

TATAMAGOUCHE WATER UTILITY COMMITTEE

A meeting of the Tatamagouche Water Utility Committee was held at the Tatamagouche Library on August 23, 2022 at 10:00am.

Present:	<p>Councillor Michael Gregory, Chair Mayor Christine Blair Deputy Mayor Geoff Stewart Alan Fahey, Citizen Representative Keith Ferguson, Citizen Representative Heather Maddigan, Finance Manager Michelle Boudreau, Director of Public Works</p> <p>Regrets: Anne DeAdder, Citizen Representative</p>
Approval of Agenda:	<p>Moved by Geoff Stewart Seconded by Alan Fahey</p> <p>All in favour</p>
Approval of Minutes:	<p>The Minutes of the Meeting of August 24, 2021 were approved by the Committee.</p> <p>Moved by Alan Fahey Seconded by Keith Ferguson</p> <p>All in favour.</p>
Operating Budgets:	<p>Heather Maddigan reviewed the utility budget.</p> <p><u>2021/22 Fiscal Year</u> Heather reviewed the year end results as of March 31, 2022. Statements were completed by the auditors but have not been formally approved by Council. However, no changes expected. Utility had a profit of \$62,540 this year. Revenue and expenses didn't change much from previous years. Low transmission and distribution expenses contributed to the profit, likely since no watermain breaks/repairs were needed. Breaks and repairs can change substantially from year to year. Otherwise, a review of that account showed all expenses to be in order. Other line items for expenses and revenue were quite consistent. Two large capital projects were carried out, namely the 246 Watermain replacement (\$179K) and the purchase of a new truck (\$41K). Both were funded out of depreciation funds which are typically set aside for capital projects. Amounts did not come from the general rate. The balance of the depreciation fund is \$513,566. Utility also contributed \$12,300 to the filter reserve, which now has a balance of \$131,000.</p> <p>Questions were asked about filter replacements. Michelle noted that one set of filters was replaced 4-5 years ago, and another set will likely need replacing in 2-3 years. Cost of last replacement set was in the order of \$80K to \$90K.</p>

	<p><u>Three Year Budget</u></p> <p>The 3 year budget was prepared conservatively, based on historic trends. Minor changes included reduced expenses for transmission/distribution to reflect spending in previous years. Salary and benefit amounts have been increased for the next 3 budget years and include an additional 50% person to reflect time spent by staff in Tatamagouche. This does not indicate new staff resources, but the re-allocation of existing resources. Fuel expenses have been increased due to market conditions. In summary, we are budgeting a small deficit of \$3,800 for current year, \$9,100 for next year and \$31,000 for year after. Despite small deficits, we won't approach UARB yet for a rate study as we haven't seen actual deficits in the past few years. Rate study tentatively budgeted for year 3/ fiscal 24/25. We will re asses each year going forward. Large expenses in the coming years include a new water meter reader, wet well repairs, controls update, new chlorine pump and heat pumps. Part of the larger deficit in year 3 is the \$10K rate study, plus natural inflation over time. No major capital projects planned for the next 3 years, however system capacity reviews will be completed over the next few months and upgrades may be required. The capacity of the river itself will likely be the dictating factor.</p> <p>Keith asked if we are testing the water for COVID. Michelle noted that while we may start testing sewage at the Tatamagouche Plant, we do not test drinking water for COVID.</p> <p>The Committee approved the 3-year operating budget with the following motion:</p> <p>That the Committee recommends to Council that the 3-year operating budget for the Tatamagouche Water Utility for years 2022/23, 2023/24 and 2024/25 be approved".</p> <p>Moved by Keith Ferguson Seconded by Alan Fahey.</p> <p>All in favour</p>
New Business	None
Next Meeting:	TBD
Adjournment:	<p>Meeting was adjourned by Alan Fahey at 10:30am.</p> <p>Michelle Boudreau, Recording Secretary</p>