

ITEM	11
MANAGER'S REPORT NO.	36
COUNCIL MEETING	1979 05 07

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.

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TO: MUNICIPAL MANAGER
FROM: MUNICIPAL TREASURER
RE: SEWER UTILITY

1979 May 02
File: S19-3

RECOMMENDATIONS

1. THAT amendments to By-laws Nos. 6232 and 4231 be brought down to reflect the rates shown for 1979 in the table below; and
2. THAT a further report be placed before Council in 1979 October concerning the proposed rate increase for 1980.

REPORT

On 1979 April 09 Council adopted a number of recommendations concerning the annual budget, one of which was:

"THAT the principle of increasing sewer parcel taxes by 5% effective 1979 January 01, sewer use and metered rates by 5% effective 1979 June 01, and further increasing said rates on 1980 January 01 and subsequent years until the Sewer Utility becomes self-sufficient, be endorsed and that the Municipal Treasurer be directed to bring down a report on this subject for obtaining Ministerial approval for the rate increases, together with the necessary by-laws."

Attached is the financial statement required. It shows the effect of applying a 5% increase in parcel taxes for the year 1979 and 5% on use taxes for the portion of the year June 01 to December 31, and 10% in the years 1980, 1981 and 1982. The factor of 10% was selected for the years 1980 - 1982 because it will lessen the period of years in which the utility will become self-sufficient. Expenditures have been calculated to include increases in maintenance and operation expenditure at the rate of 10% per annum. Debt charges have been calculated for the years 1981 and 1982 to include provision for borrowing for the capital expenditures shown in the Capital Improvement Program 1979 - 1984 as set out below:

1980	\$ 750,000
1981	750,000
1982	500,000

These are projections only. They do not represent a definite program of works.

Repayments on the debt to be created will be made in 25¢ dollars for the reason that we are eligible for 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 by the Greater Vancouver Regional District on behalf of the Municipality which exceed 2.5 mills in hospital assessment taxation.

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The projected rates are:

Applicable By-law	1978 \$	Eff.	Eff.	Eff.	Eff.
		Jan. 01 1979 \$	Jan. 01 1980 \$	Jan. 01 1981 \$	Jan. 01 1982 \$
6232 <u>Sewer Parcel</u>					
- municipal installed	50.00	52.50	57.75	63.50	69.90
- subdivider installed (20 yrs)	25.00	26.25	28.90	31.80	34.95
Every owner of every real parcel capable of being drained					
		Eff. June 01			
4231 <u>Sewer Use</u>					
- owner of any - strata lot (not being part of a duplex)	27.00	* 28.35 # 27.80 for 1979 tax billing	31.20	34.30	37.75
- owner of any - multiple family dwelling (except a duplex) each unit	27.00	28.35 27.80 for 1979 tax billing	31.20	34.30	37.75
- owner of an apartment unit forming part of a duplex	12.50	13.15 12.90 for 1979 tax billing	14.45	15.90	17.50
<u>Sewer Charge (metered rates)</u>					
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

B. [Signature]
MUNICIPAL TREASURER

BM:gw
Attach.

cc: Municipal Clerk
Municipal Solicitor

* Annual rate that will appear in by-law
Charge to be collected for 12 month period, adjusted by 5%
per month from June 01