

2023 Policy

Year: 2023

Village of Vibank

Date: August 22, 2023

2023 Waterworks Policy:

23/276

Mastel: THAT the 2023 Waterworks Policy be adopted as attached hereto.

CARRIED

The rates and fees charged by the Village of Vibank are calculated in units of 1 cubic meter. The minimum charge to a consumer will be the base rate as established by bylaw.

RATES:

Base Charge:	\$62.50 per month
1-20 Cubic Meters:	\$2.60 per cubic meter
20 + Cubic Meters:	\$2.85 per cubic meter

2022 expenses surpassed revenue and water costs had to be subsidised by tax revenue. Debt repayment remains higher due to the discontinuing of the interest refund program.

The objective of our waterworks policy is still to provide quality potable water while maintaining the utility as a self-sustaining entity.

Council reviews both the water works policy and rates periodically to ensure revenues are meeting or surpassing expenditures allowing the Village to build a reserve for any future infrastructure maintenance and/or replacement. As a result of this review, 2023 saw the first rate increase since 2019.

Repair costs to the 2012 Water Treatment plant are extensive with replacement of membranes, various pumps, valves, electrical equipment, reservoir cleanings and well inspection.

Aging infrastructure – water lines are being excavated and repaired on an as needed bases until the number of breaks are under control, to follow a plan. Water meter reader failed and needs to be replaced.

2022 Village rates remained the same as 2019.

**VILLAGE OF VIBANK
ANNUAL FINANCIAL OVERVIEW**

2022

Total waterworks revenue:	\$200,397
Total waterworks expenditures:	\$224,841
Debt Repayment:	\$95,833
Surplus/Deficit:	-\$120,277

Ratio: $\frac{\$200,397}{\$320,674} = 0.62$

Reserves: \$150,000*

Waterworks Capital Investment Strategy

<u>Project:</u>	<u>Year of Complete</u>	<u>Cost Estimate</u>	<u>Source of Funding</u>
Replace Water Meters	2025	\$115,000	Reserves and Operating
Replace Shut Offs and Lines	2028	\$800,000	Operating and Grants

*This number is somewhat fictitious. While this amount exists within total Village reserves, and an understanding exists that \$150,000 of total reserves is the "water reserve". There is nothing preventing more or less of total reserves being applied to water.