

## **2014 WATERWORKS POLICY**

**YEAR: 2014**

**VILLAGE OF VIBANK**

**DATE: June 15, 2015**

An increase was implemented in 2014 to more effectively direct the actual cost of producing quality reverse osmosis water to the user. As the new water treatment plant has been in operation for more than a year, the Council now has a more accurate cost of the new system and was able to set new rates and will continue to work towards a fully sustainable system.

## **PROPOSED WATERWORKS POLICY**

Bylaw 2014-12 was passed by a resolution of Council on November 27<sup>th</sup> of 2014 for the following rates:

Base Rate:	\$55.00/month
1 <sup>st</sup> 20m3:	\$2.25/m3
Over 20m3:	\$2.5/m3

The objective of our waterworks policy is to provide quality potable water for the residents of the Village increasing water rates over a period of time while still being affordable yet providing a reserve for future upgrades.

## **WATERWORKS CAPITAL INVESTMENT STRATEGY**

The objective of the waterworks capital investment strategy is to ensure the water rates less the operation expenses allow for the ability to pay for the long term debt repayment of our RO system and set aside a reserve for any future maintenance or replacement of the system or water lines. As the interest on our long term debt for the RO system is now being 100% reimbursed through the SIGI grant we will need to ensure revenues will cover the future cost of any interest charges starting in 2016.

**ANNUAL FINANCIAL OVERVIEW  
2014**

Total waterworks revenues: \$154,332.20

Total Waterworks Expenditures: \$133,636.84

Total Debt Repayment: \$60,798.66

Total: \$194,435.50

Surplus/Deficit (\$40,103.30)

Ratio:  $\frac{154,332.20}{194,435.50} = 0.79$