

ANNUAL WATERWORKS INFORMATION

Year: 2019

Name of Municipality: Town of Eatonia

Date: June 9, 2020

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	PER GALLONS RATE	MINIMUM MONTHLY CHARGE (4000 GALLONS)
January 1, 2022	\$0.01320	\$52.80
January 1, 2024	\$0.01452	\$58.08
January 1, 2026	\$0.01597	\$63.89
January 1, 2028	\$0.01757	\$70.28

WATER OVERAGE CHARGE (BILLED QUARTERLY):

DATE	PER GALLONS RATE
January 1, 2022	\$0.0098
January 1, 2024	\$0.0108
January 1, 2026	\$0.0119
January 1, 2028	\$0.0131

MONTHLY MINIMUM SEWER SERVICE CHARGES:

TYPE	JAN. 1, 2022	JAN. 1, 2024	JAN. 1, 2026	JAN. 1, 2028
Café/Restaurants	\$19.47	\$21.42	\$23.56	\$25.92
Car Wash	\$11.72 & \$4.39 for stalls over 1	\$12.89 & \$4.82 for stalls over 1	\$14.18 & \$5.30 for stalls over 1	\$15.60 & \$5.83 for stalls over 1
Churches	\$11.72	\$12.89	\$14.18	\$15.60
Garages	\$11.72	\$12.89	\$14.18	\$15.60
Personal Care Home	\$97.44	\$107.18	\$117.90	\$129.69
Suites	\$11.72 each suite	\$12.89 each suite	\$14.18 each suite	\$15.60 each suite
School	\$88.58	\$97.44	\$107.18	\$117.90
Residences	\$11.72	\$12.89	\$14.18	\$15.60
Business/Residence Attached	\$11.72 min & \$11.72 min for each residence	\$12.89 min & \$12.89 min for each residence	\$14.18 min & \$14.18 min for each residence	\$15.60 min & \$15.60 min for each residence
All Others	\$11.72	\$12.89	\$14.18	\$15.60

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.

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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 in order to cover future 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 October 8, 2019, Council passed Bylaw No. 5/19 to fix the rates to be charged for the provision of water and sewer services effective January 1, 2020:

#### **Monthly Water Rates:**

4,000 gallons or less	Minimum - \$48.00
Over 4,001 gallons	\$8.90 per 1,000 gallons or part thereof

#### **Monthly Sewer Service Charges:**

Cafes/Restaurants	\$17.70 minimum
Car Wash	\$10.65 minimum and \$3.99 for each stall over 1
Churches	\$10.65 minimum
Garages	\$10.65 minimum
Person Care Home/ Health Care Centre	\$88.58 minimum
Suites	\$10.65 minimum each
School	\$88.58 minimum
Residences	\$10.65 minimum
Business with Residences Attached	\$10.65 minimum and \$10.65 minimum for each residence
All Others	\$10.65 minimum

### **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 so as 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 and sewer rates 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.

Most of the waterworks infrastructure is past its life expectancy. Any surplus from the water and sewer works is transferred into a utility reserve to replace the aging infrastructure in the future.

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**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:

2019 Waterworks Overview:

**Does not include amortization:**

Total water and sewer revenues: \$193,868

Operating expenditures: \$132,615

Total debt payments on waterworks infrastructure loans: nil

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

$$\frac{\$193,868}{\$132,615} = 1.46$$

**Includes amortization:**

Total water and sewer revenues: \$193,868

Operating expenditures: \$179,883

Total debt payments on waterworks infrastructure loans: nil

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

$$\frac{\$193,868}{\$179,883} = 1.08$$

**RESERVES:**

Reserves available for waterworks capital infrastructure as of December 31, 2019 are:

Utility Reserve - \$42,901.78

Capital Trust Fund - \$81,784.12

**WATERWORKS ASSESSMENT:**

The Round 3 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. The Waterworks System Assessment is available at the municipal office.

**CAPITAL PLANS:**

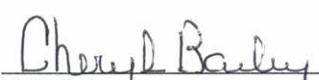
There are no capital plans for infrastructure projects as of December 31, 2019.

**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 June 9, 2020.

  
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Mayor

  
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Administrator