

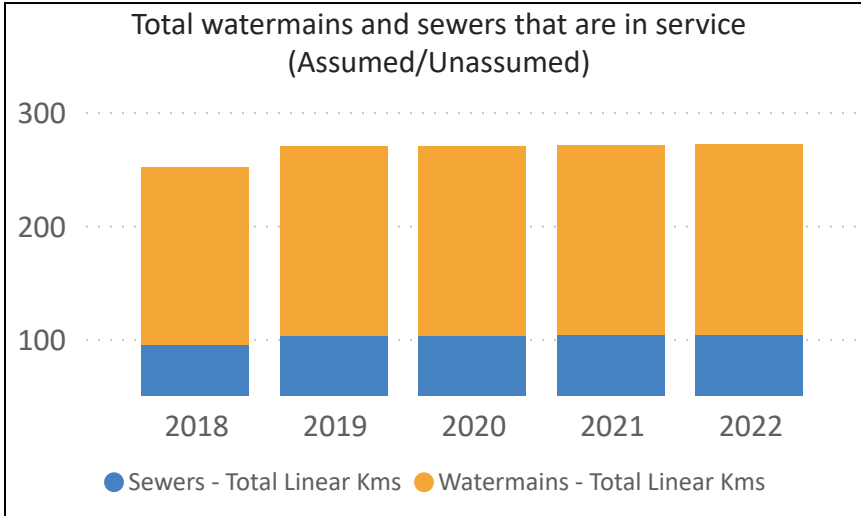
The Water and Wastewater business unit is a branch within the Operations Division of the Community Infrastructure and Environmental Services Department. This business unit is unique from the rest of the department as its operations are funded through the water and wastewater rates rather than through 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 11 full time positions.

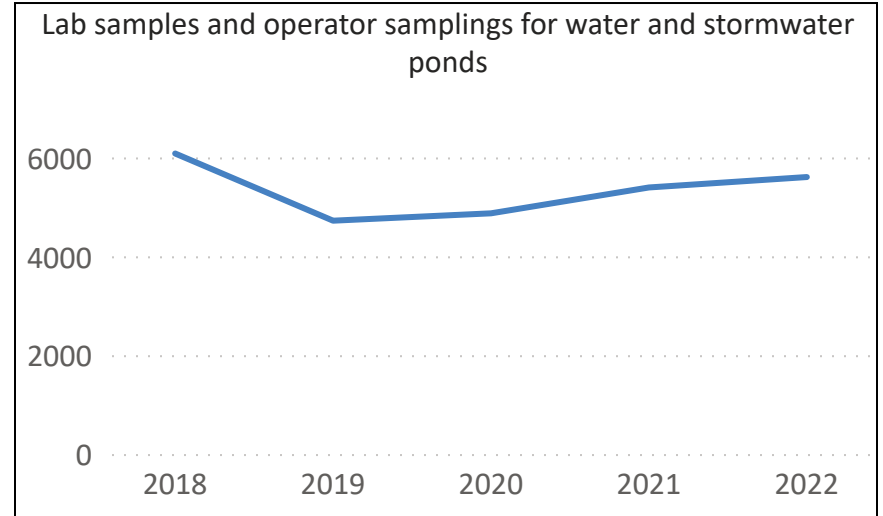


\* All 2022 numbers have been estimated to year end for comparison purposes

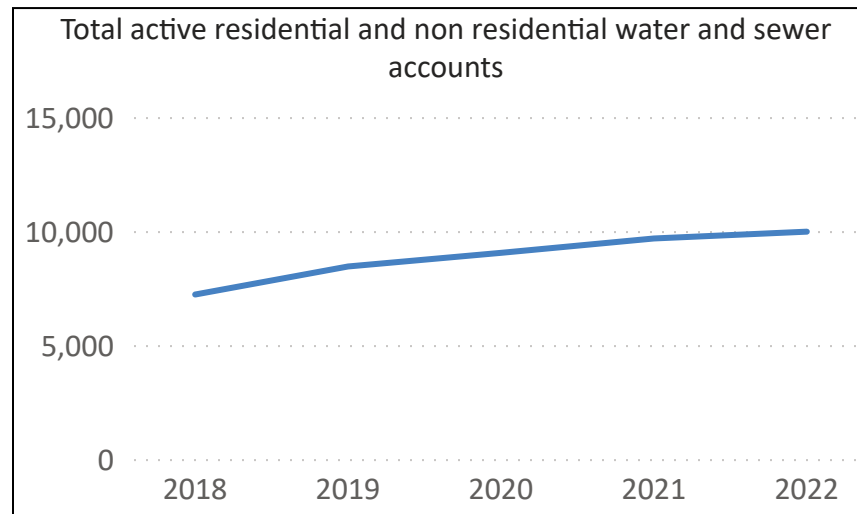
### Total KM's of Infrastructure



### Annual Water Regulatory Samples



### Total Number of Active Accounts



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# Budget Summary

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The Water and Wastewater expenditure budget includes expenditures of approximately \$11 million.

The main driver of cost increases for 2023 is due to the Regional costs for water supply and wastewater treatment. This accounts for approximately \$466,000 of the total \$885,000 expenditure increase for 2023.

Salaries and benefits have increased by approximately \$227,000 due to step increases, merit increases and cost of living and benefit cost adjustments. It also includes the Water and Wastewater portion of a new Operations Technologist position that will be shared with the Road Operations branch. The increase in audit services of \$10,000 relates to a service agreement with York Region audit services to perform a one time follow up review audit.

Contracted Services is increasing by approximately \$58,000 due to services required for locates and for support from water quality experts. Courier and mail processing has been increased by \$40,000 to align budget with actual spend. Materials and supplies has increased by approximately \$48,000 due to growth and the rising cost of supplies. Utilities have been increased by approximately \$6,000 to align with the rising cost of gas and hydro at facilities. 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 \$1.3 million due mainly to the increased growth and resulting water and wastewater volumes throughout the Town. The contributions to reserves have increased by approximately \$398,000 to align closer to the targeted reserve contribution in the Council approved 2020 Water and Wastewater Rate Study.

The proposed variable water and wastewater rates remain unchanged for 2023. This is the fourth consecutive year that these rates have not increased. The rates are shown in the table below.

Service	Usage (Variable) < 35 m <sup>3</sup> per month	Usage (Variable) > 35 m <sup>3</sup> per month Residential	Usage (Variable) > 35 m <sup>3</sup> per month Non-Residential
Water	\$2.28 m <sup>3</sup>	\$3.74 m <sup>3</sup>	\$3.00 m <sup>3</sup>
Wastewater	\$2.19 m <sup>3</sup>	\$2.19 m <sup>3</sup>	\$2.19 m <sup>3</sup>

A review of the fixed water and wastewater rate structure was undertaken. To align with best practices, a charge based on water meter size is recommended. The rate structure is based on a scale developed by the American Water Works Association (AWWA).

Approximately 99% of existing users will not be impacted by this change. Approximately 1% of existing users will experience an increase to their annual water and wastewater costs. It is proposed that the change to the fixed rates be phased in over a three year period. The following table outlines the revised fixed rate structure and three year phase-in.

<b>Meter Size</b>	<b>2023 Fixed Charge per service (monthly)</b>	<b>2024 Fixed Charge per service (monthly)</b>	<b>2025 Fixed Charge per service (monthly)</b>
5/8" & 3/4"	\$23.00	\$23.00	\$23.00
1"	\$34.50	\$46.00	\$57.50
1.5"	\$53.67	\$84.33	\$115.00
2"	\$76.67	\$130.33	\$184.00
3"	\$130.33	\$237.67	\$345.00
4"	\$207.00	\$391.00	\$575.00
6"	\$398.67	\$774.33	\$1,150.00

<b>Water and Wastewater 2023 Rate Supported Budget</b>	<b>2023 Budget</b>	<b>2022 Budget</b>	<b>Variance \$</b>	<b>Variance %</b>
Expenditures				
Salaries and Benefits	1,602,451	1,375,550	226,901	16%
Audit Services	10,000		10,000	
Communications	8,500	8,500		
Contingency				
Contracted Services	453,375	395,025	58,350	15%
Courier and Mail Processing	100,000	60,000	40,000	67%
Equipment Repair	2,000	2,000		
Materials and Supplies	276,588	228,650	47,938	21%
Mileage	1,500	1,500		
Software Licences and Maintenance	59,000	59,000		
Training, Professional Development and Memberships	31,000	31,000		
Uniforms and Safety Clothing	12,500	12,500		
Utilities	28,750	22,500	6,250	28%
Indirect Corporate Costs	1,359,550	1,329,550	30,000	2%
Regional Water Charges	3,503,812	3,222,251	281,561	9%
Regional Wastewater Charges	3,604,157	3,420,007	184,150	5%
<b>Total Expenditures</b>	<b>11,053,183</b>	<b>10,168,033</b>	<b>885,150</b>	<b>9%</b>
Revenues				
Miscellaneous	(51,000)	(51,000)		
Sales	(55,000)	(55,000)		
User Fees	(13,198,530)	(11,915,603)	(1,282,927)	11%
<b>Total Revenues</b>	<b>(13,304,530)</b>	<b>(12,021,603)</b>	<b>(1,282,927)</b>	<b>11%</b>
Transfers				
Contributions to Reserves	2,251,347	1,853,570	397,777	21%
<b>Total Transfers</b>	<b>2,251,347</b>	<b>1,853,570</b>	<b>397,777</b>	<b>21%</b>
<b>NET BUDGET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>