

Canebrake County Water District Water Rates

Board Meeting
November 11, 2023

FY 2022-2023



Canebrake - Beautiful and Rare

Financial Revenue and Coverages

Question 1 - What are the Canebrake Water District revenue sources?

Revenue Source	Yearly Revenue	Comments
Government Subsidy	\$19k	Increases 1% per year, below inflation rates
Access Fees	\$28k	Same amount since 2015
Water Sales	\$9k	Sales decrease 4.5% per year last 5 years
Investments	\$1k to \$7k (varies)	\$1k for last 10+ years
Donations	Varies	Not guaranteed.
TOTAL	\$63k	Needs to cover operating costs.

Question 2 - What does the yearly budget cover?

- Insurances (liability, workman's comp)
- Salaries (water manager, heavy equipment operator)
- Bookkeeper and CPA
- Some basic low budget repairs
- Utilities (gas, power, water testing)
- Government fees and training

Question 3 - How are major upgrades paid for?

- Water District Savings
- Donations (money, equipment)
- Volunteer help (time and expertise)

Note: major upgrades are NOT budgeted per year

Question 4 - Are there other possible revenue streams?

- Grants
- Government Relief Programs
- Fundraising

Question 5 - How things can the district savings cover?

- Only a few medium cost replacements:
 - Pump, truck, medium size tank
 - Sections of pipe, Tank liner
 - Medium Size Loader
 - Occasional contract support & rentals

Question 6 - How are we NOT covered financially?

- Large Changes to Infrastructure
- Anything that can greatly affect our system, resources or personnel (natural disasters, environmental impacts, diseases, terrorists, government shutdown, supply chains, * litigation costs)

* We do have workman's comp

Question - can insurances cover the financial risks

Question 7 - Who paid for the current Pipeline

- The Government - in 1960's the Army Corp of Engineers installed the system we use today
- Minor Upgrades paid by Community patrons

Bigger Expenses Next Three Years

Asset	Details	3 Yr Cost (\$k)
Meters (10)	Positive Displacement meters.	2
Valves (10)	Antiquated frozen gate valves. Use ball valves.	4
Blow-offs (10)	Brittle stems, hard to open, not secure	2
Water Mgr Salary Increase	Water manager salary. Currently \$18k/year.	TBD
Dump Truck Repair	Tune Up and Tires - Toby mechanic \$1k/year	3
Work Truck Repairs	Maintenance	2
Steel Tank Repairs	Replace top seal. Install galvanized anode. Welding repairs.	TBD
Steel Tank Liner	Replace tank liner (eg Polyurea, Poly-Cote 115, polyeuro 5502 PW liner)	TBD
Peterson Pump	Replace Pump 2021	0
Mooney Pump	Replaced Jan 2022 (Sexton Invoice 8943)	0
Pipeline Sections	2" and 3" PVC Schedule 40	5
Skid Steer	Dig, load, grade, spread, transport. Medium duty for narrow sites.	45
TOTAL		\$65

More Expenses Next Three Years

Expense	Reason for Change
Increase in Water Manager Fees	Water managers generally get raises, benefits & bigger salaries
Hire contractors for repairs	Volunteers are generally not water system plumbers
Inflation next Five Year	Inflations goes up
Unexpected Repairs and Costs	Cannot predict the future
Government fees	Regulations go up

Budget Likely to increase \$20k next few years, From \$58k to \$80k

Why Raise Fees

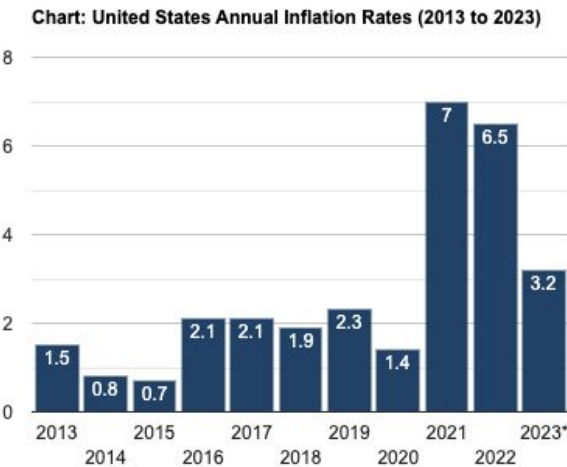
To Maintain a Working System

To Upgrade the System in areas that are weak and unstable

To Streamline the System to be manageable by the Community

To Invest in Tomorrow as others did in the Past

Because Water is necessary to comfortably enjoy & live in Canebrake



Average Inflation Rate 2.7% last 10 years

Inflation Calculator

If in (enter year)

I purchased an item for \$

then in (enter year)

that same **item would cost:** **\$128.97**

Cumulative rate of inflation: **29.0%**

<https://www.usinflationcalculator.com/>

Cumulative Inflation Rate Last 8 years = 29%

Water Rate History

Date	Access Fee	<5k gallons cents/gallon	<10k gallons cents/gallon	> 10k gallons cents/gallon
August 2015	\$50		0.75	3
Oct 2015	\$60 (+%20)	0.95 (+26%)	0.95 (+26%)	3
Apr 2019	\$60	1.25 (+31%)	2.5 (+%263)	4 (+%33)
Usage Last 3 yrs (1386 readings)	77 meters	92% (~7 houses no usage)	7% (97 reads)	1% (12 reads)

Adjust Access Fee and Water Usage Fee <5k gallons for the common consumers
 Water Usage >5k gallons are from oversights and garden hobbyists

Water Rate Adjustment Calculator

# Active Meters	# Water Users	Access Fee	Fee Yearly Income	Yearly Increase Access \$	Yearly Increase Access %	Avg Bimonthly Usage (gallons)	< 5k gallons cents/gallon	Bimonthly Usage Cost	Water Sales Yearly Income	Increase Usage \$	Increase Usage %	Total Water Income
77	70	\$60	\$27,720	Current 2023	Current 2023	1758	1.25	\$22	\$9,230	Current	Current	\$36,950
77	70	\$72	\$33,264	\$5,544	20.0%	1687.68	1.6	\$27	\$11,341	\$2,112	22.9%	\$44,605
77	70	\$77	\$35,574	\$2,310	6.9%	1620	1.8	\$29	\$12,247	\$906	8.0%	\$47,821
77	70	\$80	\$36,960	\$1,386	3.9%	1555	2	\$31	\$13,062	\$815	6.7%	\$50,022
77	70	\$83	\$38,346	\$1,386	3.8%	1493	2.2	\$33	\$13,795	\$733	5.6%	\$52,141