

**RESORT VILLAGE OF MANITOU BEACH 2016
WATERWORKS INFORMATION, RATE POLICY
& CAPITAL INVESTMENT STRATEGY**

Adopted by Council on: June 26, 2017 Motion #: 148/2017 Moffatt

It shall be the objective of the Resort Village of Manitou Beach under the Waterworks Information, Rate Policy and Capital Investment Strategy to:

- Establish water and sewer rates whereby revenues meet or exceed operating costs and long term debt payments on a consistent annual basis.
- Establish water and sewer rates whereby there will be an annual surplus created which will be transferred into a reserve for future waterworks infrastructure upgrades.

2016 Waterworks Financial Overview **as per General Ledger December 31, 2016*

Total Utility Service Revenue \$ 368,890 *(includes \$42,262 Infrastructure Levy)*
 Total Utility Service Expenses \$ 341,227 *(does not include \$215,419 amortization)*
 Operating Revenues & Operating Expenses Ratio 108 %
 Operating Ratio with Infrastructure Levy removed shows 96% of expenses are covered.
 In both cases, revenue is not enough to cover the amortization.

In 2016 the utility revenue covered 108 % of the utility operating expenses and the Resort Village of Manitou Beach, as of December 31, 2016 has \$59,966 in a reserve fund and will continue to put the infrastructure levy amounts in that reserve for future repairs and/or upgrades.

The current rates are as follows:

Bi-monthly Water Rates:

4000 gallons or less – minimum charge \$96.80
 4001 gallons and over \$13.20 per 1000 gallons (or part thereof)

Curbstop connection and disconnection fees are \$35 and applied as an extra cost.

Seasonal users pay a flat rate of \$50 for the seasonal on/off and is applied on the first billing of the season.

Quarterly Water Rates:

Watrous South Rural Water Utility \$12.20 per 1000 gallons (or part thereof)
 Minimum charge for 4000 gallons does not apply to this item
 Minimum charge for 275,000 imperial gallons does apply

Bi-monthly Sewer Rates:

Residential fee: 25% of water charge Commercial fee: 35% of water charge

Base rates were applied according to the following categories:

Residential base rate: \$20.00
 Commercial base rate: \$30.00
 Year round commercial salt
 water swim pool \$1900.00
 Commercial campground \$800.00
 Storm water fee for residential
 & commercial properties \$10.00 *(is waived upon proof of no storm water going into sewer system)*

Infrastructure fee is 10% of all charges on each bill and put aside in a reserve fund for future repairs and upgrades.

In order to continue to achieve the objective of the Waterworks Policy goal (to meet or exceed expenses and create a reserve for future capital expenses) the Resort Village of Manitou Beach Council will continue monitoring utility rates and expenses very closely. Below is a list of utility debentures being paid down:

Purpose	Annual Payment	Maturity Date
Water Treatment Plant	\$51,199	2018
Completion of Water Treatment Plant	\$41,433	2018
Lagoon Expansion	\$70,110	2024

