

## **ANNUAL WATERWORKS INFORMATION**

Year: 2010  
Name of Municipality: Town of Eatonia  
Date: September 20, 2011

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### **WATERWORKS RATE POLICY:**

On, December 8, 2009, Council passed a bylaw to fix the rates to be charged for the use and consumption of water and to fix the rates to be charged by way of rent and service charge for the use of the sewer.

Under the waterworks rate policy, passed by a resolution of Council on November 4, 2009, the water rate for the first 4,000 gallons of water is \$0.0075 per gallon rate, as adopted under the Water Bylaw, dated December 8, 2009.

Below is a breakdown for the planned per gallon water rate increases of 10 percent every second year for the next four years. To demonstrate the impact on residents and businesses, below are estimated monthly charges that reflect the rate increases, which are based on an average household consumption of 4,000 gallons of water every month.

<b>DATE</b>	<b>PER GALLON RATE</b>	<b>ESTIMATED MONTHLY CHARGE</b>
January 1, 2010	\$0.0075	\$30.00
January 1, 2012	\$0.0083	\$33.00
January 1, 2014	\$0.009	\$36.00

The objective of the waterworks rate policy is to work towards waterworks that are self-financing, where the users pay for the costs of the service. To accomplish this, waterworks rates need to increase over time so that the revenues cover operating costs, to the extent possible.

### **WATERWORKS CAPITAL INVESTMENT STRATEGY:**

On November 4, 2009, Council passed a resolution on a waterworks capital investment strategy.

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses. The strategy uses the 2005 waterworks system assessment that was required by Saskatchewan Environment for infrastructure planning.

To cover the costs of future waterworks infrastructure maintenance and replacements, Council will likely need to undertake in the future a combination of increasing water rates to build the waterworks reserves, once the water rates cover waterworks operating costs, and long term borrowing.

This capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.

**ANNUAL WATERWORKS FINANCIAL OVERVIEW:**

The following is information on the waterworks, as required under *The Municipalities Regulations*:

2010 Waterworks Overview:

**Includes conditional grants for capital purchases and but not amortization:**

Total waterworks revenues:	\$428,734
Total waterworks expenditures:	\$163,345
Total dept payments on waterworks infrastructure loans:	\$0

Comparison of waterworks revenue to expenditures plus debt payments, expressed as a ratio:

$$\frac{\$428,734}{\$163,345} = 2.58$$

Condition Grants for Capital Purchases include the following grants:

Building Canada Fund Grant	\$274,993.00
Gas Tax Grant	<u>\$ 28,374.00</u>
<b>TOTAL</b>	<b><u>\$303,367.00</u></b>

**Does not includes conditional grants for capital purchases and amortization:**

Total waterworks revenues:	\$125,367
Total waterworks expenditures:	\$163,345
Total dept payments on waterworks infrastructure loans:	\$0

Comparison of waterworks revenue to expenditures plus debt payments, expressed as a ratio:

$$\frac{\$125,367}{\$163,345} = 0.77$$

**RESERVES:**

Reserves available for waterworks capital infrastructure is \$135,139.34 as of August 31, 2011 which includes the following:

Capital Trust Fund Fast Track	\$ 93,289.96
Building Canada Fast Track	<u>\$ 41,849.48</u>
<b>TOTAL</b>	<b><u>\$135,139.44</u></b>

**CAPITAL PLANS:**

The Council does not have any capital projects planned for the waterworks infrastructure.

**WATERWORKS ASSESSMENT:**

The Waterworks System Assessment required by Sask Environment was completed on August 29, 2011 by the town's engineer, Blue Sky Management Ltd.

Council passed a resolution to accept this public waterworks information on September 20, 2011.

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Mayor

Administrator