

**Annual Waterworks Information
Village of Debden
August 15, 2022**

Water Works Rate Policy

Under the water works rate policy resolution, the flat rates for water, as adopted under the water bylaw 10/2017 will remain in effect for 2022. Commercial businesses and new construction that have water meters installed in 2022 will be on the metered rate starting in 2023. Rates will be reviewed in 2023. The rates were under review in 2016 and 2017 and a new bylaw was approved to work towards water works revenues covering the waterworks operating costs. The goal of the council is to cover via revenue from waterworks all expenditures and future capital replacement.

Water and Sewer Rates

Water and Sewer rates are flat rates in the Village of Debden. These rates are billed for two successive months.

Connection/Disconnection Fees are as follows:

At the request of owner during regular business hours:

June 1st –October 31st- \$40.00 November 1st- May 31st- \$100.00

At the request of owner after regular business hours:

June 1st –October 31st- \$90.00 November 1st- May 31st- \$150.00

Seasonal Disconnect- billed to turn disconnect and then again to re-connect:

June 1st –October 31st- \$40.00 November 1st- May 31st- \$100.00

Restaurant with RO	355.00
Multi Resident/Restaurant	590.00
Residential/Hotel	355.00
Hair Salon	180.00
Rectory/Church	195.00
Store- with RO System	320.00
Store-	180.00
Coin Laundry	740.00
Commercial Shop	240.00
Residence	165.00
School	725.00
Elevator	180.00
Coin Car Wash	825.00
Multi-Residential Nursing	890.00

Discounts to be offered:

10 percent discount if annual amount is paid by January 31st.

Infrastructure Fee:

\$12.50/month per property- no discount offered

Waterworks Objective

The objective of the waterworks rate policy is to work towards waterworks that are self-financing, where the users pay for the cost of the service. To accomplish this, waterworks rates need to increase over time so that the revenues cover operating costs, to the extent possible. Council will review its waterworks policy to determine if revenues are covering costs, and increasing municipal reserves in order to cover future infrastructure maintenance and replacement costs. This water works policy will work towards financially independent waterworks that do not have to compete with other key municipal financial demands under the general revenue fund. This will ensure our waterworks can provide safe drinking water. Also rates that cover costs will influence consumer demand and water conservation, and self financing waterworks will reduce pressure on property taxes. Reduced funding for the waterworks from the general revenue fund will be reflected in future mill rates.

Waterworks Capital Investment Strategy

Established by resolution July, 2006

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely fashion to ensure the municipal waterworks provides safe drinking water to residents and businesses. A capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.

Annual Financial Overview

Total 2021 waterworks operating revenues	\$345,728
Total 2021 waterworks operating expenditures	\$225,796
Total Debt Payments on waterworks loans	\$425,379

Comparison of waterworks revenues to expenditures plus debt payments expressed as a ratio

$$\frac{(345,728)}{(225,796)+(425,379)} = .53$$

For 2021, waterworks revenues including funding, covered the waterworks expenditures and the 2021 debt payment. Due to interest rates and expense, the Village Council made a decision to payout the utility loan in full. This amount was not covered by waterworks revenue and caused a waterworks deficit of \$305,477 but was covered by tax revenue and budget surplus. Funds were also transferred to the utility reserve as Council feels it is important to add to this reserve for future infrastructure improvements and replacements. .

Amount of 2021 waterworks revenues transferred out of the utility: Twenty four thousand and sixty (\$24,060)

Reserves

Reserves available for waterworks capital infrastructure	\$ 98,670
Addition to reserves	<u>\$ 24,062</u>
Total Reserves	\$122,732

Attachments/Notes

There are no agreements for waterworks services.

Date: August 15, 2022

Mayor: *Rod Fisher*

Administrator: *Tamara Couture*