

TOWN OF LUNENBURG WATER UTILITY
2026/27 BUDGET
(Approved March 24, 2026)

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		Water Utility Operating Budget			
	Notes		2026/27	2025/26	2024/25
ACCOUNT #		Description	Budget	Budget	Actual
		Revenue			
		<u>Operating Revenues</u>			
05-1-12-0100	1	Metered Commercial Sales	\$ 686,700	\$ 642,300	\$ 635,613
05-1-21-0100	1	Flat Rate Sales - Residential	810,500	765,000	771,412
05-1-31-0100	2	Public Fire Protection	336,200	328,900	328,900
05-1-33-0100		Private Fire Protection	1,000	1,000	1,000
05-1-40-0100		Sprinkler Accounts	7,400	7,400	7,400
05-1-60-0100	3	Consumer Interest Charges	4,500	4,500	7,157
05-1-71-0100		Connection Charges	6,000	6,000	4,775
05-1-72-0100	4	Armouries Rent	1,200	1,200	1,200
		Total Operating Revenues	1,853,500	1,756,300	1,757,457
		<u>Non-Operating Revenues</u>			
05-1-81-0100		Jobbing and Contract	500	500	-
05-1-82-1000		Interest Earned	15,000	15,000	25,199
05-1-85-0100	5	Grants For The Prov - HST Offset	12,000	12,000	14,004
05-1-89-0100		Other Transfers from Reserves	-	-	-
		Total Non-Operating Revenues	27,500	27,500	39,203
		Total Revenues	\$ 1,881,000	\$ 1,783,800	\$ 1,796,660
		Expenditures			
		Source of Supply			
		<u>Supervision and Engineering</u>			
05-2-11-0100	6	Portion of Engineers Salary	\$ 16,300	\$ 14,400	\$ 11,615
05-2-11-0300	7	Department of Environment - License	1,000	1,000	1,032
05-2-11-0400	8	Water Withdrawal Study (EVERY 10 YEARS, last May 2022)	-	-	-
		<u>Operation Labour</u>			
05-2-12-0201	11	WRO Labour	12,500	12,200	9,123
		<u>Maintenance of Plant - Intakes (Pump House)</u>			
05-2-14-2100		Diver - Intake	4,000	4,000	3,483
05-2-14-2200		Repairs to Intake Screens/Building	4,000	4,000	-
		Department Total	\$ 37,800	\$ 35,600	\$ 25,253
		<u>Pumping</u>			
		<u>Supervision and Engineering</u>			
05-2-21-0100	6	Portion of Engineers Salary	\$ 16,300	\$ 14,400	\$ 11,615
		<u>Operation Labour</u>			
05-2-22-0201	11	WRO Labour	3,600	3,500	528
		<u>Power Purchased</u>			
05-2-24-0100		Power Purchased - NSPI	42,000	34,300	33,573
		<u>Maintenance of Plant</u>			
05-2-25-1200		Security phone line - Pumphouse	300	300	203
05-2-25-1300		Materials/Repairs to Building - Pumphouse	5,000	5,000	4,284
		<u>Maintenance of Pumping Equipment</u>			
05-2-25-2100		Repairs to Pumps	4,000	4,000	487
		Department Total	\$ 71,200	\$ 61,500	\$ 50,690
		<u>Water Treatment</u>			
		<u>Supervision and Engineering</u>			
05-2-31-0100	6	Portion of Engineers Salary	\$ 16,300	\$ 14,400	\$ 11,615
05-2-31-0400	9	Training - Supervisors & WROs	5,500	5,500	3,314
05-2-31-0410	10	Clothing - WRO	1,500	1,500	1,079
		<u>Operation Labour</u>			
05-2-32-0200	11	Water Resource Operators Labour	129,000	124,000	99,203
05-2-32-0210	11	Water Resource Operators Benefits	35,900	33,900	25,595
		<u>Operation Supplies and Expense</u>			
		<u>Chemical and Additives</u>			
05-2-33-1500	12	WTP - Chemicals	115,500	110,000	94,135
		<u>Supplies & Expenses</u>			
05-2-33-9100		Supplies and Small Tools	6,500	6,500	7,983
05-2-33-9200	13	Water Testing	20,000	24,000	16,573
05-2-33-9300	14	Water Testing - WRO Labour	26,000	26,000	21,601
05-2-33-9500	15	WTP - Spare/Replacement Parts	16,000	11,000	13,300
05-2-33-9520		WTP - Laboratory Materials	5,000	2,000	1,989
05-2-34-0600		NSPI - Treatment Plant	80,000	69,800	68,389
05-2-34-0700		Telephone Line/SCADA System/Security	5,400	5,400	1,970
		<u>Maintenance of Plant</u>			
05-2-34-0500		WTP - Repairs & Maintenance	35,000	25,000	35,676
		Department Total	\$ 497,600	\$ 459,000	\$ 402,422

		Water Utility Operating Budget			
	Notes		2026/27	2025/26	2024/25
ACCOUNT #		Description	Budget	Budget	Actual
		<u>Transmission and Distribution</u>			
		<u>Supervision and Engineering</u>			
05-2-41-0100	6	Portion of Engineers Salary	\$ 59,700	\$ 53,000	\$ 41,675
		<u>Operation Labour - Mains</u>			
05-2-43-1100	16	Public Works Dept. - Labour	20,000	20,000	20,648
		<u>Maintenance of Plant</u>			
		<u>Maint. of Plant Reservoirs</u>			
05-2-44-1100	17	Standpipe (Garden Lots)	6,000	3,000	2,588
05-2-44-1300		Electricity/SCADA/Standpipe	2,300	1,900	3,667
05-2-44-1350	17	WTP Plant Standpipe (Northwest)	6,000	3,000	1,069
05-2-44-1400	18	Telephone Line/SCADA System	1,000	1,000	779
		<u>Maint. of Plant - Mains</u>			
05-2-44-3100		Materials - Mains	10,000	10,000	18,877
05-2-44-3200	19	Equip Rental (Town) - Mains & Services	25,000	25,000	20,029
05-2-44-3295	20	Water Leak Investigations	3,000	3,000	1,787
05-2-44-3300	21	Fire Flow Testing (COMPLETED IN 2016/17)	2,000	2,000	-
		<u>Maint. Services/Meters/Hydants</u>			
05-2-44-9100		Materials	20,700	20,700	16,952
05-2-44-9300	16	P.W. Labour	15,000	15,000	8,898
05-2-44-9400		Advertising - Notices, etc.	1,000	1,000	-
		<u>STORES (STOCK) EXPENSES</u>			
05-2-46-0100		Fuel - Heat	14,000	12,800	12,471
05-2-46-0200		Electricity - Lights	8,000	6,700	6,078
05-2-46-0225		Water	600	600	548
05-2-46-0250	22	Sewer Charge	1,800	1,800	1,693
05-2-46-0301	23	Repairs & Supplies	15,000	15,000	16,106
05-2-46-0302		Janitorial	5,000	3,700	4,413
05-2-46-0303		Security	500	500	837
05-2-46-0400		In House Labour/Armouries	15,000	15,000	2,356
05-2-46-0500		Telephone/Cell Phones/Internet	6,500	6,000	6,531
		<u>TRANSPORTATION - VEHICLES</u>			
05-2-47-0100		Gas- Vehicles	4,000	4,000	5,000
05-2-47-0203		Repairs/Maintenance - 2017 GMC	5,000	5,000	3,016
05-2-47-0202		Repairs/Maintenance - 2013 GMC			1,205
		Repairs/Maintenance - 2021 Dodge	4,000	3,000	1,320
05-2-47-0350		Car Allowance - Engineers	1,200	1,200	1,200
05-2-47-0400		Radio License/Repairs	600	600	766
		DEPARTMENT TOTAL	\$ 252,900	\$ 234,500	\$ 200,509
		ADMINISTRATION AND GENERAL			
	24	<u>ACCOUNTING AND COLLECTING</u>			
		<u>ACCOUNTING SUPERVISION</u>			
05-2-51-1100		Portion of Finance Director	\$ 34,300	\$ 30,600	\$ 18,795
		<u>ACCOUNTING METER READINGS</u>			
05-2-51-2100		Meter Reading Salary/Expenses	6,100	6,100	5,559
		<u>ACCOUNTING BILLING</u>			
05-2-51-3100		Portion Bookkeeping Salaries	49,300	46,000	69,032
05-2-51-3200		Supplies - Billing & Collection	4,000	4,000	3,610
05-2-51-3210		Computer Maintenance	18,500	18,000	19,394
		<u>ACCOUNTING COLLECTION</u>			
05-2-51-4100		Portion of Cashier Salaries	16,400	15,200	14,547
		<u>ACCOUNTING - UNCOLLECTIBLE ACCTS.</u>			
05-2-51-5100		Provision - Uncollectible Accts.	5,000	3,000	14,274
		<u>SALARIES - OFFICERS & EXECUTIVES</u>			
05-2-52-1200		Portion Council Honorariums	41,000	40,200	35,425
05-2-52-1300		Portion Staff Salaries	50,200	67,300	38,894
		<u>SALARIES - OTHER</u>			
05-2-52-9100		Portion Office Staff Salaries	86,100	93,400	88,407
05-2-52-9200		Employment Benefits	91,000	98,600	83,302
		GENERAL OFFICE EXPENSE			
		<u>GENERAL OFFICERS EXPENSE</u>			
05-2-53-1200	25	Training, Conferences & Memberships	5,000	5,000	5,801
05-2-53-1201	26	Council Training & Conferences	5,500	3,800	3,967
05-2-53-1400		Bank Charges	2,000	2,000	1,157
		<u>GENERAL OFFICE EXPENSE</u>			
05-2-53-3100		Misc. Supplies - Office	5,500	5,000	5,410
05-2-53-3150	27	Furniture & Equipment	13,000	10,000	6,977

		Water Utility Operating Budget			
	Notes		2026/27	2025/26	2024/25
ACCOUNT #		Description	Budget	Budget	Actual
		<u>PROFESSIONAL FEES</u>			
05-2-54-1100		Auditor Fees	6,500	6,300	6,570
05-2-54-1200	28	Consultant Fees - Water Rate Study	5,000	10,000	-
05-2-54-1250		Engineer Consulting Services	8,000	7,500	39,231
05-2-54-2100		Legal Fees	7,500	7,500	3,750
05-2-54-2150		Communications	8,000	7,800	4,565
05-2-54-2200		Payroll Administration	1,300	1,300	1,300
		<u>REGULATORY EXPENSES</u>			
05-2-55-0100	29	NSURB Fee	2,000	2,000	1,951
		<u>INSURANCE</u>			
05-2-56-0100		Fire & Auto Liability	51,500	50,000	48,377
		<u>RENT OF GENERAL PROPERTY</u>			
05-2-57-0100		Rent - Town Office Use	2,100	2,100	2,100
05-2-57-0200	30	Rent - Victoria Road Building	2,200	2,200	2,200
		DEPARTMENT TOTAL	\$ 527,000	\$ 544,900	\$ 524,595
		<u>DEPRECIATION</u>			
05-2-60-0100	31	Depreciation Expense	\$ 323,500	\$ 321,600	\$ 316,728
		DEPARTMENT TOTAL	\$ 323,500	\$ 321,600	\$ 316,728
		<u>TAXES</u>			
05-2-70-0200	32	Property Taxes	\$ 43,500	\$ 43,500	\$ 43,479
		DEPARTMENT TOTAL	\$ 43,500	\$ 43,500	\$ 43,479
		<u>NON-OPERATING EXPENSES</u>			
05-2-90-0200		Interest on Customer Deposits	-	-	17
		<u>REDEMPTION LONG-TERM DEBT</u>			
05-2-91-0100	33	Principal Installments	40,750	40,750	40,750
		<u>INTEREST ON LONG-TERM DEBT</u>			
05-2-92-0100	33	Interest	29,550	11,450	12,430
		<u>CAPITAL EXPENDITURE FROM REVENUE</u>			
05-2-99-0050		Capital Reserves	-	-	-
		<u>OTHER NON-OPERATING EXPENSES</u>			
05-2-99-0020	34	Transfer to Capital Reserve - Land	5,000	5,000	103,000
05-2-99-0010	34	WTP - Membrane Replacement Reserve	40,000	26,000	26,000
05-2-99-0060		Dividend	-	-	50,000
05-2-99-0100		Surplus (Deficit)	12,200	-	787
		DEPARTMENT TOTAL	\$ 127,500	\$ 83,200	\$ 232,984
		TOTAL EXPENDITURES	\$ 1,881,000	\$ 1,783,800	\$ 1,796,660
		Budget Change	\$ 97,200		
			5.4%		

NOTES TO WATER UTILITY BUDGET

Revenue

1. The Nova Scotia Utility and Review board approved changes to the Town of Lunenburg Schedule of Rates and Regulations for the Water Utility in 2022 the first increase was January 1, 2023, the second increase was April 1, 2023, and the third increase happened on April 1, 2024. The Water Utility is currently undergoing a water rate study, the budget has been prepared using the proposed rate changes on October 1, 2026 .

Water Statistics:

	<i>Budget 2026/27</i>	<i>Budget 2025/26</i>
Residential Connections	1,192	1,192
Metered Commercial Accounts	195	195

2. #05-1-31-0100 Public Fire Protection

This is the proposed rate to cover fire flows in the Town and is charged to the Lunenburg Fire Department.

3. #05-1-60-0100 Consumer Interest Charges

Interest is charged on all overdue accounts at a rate of 1.5 % per month.

4. #05-1-72-0100 Armouries Rent

The Water Utility charges the Town a rental fee for its use of the Armouries building.

5. #05-1-85-0100 Provincial Grant – HST Offset

The Water Utility receives a grant from the province to offset the cost of HST (only 51.43% of the Provincial component of the HST is received back as a rebate).

Expenditures

The Water Treatment Plant has been in operation since June 2010. This budget reflects the costs estimated in operating the plant based on actual experience.

6. #05-2-11-0100; #05-2-21-0100; #05-2-31-0100; #05-2-41-0100 Engineer’s Salary

A portion of the Town’s Engineering staff salaries are charged out to the Water Utility based on estimate of actual time spent. The estimates are reviewed annually.

7. #05-2-11-0300 Department of Environment License

The Utility is required to obtain a license to draw water from Dares Lake.

8. #05-2-11-0400 Water Withdrawal Study

As part of the water withdrawal licensing permit process, a water withdrawal study was undertaken in fiscal 21-22 and will not be required to be undertaken again until 2032.

9. #05-2-31-0400 Training

Water Certification training for Water Resource Operators and supervisors.

10. #05-2-31-0410 Clothing

Estimate for work boots, coveralls, etc. as per union contract.

11. Water Resource Operators Salary and Benefits

The Water Resource Operator complement of staff is 2.0 FTE for the Water Utility.

12. #05-2-33-1500 Chemicals

Chemical costs are estimated based on the operational requirements of the Water Treatment Plant.

13. #05-2-33-9200 Water Testing

The budget has been prepared based on requirements mandated by the Department of Environment. This includes weekly sampling and quarterly testing requirements.

14. #05-2-33-9300 Water Testing – WRO Labour

WRO labour required for taking daily samples for analysis.

15. #05-2-33-9500 WTP Spare Parts (items<\$2,500 capital threshold)

Spare parts for the Water Treatment Plant per annual review with WRO and Engineer.

16. #05-2-43-1100 & 05-2-44-9300 Public Works Labour

Labour of the Public Works Department is charged out to the Water Utility on an as used basis.

17. #05-2-44-1100/1350 Materials (Standpipes)

The water utility had a video inspection of both water storage tanks completed in 2016 and Cathodic Protection System testing and service on the Garden lots water storage tank is carried out every 2 years.

18. #05-2-44-1400 Telephone Line SCADA System (Garden Lots Standpipe)

A computer system measures water level and water quality in the standpipe. This budget item includes the following costs:

Dedicated Telephone Line	\$ 350
Monitoring Fee	650
	<u>\$1,000</u>

19. #05-2-44-3200 Equipment Rental Mains & Services

Any Town vehicles used on water jobs are charged out to the Water Utility on charge out rates approved each year.

20. #05-2-44-3295 Water Leak Investigations

When a suspected line leak requires investigation, these funds will be used to hire the services of a company that specializes in underground water line leak detection.

21. #05-2-44-3300 Fire Flow Testing

Estimate in the event that Fire Flow testing is required.

22. #05-2-46-0250 Sewer

A sewer charge is levied against the Armouries building which is owned by the Water Utility and assessed at \$267,700. The sewer charge is budgeted at 2025/26 rates. (AAN 04647114).

23. #05-2-46-0301 Armouries Repairs & Supplies

This is for annual repairs and supplies required at the Armouries building.

24. #05-2-51-0000 Administration and General

A portion of the of Town Office administration and finance staff salaries are charged out to the Water Utility based on the estimated staff time spent on the Water Utility.

A portion of Town Council honorariums is charged to the Water Utility based on the estimated time Council spends on Water Utility issues, 25%.

Employment benefits include an accrual for retirement benefits based on the Town's personnel policy and CUPE contract.

25. #05-2-53-1200 Training, Conferences, & Memberships

AWWA Conference & Membership	\$1,000
Various staff training, seminars & conferences, as required	\$2,500
Professional Membership Allocations	\$1,500
	<u>\$5,000</u>

26. #05-2-53-1201 Council Training & Conferences

25% allocation of conferences, training and professional development for the Mayor and Councillors.

27. #05-2-53-3150 Furniture & Equipment

Estimate for small capital office equipment.

28. #05-2-54-1200 Water Rate Studies

The last water rate study was submitted to the NSUARB in April 2022. A study has been undertaken in fiscal 2025/26 and staff are targeting a submitted to the NSUARB in April 2026.

29. #05-2-55-0100 Nova Scotia Utility Review Board

The N.S.U.R.B. annual assessment fee to offset Board costs.

30. #05-2-57-0200 Rent Victoria Road Building

The Victoria Road building is used by Water Utility for storage needs. The Water Utility is charged rent in proportion to space required (30%).

31. #05-2-60-0100 Depreciation

The Water Utility is required to calculate depreciation on its assets at various prescribed rates, e.g. buildings, mains, plant, equipment, etc. This expenditure is sourced from the water rates and is used for future funding of capital assets. Any unused depreciation is held in a reserve. The depreciation reserve balance at March 31, 2025 was \$1,779,447.

32. #05-2-70-0200 Property Taxes

The assessment on the Town distribution system has remained the same at \$1,294,800. The Armouries building and the new water treatment plant are assessed as commercial exempt for the purposes of property taxation only. (AAN 04647416).

33. #05-2-91-0100; #05-2-92-0100 Debt Charges

These amounts are included in the budget.

Project	Payment	Principal	Interest	Total	Balance
Water Treatment Plant (MFC Nov 2011 \$815,000)	15 of 20	\$40,750	\$9,844	\$50,594	\$203,750
Repair Spillway (MFC Nov 2026 \$788,000)	0 of 20	\$0	\$19,700	\$19,700	\$788,000

34. #05-2-99-0050/20/10 Transfers to Capital Reserve

Transfers to reserve in this budget includes \$5,000 for future land purchases (watershed) and \$40,000 for membrane replacement reserve.

The **projected** balance in the Water Utility Capital Reserve, not including the depreciation reserve, at March 31, 2026 is as follows:

Future Land Purchases	\$305,900
WTP Membrane Replacement	78,300
Future Capital	593,200
	<u>\$977,400</u>