

**TOWN OF MAIDSTONE
ANNUAL WATERWORKS INFORMATION
FOR THE YEAR 2022**

(The Municipalities Regulations, Sec. 54 & 55)

Waterworks Financial Overview:

- Total waterworks revenues: \$665,179.45
- Total waterworks expenditures
- (includes interest paid on waterworks infrastructure loans): \$477,369.90
- Total debt payments on waterworks infrastructure loans: \$131,808.92
- Reserves allocated to waterworks infrastructure repair/replacement: \$0.00

- Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio:

$$\$665,179.45 / (\$477,369.90 + \$131,808.92) = 1.09$$

For 2022, waterworks revenue covered 100% of waterworks expenditures.

Comments:

Waterworks revenue includes custom work, sale of water and supplies, infrastructure and connection fees, and interest charges. Waterworks expenditures include salaries, wages and benefits, training, repairs, materials, and utilities. Council closely monitors the waterworks policy to ensure revenues cover operating costs.

The objective of the waterworks rate policy is to ensure waterworks are self-financing, where the users pay for the cost of the service. To accomplish this, rates need to increase over time so that revenues cover both operating and replacement costs, to the extent possible.

Waterworks Rate Policy:

On September 21, 2021, Council passed Bylaw No. 04-2021 to establish rate policy.

The new bylaw lowered the base rate maximum water allowance to 50 cubic meters bi-monthly. The base rate remained steady at \$92. The infrastructure fee structure also changed from seven categories to three and the fee was increased to \$48 bi-monthly. Finally, the Commercial Plus water base rate was set at \$310 and the infrastructure fee at \$150. This rate is only available to those accounts whose water usage equals or exceeds 200 cubic meters bi-monthly.

Capital Investment Strategy:

The motivation to pass a new utility bylaw arose from an increased awareness of infrastructure replacement costs. The waterworks system is in good condition overall, but the majority of waterlines are approaching the end of their useful lives. Drilling a second water well and purchasing reverse osmosis membranes are necessary investments in the near term.

The capital investment strategy is outlined in the Town of Maidstone's 2023-2027 Capital Works Plan.

Available for public inspection at the Town Office:

- Town Bylaw No. 04-2021
- Current municipal reserves

- Waterworks Assessment 2016
- Capital Works Plan 2023-2027
- Waterworks service agreements

August 31, 2023