

## TATAMAGOUCHE WATER UTILITY COMMITTEE

A meeting of the Tatamagouche Water Utility Committee was held at the Tatamagouche Legion on August 23, 2023 at 10:00am.

<b>Present:</b>	<p>Councillor Michael Gregory, Chair          Mayor Christine Blair          Deputy Mayor Geoff Stewart          Anne DeAdder, Citizen Representative          Alan Fahey, Citizen Representative          Keith Ferguson, Citizen Representative          Heather Maddigan, Finance Manager          Michelle Boudreau, Director of Public Works</p>
<b>Approval of Agenda:</b>	<p>Moved by Mayor Blair          Seconded by Alan Fahey</p> <p>All in favour</p>
<b>Approval of Minutes:</b>	<p>The Minutes of the Meeting of August 23, 2022 were approved by the Committee.</p> <p>Moved by Deputy Mayor Stewart          Seconded by Keith Ferguson</p> <p>All in favour.</p>
<b>Operating Budgets:</b>	<p>Heather Maddigan reviewed the utility budget.</p> <p><b><u>2022/23 Fiscal Year</u></b>          Heather reviewed the March 31, 2023 year end results, which have been audited by Grant Thornton and should be formally approved by end of month. The water utility saw a profit of \$40K, which is around \$30K more than last year. The biggest variance in the budget was in Water Treatment, where expenses were \$23K more than budgeted amount. Reasons for the expenses included additional programming costs of \$5K, an increase in lab costs by 20%, and addition spending on maintenance of pumping and filtration equipment (\$9,500). Given current economic conditions, all expenses are generally costing more than anticipated. There were no real significant capital purchases in the year. The utility continues to put money towards a filter reserve, which currently stands at \$143K. Michelle doesn't anticipate that any filters will need replacing in the next 3 years. There are 2 sets of filters at the plant – ultra filters and nano filters. The ultrafilters were replaced about 5 years ago and should last another 5 years. The nanofilters have not been replaced since the plant was constructed but appears to be in good working order. Replacements of the nanofilters is estimated at \$40 to \$50K, and the reserve is able to fund this purchase when needed. Depreciation cash balance is still healthy at \$614K.</p> <p><b><u>Three Year Budget</u></b>          Heather reviewed the 3 year budget. There were few changes as the budget does not change drastically year over year other than normal inflation. In general, we have increased expenses by 3%. For current year, we are budgeting a profit of \$5K. For the next 2 years we are budgeting deficit of \$5K (24/25) and \$19K</p>

	<p>(25/26). A lot can change in a couple of years. Typically, when we start to see deficits, we start to think about rate studies. But we like to see actual results of deficits before we trigger a rate study. Since we've been seeing profits over the last few years, we have not budgeted for a rate study until 25/26. We will continue to monitor. Some specific examples of upcoming expenditures include the 5-year water sample in 2023, which will cost \$15K, then some electrical conduit work at the plant next fiscal estimated at \$10K. Since expenses in transmission are trending low this year, we have reduced the budget on this line item for the current fiscal. .We have no large capital projects planned. Some proposed capital items include repairs to the wet well, a new chlorine pump, a new HMI and fencing around the water tower. These will be funded via the depreciation fund. Michelle answered questions on these proposed works. No rate increases are expected for the next 2 years.</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 2023/24, 2024/25 and 2025/26 be approved”.</p> <p>Moved by Anne DeAdder Seconded by Deputy Mayor Stewart.</p> <p>All in favour</p>
<p><b>New Business</b></p>	<p>Members asked about the capacity of the plant to accommodate future development. Michelle noted that an engineering consultant is currently reviewing the remaining capacity at the water and sewer plants and more details are expected over the next 8-10 months.</p> <p>Keith asked about climate change concerns and about planning for protection of the plant during forest fire conditions. Michelle to review with our EMO coordinator David Westlake and the Tatamagouche Fire Department. Keith also asked if we are testing wastewater for COVID. At the request of MOH Dr. Strang, we have been providing samples for analysis for the last number of months.</p>
<p><b>Next Meeting:</b></p>	<p>TBD</p>
<p><b>Adjournment:</b></p>	<p>Meeting was adjourned by at 10:35am.</p> <p>Motion by: Deputy Mayor Stewart</p> <p>Michelle Boudreau, Recording Secretary</p>