

**RESORT VILLAGE OF MANITOU BEACH 2018 WATERWORKS INFORMATION,
RATE POLICY & CAPITAL INVESTMENT STRATEGY**

Adopted by Council on: October 21, 2019 Motion: #216/2019

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.

2018 Waterworks Financial Overview **as per Audited Financial Statements December 31, 2018*

Total Utility Service Revenue \$ 315,322
 Total Utility Service Expenses \$ 325,503 (does not include \$312,518 amortization)

Operating Revenues & Operating Expenses Ratio 103 %

Operating Ratio with shows 97% of expenses are covered. Adding the debt repayment of \$50,159 to the above expenses, 84% of the expenses are covered. In both cases, revenue is not enough to cover the amortization.

In 2018 the utility revenue covered 97 % of the utility operating expenses and the Resort Village of Manitou Beach, as of December 31, 2018 has \$60,533 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:

Water Infrastructure Base: \$ 40.00
 1 gallon and over \$ 0.01 per 1 gallon

Curbstop connection and disconnection fees are \$75 and applied as an extra cost.

Quarterly Water Rates:

Watrous South Rural Water Utility \$12.20 per 1000 gallons (or part thereof)
 Minimum charge for 275,000 imperial gallons does apply

Bi-monthly Sewer Rates:

Residential fee: 80% of water charge Commercial fee: 98% of water charge

Base rates were applied according to the following categories:

Residential Sewer Infrastructure Base: \$ 40.00
 Commercial Sewer Infrastructure Base: \$ 40.00
 Year round Commercial Salt Water Swim Pool: \$ 1900.00
 Commercial Campground: \$ 800.00

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:

Purpose	Annual Payment	Maturity Date
Lagoon Expansion	\$70,110	2024