99000	Amortization					
3090		A	1.00	465610.00	0.0000	465,610
Total		Amortization				465,610