

ANNUAL WATERWORKS INFORMATION (AMENDED)

Year: 2023
 Name of Municipality: Town of Eatonia
 Date: August 8, 2024

WATERWORKS RATE POLICY:

The water and sewer rates that are established for the next eight (8) years were chosen to be an acceptable rate for residents and businesses. Water and sewer operating expenditures include waterworks’ staff salaries, benefits, and training; power, heat; insurance; chemicals; repairs; maintenance; supplies; etc.

Below provides the planned water and sewer rate increases of 10 percent every second year over the next eight years. To demonstrate the impact, below are estimated monthly charges that reflect the rate increases on the base residential and business rates:

MONTHLY MINIMUM WATER CHARGE:

DATE	MINIMUM MONTHLY CHARGE (4000 GALLONS)
January 1, 2026	\$63.90
January 1, 2028	\$70.30
January 1, 2030	\$77.35
January 1, 2032	\$85.10

WATER OVERAGE CHARGE (BILLED QUARTERLY):

DATE	PER 1,000 GALLONS OR PART THEREOF
January 1, 2026	\$11.85
January 1, 2028	\$13.05
January 1, 2030	\$14.35
January 1, 2032	\$15.80

MONTHLY MINIMUM SEWER SERVICE CHARGES:

TYPE	JANUARY 1, 2026	JANUARY 1, 2028	JANUARY 1, 2030	JANUARY 1, 2032
Café/Restaurants	\$23.55	\$25.90	\$28.50	\$31.35
Car Wash	\$14.20 & \$5.30 for stalls over 1	\$15.65 & \$5.85 for stalls over 1	\$17.20 & \$6.45 for stalls over 1	\$18.95 & \$7.10 for stalls over 1
Churches	\$14.20	\$15.65	\$17.20	\$18.95
Garages	\$14.20	\$15.65	\$17.20	\$18.95
Personal Care Home	\$117.90	\$129.70	\$142.70	\$157.00
Suites	\$14.20 each suite	\$15.65 each suite	\$17.20 each suite	\$18.95 each suite
School	\$117.90	\$129.70	\$142.70	\$157.00
Residences	\$14.20	\$15.65	\$17.20	\$18.95
Business/Residence Attached	\$14.20 min & \$14.20 min for each residence	\$15.65 min & \$15.65 min for each residence	\$17.20 min & \$17.20 min for each residence	\$18.95 min & \$18.95 min for each residence
All Others	\$14.20	\$15.65	\$17.20	\$18.95

Council will work towards water and sewer work revenues that cover water and sewer works expenditures. Council will closely monitor expenditures and review the rates on an annual basis.

By planning the water and sewer rate increases ahead of time, residents and businesses will be able to prepare for and adjust to increases. Bylaws will be passed every second year to increase water and sewer rates or sooner if needed.

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, the rates need to increase over time so that the revenues cover operating costs, to the extent possible. At the end of every year of the planned rate increases, Council will review its policy to determine if revenues are covering costs. At that time, Council will also need to consider increasing rates to build the reserves to cover future

ANNUAL WATERWORKS INFORMATION (AMENDED)

infrastructure maintenance and replacement costs.

This water and sewer works rate policy will work towards financially independent water and sewer works that do not have to compete with other key municipal financial demands under the municipal general revenue fund. This will ensure our waterworks can provide safe drinking water. Also, rates that cover costs will influence consumer demand and water conservation, and self-financing utility works will reduce pressures on property taxes.

CURRENT WATER AND SEWER RATES:

On December 12, 2023, Council passed Bylaw No. 7/23 to fix the rates to be charged for the provision of water and sewer services and a capital infrastructure fee for funding capital projects:

Monthly Water Rates:

4,000 gallons or less	Minimum - \$58.08
Over 4,001 gallons	\$10.78 per 1,000 gallons or part thereof

Monthly Sewer Service Charges:

Cafes/Restaurants	\$21.42 minimum
Car Wash	\$12.89 minimum and \$4.82 for each stall over 1
Churches	\$12.89 minimum
Garages	\$12.89 minimum
Person Care Home/ Health Care Centre	\$107.18 minimum
Suites	\$12.89 minimum each
School	\$107.18 minimum
Residences	\$12.89 minimum
Business with Residences Attached	\$12.89 minimum and \$12.89 minimum for each residence
All Others	\$12.89 minimum

Monthly Capital Infrastructure Fee:

Residential	\$20.00
Commercial	\$20.00

WATERWORKS CAPITAL INVESTMENT STRATEGY:

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements in a timely fashion to ensure the municipal waterworks provides safe drinking water and that wastewater is managed responsibly for residents and businesses. The strategy uses the 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 need to undertake, in the future, a combination of increasing water rates, sewer rates and infrastructure fee to build the utility reserves and if needed 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.

PINTER & Associates Ltd. has completed an Infrastructure Related Condition Assessment Report of the water and sewer lines in town which involved creating a system of rating information on these assets, determining the current value, annual maintenance costs and life cycle costs for these assets.

The town has significant impending expenses that will be required to replace or reline the majority of sewer lines within the community within the next 20 years. The sewer lines are deteriorating at a rate faster than expected.

The majority of the water lines were replaced between 1980 and 2000 and their lifespan should carry on past the timeline analysed in the report.

The engineer recommends setting aside \$20,000 to \$25,000 (combined for both water and sewer lines) per year in a Utility Reserve fund for the replacement or the relining of the sewer lines and replacement of the water lines when needed.

ANNUAL WATERWORKS INFORMATION (AMENDED)

ANNUAL WATERWORKS FINANCIAL OVERVIEW:

The following annual information on the waterworks, as required under *The Municipalities Regulations*, is to be made available at the municipal office by September 1 of each year:

2023 Waterworks Overview:

Does not include amortization:

Total water and sewer revenues:	\$277,701
Operating expenditures:	\$184,100
Total debt payments on waterworks infrastructure loans:	\$212,530

The debt payment on the waterworks infrastructure loan was paid in full using funds from the Canada Community Building Fund that was invested in a savings account.

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

$$\frac{\$277,701}{\$396,630} = 0.70$$

Includes amortization:

Total water and sewer revenues:	\$277,701
Operating expenditures:	\$238,632
Total debt payments on waterworks infrastructure loans:	\$212,530

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

$$\frac{\$277,701}{\$451,162} = 0.62$$

Includes amortization but does not include debt payment (amended):

Total water and sewer revenues:	\$277,701
Operating expenditures:	\$238,632

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

$$\frac{\$277,701}{\$238,632} = 1.16$$

RESERVES:

Reserves available for waterworks capital infrastructure as of December 31, 2023, are:

- Utility Reserve - \$129,570.55
- Capital Trust Fund - \$267,325.50
- Infrastructure Fee Reserve - \$20,157.24

WATERWORKS ASSESSMENT:

Amendments have been made to *The Waterworks and Sewage Works Regulations* (Section 32) that eliminate the need to conduct an independent engineering assessment of human consumptive waterworks on a cyclical basis, also commonly referred to as Waterworks System Assessment (WSA), every five years. Therefore, the requirement for the town to complete a Waterworks System Assessment on a routine five-year cycle is no longer in effect.

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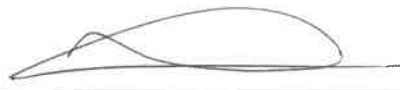
These assessments will be required on a frequency as determined by the Minister and as described in the Permit to Operate a Waterworks. Requirements for an assessment may also be put in place by the Environmental Project Officer who oversees the town's waterworks system.

The last Waterworks System Assessment required by the Saskatchewan Water Security Agency was completed on December 22, 2015, by Pinter & Associates Ltd. On January 5, 2016, Rodney Lemon, Environmental Project Officer deemed the assessment for the town complete and met the requirements of the Saskatchewan Water Security Agency Standard. This Waterworks System Assessment is available at the municipal office.

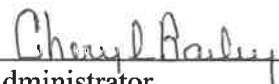
AGREEMENTS:

There are no agreements entered into respecting the provision of municipal waterworks services.

Council passed a resolution to accept this annual waterworks information on May 7, 2024, and passed a resolution to amend on August 8, 2024.



Deputy Mayor



Administrator