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Halifax Regional Council
February 10, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: *S. Dale MacLennan*
S. Dale MacLennan, CA, Director, Financial Services

DATE: January 26, 2004

SUBJECT: Halifax Regional Water Commission - 2002/2003

INFORMATION REPORT

ORIGIN

Presentation of Annual Financial Report to Council by the Halifax Regional Water Commission on October 21, 2003.

BACKGROUND

The Halifax Regional Water Commission is a public utility owned by the Halifax Regional Municipality. The commission is responsible for the supply of municipal water to residents of the Halifax Regional Municipality.

DISCUSSION

Items of interest for HRM include:

1. The annual Hydrant charge which is calculated based on Operating Expenditures. In the March 31, 2003 report the Hydrant charge was \$7,101,726. This amount is fully recovered through an area rate.
2. Included in HRM budgeted revenue is the Dividend which in the March 31, 2003 report is \$2,750,000.

3. The HRWC collects the Waste Water Management and Environmental Protection levy which is included in the water bills and remits the monies collected to HRM.
4. Other Inter-Company transactions include payment of debt charges by HRWC to HRM. Interest revenue is paid to HRWC by HRM as the water commission bank accounts are consolidated with HRM's for interest purposes.
5. A reserve was created in 1999/2000 in the amount of \$4,000,000 for non-routine weather related problems and other operational incidents. The amount of \$82,751 was charged to this reserve in 2000/01. The amount of \$93,543 was charged to this reserve in 2002/03, leaving a balance of \$3,823,706 at March 31, 2003.

BUDGET IMPLICATIONS

N/A

MULTI-YEAR FINANCIAL IMPLICATIONS

N/A

ATTACHMENTS

N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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