

# **ANNUAL WATERWORKS INFORMATION AVAILABLE AT THE MUNICIPAL OFFICE BY SEPTEMBER 1 OF EACH YEAR.**

(As required under *The Municipalities Regulations*)

**Name of Municipality: Town of Stoughton**

**Date: September, 2019**

## **WATERWORKS RATE POLICY**

*On May 21, 2019, Council passed a resolution on a waterworks rate policy.*

*(Describe the waterworks rates and fees charged by the municipality, including the price per unit)*

Under the waterworks rate policy resolution, Bylaw # 450/18 and attached Schedules 'A', 'B' and 'C' are currently in effect. Council enacted this bylaw for a period of three years with a yearly percentage increase to reflect maintenance costs. The meter deposit clause was removed and established in a separate bylaw, namely Bylaw #427/15 The Bylaws are available for viewing at either the municipal office during regular office hours or on the website *stoughtonsk.ca*.

Council has reviewed water and sewer rates during the budget process in the Year 2019.

*(Describe how the waterworks rates and fees are determined, including the types of costs used for determining the rates and fees)*

Water and Sewer rates were originally set per usage where those who used the services more would pay more. Budgets are set yearly so that utility expenses and revenues are balanced. The increase covered by Bylaw #450/18 is to be used for increased operating expenses and major repairs.

*(Describe the objectives of the waterworks rate policy)*

The objective of the waterworks rate policy is to work towards building the waterworks reserves in order to cover future infrastructure maintenance and replacement costs, such as replacing a portion of the main supply line from the wells to the town and future expenditures due to growth. The Lagoon Expansion began July 4, 2016 and was completed in November 2016.

The waterworks policy will work towards financially independent waterworks that does not have to compete with other key financial demands under the municipal general revenue fund.

*On August 15, 2017, Council passed a resolution on a capital investment strategy.*

*(Describe the objectives of the waterworks capital investment strategy)*

The objective of the waterworks capital investment policy strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses.

This capital investment strategy will ensure that safe drinking water can be provided to the residents in the community in the present and in the future.

*(Describe how capital plans are determined, including how they are identified and prioritized. Indicate the sources of funding for waterworks infrastructure projects)*

Capital plans will be established to address the waterworks infrastructure deficiencies and replacements as identified and prioritized at the beginning of each year. An Infrastructure fee of \$25.00 has been added to the bi-monthly water bills and will be placed in a separate account for future repairs and additions of the waterworks.

Waterworks capital plans and planned sources are identified as follows:

<b>Project</b>	<b>Planned Year</b>	<b>2016 Cost</b>	<b>Source of Funding</b>
Water Supply	Unknown	1,872,000.00	Provincial Territorial Infrastructure Component Fund and Utility Revenues.
Replace meters	Ongoing	21,000.00	Utility Revenues.

### **ANNUAL FINANCIAL OVERVIEW From Audited Financial Statements 2018**

- Total 2018 waterworks revenues \$ 435,341
- Total 2018 waterworks expenditures \$ 380,869
- Total debt repayments on waterworks infrastructure loans (D) – \$ 202,306
- Comparison of waterworks revenues to expenditures plus debt repayments, expressed as a ratio =  
$$\frac{(435,341)}{(380,869 + 202,306)} = 0.74650$$
- Explanation of the ratio:
  - Amount of 2018 waterworks revenue transferred out of the utility, specifying where the revenues were transferred – \$141,180 towards the Main Water Line Replacement and other Capital Repairs/Expenses.
  - Amount of 2018 supplementary funding required covering expenditures, specifying the source of the supplementary funding—zero.

### **RESERVES**

Reserves available for waterworks capital infrastructure - \$141,180 Balance Forward January 1, 2019.

### **ATTACHMENTS**

Bylaw #450/18, Schedules A, B and C.

### **ANNUAL INFORMATION PROVIDED DIRECTLY TO THE PUBLIC THROUGH NEWSPAPERS, MAIL-OUT OR WEBSITE BY SEPTEMBER 1 OF EACH YEAR.**

The following is information on the Town of Stoughton's waterworks, as required under *The Municipalities Regulations*.

#### 2018 Waterworks Financial Overview:

- Total waterworks revenues (R) - \$435,341
- Total waterworks expenditures (E) - \$380,869
- Total debt repayments on waterworks infrastructure loans (D) – \$202,306
- Comparison of waterworks revenues to expenditures plus debt repayments, expressed as a ratio –  
$$\frac{(R)}{(E) + (D)} = 0.746$$

The following information is available at the municipal office on the waterworks:

- The waterworks policy and capital investment strategy
- Capital plans in place and related sources of funding for the projects when completed
- 2018 financial overview of the waterworks
- Waterworks reserves
- A copy of the 2015 waterworks assessment

- A copy of the design report for upgrades and preliminary drawings prepared by Walker Projects