

# 2021 ANNUAL UTILITY INFORMATION

AVAILABLE TO THE PUBLIC ON TOWN WEBSITE ([www.lumsden.ca](http://www.lumsden.ca))

<b>Name of Municipality:</b>	<b>Town of Lumsden</b>
<b>Date:</b>	June 14, 2022

## ANNUAL FINANCIAL OVERVIEW – For the 2021 Year

The following is information on the Town of Lumsden Water and Sewer Utility, as required under *The Municipalities Act*.

### Water and Sewer Utility Financial Overview:

For the Year 2021	Waterworks	Wastewater	Total
Revenues (operating and capital grants)	\$ 723,077	\$ 1,601,010	\$ 2,324,087
Transfer from Utility Reserve	139,744	1,099,154	1,238,898
Debt	0	0	0
<b>Total Revenue</b>	<b>862,821</b>	<b>2,700,164</b>	<b>3,562,985</b>
Operating Expenses (excluding amortization)	460,021	551,323	1,011,344
Capital Expenses	111,630	1,534,722	1,646,352
Debt Repayment (principal only)	0	217,000	217,000
Transfer to Utility Reserve (Infrastructure Fee)	0	381,511	381,511
<b>Total Expenses</b>	<b>571,651</b>	<b>2,684,556</b>	<b>3,256,207</b>
<b>2020 Net Profit / (Loss)</b>	<b>291,170</b>	<b>15,608</b>	<b>306,778</b>

Comparison of utility revenues to expenditures expressed as a ratio is 1.09

The following additional information on the utility operation is available at the municipal office for public viewing:

- 2016 Waterworks System Assessment Final Report
- Water supply agreements

### WATER AND SEWER UTILITY – Transfers To or From

In 2021 there were no transfers of utility revenue out of the utility department, only transfers within the utility reserve.

### RESERVES – DECEMBER 31, 2021

The Water and Sewer Utility has reserves available for future capital infrastructure of **\$1,760,450.12**

### WATERWORKS RATE POLICY

In 2019, Council passed a bylaw setting the Water and Sewer rates for the years 2020-2021, based on anticipated increases from budgeted capital expenditures and operational increases.

The following per gallon treated water rates, for customers located inside municipal boundaries, were adopted for 2019 - 2021:

Effective Date	Per Gallon Rate	Estimated Monthly Charge (based on 3,673 gallons per month)
January 1, 2019	\$14.43 per 1,000 gallons; 3,000 gallons or less minimum \$43.29 per quarter	\$53.00
January 1, 2020	\$14.86 per 1,000 gallons; 3,000 gallons or less minimum \$44.58 per quarter	\$54.58
January 1, 2021	\$15.31 per 1,000 gallons; 3,000 gallons or less minimum \$45.93 per quarter	\$56.23

The following monthly sewer rates were adopted for customers accessing the municipal sewer system:

LOCATION	Jan. 1, 2019	Jan. 1, 2020	Jan. 1, 2021
Residence	38.97	40.14	41.34
Self-contained suite in any building <i>In addition to basic charge</i>	19.51	20.10	20.70
Apartment Block – basic	38.97	40.14	41.34
Duplex/Fourplex – unit	38.97	40.14	41.34
Churches/Church Halls	38.97	40.14	41.34
Offices, Stores, Shops	38.97	40.14	41.34
Cafes, Restaurants, Food Outlets	119.00	122.57	126.25
Hotel – Basic	95.23	98.09	101.03
Licensed Beverage Room	95.23	98.09	101.03
Garages, Auto Body Shops	38.97	40.14	41.34
Car Wash – per stall	47.71	49.14	50.61
Laundromat – coin operated – per washer	19.51	20.10	20.70
Nursing Home, Hospital – Basic	56.24	57.93	59.67
Plus charge per bed	19.51	20.10	20.70
Schools – Elementary	480.10	494.50	509.34
- High School	480.10	494.50	509.34
Food Processing Plant	77.80	80.13	82.53
Trailer Court – mobile home	38.97	40.14	41.34
Condominium/Row Housing – unit	38.97	40.14	41.34
R.C.M.P. Detachment	95.23	98.09	101.03
All Other	38.97	40.14	41.34

The following monthly infrastructure rates were adopted for customers accessing the municipal sewer system:

LOCATION	Jan. 1, 2017 ( <i>no change</i> )
Residence	40.00
Self-contained suite in any building <i>In addition to basic charge</i>	20.00
Apartment Block – basic	40.00
Duplex/Fourplex – unit	40.00
Churches/Church Halls	40.00
Offices, Stores, Shops	40.00
Cafes, Restaurants, Food Outlets	80.00
Hotel – Basic	80.00
Licensed Beverage Room	80.00
Garages, Auto Body Shops	40.00
Car Wash – per stall	40.00
Laundromat – coin operated – per washer	20.00
Nursing Home, Hospital – Basic	40.00
Plus charge per bed	20.00
Schools – Elementary or High School	400.00
Food Processing Plant	80.00
Trailer Court – mobile home	40.00
Condominium/Row Housing – unit	40.00
R.C.M.P. Detachment	80.00
All Other	40.00

The objective of the waterworks rate policy is to ensure that waterworks are self-financing; where users pay for the cost of the service. To accomplish this, waterworks rates need to increase over time so that the revenues will continue to cover operating costs. Expenditures in recent years have been significantly impacted by federal and provincial regulations intent on providing safe drinking water for consumers.

### WATERWORKS CAPITAL INVESTMENT STRATEGY

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements and additions; in a timely fashion so as to ensure the municipal waterworks system provides safe and adequate drinking water to residents and businesses to enable continued sustainable growth for the municipality.

Source funding models are developed to set rates and infrastructure charges at a level adequate to cover all costs associated with the Town of Lumsden's 5-Year Capital Plan.

The goal of the capital plan is to address recognized utility infrastructure deficiencies. The current utility capital plan and planned sources of funding are as follows:

Project	Planned Year of Completion	Estimated Cost	Future Cost	Source of Funding
Fire Hydrant & Main Valve Replacement	2022-2025	75,000	205,000	Utility Reserve
Water Meters	2022-2024	75,000	196,364	Utility Reserve
Watermain Looping	2022	561,620		Utility Reserve
Water Treatment Plant Finish Preliminary Design	2022	2,950		Utility Reserve
Water Treatment Plant Rehab	2022	50,683		Utility Reserve
Water Treatment Plant Detailed Design	2022	250,000		Debt
New Well	2023	424,000		Debt
Replace Truck #16	2024	35,000		Utility Reserve
Water Treatment Plant – Reservoir and Filter Expansion	2025	3,392,000		Debt