



## COMMITTEE OF THE WHOLE

CDR# 2019035

Date: April 8, 2019

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**TO:** Mayor Kogon and Members of Council

**SUBMITTED BY:** Shelley Rector, CPA, CMA – CFO

**DATE:** April 8, 2019

**SUBJECT:** Approval of the Town of Amherst Water Utility Budget

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**ORIGIN:** Budget Management Policy 03450-04.

**LEGISLATIVE AUTHORITY:** MGA 75(4) (b).

**RECOMMENDATIONS:** That, per the attached summary, the approval of the Town of Amherst Water Utility operating budget be forwarded to the April 29, 2019 Regular Meeting of Council.

**BACKGROUND:** The water utility rates are regulated by the Nova Scotia Utility and Review Board (UARB). A summary of the rates and related rules and regulations are attached for Council's reference.

**DISCUSSION:** As the rate for services to be charged by the Water Utility was already approved by the UARB for this fiscal year, the revenue component of the budget is based on the prior years' actual consumption trends multiplied by the approved rates.

The estimated amount of the operating expenditures is provided in the attached SAP document which outlines the line items expected for this fiscal year. A summary is provided below:

Revenues	
Metered Sales	\$ 1,226,147
Flat Rate Sales	166,320
Bulk Water Sales	6,000
Fire Protection	807,481
Private Hydrants	14,750
Sprinkler Service	15,650
Interest	6,000
Sale of Services	2,890
Sundry	1,700
<b>Total Revenues</b>	<b>\$ 2,246,938</b>

Expenditures	
Source of Supply	\$ 35,900
Pumping	176,500
Water Treatment	22,100
Transmission & Distribution	767,340
Administration	889,686
Depreciation	355,412
<b>Total Expenditures</b>	<b>\$ 2,246,938</b>



**FINANCIAL IMPLICATIONS:** The water utility rates will be set per the attached rules and regulations approved by the Utility and Review Board. A summary of the water rate charges is provided below. Details on other charged can be found in the rules and regulation.

**1. RATES:**

(a) <u>Base Charges</u>		<u>Quarterly</u>	
Unmetered			83.16
(assuming 272 cubic meters per year)			
Size of Meter			
5/8"			31.11
3/4"			45.35
1"			73.83
1.5"			145.03
2"			230.47
3"			458.32
4"			714.65
6"			1,426.67
8"			2,565.90
(b)			
Consumption Rate (per cubic meter)			
		\$0.765	per cubic meter

**COMMUNITY ENGAGEMENT:** Communication coordinated by Corporate Communications Officer including media releases, the Town's website and social media.

**ENVIRONMENTAL IMPLICATIONS:** None

**SOCIAL JUSTICE IMPLICATIONS:** None

**ALTERNATIVES:** Defer the approval of the Town of Amherst Water Utility Budget to final budget deliberations.

**ATTACHMENTS:**

1. Model of water/sewer rates
2. SAP summary and detail for the Water Utility Operating Budget.
3. Utility and Review Board approved Rules and Regulations for the Town of Amherst Water Utility.

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Report prepared by: Shelley Rector, CPA, CMA, CFO

Report and Financial approved by: