



Proposed 2023 Water, Sewer & Electrical Rate Increases



2023 Sewer Budget



2023 Operational Budget

Revenues \$3.38 million

Expenses \$3.38 million

Asset Management Reserve Contribution \$52,308

2023 Capital Plan \$860,000



2023 Water Budget



2023 Operational Budget

Revenues \$7.13 million

Expenses \$7.13 million

Surplus \$ 982 (required a 4.86% rate increase for Giants Head Rd Debt)

No Asset Management Reserve Contribution

2023 Capital Plan \$3,818,500



2023 Electric Budget



2023 Operational Budget

Revenues \$15.26 million

Expenses \$15.26 million

Asset Management Reserve Contribution \$608,791

2023 Capital Plan \$3,830,000



#1: Eliminate 10% Early Payment Discount & Include Asset Management Contributions

Recommended Rate Increases	2022 Annual	2023 Annual	2023 Increase
Water – 10.6%	\$782 /year	\$961 /year	\$ 178.91 / year \$ 14.91 / month
Sewer – 3.5%	\$397 /year	\$456 /year	\$ 59.48 / year \$ 4.96 / month
Electric – 0.0%	<u>\$1,540 /year</u>	<u>\$1,711 /year</u>	\$ 171.14 / year \$ 14.26 / month
Total	\$2,719 /year	\$3,128 /year	\$ 409.53 / year \$ 34.13 / month

2022 amounts are net of the 10% payment discount. 2023 amounts have been calculated based on the Elimination of the discount.



#2: Keep 10% Early Payment Discount and Increase Rates to Cover Operational Deficits

Recommended Rate Increases	2022 Annual	2023 Annual	2023 Increase
Water – 17.13%	\$782 /year	\$916 /year	\$ 133.89 / year \$ 11.16 / month
Sewer – 6.36%	\$397 /year	\$422 /year	\$ 25.21 / year \$ 2.10 / month
Electric – 7.65%	<u>\$1,540 /year</u>	<u>\$1,658 /year</u>	\$ 117.83 / year \$ 9.82 / month
Total	\$2,719 /year	\$2,996 /year	\$ 276.93 / year \$ 23.08 / month

2022 and 2023 amounts are net of the 10% payment discount.



#3: Eliminate 10% Early Payment Discount & 4.86% Water Rate Increase

Net Financial Impact	2022 Annual	2023 Annual	2023 Increase
Water	\$782 /year	\$920 /year	\$ 138.00 / year \$ 11.50 / month
Sewer	\$397 /year	\$441 /year	\$ 44.04 / year \$ 3.67 / month
Electric	<u>\$1,540 /year</u>	<u>\$1,711 /year</u>	\$ 171.12 / year \$ 14.26 / month
Total	\$2,719 /year	\$3,072 /year	\$ 353.16 / year \$ 29.43 / month

2022 amounts are net of the 10% payment discount. 2023 amounts have been calculated based on the Elimination of the discount.



Financial Impact on Customer Not Utilizing the 10% Early Payment Discount

Net Financial Impact	2022 Annual	2023 Annual	2023 Increase	2023 Typical
#1 – No discount + asset contribution	\$3,021 /year	\$3,191 /year	\$ 170.04 / year \$ 14.17 / month	\$ 409.53 / year \$ 34.13 / month
#2 – Keep Discount and increase all rates	\$3,021 /year	\$3,328 /year	\$ 307.72 / year \$ 25.64 / month	\$ 276.93 / year \$ 23.08 / month
#3 – No 10% + water rate increase 4.86%	\$3,021 /year	\$3,133 /year	\$ 112.68 / year \$ 9.39 / month	\$ 353.16 / year \$ 29.43 / month

2023 amounts take into account a 2% penalty being applied in Scenario's 1 & 3.



Proposed 2023 Water, Sewer & Electrical Rate Increases

- 1. THAT the Fees and Charges Amendment Bylaw No. 2022-038 receive first, second and third reading.**
- 2. THAT the Water Utilities and Water Rates Amendment Bylaw No. 2022-039 receive first, second and third reading.**
- 3. THAT the Electrical Rates and Regulations Amendment Bylaw No. 2022-043 receive first, second and third reading.**

Adoption of the three bylaws is scheduled at a special council meeting on December 16, 2022 at 1:00pm

