

## **The Municipalities Regulation Waterworks Requirements**

### **ANNUAL FINANCIAL OVERVIEW 2020**

Total 2020 waterworks revenues (R) -	\$474,942
Total 2020 waterworks expenditures (E) -	\$474,418
Total debt payments on waterworks infrastructure loans (D) -	\$44,071

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

$$\frac{\mathbf{R}}{\mathbf{E+D}} = \frac{\mathbf{\$474,942}}{\mathbf{\$518,489}} = \mathbf{.92}$$

The above is a combination of waterworks and sewer works and includes amortization.

For 2020, waterworks revenues covered .92 percent of the waterworks expenditures.

### **RESERVES**

- Reserves available for future waterworks capital infrastructure are \$130,106.45. Waterworks reserve was increased by using the 2021 Gas Tax Funding that was advanced by the Provincial Government in 2020. The Town of Herbert added \$31,685.00 to the reserve in 2020. As a general guideline the Town of Herbert should have waterworks revenues cover 100 percent of the waterworks expenditures and maintain a fully funded waterworks reserve of \$400,000.

### **The following information is available at the municipal office:**

- 2020 annual notice of Drinking Water Quality and Compliance
- A copy of the 2013 waterworks system assessment
- 2020 Audited Statements
- Rate Policy 2018-08
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Residential and commercial monthly water rates for metered water users:

3,000 gallons or less	\$67.00 minimum charge
Over 3,000 gallons	\$20.00 per 1,000 gallons or part thereof