

TATAMAGOUCHE WATER UTILITY COMMITTEE

A meeting of the Tatamagouche Water Utility Committee was held at the Tatamagouche Library on August 21, 2018 at 10:00am.

Present: Councillor Mike Gregory, Chair
Deputy Mayor Bill Masters
Gloria Randall, Citizen Representative
Willett Stevenson, Citizen Representative
David Scharf, Citizen Representative
Heather Maddigan, Finance Manager
Michelle Newell, Director of Public Works
Dennis James, Patterson Law, Municipal Solicitor (arrived at 10:20)

Regrets:
Mayor Christine Blair

Approval of Agenda: Moved by Deputy Mayor Masters
Seconded by David Scharf

Approval of Minutes: The Minutes of the meetings from October 26, 2016, March 29, 2017, and January 9, 2018 were approved by the Committee.

Moved by Deputy Mayor Masters
Seconded by Gloria Randall

Deputy Mayor Masters asked if the filter reserve contributions should be modified and staff advised that they should remain as current.

Operating Budgets: Heather Maddigan reviewed the utility budget.

2017/18 Fiscal Year

An audit of the County financials for fiscal year 2017/18 was completed by Grant Thorton and approved by Council on August 9, 2018. The Tatamagouche Water Utility had a small deficit of \$1,519. Expenses remained fairly consistent when compared to previous years. Revenue increased because rates increased on January 1, 2018. The utility also saw some increases in water consumption. The administrative expenses were increased to pay for the recently completed rate study. The utility paid \$14,000 towards debt in 2018/19. After 2018/19, the utility debt for construction of the water plant will be paid off. The recent rate study acknowledged that, once the debt is paid, these funds will help pay down the utility deficit. The current water utility deficit is approximately \$200,000.

Three Year Budget

2018/19: Finance is projecting slight deficit of \$5,491 because there is going to be a one-time expense for repairs to a wastewater storage tank at the water plant. Estimated cost for the work is \$12,000. DM Masters asked if the repair work could be capitalized, but staff noted that this is a repair and cannot be capitalized. The 3-year budget is based on the recent rate study so the majority of the budget follows the rate study. For 2019/20 and 2020/21 there is a projected surplus since rates increase every year. In 2020/21, the surplus isn't as high as 2019/20 since

another rate study will be required, with work valued at \$10K. If the utility remains in a surplus, there may be an option to delay the next rate study

The committee approved the 3-year operating budget with the following motion:

That the Committee recommends to Council that the 3-year operating budget for the Tatamagouche Water Utility for years 2018/19, 2019/20 and 2020/21 be approved”.

Moved by: Deputy Mayor Masters
Seconded by: Willett Stevenson

**In Camera Session
(10:35am – 11:20am)**

Motion to go in camera.

Moved by Willett Stevenson
Seconded by: David Scharf

In camera session concluded at 11:20am.

Other:

No other business was discussed.

Adjournment:

Moved by: David Scharf
Seconded by: Gloria Randall

“That the meeting be adjourned at 11:21 am.”

Michelle Newell, Recording Secretary