

**ORDER NUMBER 2670**

PROVINCE OF BRITISH COLUMBIA  
OFFICE OF THE DEPUTY COMPTROLLER OF WATER RATES

IN THE MATTER OF  
the *Water Utility Act* and the *Utilities Commission Act*  
and  
**Alto Utilities Ltd.**

**For Approval of Revenue Requirements & Tariff Increase Application  
Effective October 1, 2024**

BEFORE:

Bryan Robinson, Deputy Comptroller of Water Rights  
PO BOX 9340 STN PROV GOVT  
Victoria BC V8W 9M1

**ORDER 2670**

Dated this 29<sup>th</sup> day of November 2024

**Whereas:**

1. On July 24, 2024, Alto Utilities Ltd. (“the Utility” or “Alto”) submitted a rate application to the Deputy Comptroller of Water Rights (“Deputy Comptroller”) for approval of its forecast revenue requirements for test years ending September 30, 2025 through to September 30, 2027, and to increase water rates effective October 1, 2024. The Utility submitted supporting documentation including an actual and forecast cash flow statement and proposed Water Tariff No. 9.
2. The current and proposed water rates are:

	Current since	Proposed		
		2025	2026	2027
<b>Water Rates:</b>				
Residential Service Flat Rate, per month	Jan 1, 2022 \$ 70.50	Eff. Oct 1, 2024 \$ 84.00	Eff. Oct 1, 2025 \$ 98.50	Eff. Oct 1, 2026 \$ 117.00
Commercial - Peter Greer Elementary School, per month	1,410.00	1,680.00	1,970.00	2,335.00
Meter Rates - To the Church, per month	46.50	55.50	65.00	77.50
plus per cubic meter	1.90	2.16	2.40	2.70
Availability of Service (Rent) Charge, per annum	423.00	504.00	591.00	700.00

3. A written hearing process commenced with the Utility sending a Notice of Application to all its customers on August 1, 2024. The Notice provided customers with an opportunity to submit comments to the Deputy Comptroller by August 31, 2024. Seventeen written submissions were received.
4. The Deputy Comptroller has reviewed the application, evidence and submissions filed by both customers and the Utility (collectively called “the Application”) and makes the following determinations.

**NOW THEREFORE** pursuant to sections 58 to 61 of the *Utilities Commission Act* and for the reasons provided in the decision issued with this order, the Deputy Comptroller orders as follows:

- a. Total Revenue Requirements of \$467,676 for 2025, \$547,669 for 2026 and \$649,660 for 2027 test years as shown on the attached Schedule A are acceptable for rate setting purposes.
- b. From rates collected, the Utility is required to contribute \$140,000 for 2025, \$180,000 for 2026 and \$230,000 for 2027 into the Replacement Reserve Trust Fund (RRTF). The Utility is to ensure that deposits to the RRTF are made as rates are billed and collected. No releases may be made from the RRTF without the Deputy Comptroller’s written authorization.
- c. The Utility is required to establish and maintain a separate Reserve Capital Trust Fund (RCTF) to fund the planning and construction of a water treatment plant and 2-5 additional fire hydrants. From rates collected, the Utility is to deposit \$20,000 for

2025, \$50,000 for 2026, and \$90,000 for 2027. No releases may be made from the RCTF without the Deputy Comptroller's written authorization.

- d. Effective October 1, 2024 the water rates as proposed by the Utility are approved and Water Tariff No. 9 is accepted for filing.
- e. The Utility is to comply with all other determinations and directives in the decision issued with this order attached as Appendix A.

Dated at the City of Victoria in the Province of British Columbia, this 29<sup>th</sup> day of November 2024.



---

Bryan Robinson  
Deputy Comptroller of Water Rights under the  
*Water Utility Act/Utilities Commission Act*

Attachment

IN THE MATTER OF

An Application by

**Alto Utilities Ltd.**

**For Approval of Revenue Requirements & Tariff Increase Application  
Effective October 1, 2024**

BEFORE:

Bryan Robinson, Deputy Comptroller of Water Rights  
PO BOX 9340 STN PROV GOVT  
Victoria BC V8W 9M1

**REASONS FOR DECISION FOR ORDER 2670**

Dated this 29<sup>th</sup> day of November 2024

**1.0 Background**

Alto Utilities Ltd. (“the Utility”) is a privately held corporation that owns and operates a water system at Winfield, District of Lake Country, British Columbia. The Utility is regulated under the *Water Utility Act* and the *Utilities Commission Act* by the Comptroller of Water Rights (“Comptroller”). Under the *Water Sustainability Act*, the Deputy Comptroller of Water Rights (“Deputy Comptroller”) is authorized to exercise the powers and perform all the duties of the Comptroller.

On July 7, 1971, the Comptroller issued Certificate of Public Convenience & Necessity (CPCN) authorizing the Utility to construct and operate a waterworks system serving a 101-lot development. Between 1974 and 2017 additional CPCN Amendments were issued bringing the total authorized for service to 436 lots. The Utility provides water to 426 residential unmetered customers, one school and one metered customer, a church. There are six vacant lots subject to availability of service charges.

The source of supply is groundwater from two deep wells and the water is not treated. There are three concrete reservoirs situated above the subdivision where gravity feeds the system through a series of mains, 29 fire hydrants and two pressure reducing stations (PRVs). In 2022, the Utility

completed a Source Water Protection Plan (SWPP) which determined that the groundwater is at risk of pathogens (or GARP) and further treatment will be necessary.

## 2.0 Introduction

On July 24, 2024, the Utility applied for approval of its forecast revenue requirements for test years ending September 30, 2025 through to September 30, 2027, and to increase water rates effective October 1, 2024. The Utility submitted supporting documentation including an actual and forecast cash flow statement and proposed Water Tariff No. 9. The last rate increase was approved effective January 1, 2022.

The current and proposed water rates are:

<b>Water Rates:</b>	<b>Current since</b>	<b>Proposed</b>		
		<b>2025</b>	<b>2026</b>	<b>2027</b>
	<i>Jan 1, 2022</i>	<i>Eff. Oct 1, 2024</i>	<i>Eff. Oct 1, 2024</i>	<i>Eff. Oct 1, 2024</i>
Residential Service Flat Rate, per month	\$ 70.50	\$ 84.00	\$ 98.50	\$ 117.00
Commercial - Peter Greer Elementary School, per month	1,410.00	1,680.00	1,970.00	2,335.00
Meter Rates - To the Church, per month	46.50	55.50	65.00	77.50
plus per cubic meter	1.90	2.16	2.40	2.70
Availability of Service (Rent) Charge, per annum	423.00	504.00	591.00	700.00

The Utility's application has three components:

1. Inflationary cost adjustments to operating expenses since the last rate increase
2. Increase in RRTF contributions as per the Long-term Asset Management Plan
3. A new Capital Fund Rider to fund future water treatment capital project

A written hearing process commenced with the Utility sending a Notice of Application to all its customers on August 1, 2024. The Notice provided customers with an opportunity to submit comments to the Deputy Comptroller by August 31, 2024. Seventeen written submissions were received.

All evidence, including relevant submissions from the Utility and its customers, has been taken into consideration. Sufficient evidence was received to proceed with a review and decision on the Application. The issue to be decided by the Deputy Comptroller is whether to accept, set aside, or vary forecast revenue requirements and proposed water rate increases for the 2025 to 2027 test years.

## 3.0 Revenue Requirements

Revenue Requirements (RR) include forecast operating expenses, income taxes, reserve/trust fund provisions and operating margin. In order to ensure that the Utility continues to be a viable business entity while providing its customers with adequate water service, it is necessary to generate enough revenue through rates to cover forecast RR.

### 3.1 Operating expenses and operating margin

Total expenses are forecast to be \$284,103 for the 2025 Test Year, which equates to a 15% increase over the 2022 Approved forecast of \$247,071. The Utility has taken the following approaches for forecasting expenses:

- For Auto, Rent, Management, Operating and Bookkeeping the Utility has increased the 2022 approved forecast by the compounded cost of living increase for 2022, 2023 and three-quarters of 2024 based on the inflation rate posted by the Bank of Canada. This approach updates the 2022 approved expenses to current values.
- Both Insurance and Property taxes have increased more than the rate of inflation since 2022. Insurance costs in 2023 were \$21,384, in 2024 the cost increased to \$22,608. The Utility's insurance agent has cautiously suggested a 5% per year increase over the next couple of years. For 2024, the District of Lake Country approved a rate increase on property taxes of 9.52%. The Utility is requesting a rate increase of 10% for 2024 and 3% escalation factor for subsequent years.
- Where possible the Utility has reduced costs. Bank charges, office and miscellaneous, power, and telephone are four expenses that have decreased since 2022.

Operating margin is calculated as a percentage of total approved operating expenses and is meant to cover working capital needs (expenses incurred before revenues collected) and unexpected expenses. The Utility is proposing an operating margin of 6% in each year starting with 2025.

#### Deputy Comptroller Determinations:

**Forecast operating expenses, including an income tax provision, for 2025 to 2027 test years were explained by the Utility in the Application and are reasonable for this size and type of utility.**

**An operating margin of 6% of total operating expenses is considered acceptable for rate setting purposes. Net earnings are to remain with the Utility to meet cash flow needs and cover unexpected costs.**

### 3.2 Replacement Reserve Trust Fund

The Deputy Comptroller requires regulated water systems to set up and maintain an RRTF to ensure funds will be available to pay for the replacement of water system components when required. The monies are set aside in a restricted bank account and no releases are allowed without the written authorization of the Deputy Comptroller. In the event the water system is sold or transferred, the RRTF transfers with the system for the beneficial interest of the customers. Annual RRTF deposits should be equal to standard depreciation rates for water system components, calculated using the "Standard Depreciation Rates for Private Water Utilities in British Columbia" – Schedule A form found in the CPCN Guide.

Order 778 dated March 17, 1983 required the Utility to establish and maintain a RRTF with annual deposits to be made in accordance with its approved water tariff. As per Water Tariff No.

8, the Utility is required to deposit 30% of rates collected to the RRTF, equivalent to \$117,230 per year.

As part of the Application, the Utility submitted a Long-term Asset Management Plan (LAMP) which determined that the total current replacement value of the water system assets is estimated at \$8.2 million (in 2023 dollars) and calculated that with an annual contribution of \$230,000 to the RRTF, the Utility should have sufficient funds to cover the anticipated renewal assets costs over the next sixty years.

The Utility is seeking approval to increase RRTF contributions over the next three years from \$117,230 to \$230,000 as recommended by the recently completed LAMP. Alto proposed to apply this increase in a stepped process with \$140,000 contributed for 2024, \$180,000 for 2026 and \$230,000 for 2027. This effectively increases RRTF contributions from 30% to 50% of revenue. Instead of assigning RRTF contributions as a percentage of revenue, the LAMP looked at the future renewal costs and determined that contributions to Alto's RRTF fund needed to increase to \$230,000 per year to maintain its infrastructure.

#### **Deputy Comptroller Determination:**

The proposal to phase in increases to the contribution rate is prudent as it reduces the impact of rate shock while ensuring funds are available to replace major system components when needed. By 2027, the Utility will be contributing \$230,000 per year to the RRTF which is in keeping with the Deputy Comptroller's requirement to achieve full replacement provision in the RRTF.

**From rates collected, the Utility is required to contribute \$140,000 for 2025, \$180,000 for 2026 and \$230,000 for 2027 into the Replacement Reserve Trust Fund (RRTF). The Utility is to ensure that deposits to the RRTF are made as rates are billed and collected. No releases may be made from the RRTF without the Deputy Comptroller's written authorization.**

### **3.3 Reserve Capital Trust Fund**

Alto is seeking approval to establish a separate reserve/trust fund known as the Reserve Capital Trust Fund (RCTF). Monies collected from the Capital Fund Rider will be deposited to the RCTF and will be held in a restricted account. No releases are allowed without the written authorization of the Deputy Comptroller and in the event the water system is sold or transferred, the RCTF transfers with the system for the beneficial interest of the customers.

The RCTF will be used to fund the construction of a water treatment plant (including all reports, plans and construction) and 2-5 additional fire hydrants. Due to the Source Water Protection plan identifying Alto's two wells as being subject to GARP, Interior Health Authority (IHA) requires Alto to address the operating permit requirement to "*Provide Long-term Plans for Source, Treatment and Distribution System Improvements.*"

Alto proposed to develop a treatment plan in two stages: Stage 1) Focus on determining the best approach to treatment and develop a plan to achieve IHA's treatment objections, and Stage 2)

implementation. The LAMP provided preliminary estimates for these capital projects in order to begin setting aside monies for when it is needed as government grants are not available to privately owned water systems. Proposed contributions to the RCTF for the period are \$20,000 for 2025, \$50,000 for 2026 and \$90,000 for 2027. Contributions to the fund will continue at \$90,000 per year until costs of the upgrades have been fully recovered at which time the Capital Fund Rider will end.

#### **Deputy Comptroller Determinations:**

**The Utility’s proposal to establish the RCTF to fund the water treatment upgrades is a prudent step for the Utility’s capital planning ahead and is supported by the Deputy Comptroller. The Utility is establish a separate RCTF restricted bank account. The monies collected from the Capital Fund Rider are to be deposited into the RCTF. No releases may be made from the RCTF without the Deputy Comptroller’s written authorization.**

**The Utility should provide updates and report to the Deputy Comptroller’s office as progress is made in developing a plan to achieve IHA’s treatment objectives and seek preapproval of any planned spending using the “Trust Fund Expenditure Checklist”.**

**Effective October 1, 2024 the Utility is required to contribute \$20,000 to the RCTF, increasing to \$50,000 for 2026 and \$90,000 for 2027 and onwards.**

**Accordingly, Total Revenue Requirements of \$467,676 for 2025, \$549,669 for 2026 and \$649,660 for 2027 test years as shown on the attached Schedule A are acceptable for rate setting purposes.**

#### **4. Water Rates and Tarif Amendments**

At the current rates the Utility is unable to recover the approved forecast RR and a rate increase is warranted. The proposes rates are approved as follows:

	<b>Approved</b>		
	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>Water Rates:</b>	<i>Eff. Oct 1, 2024</i>	<i>Eff. Oct 1, 2025</i>	<i>Eff. Oct 1, 2026</i>
Residential Service Flat Rate, per month	\$ 84.00	\$ 98.50	\$ 117.00
Commercial - Peter Greer Elementary School,per month	1,680.00	1,970.00	2,335.00
Meter Rates - To the Church, per month	55.50	65.00	77.50
plus per cubic meter	2.16	2.40	2.70
Availability of Service (Rent) Charge, per annum	504.00	591.00	700.00

Currently, the Contribution in Aid of Future Construction is set at \$8,500 which has not increased since 2014. The Utility is requesting this amount be increased to \$10,000 to increase funding for future development. The CIAC charge is set to provide funds for the expansion of



the system supply works due to lots being added to the utility's authorized service area. Now that the LAMP has been completed and the current replacement value of the water system has been determined, the following formula should be applied in calculating an appropriate CIAC charge:

$$\begin{aligned} \text{CIAC Charge per unit} &= \text{Replacement Cost} / \text{Total SFRE} \\ &= \$8.2 \text{ million} / 466 \text{ SFREs} \\ &= \$17,596 \end{aligned}$$

The increase to the CIAC charge should be applied in a stepped process. Therefore, for 2025 the CIAC charge should be \$12,000 increasing to \$15,000 for 2026 and to \$17,600 for 2027.

**Deputy Comptroller Determinations:**

**The water rates as shown above are approved effective October 1, 2024.**

**The other proposed minor amendments to the current Water Tariff are acceptable.**

**A CIAC Charge of \$12,000 for 2025, \$15,000 for 2026 and \$17,600 for 2027 is approved.**

**5.0 Conclusion**

**Having considered all of the evidence affecting the proposed rates and changes to the terms and conditions of its Water Tariff, IT IS HEREBY DECIDE AND ORDERED that Alto Utilities Ltd.'s Application as determined in this Reasons for Decision to Order No. 2670 is approved effective October 1, 2024 and Water Tariff No. 9 is accepted for filing by the Deputy Comptroller.**

Dated at the City of Victoria, in the Province of British Columbia, this 29<sup>th</sup> day of November 2024.




---

Bryan Robinson  
Deputy Comptroller of Water Rights under the  
*Water Utility Act/Utilities Commission Act*

Attachment: Schedule A

**ALTO UTILITIES LTD.  
PROJECTED CASH FLOW STATEMENTS  
FOR THE YEARS ENDING SEPTEMBER 30th**

Schedule A

	2017	2020	2021	2021	2022	2022	2023	APPROVED		
	Approved	Actual	Actual	Forecast	Approved Forecast	Actual	Actual	2025 Forecast	2026 Forecast	2027 Forecast
<b>Water Rates:</b>										
Residential Service Flat Rate	58.50	58.50	58.50	58.50	70.50	70.50	70.50	84.00	98.50	117.00
Commercial - Peter Greer Elementary School	1,170.00	1,170.00	1,170.00	1,170.00	1,410.00	1,410.00	1,410.00	1,680.00	1,970.00	2,335.00
Meter Rates - To the Church	38.61	38.61	38.61	38.61	46.53	46.53	46.53	55.50	65.00	77.50
plus per cubic meter	1.58	1.58	1.58	1.58	1.90	1.90	1.90	2.16	2.40	2.70
Availability of Service (Rent) Charge	351.00	351.00	351.00	351.00	423.00	423.00	423.00	504.00	591.00	700.00
RRTF Contribution Rate	25%	25%	25%	25%	30%	30%	30%			
<b>Number of Units:</b>										
Residential Service Flat Rate	408	437.5	437.5	437.5	437.5	437.5	437.5	437.5	437.5	437.5
Commercial - Peter Greer Elementary School	1	1	1	1	1	1	1	1	1	1
Meter Rates - To the Church	1	1	1	1	1	1	1	1	1	1
Availability of Service (Rent) Charge	8	6	6	6	6	6	6	3	3	3
<b>Total</b>	<b>418</b>	<b>446</b>	<b>446</b>	<b>446</b>	<b>446</b>	<b>446</b>	<b>446</b>	<b>443</b>	<b>443</b>	<b>443</b>
<b>REVENUE:</b>										
Residential Service Flat Rate	286,416	301,779	307,125	307,125	370,125	351,988	370,078	441,000	517,125	614,250
Commercial - Peter Greer Elementary School	14,040	14,040	14,040	14,040	16,920	16,200	16,920	20,160	23,640	28,020
Meter Rates - To the Church	464	464	464	464	558	770	1,231	666	780	930
plus per cubic meter	734	774	221	221	881	-	-	1,004	1,116	1,254
Availability of Service (Rent) Charge	2,808	2,808	2,106	2,106	2,538	4,860	2,538	1,446	1,608	1,806
<b>Total</b>	<b>304,462</b>	<b>319,864</b>	<b>323,956</b>	<b>323,956</b>	<b>391,022</b>	<b>373,819</b>	<b>390,767</b>	<b>464,276</b>	<b>544,269</b>	<b>646,260</b>
Connections & Transfers	1,000	750	936	936	1,000	980	4,350	1,000	1,000	1,000
Other Income	2,400	4,436	7,141	11,191	2,400	1,669		2,400	2,400	2,400
<b>TOTAL REVENUE</b>	<b>307,862</b>	<b>325,050</b>	<b>332,033</b>	<b>336,083</b>	<b>394,422</b>	<b>376,468</b>	<b>395,118</b>	<b>467,676</b>	<b>547,669</b>	<b>649,660</b>
<b>EXPENSES</b>										
Auto	9,900	9,487	9,900	9,900	10,954	10,690	10,954	12,460	12,833	13,218
Insurance	13,525	16,118	18,489	18,489	18,868	19,872	21,384	22,453	23,576	24,283
Interest and Bank Charges	1,040	701	605	531	1,151	985	678	698	719	741
Management Fees	32,252	35,803	32,252	33,620	35,686	34,828	35,686	40,591	41,808	43,062
Office & Miscellaneous	5,915	5,162	5,243	7,234	6,545	4,053	5,117	5,271	5,429	5,592
Operator Wages	49,939	51,465	52,957	51,419	55,257	53,928	55,257	62,852	64,737	66,679
Payroll costs					-	4,802	5,540	5,706	5,877	6,053
Power	30,867	19,375	28,193	24,090	24,584	17,704	21,087	21,720	22,371	23,042
Professional Fees	4,162	8,685	6,059	13,064	4,605	5,307	4,783	4,926	5,074	5,226
Property Taxes	12,569	17,345	17,709	19,197	19,590	24,444	26,420	29,062	29,934	30,832
Rent	4,994	6,378	4,994	4,994	5,526	5,393	5,526	6,286	6,474	6,668
Repairs & Maintenance (less recovered from trust)	36,414	33,534	38,194	39,993	40,292	38,088	44,748	46,090	47,473	48,897
Bookkeeping	13,525	21,978	18,136	13,844	14,965	15,718	15,915	18,102	18,645	19,204
Water Testing			5,748							
Telephone	8,177	8,518	6,452	7,144	9,048	6,905	7,656	7,886	8,122	8,366
<b>TOTAL EXPENSES</b>	<b>223,279</b>	<b>234,549</b>	<b>244,931</b>	<b>243,519</b>	<b>247,071</b>	<b>242,717</b>	<b>260,751</b>	<b>284,103</b>	<b>293,072</b>	<b>301,864</b>
<b>NET INCOME (LOSS)</b>	<b>84,583</b>	<b>90,501</b>	<b>87,102</b>	<b>92,564</b>	<b>147,351</b>	<b>133,751</b>	<b>134,367</b>	<b>183,573</b>	<b>254,597</b>	<b>347,796</b>
Less Income Taxes	-	(11,103)	(321)	(10,182)	(16,287)	(14,472)	(17,946)	(6,603)	(6,689)	(7,725)
Future capital project								(20,000)	(50,000)	(90,000)
RRTF Provision	(76,116)	(79,966)	(80,991)	(80,991)	(117,307)	(108,120)	(117,230)	(140,000)	(180,000)	(230,000)
<b>ADJUSTED NET INCOME (LOSS)</b>	<b>8,468</b>	<b>- 568</b>	<b>5,790</b>	<b>1,391</b>	<b>13,758</b>	<b>11,159</b>	<b>- 810</b>	<b>16,970</b>	<b>17,908</b>	<b>20,071</b>
<b>OPERATING MARGIN (% of Expenses)</b>	3.8%	-0.2%	2.4%	0.6%	5.6%	4.6%	-0.3%	6.0%	6.1%	6.6%
<b>REVENUE REQUIREMENTS</b>	<b>307,862</b>	<b>325,050</b>	<b>332,033</b>	<b>336,083</b>	<b>394,422</b>	<b>376,468</b>	<b>395,118</b>	<b>467,676</b>	<b>547,669</b>	<b>649,660</b>

**ALTO UTILITIES LTD.  
PROJECTED CASH FLOW STATEMENTS  
FOR THE YEARS ENDING SEPTEMBER 30th**

Schedule A

	2017	2020	2021	2022
	Approved	Actual	Actual	Approved Forecast
<b>Water Rates:</b>				
Domestic Service Flat Rate	58.50	58.50	58.50	70.50
Commercial - Peter Greer Elementary School (20 SFEs)	1,170.00	1,170.00	1,170.00	1,410.00
Meter Rates - To the Church	38.61	38.61	38.61	46.53
plus per cubic meter	1.58	1.58	1.58	1.90
Availability of Service (Rent) Charge	351.00	351.00	351.00	423.00
 RRTF Contribution Rate	25%	25%	25%	30%
<b>Number of Units:</b>				
Residential Service Flat Rate	408	437.5	437.5	437.5
Commercial - Peter Greer Elementary School (20 SFEs)	1	1	1	1
Meter Rates - To the Church	1	1	1	1
Availability of Service (Rent) Charge	8	6	6	6
Total	418	446	446	446
<b>REVENUE:</b>				
Residential Service Flat Rate	286,416	301,779	307,125	370,125
Commercial - Peter Greer Elementary School (20 SFEs)	14,040	14,040	14,040	16,920
Meter Rates - To the Church	464	464	464	558
plus per cubic meter	734	774	221	881
Availability of Service (Rent) Charge	2,808	2,808	2,106	2,538
	304,462	319,864	323,956	391,022
Connections & Transfers	1,000	750	936	1,000
Other Income	2,400	4,436	7,141	2,400
<b>TOTAL REVENUE</b>	<b>307,862</b>	<b>325,050</b>	<b>332,033</b>	<b>394,422</b>
<b>EXPENSES</b>				
Auto	9,900	9,487	9,900	10,954
Insurance	13,525	16,118	18,489	18,868
Interest and Bank Charges	1,040	701	605	1,151
Management Fees	32,252	35,803	32,252	35,686
Office & Miscellaneous	5,915	5,162	5,243	6,545
Operator Wages	49,939	51,465	52,957	55,257
Power	30,867	19,375	28,193	24,584
Professional Fees	4,162	8,685	6,059	4,605
Property Taxes	12,569	17,345	17,709	19,590
Rent	4,994	6,378	4,994	5,526
Repairs & Maintenance (less recovered from trust)	36,414	33,534	38,194	40,292
Bookkeeping	13,525	21,978	18,136	14,965
Water Testing			5,748	
Telephone	8,177	8,518	6,452	9,048
<b>TOTAL EXPENSES</b>	<b>223,279</b>	<b>234,549</b>	<b>244,931</b>	<b>247,071</b>
<b>NET INCOME (LOSS)</b>	<b>84,583</b>	<b>90,501</b>	<b>87,102</b>	<b>147,351</b>
Less: Income Taxes	-	(11,103)	(321)	(16,287)
RRTF Provision	(76,116)	(79,966)	(80,991)	(117,307)
<b>ADJUSTED NET INCOME (LOSS)</b>	<b>8,468</b>	<b>568</b>	<b>5,790</b>	<b>13,758</b>
 <b>OPERATING MARGIN (% of Expenses)</b>	 3.8%	-0.2%	2.4%	5.6%
 <b>REVENUE REQUIREMENTS</b>	 307,862	325,050	332,033	394,422