

TOWN OF LUNENBURG WATER UTILITY
2025/26 BUDGET
(Approved May 27, 2025)

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		Water Utility Operating Budget			
ACCOUNT #	Notes	Description	2025/26	2024/25	2023/24
			Budget	Budget	Actual
		Revenue			
		<u>Operating Revenues</u>			
05-1-12-0100	1	Metered Commercial Sales	\$ 642,300	\$ 636,500	\$ 574,066
05-1-21-0100	1	Flat Rate Sales - Residential	765,000	754,600	740,025
05-1-31-0100	2	Public Fire Protection	328,900	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	5,439
05-1-71-0100		Connection Charges	6,000	6,000	10,900
05-1-72-0100	4	Armouries Rent	1,200	1,200	1,200
		Total Operating Revenues	1,756,300	1,740,100	1,668,930
		<u>Non-Operating Revenues</u>			
05-1-81-0100		Jobbing and Contract	500	500	-
05-1-82-1000		Interest Earned	15,000	10,000	23,964
05-1-85-0100	5	Grants For The Prov - HST Offset	12,000	8,500	8,168
05-1-89-0100		Other Transfers from Reserves	-	-	-
		Total Non-Operating Revenues	27,500	19,000	32,132
		Total Revenues	\$ 1,783,800	\$ 1,759,100	\$ 1,701,062
		Expenditures			
		<u>Source of Supply</u>			
		<u>Supervision and Engineering</u>			
05-2-11-0100	6	Portion of Engineers Salary	\$ 14,400	\$ 13,500	\$ 18,141
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	12,200	11,000	16,072
		<u>Maintenance of Plant - Intakes (Pump House)</u>			
05-2-14-2100		Diver - Intake	4,000	4,000	3,317
05-2-14-2200		Repairs to Intake Screens/Building	4,000	4,000	-
		Department Total	\$ 35,600	\$ 33,500	\$ 38,562
		<u>Pumping</u>			
		<u>Supervision and Engineering</u>			
05-2-21-0100	6	Portion of Engineers Salary	\$ 14,400	\$ 13,500	\$ 18,141
		<u>Operation Labour</u>			
05-2-22-0201	11	WRO Labour	3,500	3,200	849
		<u>Power Purchased</u>			
05-2-24-0100		Power Purchased - NSPI	34,300	30,000	29,586
		<u>Maintenance of Plant</u>			
05-2-25-1200		Security phone line - Pumphouse	300	300	222
05-2-25-1300		Materials/Repairs to Building - Pumphouse	5,000	5,000	1,401
		<u>Maintenance of Pumping Equipment</u>			
05-2-25-2100		Repairs to Pumps	4,000	4,000	1,022
		Department Total	\$ 61,500	\$ 56,000	\$ 51,221
		<u>Water Treatment</u>			
		<u>Supervision and Engineering</u>			
05-2-31-0100	6	Portion of Engineers Salary	\$ 14,400	\$ 13,500	\$ 18,449
05-2-31-0400	9	Training - Supervisors & WROs	5,500	5,500	1,846
05-2-31-0410	10	Clothing - WRO	1,500	1,500	819
		<u>Operation Labour</u>			
05-2-32-0200	11	Water Resource Operators Labour	124,000	114,200	107,012
05-2-32-0210	11	Water Resource Operators Benefits	33,900	30,000	23,926
		<u>Operation Supplies and Expense</u>			
		<u>Chemical and Additives</u>			
05-2-33-1500	12	WTP - Chemicals	110,000	110,000	92,138
		<u>Supplies & Expenses</u>			
05-2-33-9100		Supplies and Small Tools	6,500	6,500	6,065
05-2-33-9200	13	Water Testing	24,000	16,000	15,353
05-2-33-9300	14	Water Testing - WRO Labour	26,000	23,600	14,818
05-2-33-9500	15	WTP - Spare/Replacement Parts	11,000	11,000	8,874
05-2-33-9520		WTP - Laboratory Materials	2,000	2,000	494
05-2-34-0600		NSPI - Treatment Plant	69,800	67,000	63,671
05-2-34-0700		Telephone Line/SCADA System/Security	5,400	5,400	3,972
		<u>Maintenance of Plant</u>			
05-2-34-0500		WTP - Repairs & Maintenance	25,000	25,000	24,376
		Department Total	\$ 459,000	\$ 431,200	\$ 381,813

		Water Utility Operating Budget			
	Notes		2025/26	2024/25	2023/24
ACCOUNT #		Description	Budget	Budget	Actual
		<i>Transmission and Distribution</i>			
		<i>Supervision and Engineering</i>			
05-2-41-0100	6	Portion of Engineers Salary	\$ 53,000	\$ 49,500	\$ 40,210
05-2-41-0200		Drafting/Filing Labour	-	2,000	-
		<i>Operation Labour</i>			
		<i>Operation Labour - Mains</i>			
05-2-43-1100	16	Public Works Dept. - Labour	20,000	15,000	15,460
		<i>Ss</i>			
		<i>Maint. of Plant Reservoirs</i>			
05-2-44-1100	17	Standpipe (Garden Lots)	3,000	3,000	1,831
05-2-44-1300		Electricity/SCADA/Standpipe	1,900	1,900	1,114
05-2-44-1350	17	WTP Plant Standpipe (Northwest)	3,000	3,000	-
05-2-44-1400	18	Telephone Line/SCADA System	1,000	1,000	222
		<i>Maint. of Plant - Mains</i>			
05-2-44-3100		Materials - Mains	10,000	7,000	13,454
05-2-44-3200	19	Equip Rental (Town) - Mains & Services	25,000	25,000	15,573
05-2-44-3295	20	Water Leak Investigations	3,000	3,000	1,963
05-2-44-3300	21	Fire Flow Testing (COMPLETED IN 2016/17)	2,000	2,000	-
		<i>Maint. Services/Meters/Hydants</i>			
05-2-44-9100		Materials	20,700	20,700	23,647
05-2-44-9300	16	P.W. Labour	15,000	20,000	6,295
05-2-44-9400		Advertising - Notices, etc.	1,000	1,000	-
		<i>STORES (STOCK) EXPENSES</i>			
05-2-46-0100		Fuel - Heat	12,800	18,000	12,163
05-2-46-0200		Electricity - Lights	6,700	5,800	5,512
05-2-46-0225		Water	600	600	421
05-2-46-0250	22	Sewer Charge	1,800	1,600	1,552
05-2-46-0301	23	Repairs & Supplies	15,000	15,000	19,290
05-2-46-0302		Janitorial	3,700	3,700	3,510
05-2-46-0303		Security	500	500	598
05-2-46-0400		In House Labour/Armouries	15,000	15,000	12,137
05-2-46-0500		Telephone/Cell Phones/Internet	6,000	6,000	6,386
		<i>TRANSPORTATION - VEHICLES</i>			
05-2-47-0100		Gas- Vehicles	4,000	5,000	4,000
05-2-47-0203		Repairs/Maintenance - 2017 GMC	5,000	3,000	1,546
05-2-47-0202		Repairs/Maintenance - 2013 GMC	3,000	3,000	1,919
05-2-47-0350		Car Allowance - Engineers	1,200	1,200	1,885
05-2-47-0400		Radio License/Repairs	600	600	673
		DEPARTMENT TOTAL	\$ 234,500	\$ 233,100	\$ 191,361
		<i>ADMINISTRATION AND GENERAL</i>			
	24	<i>ACCOUNTING AND COLLECTING</i>			
		<i>ACCOUNTING SUPERVISION</i>			
05-2-51-1100		Portion of Finance Director	\$ 30,600	\$ 23,800	\$ 22,451
		<i>ACCOUNTING METER READINGS</i>			
05-2-51-2100		Meter Reading Salary/Expenses	6,100	5,500	6,924
		<i>ACCOUNTING BILLING</i>			
05-2-51-3100		Portion Bookkeeping Salaries	46,000	67,300	59,714
05-2-51-3200		Supplies - Billing & Collection	4,000	4,000	3,337
05-2-51-3210		Computer Maintenance	18,000	18,000	21,338
		<i>ACCOUNTING COLLECTION</i>			
05-2-51-4100		Portion of Cashier Salaries	15,200	14,200	13,170
		<i>ACCOUNTING - UNCOLLECTIBLE ACCTS.</i>			
05-2-51-5100		Provision - Uncollectible Accts.	3,000	3,000	926
		<i>SALARIES - OFFICERS & EXECUTIVES</i>			
05-2-52-1200		Portion Council Honorariums	40,200	37,100	31,346
05-2-52-1300		Portion Staff Salaries	67,300	57,300	54,200
		<i>SALARIES - OTHER</i>			
05-2-52-9100		Portion Office Staff Salaries	93,400	86,600	77,769
05-2-52-9200		Employment Benefits	98,600	83,600	70,620
		<i>GENERAL OFFICE EXPENSE</i>			
		<i>GENERAL OFFICERS EXPENSE</i>			
05-2-53-1200	25	Training, Conferences & Memberships	5,000	5,000	3,907
05-2-53-1201	26	Council Training & Conferences	3,800	3,800	2,940
05-2-53-1400		Bank Charges	2,000	2,000	989
		<i>GENERAL OFFICE EXPENSE</i>			
05-2-53-3100		Misc. Supplies - Office	5,000	5,000	5,248
05-2-53-3150	27	Furniture & Equipment	10,000	15,000	4,984

Water Utility Operating Budget					
ACCOUNT #	Notes	Description	2025/26 Budget	2024/25 Budget	2023/24 Actual
		<u>PROFESSIONAL FEES</u>			
05-2-54-1100		Auditor Fees	6,300	6,300	6,257
05-2-54-1200	28	Consultant Fees - Water Rate Study	10,000	10,000	-
05-2-54-1250		Engineer Consulting Services	7,500	7,500	10,169
05-2-54-2100		Legal Fees	7,500	7,500	7,000
05-2-54-2150		Communications	7,800	7,800	7,369
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	1,800	1,691
		<u>INSURANCE</u>			
05-2-56-0100		Fire & Auto Liability	50,000	41,000	34,236
		<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	\$ 544,900	\$ 518,700	\$ 452,185
		<u>DEPRECIATION</u>			
05-2-60-0100	31	Depreciation Expense	\$ 321,600	\$ 308,300	\$ 285,642
		DEPARTMENT TOTAL	\$ 321,600	\$ 308,300	\$ 285,642
		<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	-	-	(43)
		<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	11,450	13,050	14,003
		<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	126,500
05-2-99-0010	34	WTP - Membrane Replacement Reserve	26,000	26,000	25,000
05-2-99-0060		Dividend	-	50,000	50,000
05-2-99-0100		Surplus (Deficit)	-	-	589
		DEPARTMENT TOTAL	\$ 83,200	\$ 134,800	\$ 256,799
		TOTAL EXPENDITURES	\$ 1,783,800	\$ 1,759,100	\$ 1,701,062
		Budget Change	\$ 24,700		
			1.4%		

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 budget has been prepared using the April 1, 2024 rates.

Water Statistics:

	<i>Budget 2025/26</i>	<i>Budget 2024/25</i>
Residential Connections	1,192	1,211
Metered Commercial Accounts	195	197

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

This is a rate approved by the NSURB 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 57.14% 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
	\$1,000

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 \$259,800. The sewer charge is budgeted at 2024/25 rates. (AAN 046471 14).

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
	\$5,000

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 should be undertaken in fiscal 2025/26.

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, 2024 was \$1,431,039.

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)	14 of 20	\$40,750	\$11,462	\$52,212	\$244,500

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).

The **projected** balance in the Water Utility Capital Reserve, not including the depreciation reserve, at March 31, 2025 was as follows:

Future Land Purchases	\$201,000
WTP Membrane Replacement	52,000
Future Dam Grant (advance)	42,000
Future Capital	589,000
	\$884,000

**Town of Lunenburg - Water Utility
Capital Budget 2025/26**

		Year 1	Year 2	Year 3	Year 4	Year 5	2025/26 Funding			
		2025/26	2026/27	2027/28	2028/29	2029/30	Depr Reserve	Future Capital Reserve	Debt	Grants
Water Utility										
Plant/Water Production										
	Cleaning System at Intake			\$90,000						
	Tank Bypass Line		\$500,000							
	Chlorine Scales Upgrades	\$60,000					\$60,000			
Building Improvements										
	Repair Spillway (pre-approved)	\$1,319,000					\$446,000		\$788,000	\$85,000
	Raw Water Pumphouse Waterproof Foundation	\$25,000					\$25,000			
	Armouries Exterior Improvements	\$25,000					\$25,000			
	Solar Array at WTP					\$385,000				
Water System										
	Water Meter Rollout	\$600,000	\$750,000				\$600,000			
	New Services	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000			
	Replacement Hydrants	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000			
	Knickle Road - Renewal			\$100,000						
	Various Renewals	\$26,000	\$550,000	\$550,000	\$550,000	\$550,000	\$26,000			
	Transmission Main Renewal	\$100,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$100,000			
	Total	\$2,195,000	\$2,840,000	\$1,780,000	\$1,590,000	\$1,975,000	\$1,322,000	\$0	\$788,000	\$85,000

CAPITAL BUDGET NOTES

Water Utility

Plant/Water Production

Chlorine Scale Upgrades

At the Water Treatment Plant there are two banks of four chlorine tanks that alternate within the water treatment process. A scale on each bank measures a single tank and that is used to monitor the chlorine levels in the tank. This scope of this project is to install a scale for each individual tank to better monitor this part of the system, improve safety for our personnel and potentially cost savings in chlorine usage.

Building Improvements

Repair Spillway

This Project corrects the deterioration to the Dares Lake Dam and Spillway and incorporates an eel passage as requested by DFO. The total budget includes construction inspection, engineered design and construction. This item was pre-approved by Council at the February 25, 2025 meeting.

Raw Water Pumphouse Waterproof Foundation

The Pumphouse has a history of leaks through the foundation. The scope of this project has increased since it was originally included in the 23/24 budget, which includes the replacement of a section of pipe penetrating the pumphouse foundation that is leaking and the waterproofing of the exterior of the foundation.

Armouries Exterior Improvements

This Project is intended to provide budget for exterior improvements such as repairing rotted boards, painting, trim replacement, window and door upgrades, etc.

Water System

Water Meter Rollout

This project consists of planning for the water meter program, purchasing materials required for the program, and the installation and implementation of the water meters for all customers. RFP closed early April 2025. Budgeted to spread over 2 years.

New Services

If a new water service is required, the cost of the service installation is allocated to this account. This item is placed in the budget yearly in the event that new installations are required.

Replacement Hydrants

New hydrants are installed as required and funds placed in the budget yearly in the event new hydrants are required.

CAPITAL BUDGET NOTES

Water Utility

Various Renewals

Project will focus on design work on one of the renewals needing attention. The plan is to design one year and have a tender ready to go for following year sequence. Development cycles may impact the projects but list includes Maple, Montague, Dufferin or other projects deemed priorities to execute.

Transmission Main Renewal

One of the primary recommendations from the Water System modelling was that the main transmission main from the Plant to Garden Lots be upgraded due to its age and importance to the Town. The recommendation included upsizing the entire line to 400mm diameter. The total estimated cost included in the report for this upgrade was \$15M. Due to the size/cost of this project grants will need to be sourced to assist with the project costs.