

**Annual Waterworks Information
Village of Debden
March 12, 2018**

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 2018. 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	305.00
Multi Resident/Restaurant	540.00
Residential/Hotel	290.00
Hair Salon	150.00
Rectory/Church	170.00
Store- with RO System	275.00
Store-	150.00
Coin Laundry	625.00
Commercial Shop	210.00
Residence	145.00
School	680.00
Elevator	150.00
Coin Car Wash	485.00
Multi-Residential Nursing	780.00

Discounts to be offered:

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

Infrastructure Fee:

\$10.00/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 2017 waterworks operating revenues	\$126,959
Total 2017 waterworks operating expenditures	\$143,056
Total Debt Payments on waterworks loans	\$0

Comparison of waterworks revenues to expenditures plus debt payments expressed as a ratio
$$\frac{(126,959)}{(143,056)+(0)} = .89$$

For 2017, waterworks revenues did not cover the waterworks expenditures. A deficit of \$16097 has occurred, as we were not able to increase our rates drastically to meet the expenditures in one single year.

Amount of 2017 waterworks revenues transferred out of the utility: Zero

Reserves

Reserves available for waterworks capital infrastructure	\$50,000.00
Addition to reserves	\$
Total Reserves	\$50,000.00

Attachments/Notes

There are no agreements for waterworks services.

As we received funding under the CWWF grant and also applied our Gas Tax Funds to Utility, it contributed an additional \$948,369 to our utility capital revenue. This money is being used to construct a lagoon and lift station, which are showing as Assets in our financial statements, as opposed as Expense. The project will be complete June 2018.

Date:_____

Mayor:_____Administrator:_____

APPROVED March 13, 2018