



Annual Waterworks Information

Year: 2025

Name of Municipality: Town of Grenfell

Date: August 27, 2025

Waterworks Rate Policy

Water rates are established to generate enough revenue to cover the water operating costs. Water operating costs or expenditures include water and administrative staff salaries, benefits, power, telephone, fuel, heat, chemicals, repairs, maintenance supplies, etc. In addition, rates include debt retirement, capital expenditures and reserves. Reserves are required to assist in addressing water infrastructure problems and replace aging water infrastructure as required.

The objective of the water rate policy is to work towards waterworks that are self-financing, where the users pay for the cost of the utility. To accomplish this, the rates need to increase over time so that the revenue covers operating costs, to the extent possible. At the end of every year of the planned increases, Council will review its policy to determine if revenues are covering costs. At that time, Council will also need to consider increasing rates to the budget for reserves in order to cover future infrastructure maintenance and replacements.

Annual Financial Overview

Revenues are at the current rates of \$66.00 for a minimum of 4,000 gallons, \$10.50 per 1,000 gallons over the minimum usage up to 8,000 gallons and \$11.00 every 1,000 gallons for additional usage.

Total 2025 waterworks revenues: \$351,470.00

Total 2025 waterworks expenditures: \$291,835.00

Total debt payments on waterworks Infrastructure loan: \$0.00

Total deficit at the current revenues and expenditures: \$59,635.00

Comparison of waterworks revenues to expenditures plus debt payments (if any), expressed as a ratio:

$$\frac{\$351,470.00}{\$291,835.00} = 1.20$$

Waterworks Capital Investment Strategy

The objective of the Waterworks Capital Investment Strategy is to:

- 1) Address anticipated waterworks infrastructure maintenance – see Table 1.

Year	Project Details	2025 Cost	Future Cost	Source
2027	Water Line Replacement – 1 Block	\$100,000.00	\$100,000.00	Reserves
2028	Water Line Replacement -1 Block		\$100,000.00	Reserves
2029	Water Line Replacement – 1 Block		\$100,000.00	Reserves
2030	Water Line Replacement – 1 Block		\$100,000.00	Reserves
2031	Water Line Replacement – 1 Block		\$100,000.00	Reserves

- 2) Cover costs of future waterworks infrastructure replacements.

Reserves

The Town of Grenfell currently has \$25,000.00 in reserves for Waterworks Capital Infrastructure.

The following additional information is available at the Municipal Office on the waterworks:

- Capital Plans in place and related sources of funding for projects
- By-law 753-18 Water & Sewer Rates
- By-law 754-18 Collection of Water Rates, Sewer Charges, Infrastructure Rates & Bulk Water
- By-law 713-15 The development of Quality Assurance Program, Quality Control Policies & Emergency Plan for Town's Waterworks.
- 2025 Financial overview of the Waterworks
- Waterworks Reserves