

2019 ANNUAL UTILITY INFORMATION
AVAILABLE TO THE PUBLIC ON TOWN WEBSITE (www.lumsden.ca)

Name of Municipality:	Town of Lumsden
Date:	April 7, 2020

ANNUAL FINANCIAL OVERVIEW – For the 2019 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 2019	Waterworks	Wastewater	Total
Revenues (operating and capital grants)	\$ 564,934	\$ 5,972,930	\$ 6,537,864
Transfer from Utility Reserve	110,527	3,632,661	3,743,188
Debt		5,600,000	5,600,000
Total Revenue	675,461	15,205,591	15,881,052
Operating Expenses (excluding amortization)	482,894	218,209	701,103
Capital Expenses	110,527	8,719,396	8,829,923
Debt Repayment (principal only)	0	52,000	52,000
Transfer to Utility Reserve	0	6,007,885	6,007,885
Total Expenses	593,421	14,997,490	15,590,911
2019 Net Profit / (Loss)	82,040	208,101	290,141

Comparison of utility revenues to expenditures expressed as a ratio is 1.02

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

- Engineered Drawings – Wastewater Treatment Plant
- 2016 Waterworks System Assessment Final Report
- Water supply agreements

WATER AND SEWER UTILITY – Transfers To or From

In 2019 there were no transfers of utility revenue out of the utility department, only transfers within the utility reserve.

RESERVES – DECEMBER 31, 2019

The Water and Sewer Utility has reserves available for future capital infrastructure of **\$5,056,178.68**

WATERWORKS RATE POLICY

In 2016, Council passed a bylaw setting the Water and Sewer rates for 2017-2019, based on anticipated increases from budgeted capital expenditures and operational increases. In 2019, Council passed a bylaw setting rates for the years 2020-2021:

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	20.7
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 (no change)
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 the 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.

The strategy uses the waterworks system assessment report required by Saskatchewan Ministry of Environment and capital infrastructure needs identified by the municipality to develop a comprehensive capital works plan. Source funding models are developed to set rates and infrastructure charges at a level adequate to cover all costs associated with the plan.

In December 2013, the Town of Lumsden retained Stantec Consulting Ltd to provide conceptual options and preliminary design for a new Wastewater Treatment Plant (WWTP). The new plant, replacing the existing aerated lagoons, will meet or exceed the effluent limits set by Water Security Agency (WSA). The cost of the project is expected to be \$21,070,144 and will be cost-shared with the Federal and Provincial governments. Each will contribute one third of the money required for completion of the new WWTP to a maximum of \$6,766,000 from each government partner. Construction began in 2018 and as of December 31, 2019 is approximately 48% complete..

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

Project / Year	Planned Year of Completion	Estimated Cost	Future Cost	Source of Funding
Fire Hydrant & Main Valve Replacement	2020-2023	65,000	225,000	Utility Reserve
Water Meters	2020-2023	75,000	225,000	Utility Reserve
Replace Truck #14	2020	40,000		Utility Reserve
Well #5 Rehabilitation (5 Year Cycle)	2020	15,000		Utility Reserve
Water Treatment Plant-Capacity Study	2020	25,000		Utility Reserve
Wastewater Treatment Plant	2021	10,856,849		Utility Reserve, Debt and 2/3 Grant
Water Treatment Plant – Reservoir and Filter Expansion	2021-2022	3,300,000		Debt
Pave Roadway: Wastewater Treatment Plant	2021	258,000		Utility Reserve