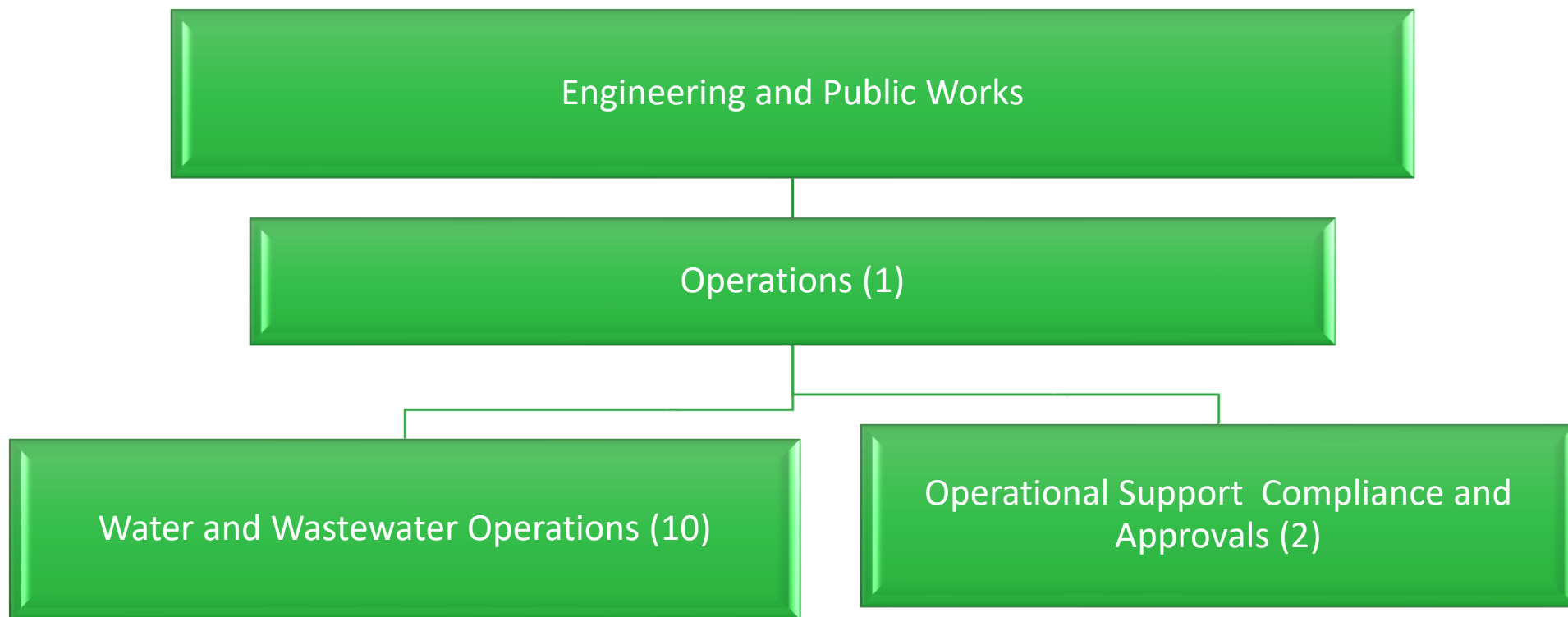


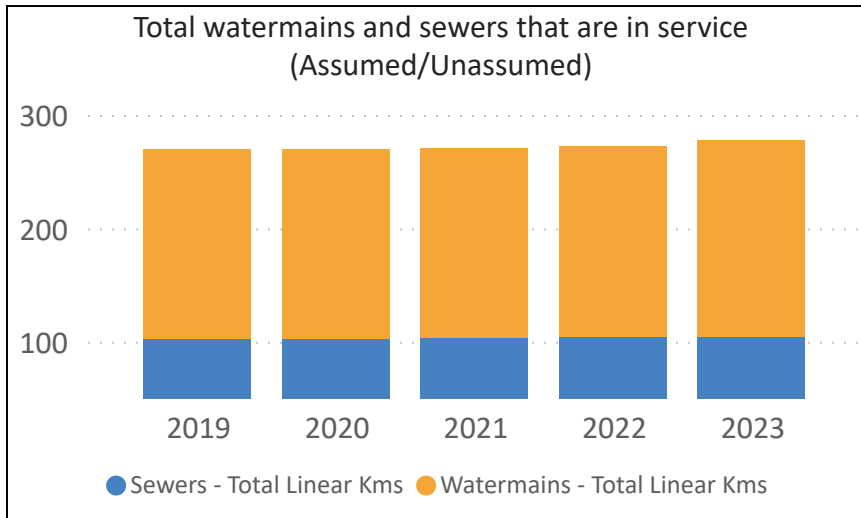
The Water and Wastewater business unit is a branch within the Operations Division of the Engineering and Public Works Department. This business unit is unique from the rest of the department as its operations are funded through the water and wastewater rates rather than through the tax levy. The Water 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 13 full time positions.

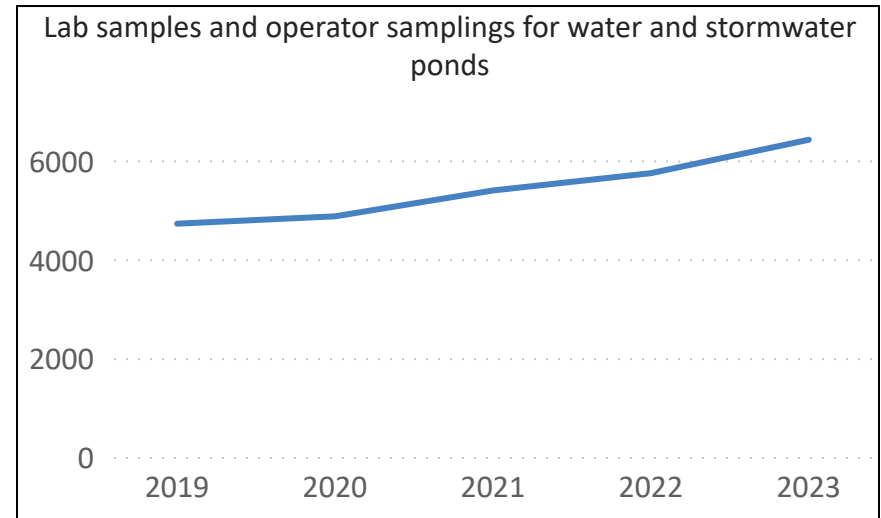


* All 2023 numbers have been estimated to year end for comparison purposes

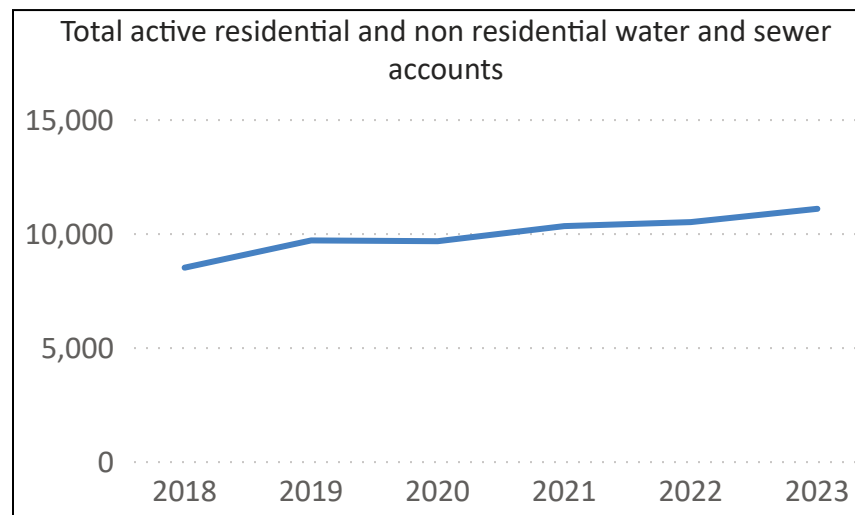
Total KM's of Infrastructure



Annual Water Regulatory Samples



Total Number of Active Accounts



Budget Summary

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

The main driver of cost increases for 2024 is the Regional costs for water supply and wastewater treatment. This accounts for approximately \$308,000 of the total \$542,000 expenditure increase for 2024.

Salaries and benefits have increased by approximately \$294,000 due to increases in standby, on call pay enhancements and a COLA allowance for all staff. It also includes two new Water and Wastewater operators. The reduction in Contracted Services of approximately \$88,000 partially offsets the increase for new staff. The one time increase in 2023 for audit services of \$10,000 has been removed. Materials and supplies has increased by approximately \$7,000 due to increased fuel costs as well as and the rising costs relating to hydrants and auto flushing supplies. 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 \$811,000. Approximately one third of this increase is due the increased growth and resulting water and wastewater volumes throughout the Town. Approximately \$105,000 of the increase is related to the

2024 phase in amount of the fixed water rate for large meter accounts. The remaining increase in revenue of approximately \$322,000 is related to an increase in the variable water and wastewater rates. The contributions to reserves have increased by approximately \$272,000 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 2024 by 4%. This increase is in line with inflation and brings the rates in line with the 2023 variable rates in the Council approved 2020 Water and Wastewater Rate Study. This is the first rate increase proposed since 2020 for variable rates. 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	\$2.37 m ³	\$3.89 m ³	\$3.12 m ³
Wastewater	\$2.28 m ³	\$2.28 m ³	\$2.28 m ³

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).

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 was 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.

Meter Size	2023 Fixed Charge per service (monthly)	2024 Fixed Charge per service (monthly)	2025 Fixed Charge per service (monthly)
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

Water and Wastewater 2024 Rate Supported Budget	2024 Budget	2023 Budget	Variance \$	Variance %
Expenditures				
Salaries and Benefits	1,896,136	1,602,451	293,685	18%
Audit Services		10,000	(10,000)	(100%)
Communications	8,500	8,500		
Contingency				
Contracted Services	365,487	453,375	(87,888)	(19%)
Courier and Mail Processing	100,000	100,000		
Equipment Repair		2,000	(2,000)	(100%)
Materials and Supplies	283,588	276,588	7,000	3%
Mileage	1,500	1,500		
Software Licences and Maintenance	59,000	59,000		
Training, Professional Development and Memberships	31,000	31,000		
Uniforms, Corporate Attire and Safety Clothing	12,500	12,500		
Utilities	28,750	28,750		
Indirect Corporate Costs	1,392,596	1,359,550	33,046	2%
Regional Water Charges	3,739,060	3,503,812	235,248	7%
Regional Wastewater Charges	3,677,258	3,604,157	73,101	2%
Total Expenditures	11,595,375	11,053,183	542,192	5%
Revenues				
Miscellaneous	(51,000)	(51,000)		
Sales	(55,000)	(55,000)		
User Fees	(14,009,747)	(13,198,530)	(811,217)	6%
Total Revenues	(14,115,747)	(13,304,530)	(811,217)	6%
Transfers				
Contributions to Reserves	2,520,372	2,251,347	269,025	12%
Total Transfers	2,520,372	2,251,347	269,025	12%
NET BUDGET	0	0	0	0%