

THE CITY OF EDMONTON
SANITARY SERVICING STRATEGY FUND



2012 ANNUAL REPORT

June 2013

Prepared by:
City of Edmonton
Financial Services and Utilities Department
Drainage Services Branch

Sanitary Servicing Strategy Fund
2012 Annual Report

MESSAGE FROM THE MANAGEMENT COMMITTEE

This is the fourteenth annual report of the Sanitary Servicing Strategy Fund (SSSF). The SSSF activities in 2012 included: for the South Edmonton Sanitary Sewer (SESS) system, construction of Stage SE4a, sewer connection works for SA1b & 1c to the existing Millwoods Double Barrel trunk sewer and the design of the Real Time Control (RTC) gate, and preliminary/detailed designs for SESS Stage SA1a and SA10a; for the North Edmonton Sanitary Trunk (NEST) system, partial completion of the drop manhole at 66 Street for the NEST trunk; and for the West Edmonton Sanitary Sewer (WESS) system, construction start for WESS Stage W14 and on-going construction of WESS Stage W13.

The SSSF Management and Operational Committees met a total of eight times separately to approve design and construction schedules, monitor construction progress, and review the financial status of the Fund. In addition, a special management meeting was held to discuss the Fund's contribution to the sanitary hauling costs in Big Lake ASP, due to the longer construction duration for the West Edmonton Sanitary Sewer (WESS) Stage W14 project.

Since the program started in 1999, a total of about 31.5 km of tunnels and sewers had been constructed which supported closed to 50,000 single family lots in addition to other multi-family residential, commercial and industrial developments.

In 2012, the SSSF Fund recorded revenues of \$20.5 million and expenditures of \$22.3 million, for a closing balance of \$25.5 million. This is a decrease of \$1.8 million compared to the 2011 year-end balance of \$27.3 million. With the local economy continuing to recover, revenues were higher than the previous year. The expenditures for 2012 is almost doubled that of previous year. The projected revenues in the next few years are expected to stabilize to the same level of 2012 beginning 2013 to 2017; however, expenditures for the next couple of years are expected to be higher due to the construction of a number of SSSF projects. The SESS functional plan is currently being reviewed taking into account the possibility of the Riverview ASP development coming on board and having to expedite portions of SESS. A comprehensive review of the fund will be analyzed based on the functional plans in 2013.

Our focus in 2013 will be to finish the remaining works required to put SESS Stages SA1b & 1c, SE4a & 4b into service, complete the construction of WESS Stages W13 & W14, and complete the design and start the construction of SESS Stage SA1a and SA10a. We are expected to complete the functional plans for NEST and SESS and also undertake a review of the WESS Functional Plan. This is to ensure that implementation schedules can accommodate the latest growth projections as well as to ensure sustainability of the Fund.

James Tan, P. Eng.
Chair, SSSF Management Committee

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1.0 PLANNING & CONSTRUCTION ACTIVITIES IN 2012

The following is a summary of the planning and construction activities completed under the Sanitary Servicing Strategy (SSS) in 2012. Figures 1(a) to 1(d) are photos showing some of the construction activities.

North Edmonton Sanitary Trunk (NEST) – Stages NL2/NL3/N1

The project consists of a 3.6 km long tunnel of 2340 mm diameter pipe to provide sanitary servicing to neighborhoods north of 153 Avenue between 76 Street and Manning Drive. The NEST tunnel is connected to the existing pump station at 76 Street. A steel bulkhead has been installed to the west end of 76 Street manhole and only the overflow from the pump station can enter the new NEST tunnel. The bulkhead will need to be removed when the pump station is decommissioned and the NEST tunnel is ready to accept the flow from the NL1 tunnel. The drop manhole at 66 Street for the connection from the new development in Schonsee is partially completed. The remaining work to complete this manhole awaits completion of the 66 Street North tunnel in 2014. Installation of the RTC gates at Manning Freeway will be required when flows from the 66 St. North tunnel are going to the NEST tunnel.

South Edmonton Sanitary Sewer (SESS) – Stage SA1a

SESS Stage SA1a will connect the SW1 pump station at Ellerslie Road and Parsons Road to Stages SA1b & 1c. This segment will allow the SESS flow to bypass the South East Regional Trunk Sewer (SERTS) and no longer be limited by its available capacity. Construction of the 2.4 km, 2340 mm

diameter pipe is expected to start in 2013. Design has been on-going and constructability workshop has identified a range of construction methods that can be used to construct various portions of the segment including TBM, SEM, and micro tunneling. The updated total project cost is \$27.5 M. Construction completion is expected by 2015.

South Edmonton Sanitary Sewer (SESS) – Stages SA1b & 1c

Stages SA1b & 1c of SESS are required to service the Ellerslie East neighbourhoods located south of Anthony Henday Drive and east of 66 Street. Tunneling work was completed in 2011. Completion of the connection works with RTC gate at the existing Millwoods Double Barrel pipe was the main activity for 2012. The launch pit has been left unfinished awaiting connection from Ellerslie East by the developer. Construction of the RTC gates and control system is on hold until the final configuration of SA1a is completed. Once the RTC gate gets connected to the DB pipe, the tunnel will be put into service.

South Edmonton Sanitary Sewer (SESS) – Stage SA10a

The SESS Stage SA10a project will install an 850 m storage tunnel for Maple Ridge Industrial Area. Conceptual Design of Stage SA10a was completed in 2011 with three alignment options brought forward for further evaluation during the preliminary and detailed design stage. The preliminary/detail design work started in 2012. The design has been fast tracked to allow construction start in early 2013 and completion by 2015.

South Edmonton Sanitary Sewer (SESS) – Stage SE4a

SESS Stage SE4a was constructed with 500 m of 1200 mm sanitary sewer trunk along 91 Street from 25 Avenue SW to 30 Avenue SW, to link the recently completed Stage SE4b to the SE3 trunk downstream. Construction work started in September, 2012 and the complete sanitary pipe was installed by the end of 2012.

South Edmonton Sanitary Sewer (SESS) Stage SE4b

SESS Stage SE4b has a total length of 1.1 km and is located along the old 30 Ave right-of-way between existing 88 Street and future 91 Street. All pipes have been installed and this stage is awaiting final acceptance of Stage SE4a before it can be put into service.

South Edmonton Sanitary Sewer (SESS) Stages SW4 & SW5

Construction of these stages of SESS is scheduled for 2015-2017. Preparation of updates for the SW4-SW5 preliminary design report is underway. Preliminary and conceptual designs for SW6 and SW7, respectively, are also underway. The SW4-SW6 alignment has been finalized, and acquisition of strata easements for SW4, SW5 and SW6 is now in process.

SESS Odour Mitigation

The air vent system to divert foul air from SW1 pump station to the SERTS line was completed under an agreement with Alberta Capital Region Wastewater Commission (ACRWC).

West Edmonton Sanitary Sewer (WESS) – Stage W13

WESS Stage W13 is a 1.1 km long, 2340 mm diameter trunk pipe 30 m below the ground along 151 Street from 93 Avenue to 99 Avenue. The tunnel is designed to provide sanitary servicing to the new subdivisions west of 199 Street and south of Whitemud Drive. Construction of this project started in September 2011 and is scheduled to be completed in 2013. Approximately 60% of the tunneling work has been completed as of the end of 2012.

West Edmonton Sanitary Sewer (WESS) – Stage W14

The installation of a 2.2 km, 1200 mm pipe along 199 Street between 107 Avenue and 98 Avenue will provide sanitary servicing to the Big Lake and Winterburn industrial areas. Construction started in early 2012 with the start of micro tunneling middle of the same year. Approximately 40% of the tunnel was completed by the end of 2012 and the remaining work to be completed by end of 2013.

South Edmonton Sanitary Sewer (SESS) and North Edmonton Sanitary Trunk (NEST) Update Studies

Two separate studies to update the future plans of the SESS and NEST systems were started in 2012. These updates are necessary to ensure that implementation schedules can accommodate the latest growth projections as well as to ensure sustainability of the Fund. Particular focus of these studies will be on the construction requirements for the next 10 years. These studies are expected to be completed by early/mid of 2013.



Figure 1a. NEST – Tunnel Connection



Figure 1b. NEST Reinforcing bars for Drop Manhole



Figure 1c. WESS Stage W13 – Construction of undercut



Figure 1d. SESS Stage SE4b – Construction Work

2.0 MANAGEMENT AND OPERATIONAL COMMITTEES

The role of the **SSSF Management Committee** is to make decisions regarding revenues, expenditures and schedules that best meet the long-range plans of all stakeholders. The Committee has six members:

Chair: Director of Drainage Planning – James Tan
Members: UDI Representative – Peter Cavanagh
UDI Representative – Wade Zwicker
Engineering Manager of Drainage Design & Construction – Siri Fernando
Senior Planner of Current Planning – Tim Ford
General Supervisor of Infrastructure Planning – Francis Wu/D. Philip Alex (Secretary & Non-voting Member)

The Management Committee met a total of four times in 2012 and a special meeting held on June 30, 2012. Some of the major decisions made are listed below:

- Approved the delay for installation of the RTC gate and control system at 66 Street and 153 Avenue until the NEST study is completed. This item when needed will require a budget adjustment for this project, which has yet to be determined.
- Requested Drainage Utility for delaying the fund transfer of \$3.5M from SSSF for SA1d until 2015. SA1d is a section of SESS that was planned but later deleted due to the Millwoods Double Barrel pipe replacement project. The \$3.5M transfer of fund was established based on savings on the SSSF for deleting SA1d.
- Approved the updated total project budget of \$14M for W13.
- Approved the motion for the Sanitary Servicing Strategy Fund to pay the Big Lake developer the costs incurred for pumping out and hauling away sewage after June 30, 2012, after their systems are accepted for

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Construction Completion Certificate (CCC), until sanitary service is established under the contract for W14. This is due to the SSSF realizing significant cost savings by accepting a tender for W14 with a longer schedule than the next lowest tender, which thereby increases the interim sanitary pumping costs.

- Approved a 4.8% increase in the Expansion Assessment (EA) and Sanitary Sewer Trunk Charge (SSTC) rates starting January 1, 2013. This includes a 1% increase on top of the 3.8% annual inflationary increase.
- Approved a budget increase from \$20M to \$27M for the construction of SA1a, based on an updated cost estimate prepared during detail design.

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The **SSSF Operational Committee** provides recommendations to, and flags relevant issues for consideration by the SSSF Management Committee regarding the timing and capacity requirements for new SSS trunk construction. The Committee is made up of seven members:

Chair: General Supervisor of Strategic Planning – Michael Porretta
Members: Program Manager, Drainage Design & Construction– Albert Kwan
UDI Representative – Leo Levasseur
UDI Representative – George Cantalini
Director of Development Coordination, Sustainable Development-
Orest Gowda
Drainage Financial Coordinator – Stephen Cheung
Senior Engineer, Drainage Planning– David Leung (Secretary)

The Operational Committee met four times in 2012 and achieved the following major accomplishments:

- Recommended to construct SE4a as part of Corporate Properties' tender for the development of 91 Street between 25 Avenue and 30 Avenue. Drainage Design and Construction took over the project manager role for this Corporate Properties/SSSF joint project. The tender was set up with the SE4a portion clearly itemized to allow the SSSF to pay Corporate Properties back for this portion of the work.
- Engaged Drainage Design and Construction to investigate, design and construct a venting system to divert odorous air flow from the SW1 pump station to Alberta Capital Region Wastewater Commission's SERTS line. This system was completed at a cost of \$125 K and has effectively solved the odour issues with the businesses located close to the pump station.
- Developed final alignments for SW4, SW5 and SW6 stages of the SESS Southwest Trunk. Prepared strata easement plans and authorized land agents at Corporate Properties to proceed with acquiring the required easements through private and public lands. These easements will secure

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lands for the future construction of these tunnel stages when the traversed areas will have been all developed.

- Directed the updating of the SW4 and SW5 preliminary design report, as part of the process of finalizing the remaining SESS Southwest Trunk alignment. These updates will lead to the detail design of these sections of the tunnel in the coming years.
- Advanced the SA10a project from conceptual design to preliminary design with the target of completing the detail design in early 2013 to allow for construction start that year. During the preliminary design process, the tunnel alignment and pump station site were selected. Corporate properties land agents were engaged to acquire the required lands.
- Initiated and carried out the SESS Planning Update Study. This update will firm up the future stages and timing for completing the SESS system.
- Initiated the NEST Planning Update Study. Key issues driving this update study include NC1 capacity concerns; decision on upgrade or abandonment of NL1 pump station; RTC requirements at connection to Clareview system; and future options of extending NEST to Capital Region plant.

3.0 FIVE YEAR CONSTRUCTION PLAN

The following section outlines the proposed major SSSF trunk construction program for the next five years (2013-2017). This proposed program is developed to support orderly development throughout the City of Edmonton in a cost effective manner, using latest population and employment projections available to the City, as well as input from the development industry. It also strives to meet the important objective of maintaining a positive balance for the Fund. The locations of the construction projects are shown in Figure 2.

2013 to 2014 – North Edmonton Sanitary Trunk (NEST) Stages NL2/NL3/N1

The remaining drop manhole construction work located at the intersection of 66 Street and 153 Avenue is expected to be completed in 2014 after completion of the 66 Street North Tunnel. The manhole shaft is currently being used as a tunnel shaft for the 66 Street North tunnel construction.

2013 – West Edmonton Sanitary Sewer (WESS) Stage W13

The tunneling work for WESS Stage W13 started early in 2012 and since then, approximately 60% of the work has been completed. The remaining works will be completed in 2013. Once completed, it will allow future development areas in West Edmonton to be serviced without the need for local wet weather flow storage.

2013 – West Edmonton Sanitary Sewer (WESS) Stage W14

Construction of WESS Stage W14 started in early 2012 and approximately 40% of the tunnel was completed. The remaining work will be completed by the end of 2013.

2013 – South Edmonton Sanitary Sewer (SESS) Stages SE4a and SE4b

Construction of SESS Stage SE4a pipe along the new 91 Street from 25 Avenue SW to 30 Avenue SW started in fall of 2012 and was completed by the end of 2012. This section of pipe, connecting to the earlier completed Stage SE4b, will be put into service in 2013.

2013 to 2015 – South Edmonton Sanitary Sewer (SESS) Stage SA1a

Construction of this 2.4 km sewer trunk, comprising both tunnel and open cut sections, is expected to start in 2013 and be completed by 2015.

2013 to 2015 – South Edmonton Sanitary Sewer (SESS) Stage SA10a

This section of SESS will be constructed along 34 Street south of 76 Avenue. It will provide sanitary servicing and wet weather flow storage to the early stages of Maple Ridge Industrial Area. The construction will include a pump station at 76 Avenue and 34 Street, with an interim discharge to the existing 74 Avenue sewer. Preliminary/detail design work started in 2012 and construction will start in early 2013.

2015 to 2017 – South Edmonton Sanitary Sewer (SESS) Stages SW4 & SW5

This portion of SESS, a westerly extension of the existing SW tunnel, will be constructed south of Anthony Henday Drive from 141 Street to 156 Street for Stage SW4 and from 156 Street to 170 Street for Stage SW5. These two stages will service additional development in the Windermere area. Construction is expected to commence in 2015 for both stages and be completed by 2017.

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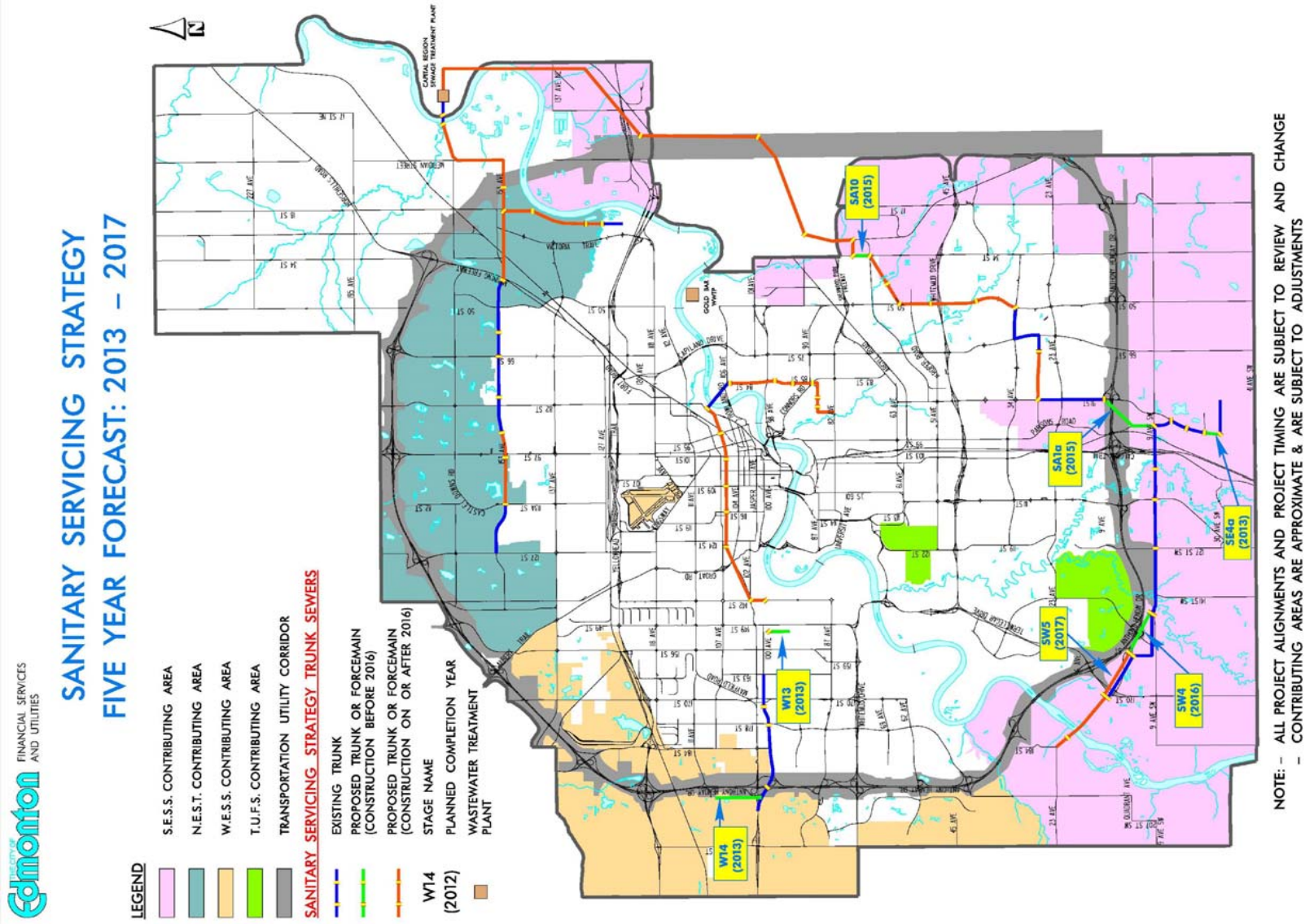


Figure 2

4.0 FUND BALANCE

4.1 TWENTY FIVE YEAR HISTORY & PROJECTION

The next six years show a positive fund balance despite a large construction program during the next 5 years.

The SSSF Financial Model was updated in 2012 to reflect the changing economic situation, particularly the construction cost inflation and near term revenue projections. Some major cost increases have been identified for projects that will be constructed in the next 5 years, based on updated detailed cost estimates. In addition, construction schedules for some segments were adjusted to reflect the latest planning. The latest cash flow projection shows that the fund balance will drop significantly in the next 2 years, due to a large number of high cost projects that need to start and/or be completed in this period. However, the fund balance is expected to stay in a positive position throughout the next 6 years. For more long-term projects beyond this time frame, the needs and construction timings will be carefully reviewed and adjusted as necessary in the next 2 years. Revenue options will be investigated, including rate increases, with the goal of maintaining a positive fund balance at all times. Figure 3 shows the twenty five year fund balance history and projection (1999 to 2025).

The following general assumptions have been adopted in the current version of the Model:

- a) Population projections were based on the latest Edmonton 2009 census data, adjusted based on actual yearly increases.
- b) Annual inflation rate for construction costs is revised to 5.86% from 4.0% (a 1.86% increase) in 2012; decreasing to 3.92% in 2015.
- c) Annual interest rate is assumed to be 2.0% - 4.0% during the next 5 years

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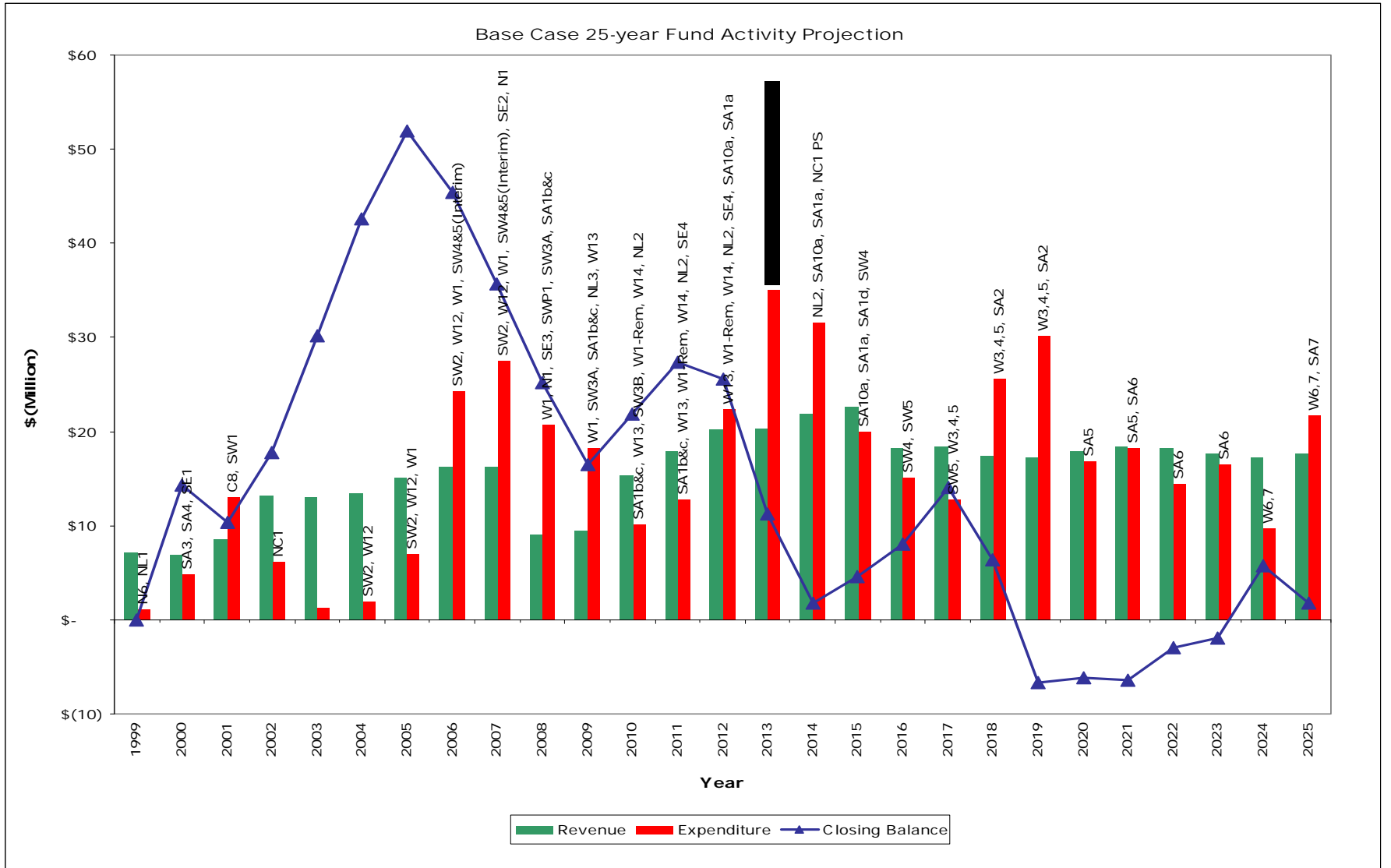


Figure 3

4.2 FIVE YEAR PROJECTION

Table 1 shows the five-year revenues and expenditures projections for the Fund based on the latest information available.

REVENUES

Opening Balance for 2013 – The SSSF cash balance as of December 31, 2012 is \$25.5M.

Interest (2013-2017) – Interest rates used varied from 2.0% to 4.0% per annum based on the estimated mid-year balance.

Utility Contribution – This amount represents contributions from the Sanitary Utility for diversion of sanitary flows from serviced City lands to the new trunk system constructed under the SSSF. These lands are located in Mill Woods and Castle Downs. The amount is calculated based on an estimate of the SSTC these lands would have to pay. Based on results of the lot counts conducted in 2000, the Sanitary Utility would make annual contributions of \$2.6M to the SSSF until 2014. In March 2006, City Council approved the recommendation to change the Utility Contribution amount to \$1.3M for 17 more years commencing on January 1, 2007.

Utility Contribution represents contribution from the Sanitary Utility for diversion of sanitary flows from serviced City lands to the new trunk system constructed under the SSSF

Sanitary Sewer Trunk Charge (SSTC) – The SSTC is collected when an application is made for a development permit or sanitary service connection. This charge applies to all new and re-developments in the City. The following are the SSTC rates for 2012 and 2013:

The Sanitary Sewer Trunk Charge for 2013 has increased by 3.8% from 2012.

<u>Type of development</u>	<u>2012</u>	<u>2013</u>
Single-family/Duplex Residential	\$1,225/dwelling	\$1,257/dwelling
Secondary, garage & garden suite	\$ 531/dwelling	\$ 556/dwelling
Multi-family Residential	\$ 876/dwelling	\$ 898/dwelling
Commercial, Industrial, Institutional	\$6,133/ha.	\$6,287/ha.

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The Expansion Assessment is collected from the benefiting areas shown in Figure 2 (page 15).

Estimated SSTC revenues from 2013 to 2017 are based on the assumption that residential development activity which started to rebound in 2010 will continue in 2013.

Expansion Assessment (EA) – The EA is an area-based assessment that is collected at the time of subdivision, development permit application or sanitary service connection application. The EA applies to those areas of the City that did not have an approved Neighborhood Structure Plan (NSP) before January 1, 1999.

The 2012 and 2013 rates for EA are as follows:

<u>Contributing Area</u>	<u>2012</u>	<u>2013</u>
North Edmonton Sanitary Trunk (NEST)	\$17,517/ha.	\$17,956/ha.
South Edmonton Sanitary Sewer (SESS)	\$17,517/ha.	\$17,956/ha.
Terwillegar and University Farms (TUFS)	\$17,517/ha.	\$17,956/ha.
West Edmonton Sanitary Sewer (WESS)	\$21,897/ha.	\$22,447/ha.

EXPENDITURES

Estimated Construction Costs – Construction cost estimates for the 2013 to 2017 time frame developed during the concept planning or design stage were used for the cash requirement projection unless actual tender is awarded. The construction start dates have been adjusted in some cases to maintain a positive Fund balance.

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SANITARY SERVICING STRATEGY FUND - 5 YEAR PROJECTION

	2013	2014	2015	2016	2017
Opening Balance	\$ 25,542,117	\$ 11,253,642	\$ 1,763,068	\$ 4,587,987	\$ 8,024,412
Interest	364,314	160,700	93,858	216,921	433,353
Utility Contribution	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Sanitary Sewer Trunk Charge	11,461,340	12,716,106	13,174,019	9,500,645	9,625,926
Expansion Assessment	7,621,628	7,903,628	8,211,870	7,485,888	7,484,800
Total Receipts	20,747,283	22,080,435	22,779,747	18,503,454	18,844,080
Estimated Construction Costs	(34,535,757)	(31,071,009)	(19,454,828)	(14,567,029)	(12,266,883)
Other Estimated Expenditures	(500,000)	(500,000)	(500,000)	(500,000)	(525,000)
Total Disbursements	(35,035,757)	(31,571,009)	(19,954,828)	(15,067,029)	(12,791,883)
Closing Reserve Balance	\$ 11,253,642	\$ 1,763,068	\$ 4,587,987	\$ 8,024,412	\$ 14,076,609

Construction Costs (Nominal Dollars)

	Total 2013- 2017	2013	2014	2015	2016	2017
NC1 PS	3,196,960	1,040,000	2,156,960	-	-	-
NL2	79,425	68,640	10,785	-	-	-
W3, 4, 5	917,065	-	-	-	-	917,065
W13	6,479,200	6,479,200	-	-	-	-
W14	13,157,040	13,157,040	-	-	-	-
SE4	973,083	973,083	-	-	-	-
SA10a	16,909,921	900,640	11,863,280	4,146,001	-	-
SA1a	29,138,666	11,917,154	17,039,984	181,528	-	-
SA1d	3,921,893	-	-	3,921,893	-	-
SW4	14,701,494	-	-	11,205,407	3,496,087	-
SW5	22,420,760	-	-	-	11,070,942	11,349,817
Total	\$ 111,895,506	\$ 34,535,757	\$ 31,071,009	\$ 19,454,828	\$ 14,567,029	\$ 12,266,883

Table 1

4.3 STATEMENT OF FUND ACTIVITIES AND BALANCE

The Statement of Fund Activities and Balance for 2012 are shown on Table 2, while Figure 4 shows each revenue component as a percentage of the total revenues. Figure 5 shows the historical SSSF revenue breakdown, whereas Figure 6 shows the historical SSSF expenditures.

REVENUES

Total revenues for 2012 were \$20.5M which is higher than the amount of \$18.2M collected in 2011.

Total SSTC for 2012 were 20% more than the amount collected in 2011.

Revenues from single family & duplex units were higher than multi-family units in 2011.

SSTC collected from commercial, industrial and institutional development was down by 45%.

Interest earned was up by 21%

- **Sanitary Sewer Trunk Charge (SSTC)** – For 2012, SSTC revenues totaled \$11.49M, a significant increase from the 2011 SSTC revenues of \$9.58M. For this year, single-family/duplex developments continue to contribute more than the multi-family developments, with the respective revenues being \$5.79M versus \$ 4.45M. This is similar to the situation in 2011 when the single-family/duplex contribution was \$4.74M versus the multi-family total of \$2.64M. The remaining SSTC revenues, \$1.20M, came from commercial, industrial, and institutional sectors, which is lower than the \$2.20M collected in 2011.
- ♦ **Expansion Assessment (EA)** - For 2012, the total EA collected was \$7.43M, slightly up from the \$7.05 M collected in 2011.
- ♦ **Utility Contribution** – Utility contribution in 2012 was \$1.3M as in past years.
- ♦ **Interest Earned** – Total interest earned during 2012 was \$0.32M compared to \$0.26M in 2011 due to higher interest rate and earlier receipt of SSTC and EA in the year.

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EXPENDITURES

The largest items of expenditure in 2012 were \$12.80M for the construction of WESS Stages W14 and \$6.50M for WESS W13 respectively. Another \$1.9M was spent for the construction of SESS SE4 (a & b), while the rest were spent on NESS Stages NL2 & NL3, the remaining WESS W1, SESS SA1a and SA10a as well as some preliminary cost for Sanitary Servicing Concept Planning.

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STATEMENT OF FUND ACTIVITIES & BALANCE

*Sanitary Servicing Strategy Fund
For the Period Ending December 31, 2012*

	2011 Actual	2012 Actual	2012 Budget	2012 Variance
REVENUES				
Sanitary sewer trunk charge - single/duplex revenue	\$ 4,739,723	\$ 5,789,879	\$5,000,000	\$ 789,879
Sanitary sewer trunk charge - multi family revenue	2,638,986	4,449,246	3,000,000	1,449,246
Sanitary sewer trunk charge - commercial/industrial/institutional revenue	2,198,664	1,205,516	2,000,000	(794,484)
Expansion assessment	7,049,410	7,428,240	6,000,000	1,428,240
Secondary suite refund		49,664		49,664
	16,626,783	18,922,545	16,000,000	2,922,545
Utility system contribution	1,300,000	1,300,000	1,300,000	-
Interest earned	263,003	318,718	300,000	18,718
Total Revenues	18,189,787	20,541,263	17,600,000	2,941,263
EXPENDITURES				
NEST Stage NL2 & NL3	2,904,335	528,904	529,000	(96)
SESS SA1a	-	79,198	-	79,198
SESS SA1b&c	3,503,575		1,247,000	(1,247,000)
SESS SA10a	-	219,330	423,000	(203,670)
SESS SW2-SW5	167,411	-	-	-
SESS SE4	3,132,753	1,873,343	4,127,000	(2,253,657)
Millwoods Double Barrel	505,405	-	2,046,000	(2,046,000)
Developer Built Projects (W14 & SE4b)	-	-	-	-
WESS W1	108,938	21,175	-	21,175
WESS W13	1,397,727	6,471,187	7,407,000	(935,813)
WESS W14	629,314	12,792,962	8,465,000	4,327,962
Concept Plans	390,587	352,222	529,000	(176,778)
Total Expenditures	12,740,045	22,338,321	24,773,000	(2,434,679)
Excess of Revenues over Expenditures	5,449,742	(1,797,058)	(7,173,000)	5,375,942
Balance – January 1, 2012	21,889,433	27,339,174	27,339,174	-
Balance – December 31, 2012	27,339,174	25,542,116	20,166,174	5,375,942

Table 2

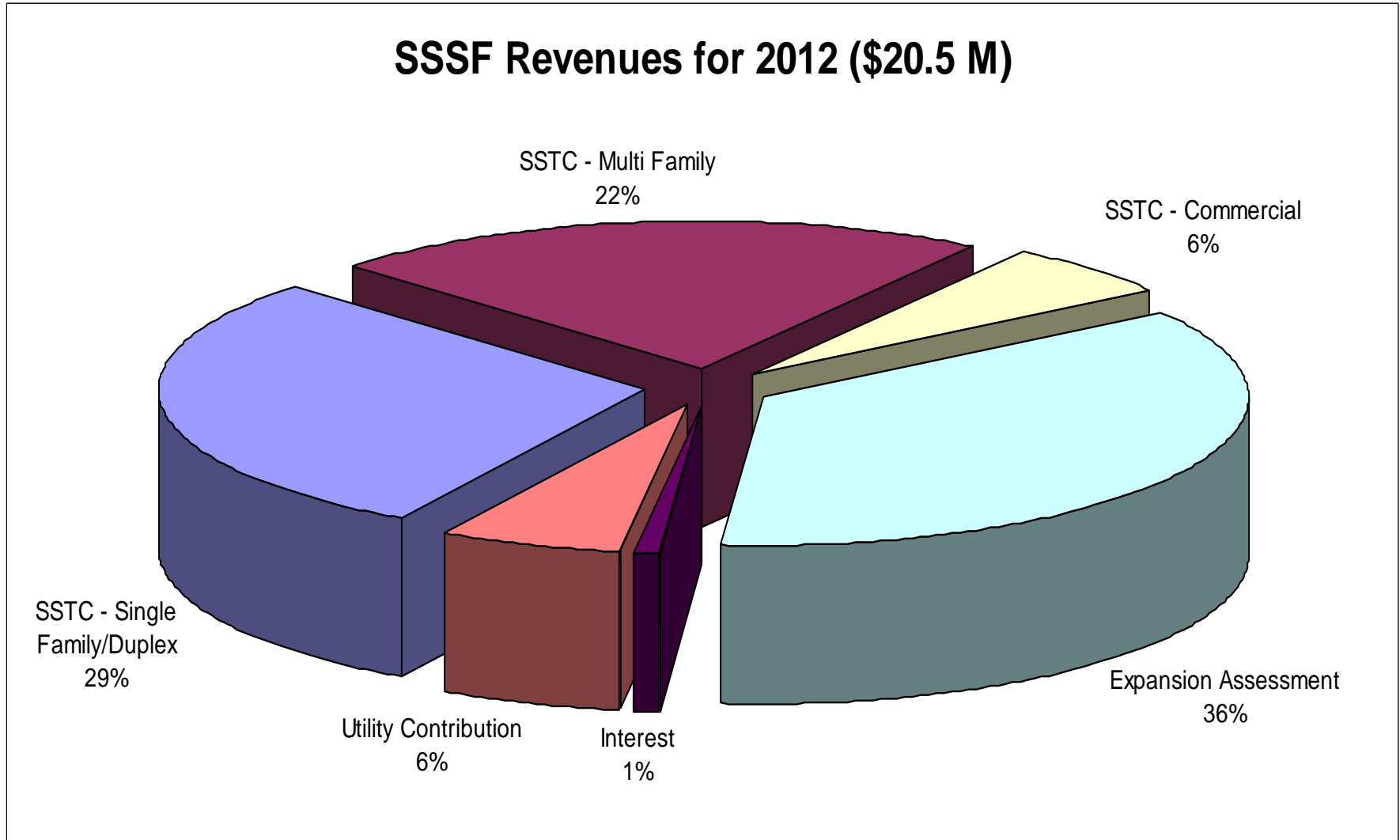


Figure 4

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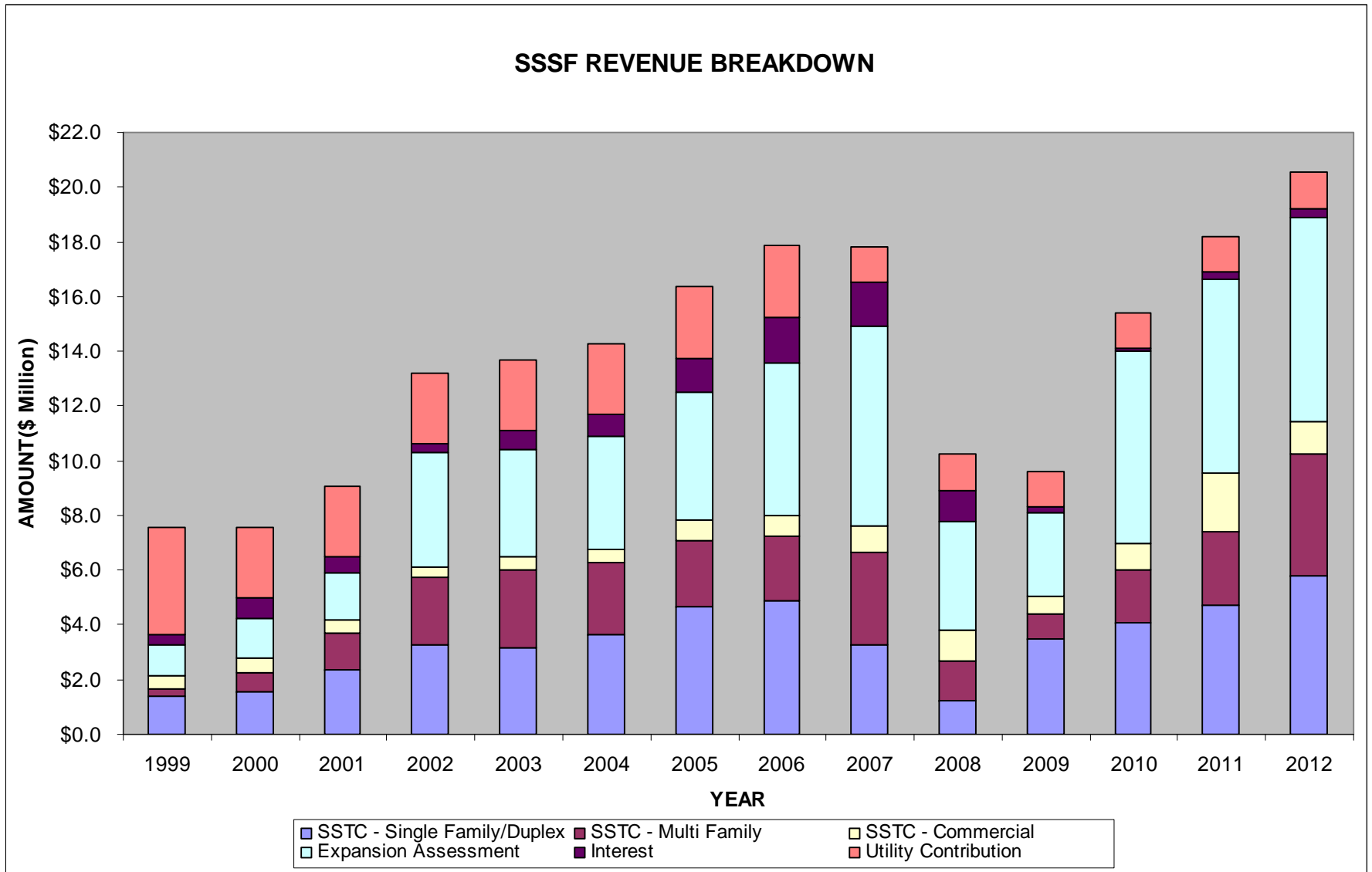


Figure 5

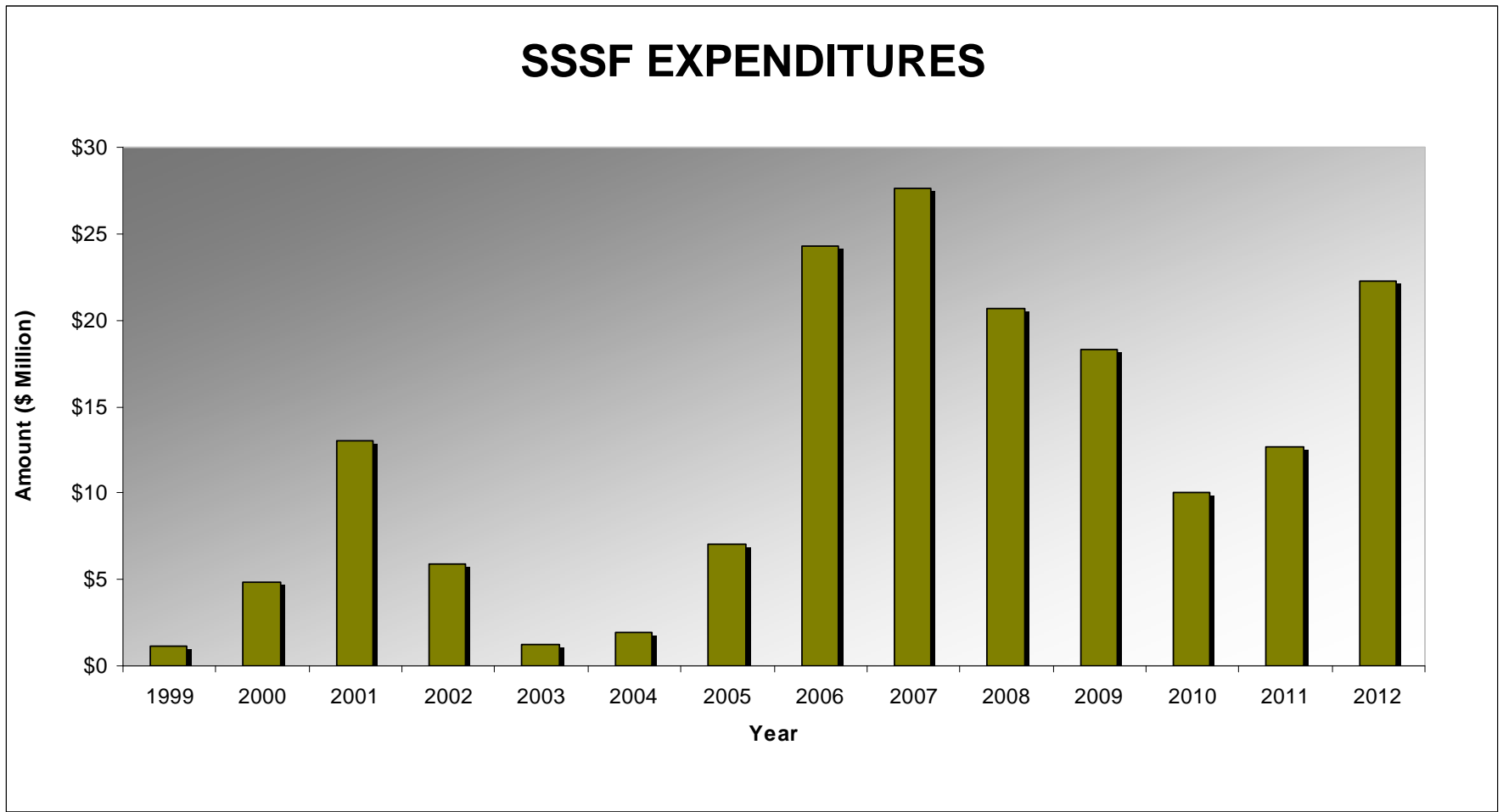


Figure 6