

**2022 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 13, 2023          |

**ANNUAL FINANCIAL OVERVIEW – For the 2022 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 2022                                | Waterworks       | Wastewater       | Total            |
|--|------------------|------------------|------------------|
| Revenues (operating and capital grants)          | \$ 667,644       | \$ 835,964       | \$ 1,503,608     |
| Transfer from Utility Reserve                    | 773,111          | 367,636          | 1,140,747        |
| Transfer from Solar Reserve                      | 0                | 6,587            | 6,587            |
| <b>Total Revenue</b>                             | <b>1,440,755</b> | <b>1,210,187</b> | <b>2,650,942</b> |
| Operating Expenses (excluding amortization)      | 464,685          | 893,552          | 1,358,237        |
| Capital Expenses                                 | 681,476          | 0                | 681,476          |
| Debt Repayment (principal only)                  | 0                | 223,000          | 223,000          |
| Transfer to Utility Reserve (Infrastructure Fee) | 0                | 395,331          | 395,331          |
| <b>Total Expenses</b>                            | <b>1,146,161</b> | <b>1,511,883</b> | <b>2,658,044</b> |
| <b>2022 Net Profit / (Loss)</b>                  | <b>294,594</b>   | <b>-301,696</b>  | <b>-7,102</b>    |

Comparison of utility revenues to expenditures expressed as a ratio is 0.997

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 2022 there were no transfers of utility revenue out of the utility department, only transfers within the utility reserve.

**RESERVES – DECEMBER 31, 2022**

The Water and Sewer Utility has reserves available for future capital infrastructure of **\$ 899,231.31**

**WATERWORKS RATE POLICY**

In 2022, Council passed a bylaw setting the Water and Sewer rates for the year 2022, 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 2022:

| Effective Date | Per Gallon Rate  | Estimated Monthly Charge<br>(based on 3,673 imperial gallons per month) |
|----------------|--|---|
| April 1, 2022  | \$16.08 per 1,000 imperial gallons; 3,000 imperial gallons or less minimum \$48.24 per quarter | \$59.06   |

The following 2022 monthly sewer rates were adopted for customers accessing the municipal sewer system:

| <b>LOCATION</b>  | <b>April 1, 2022</b> |
|--|----------------------|
| Residence  | 45.47                |
| Self-contained suite in any building<br><i>In addition to basic charge</i> | 22.77                |
| Apartment Block – basic  | 45.47                |
| Duplex/Fourplex – unit   | 45.47                |
| Churches/Church Halls  | 45.47                |
| Offices, Stores, Shops   | 45.47                |
| Cafes, Restaurants, Food Outlets   | 138.88               |
| Hotel – Basic  | 111.13               |
| Licensed Beverage Room   | 111.13               |
| Garages, Auto Body Shops   | 45.47                |
| Car Wash – per stall   | 55.67                |
| Laundromat – coin operated – per washer                                    | 22.77                |
| Nursing Home, Hospital – Basic   | 65.64                |
| Plus charge per bed  | 22.77                |
| Schools – Elementary   | 560.27               |
| - High School  | 560.27               |
| Food Processing Plant  | 90.78                |
| Trailer Court – mobile home  | 45.47                |
| Condominium/Row Housing – unit   | 45.47                |
| R.C.M.P. Detachment  | 111.13               |
| Ice Plant  | 70.00                |
| Sports Centre  | 200.00               |
| All Other  | 45.47                |

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<br><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                  | 2023-2026                  | 125,000        | 173,501     | Utility Reserve   |
| Water Meters   | 2023-2026                  | 75,000         | 191,132     | Utility Reserve   |
| Watermain Looping                                      | 2023                       | 32,651         |             | Utility Reserve   |
| Water Treatment Plant Replace Pressure Tank            | 2023                       | 15,000         |             | Utility Reserve   |
| Wastewater Treatment Plant Final Completion            | 2023                       | 109,246        |             | Utility Reserve   |
| Water Treatment Plant Detailed Design                  | 2024                       | 250,000        |             | Debt              |
| Well #4 Rehab  | 2024                       | 25,000         |             | Utility Reserve   |
| New Well #6  | 2024                       | 377,784        |             | Debt              |
| Replace Truck #16                                      | 2024                       | 59,233         |             | Utility Reserve   |
| Water Treatment Plant – Reservoir and Filter Expansion | 2027                       | 4,134,000      |             | Debt              |
| Wastewater Treatment Plant Sludge Mixing Pump          | 2027                       | 13,000         |             | Utility Reserve   |