

VILLAGE OF RICHMOUND

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January 13, 2021

RE: INFRASTRUCTURE FEE

Over the last 5 years, the Village of Richmond's water infrastructure has been failing or requiring upgrades, leaving us in a deficit. Water rates on the utility bills should be maintaining our costs, however this has not been the case the last 5 years.

Below are the expenses and revenues incurred over the last 5 years. The water rates issued on the bills are only covering anywhere from 35.76% - 62.57% of our water expenses.

	2019	2018	2017	2016	2015
<i>Water Expenses</i>	61,855	48,017	79,496	66,107	46,408
<i>Water Revenue</i>	30,085	29,494	28,428	27,630	29,036
	48.64%	61.42%	35.76%	41.80%	62.57%

With the best interest of the Village in mind, and being able to provide residents with water in the coming years, unfortunately, it has become imperative that we take steps to ensure that our water expenses are covered by bringing into effect an Infrastructure Fee.

Any household or business that has water services, will be issued an Infrastructure Fee on their utility bill, coming into effect January 1, 2021, in the amount of \$15.00 per bi-monthly billing. These additional funds will be put into a designated account pertaining to water infrastructure. These fees fall in line with Bylaw 4-2020, and has been approved by the Local Government Committee.

While this Infrastructure Fee will not bring our revenue in line with our expenses, Council is reviewing other means to bring our expenses down and budget larger projects over years to come and continuously search for grants available to our community. Some of the additional costs we are facing in 2021 are ensuring our back up water supply is operational.

We thank you for your understanding in this decision. If you would like more information on this, please contact the office during regular business hours.

Regards,

Stacey Jansma
Administrator