



City of North Bay Supplemental Report to Committee

Report No: CORP-2021-125

Date: October 26, 2021

Originator: Marc A. Gauthier

Business Unit:

Department:

Corporate Services

Financial Services Department

Subject: 2022 Water and Wastewater Calculated Rates

Closed Session: yes ☐ no ☒

Recommendation

That Council adopts the 2022 Water and Wastewater calculated rates as outlined in Appendix A to Supplemental Report CORP 2021-125.

Background

Preliminary Water and Wastewater rates were calculated and presented to Council through Report to Council CORP 2021-112. These rates were calculated based on an Operating Budget increase of 2.28%.

Special Committee Meetings were held on October 25, 2021 during which it was recommended that the amount of \$2,245,200 from Capital Project No. 3828WS, West Ferris Trunk Watermain Relining, be transferred to the Water Treatment Surcharge Reserve No 99580R to be used to fund the annual principal and interest payments remaining on the Water Treatment Plant loan. This recommendation will permanently remove the requirement to collect a Water Treatment surcharge on the customer's monthly water bill.

Financial/Legal Implications

See Options/Analysis for Financial Implications.

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Provide smart, cost effective services and programs to residents and businesses.
- Ensure that Council and staff have a shared perception of goals.

Options Analysis

The rates calculated in Appendix A to this report are premised on the same net budget for the Water System of \$12.67 million and net Wastewater system of \$11.58 million. Also, there has been no change to the projected total consumption of 4.45 cubic meters as stated in report CORP 2021-112. The new calculated rates come into effect January 1, 2022.

CORP 2021-112 does require a point of clarification. The impact of changing the fixed / variable billing structure by 1 percent would result in an approximate increase in the variable rate of \$0.03 per cubic meter and a reduction in the fixed rate of \$0.50 per month for a basic residential meter.

Recommended Option

That Council adopts the 2022 Water and Wastewater calculated rates as outlined in Appendix A to Supplemental Report CORP 2021-125.

Respectfully submitted,

Name: Marc A. Gauthier, CPA, CMA
Title: Manager, Revenues & Taxation

We concur with this report and recommendation

Name Margaret Karpenko, CPA, CMA
Title: Chief Financial Officer /Treasurer

Name Domenic Schiavone
Title: Director Public Works and Parks

Name David Euler, P.Eng., PMP
Title: Chief Administrative Officer

Personnel designated for continuance:
Marc A. Gauthier, CPA, CMA
Manager, Revenues & Taxation