

WEST BASIN MUNICIPAL WATER DISTRICT

NOVEMBER 15, 2006– Finance

Dear, Little

NOVEMBER 27, 2006 – Board Meeting

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Approved by: Rich Nagel

CONSENT CALENDAR

2006-07 FISCAL YEAR BUDGET TO ACTUALS

SUMMARY:

For the 1st quarter ended September 30, 2006, the actual net operating revenues exceeded expenses by \$918,700. The following bullets highlight the budget to actual variances for the quarter ended September 30, 2006:

- Imported water sales exceeded budget by \$702,600. This increase in sales is primarily due to higher than anticipated demand in non-interruptible water sales.
- The recycled water system's operating revenue fell short of budget by \$1,295,300. This decrease is primarily due to less than anticipated Barrier sales and delay in delivering additional recycled water to bp. Operating expenses were higher than budgeted by \$226,800. This increase was mainly due to higher chemical usage and facility maintenance cost.
- No sales were recorded from the C. Marvin Brewer Desalter for the 1st quarter ended September 30, 2006. It is anticipated that sales will begin January 2007.
- District Administration expenses for the 1<sup>st</sup> quarter September 30, 2006 exceeded by budget \$1,118,000 due to higher than anticipated legal fees.

FISCAL IMPACTS:

The 1st quarter review of the budget to actual operating revenues over operating expenses indicates a shortfall of \$1,866,700.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee November 15, 2006 and agendized to the November 27, 2006 Board meeting Consent Calendar.

RECOMMENDED MOTION:

Receive and file.

LIST OF EXHIBITS:

EXHIBIT "A" - Operating Revenue and Expense – Budget vs. Actuals