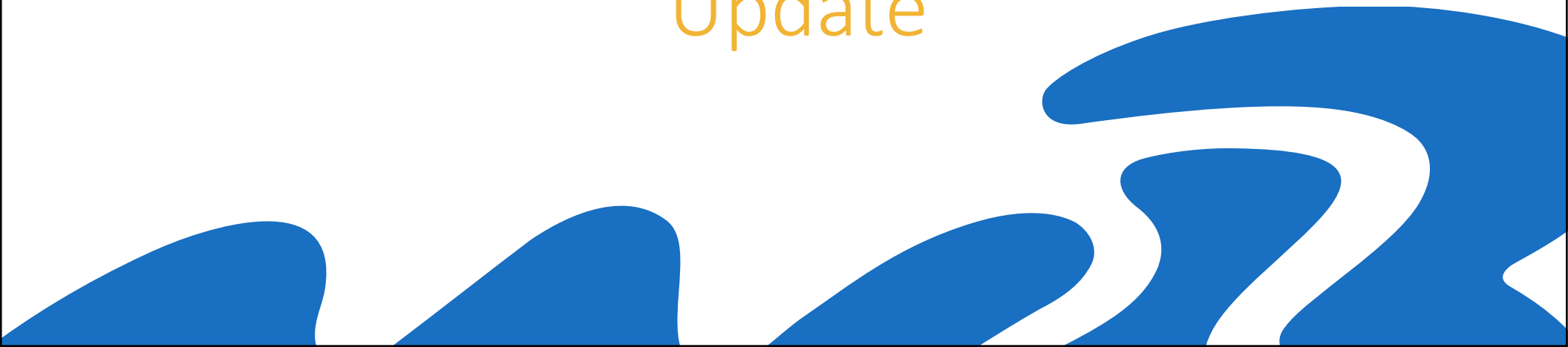




2023 Water/Wastewater Rates Update



Purpose of the Review/Update



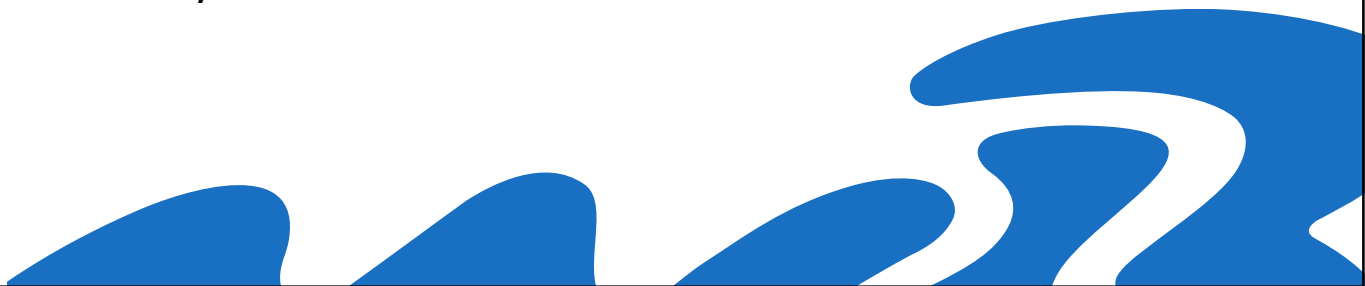
- The Water/Wastewater system is self-sustaining
 - Funds generated are used to maintain the system and help pay for future replacement/maintenance of the assets
- The review helps determine how much is required for future asset management and to ensure the system remains financially sustainable
- The water and wastewater update is the basis for any rate changes.



Financial Sustainability



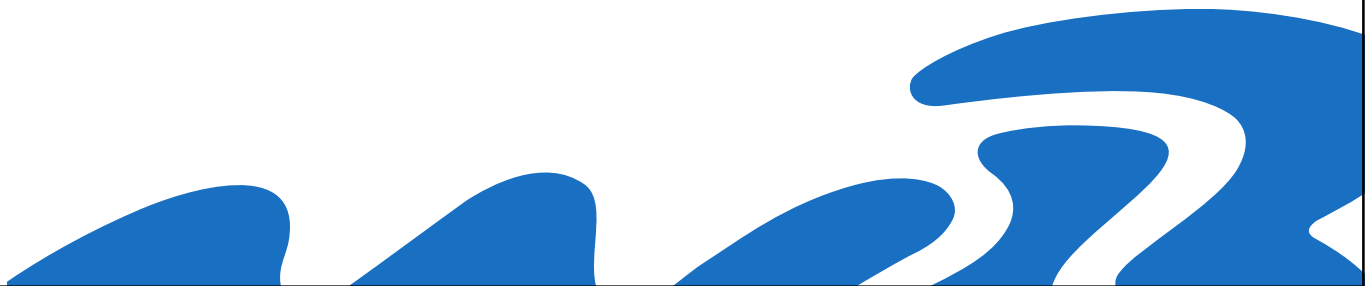
- No surplus generated based on the Water & Wastewater rates can be used by the Municipality for non-water/wastewater activity
- All funds are held in a reserve in accordance with the Safe Drinking Water Act (SDWA) mandated by the Province.
- An adequate rate structure that provides for:
 - building of reserves to meet the future replacement requirements,
 - conducting maintenance on the existing infrastructure when needed,
 - covering annual operational costs,
 - leads to a financially sustainable system.



Factors that impact the review results



- Number of users – largest influence
- Wages and benefits – based on Salary Grid & Union Contracts
- Ontario Clean Water Agency (OCWA) Contract
- Utility costs
- Asset Replacement requirements
- Inflation rates



Steps taken in the Review Process



- Detailed review of current users
 - Forecast for new users
 - Total users are predicted to increase over the next 10 years
- Analyze consumption patterns
 - Average consumption levels calculated
 - Average for a Single-Family Home - 183m³ for 2022
- Review of Revenues and Operational Costs
 - Revenues from Base Charge and Consumption Charge
 - Operational costs of operating the two systems



Steps taken - continued



- Understand the needs of the system in terms of asset replacement
 - Review the inventory of assets in the system
 - Replacement is based on the “normal” number of years an asset will last
 - Ontario Clean Water Agency’s 2022 draft review of the asset inventory – largest replacement/upgrade years began in 2021 with approximately \$22 Million in investments required over the next 10 years
 - This is the replacement, repair and/or the rehabilitation of the current infrastructure in the ground



Steps taken - continued



- Forecast the reserves required
 - Using the rates calculated and the asset replacement requirements
- 2023 Proposed Rates
 - For 2023 it is proposed that:
 - the base rate and consumption rate for water services increase by 3.5%
 - the base rate and consumption rate for wastewater services increase by 4%
 - It is also proposed that the new rate take effect on January 1, 2023.

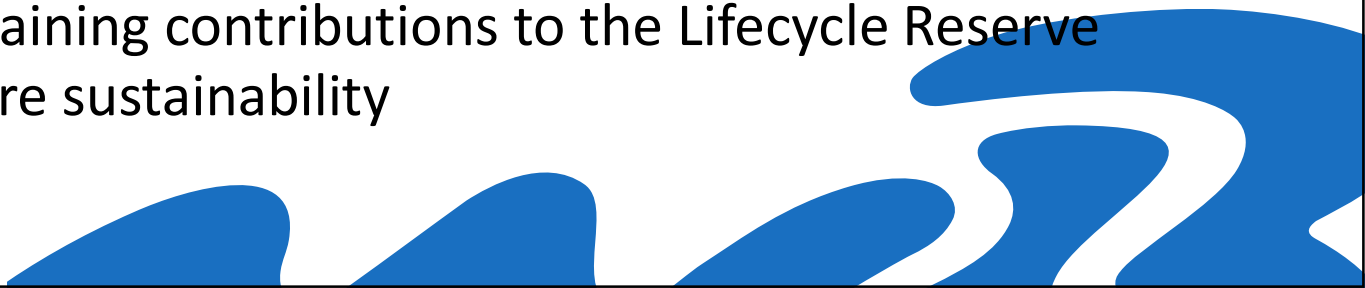




Proposed 2023 Increase

The proposed increase:

- Provides for existing maintenance costs
- Compensates for the increasing costs anticipated in the 10 year forecast
- Provides for the changes resulting from the Bill 23, More Homes Build Faster Act, 2022 that will affect the timing and amount of development charges received on new building projects with the possibility of some new project funding coming from the water and wastewater reserves rather than the development charges
- Will assist in maintaining contributions to the Lifecycle Reserve
- Will help with future sustainability



Water & Wastewater Comparison to Neighbouring Towns



	2022 Rates	Wasaga Beach 2023 Rate	Difference
Collingwood	\$ 1,035.43	\$ 597.63	\$ 437.80
Clearview Township	\$ 1,062.44	\$ 597.63	\$ 464.81
Penetanguishene	\$ 1,095.17	\$ 597.63	\$ 497.54

➤ Based on the average consumption rate of 183m³ for Wasaga Beach



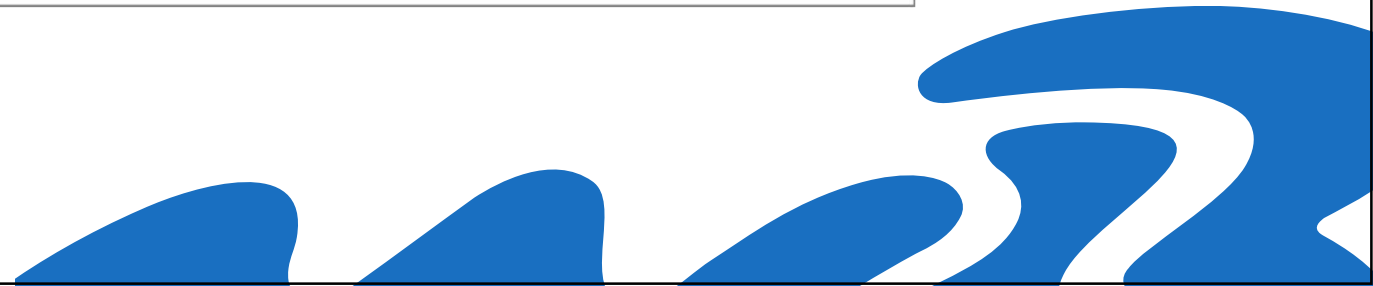
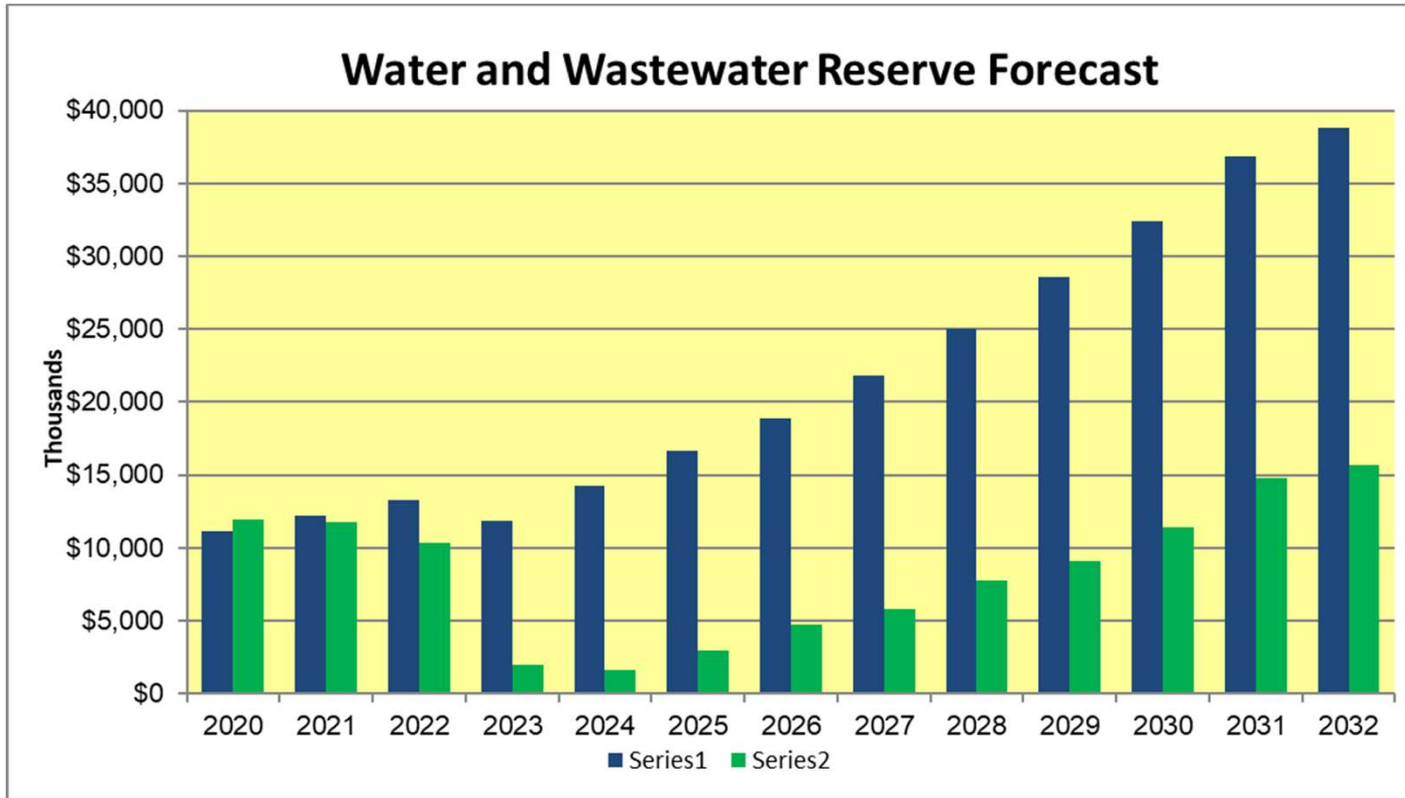
Water & Wastewater Impact to Average Resident



	2022	2023	Annual Difference
Annual Base	\$ 376.56	\$ 390.84	\$14.28
Annual Consumption	\$195.81	\$ 206.79	\$10.98
Total	\$ 572.37	\$ 597.63	<u>\$25.26</u>

➤ Based on the average consumption rate of 183m³





2022 Water & Wastewater: Proposed Rates Residential



RESIDENTIAL RATES

MONTHLY BASE CHARGES:

WATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	14.94	14.94	14.94	43.37	104.69	161.30	209.38	314.08
Annual Base Charge	179.28	179.28	179.28	520.44	1,256.28	1,935.60	2,512.56	3,768.96

WASTEWATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	17.63	17.63	17.63	51.08	123.02	190.02	246.67	369.99
Annual Base Charge	211.56	211.56	211.56	612.96	1,476.24	2,280.24	2,960.04	4,439.88

CONSUMPTION RATES:

Water (Per m ³)	\$	0.44
Wastewater (Per m ³)	\$	0.69

2022 Water & Wastewater: Proposed Rates Non-Residential



NON-RESIDENTIAL RATES

MONTHLY BASE CHARGES:

WATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	14.94	20.92	26.91	43.37	104.69	161.30	209.38	314.08
Annual Base Charge	179.28	251.04	322.92	520.44	1,256.28	1,935.60	2,512.56	3,768.96

WASTEWATER	3/4" (19mm)	1" (25mm)	1.5" (40mm)	2" (50mm)	2.5" (63mm)	3" (75mm)	4" (100mm)	6" (150mm)
Mthly Base Charge	17.63	24.64	31.71	51.08	123.02	190.02	246.67	369.99
Annual Base Charge	211.56	295.68	380.52	612.96	1,476.24	2,280.24	2,960.04	4,439.88

CONSUMPTION RATES:

Water (Per m ³)	\$	0.44
Wastewater (Per m ³)	\$	0.69

2022 Water & Wastewater: Proposed Rates Lifestyle/Condos



LIFESTYLE / CONDOMINIUM CORPORATIONS:

MONTHLY BASE CHARGES Per Unit:

WATER	
Mthly Base Charge	11.22
Annual Base Charge	134.64

WASTEWATER	
Mthly Base Charge	13.21
Annual Base Charge	158.52

CONSUMPTION RATES:

Water (Per m ³)	\$	0.44
Wastewater (Per m ³)	\$	0.69

BULK WATER

Water (Per m ³)	\$	1.91
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FLAT RATE / CONSTRUCTION RATE

MONTHLY BASE CHARGES:

WATER	
Mthly Base Charge	19.13
Annual Base Charge	229.56

WASTEWATER	
Mthly Base Charge	22.79
Annual Base Charge	273.48

CONSUMPTION RATES:

Water (Per m ³)		NA
Wastewater (Per m ³)		NA