

ITEM	1
MANAGER'S REPORT NO.	77
COUNCIL MEETING	1979 11 13

RE: SEWER UTILITY

The following is a report from the Municipal Treasurer re the above.

RECOMMENDATION

1. THAT the recommendations of the Municipal Treasurer be adopted.

* * * * *

TO: MUNICIPAL MANAGER

FROM: MUNICIPAL TREASURER

RE: SEWER UTILITY

1979 November 05

File: S19-3

RECOMMENDATIONS

1. THAT by-laws to amend By-laws Nos. 6232 and 4231, being Burnaby Sewerage System Parcel Tax By-law 1973, and Burnaby Sewer Charge By-law 1961, be brought down to incorporate the taxes and rates shown under the column in Table A attached headed "Effective 1980 January 01"; and
2. THAT a further report be placed before Council in 1980 October concerning rate increases recommended for 1981.

REPORT

On 1979 May 07 Council adopted the recommendations in Item 11, Report No. 36, to increase sewer parcel and use taxes and metered rates by 5% over 1978 levels and that a report be brought forward in 1979 October with respect to further increases proposed for the years 1980 to 1982.

Attached is the projection of rates (Table A) which accompanied the report, together with an upgraded financial report projected to the year 1982 (Table B attached).

The financial report includes provision for borrowing for the following works, borrowing to be repaid over a twenty year period:

1980	Meadow pump station area, phase 1	\$1,000,000
	Subdivision sharing	25,000
	Minor projects	75,000
	Design and supervision	100,000
	Access road to Gilmore pump station	10,000
		<u>\$1,210,000</u>
1981	Meadow pump station area, phase 2	\$1,000,000
	Byrne Road, phase 1	750,000
	Minor projects	50,000
		<u>\$1,800,000</u>

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1982	Meadow pump station area, phase 3	\$1,000,000
	Byrne Road, phase 2	750,000
	Minor projects	<u>50,000</u>
		<u>\$1,800,000</u>

Repayments on the debt to be created initially will be made in 25¢ dollars for the reason that Burnaby is eligible for Provincial Sewerage Facilities Assistance grants which provide for payments to the Municipality of 75% of that portion of long term principal and interest costs incurred by the Municipality and the Greater Vancouver Regional District on behalf of the Municipality which exceeds 2.5 mills in hospital assessment taxation.

However, it should be noted that as realty assessments increase in value the amount of grant given decreases proportionately. This reduction in grants caused by a growing assessment roll, by increase in borrowing and by increase in operating costs due to inflation, means that a 10% per annum increase in parcel and use taxes and metered rates will not be sufficient to make the sewer utility self-liquidating. It will maintain the status quo.

Be that as it may, a 10% increase in rates is all that can be justified at this time. The amount to be contributed from general revenues to the utility amounts to about .4 mills annually.


MUNICIPAL TREASURER

BM:gw
Attach.

cc: Municipal Solicitor
Municipal Clerk
Municipal Engineer

THE CORPORATION OF THE DISTRICT OF BURNABY

TABLE A

Applicable By-law	1978 \$	Eff. 1979 Jan. 01 \$	Eff. 1980 Jan. 01 \$	Eff. 1981 Jan. 01 \$	Eff. 1982 Jan. 01 \$
6232 Sewer parcel					
- municipal installed	50.00	52.50	57.75	63.50	69.90
- subdivider installed	25.00	26.25	28.90	31.80	34.95
Every owner of every real parcel capable of being drained		Eff. June 01			
4231 Sewer use					
- owner of any - strata lot (not being part of a duplex)	27.00	28.35	31.20	34.30	37.75
- owner of any - multiple family dwelling (except a duplex) each unit	27.00	28.35	31.20	34.30	37.75
- owner of an apartment unit forming part of a duplex	12.50	13.15	14.45	15.90	17.50
Sewer charge (metered rates)					
Monthly:					
First 38 cubic meters	-	-	-	-	-
Next 250 cubic meters	0.11	0.116	0.128	0.140	0.154
Next 300 cubic meters	0.09	0.094	0.104	0.114	0.126
Next 850 cubic meters	0.07	0.074	0.082	0.090	0.100
Excess	0.06	0.063	0.070	0.076	0.084
Quarterly:					
First 114 cubic meters	-	-	-	-	-
Next 750 cubic meters	0.11	0.116	0.128	0.140	0.154
Next 900 cubic meters	0.09	0.094	0.104	0.114	0.126
Next 2,550 cubic meters	0.07	0.074	0.082	0.090	0.100
Excess	0.06	0.063	0.070	0.076	0.084

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THE CORPORATION OF THE DISTRICT OF BURNABY
 PROJECTION OF SANITARY SEWER SYSTEM REVENUES AND EXPENDITURES
 FOR THE YEARS 1977 - 1982

TABLE B

<u>Revenue</u>	<u>1977</u> \$	<u>1978</u> \$	<u>1979</u> \$	<u>1980</u> \$	<u>1981</u> \$	<u>1982</u> \$
Parcel tax	1,493,914	1,511,564	1,593,442	1,757,795	1,933,600	2,126,900
House tax	242,699	536,371	566,299	651,633	724,000	804,300
Metered rates	622,667	584,995	602,283	678,700	746,600	821,300
Permit fees	3,653	3,496	3,144	3,500	3,500	3,500
S.G.A. Restaurants (Mountain) Ltd.	4,369	5,242	5,242	5,242	5,242	5,242
Sewerage Facilities Assistance grant	860,609	1,191,415	1,142,120	1,100,000	1,095,000	1,171,900
Debt levies in advance of maturity - previous year	86,647	66,875	65,188	63,500	61,813	60,125
Transfer from general revenue fund	693,724	590,295	571,964	234,061	272,000	270,319
	<u>4,008,282</u>	<u>4,490,253</u>	<u>4,549,682</u>	<u>4,494,431</u>	<u>4,841,755</u>	<u>5,263,586</u>
 <u>Expenditure</u>						
Sewer maintenance	258,769	280,776	310,500	334,300	367,730	404,500
Long term debt	1,275,309	1,338,600	1,332,429	1,393,458	1,623,900	1,929,949
Debt levies in advance of maturity - current year	66,875	65,188	63,500	61,813	60,125	58,437
Contribution to capital	53,919	169,242	310,000	100,000	100,000	100,000
Greater Vancouver Sewerage & Drainage District levy	2,223,034	2,293,267	2,533,253	2,604,860	2,690,000	2,770,700
Surplus	130,376	343,180	-	-	-	-
	<u>4,008,282</u>	<u>4,490,253</u>	<u>4,549,682</u>	<u>4,494,431</u>	<u>4,841,755</u>	<u>5,263,586</u>

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