

TOWN OF GULL LAKE
2010 Waterworks Information, Rate Policy
and Capital Investment Strategy

OBJECTIVES:

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

2010 Waterworks Financial Overview

Total 2010 waterworks revenues	\$ 193,043
Total 2010 waterworks expenditures	\$ 171,040

Comparison of waterworks revenues to expenditures, expressed as a ratio:

$$\frac{\$193,043}{\$171,040} = 1.12$$

2010 Sewage works Financial Overview

Total 2010 sewage works revenue	\$40,322
Total 2010 sewage works expenditures	\$28,807

Comparison of sewage works revenues to expenditures, expressed as a ratio:

$$\frac{\$40,322}{\$28,807} = 1.39$$

2010 Combined Water & Sewer Financial Overview

Total 2010 water & sewer revenue	\$233,365
Total 2010 water & sewer expenditures	\$199,847

Comparison of water & sewer revenues to expenditures, expressed as a ratio:

$$\frac{\$233,365}{\$199,847} = 1.16$$

CURRENT WATER & SEWER RATES:

Bylaw No. 8-2001 establishes water & sewer rates as follows:

Water: Treated Water - \$5.00 per 1,000 gallons with a minimum of 3,000 gallons per month
 Untreated Water – minimum monthly charge of \$15.00 for 3,000 gallons and \$4.00 per 1,000 gallons thereafter

Sewer: Restaurants, Cafes \$13.00 per month

Car Wash	\$ 6.00 per month
Churches	\$ 6.00 per month
Hotel	\$35.00 per month
Hospital, Special Care Home	\$35.00 per month
Laundromat	\$30.00 per month
Motel	\$25.00 per month
Residences	\$ 6.00 per month
School	\$60.00 per month
Service Station – Rural	\$50.00 per month
All Others	\$ 6.00 per month

CAPITAL INVESTMENT STRATEGY:

Water:

The Town of Gull Lake has undertaken a water well construction and rehabilitation project. The Town's existing water well was constructed in 1989. This project is to include rehabilitation work on the existing well and the concurrent construction of a backup production water well to provide redundancy to the groundwater supply system. The projected cost is \$164,488.11 with an estimated completion date of early 2011. Funding from MEEP and Gas Tax will be used to finance this project.

Sewer:

In order to address deficient storage capacity of our lagoon, the Town is undertaking an expansion of the lagoon. The expansion will address capacity as well as provide for the eventual relocation of the entire lagoon to the new location. This project is expected to occur in 2011. Funding from MEEP, Gas Tax, BCF along with long term borrowing will be used to finance this project.

Both water and sewer rates will be adjusted in 2011 to provide for completion of both capital projects and allow for reserves for future capital projects.

The following additional information is available at the Municipal Office on the waterworks:

- 2010 Waterworks Assessment