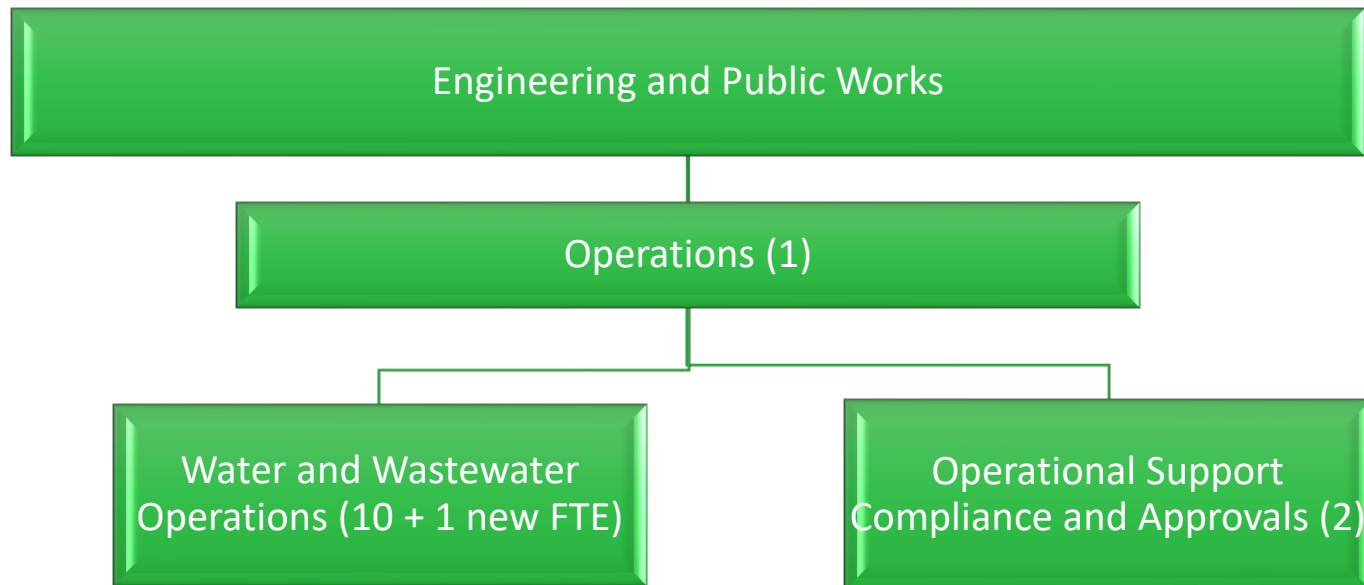


The Water and Wastewater business unit is a branch within the Operations Division of the Engineering and Public Works Department. This business unit is unique from the rest of the department as its operations are funded through the water and wastewater rates rather than through the tax levy. The Water and Wastewater business unit provides for the maintenance of the Town's water distribution and wastewater collection systems in accordance with the Ministry of the Environment, Conservation and Parks regulations. Drinking water quality is of the utmost importance and a significant effort is directed towards maintaining compliance and providing services in this highly regulated area.

The Water and Wastewater business unit is supported by 14 full-time positions, including 1 new FTE.



Budget Summary

The Water and Wastewater expenditure budget includes expenditures of approximately \$13 million.

The main driver of cost increases for 2025 is the Regional costs for water supply and wastewater treatment. This accounts for approximately \$825,000 of the total \$1,245,000 expenditure increase for 2025. The increase is due to a rate increase from the Region for water supply and wastewater treatment, and a forecasted increase in supply and treatment volumes.

Salaries and benefits have increased by approximately \$246,000 due to the addition of a new water quality analyst position and partial funding of a new asset management lead position. Approximately \$5,000 of the increase is related to the impact of the part time salary review. It also includes benefit cost increases and merit increases for staff. A cost of living allowance for all staff has been included in the Contingency expense line. Materials and supplies has increased by approximately \$8,000 due to increased fuel costs as well as and the rising costs relating to hydrants and auto flushing supplies. Software licensing costs have increased by approximately \$15,000 to reflect the cost of the data logger for automated meter readings. Indirect corporate costs have been reviewed and increased to ensure that support costs are equitably charged between the tax supported, fee supported and rate supported areas of the Town..

User fee revenue is projected to increase by approximately \$1,400,000. Approximately \$750,000 of this increase is due to projected increased water and wastewater volumes. Approximately \$130,000 of the increase is related to the final phase in amount of the fixed water rate for large meter accounts. The remaining increase in revenue of approximately \$520,000 is related to an increase in the Town's water and wastewater rates. The contributions to reserves have increased by approximately \$157,000 to align closer to the targeted reserve contribution in the Council approved 2020 Water and Wastewater Rate Study.

The variable water and wastewater rates are increasing for 2025. This increase is in line with inflation and brings the rates in line with the 2025 variable rates in the Council approved 2020 Water and Wastewater Rate Study. The rates are shown in the table below.

Service	Usage (Variable) < 35 m ³ per month	Usage (Variable) > 35 m ³ per month Residential	Usage (Variable) > 35 m ³ per month Non-Residential
Water	\$2.47 m ³	\$4.05 m ³	\$3.25 m ³
Wastewater	\$2.39 m ³	\$2.39 m ³	\$2.39 m ³

The fixed rate is increasing by \$1 per service per month. A review of the fixed water and wastewater rate structure was undertaken in 2022. To align with best practices, a charge based on water meter size was recommended. The rate structure is based on a scale developed by the American Water Works Association (AWWA). The rate structure is being phased in over a three year period. The following table outlines the 2025 fixed rate structure, which is the final phase of the new rate structure implementation.

Meter Size	2025 Fixed Charge per service (monthly)
5/8" & 3/4"	\$24.00
1"	\$60.00
1.5"	\$120.00
2"	\$192.00
3"	\$360.00
4"	\$600.00
6"	\$1,200.00
8"	\$1,920.00

Water and Wastewater 2025 Rate Supported Budget	2025 Budget	2024 Budget	Variance \$	Variance %
Expenditures				
Salaries and Benefits	2,141,866	1,896,136	245,730	13%
Audit Services				
Communications	12,500	8,500	4,000	47%
Contingency	39,500		39,500	
Contracted Services	361,987	365,487	(3,500)	(1%)
Courier and Mail Processing	100,000	100,000		
Equipment Repair	2,500		2,500	
Materials and Supplies	291,588	283,588	8,000	3%
Mileage	1,500	1,500		
Software Licences and Maintenance	74,000	59,000	15,000	25%
Training, Professional Development and Memberships	33,000	31,000	2,000	6%
Uniforms, Corporate Attire and Safety Clothing	13,000	12,500	500	4%
Utilities	29,000	28,750	250	1%
Indirect Corporate Costs	1,498,592	1,392,596	105,996	8%
Regional Water Charges	4,125,520	3,739,060	386,460	10%
Regional Wastewater Charges	4,115,419	3,677,258	438,161	12%
Total Expenditures	12,839,972	11,595,375	1,244,597	11%
Revenues				
Miscellaneous	(51,000)	(51,000)		
Sales	(55,000)	(55,000)		
User Fees	(15,411,447)	(14,009,747)	(1,401,700)	10%
Total Revenues	(15,517,447)	(14,115,747)	(1,401,700)	10%
Transfers				
Contributions to Reserves	2,677,475	2,520,372	157,103	6%
Total Transfers	2,677,475	2,520,372	157,103	6%
NET BUDGET	0	0	0	0%

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