

ANNUAL WATERWORKS INFORMATION AVAILABLE AT THE MUNICIPAL OFFICE BY SEPTEMBER 1 OF EACH YEAR(as required under *The Municipalities Regulations*)

Municipality: Town of Battleford

Date: November 4, 2016

Waterworks Rate Policy

On May 17, 2010 Council passed a resolution on a waterworks rate policy

Under the waterworks rate policy resolution, the current quarterly rates and fees charged are included in the fee schedule of the Town of Battleford's Water and Sewer Rates Bylaw 3/2010 as follows:

	2010 Rates	2011 Rates	2012 Rates
Water (Quarterly rate)			
First 0-30 m3	\$78.00	\$81.00	\$84.00
Next 31 m3 +	1.10/m3	1.10/m3	1.10/m3
Sewer (Quarterly rate)			
First 0-30 m3	\$45.00	\$48.00	\$51.00
Next 31 – 100 m3	0.25/m3	0.25/m3	0.25/m3
101 m3 +	0.50/m3	0.50/m3	0.50/m3
Infrastructure Fee (Quarterly rate)	\$45.00	\$48.00	\$51.00

Council will be reviewing these rates in 2016 and will, at the very least, take inflationary factors into account to ensure water and sewer revenues cover water and sewer expenses and build reserves for future capital expenditures or to at least cover borrowing costs.

(Describe how the waterworks rates and fees are determined, including the types of costs used for determining the rates and fees)

The current water rate structure implemented in 2010 will generate enough revenue to cover water and sewer operating expenses, including current capital expenditures and when a surplus occurs the amount is placed in a Water and Sewer Reserve Fund. Operating costs include but not limited to staff salaries, benefits and training; electricity; natural gas; telephone; insurance; chemicals; repairs; maintenance; etc.

Council will ensure that sufficient funds are available to supply safe drinking water and upgrade all water and sewer facilities. Council is working constantly with its engineers to maintain, upgrade, and future planning of its water and sewer infrastructure.

Below provides the water rate increases. These rate increases are based on covering the cost of inflation. The Infrastructure fee of \$15/month or \$45 /quarterly billing will assist in the undertaking of capital expenditure.

Date	Quarterly Base Rate
2010	78.00
2011	81.00
2012	84.00

(Describe the objectives of the waterworks rate policy)

The objective of the waterworks rate policy is to ensure that the water and sewer utility continues to pay for the costs of the service. All proposed rate increases will at least cover inflationary increases.

Waterworks Capital Investment Strategy

On May 17, 2010, Council passed a resolution on a capital investment strategy.

(Describe the objectives of the waterworks capital investment strategy)

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and the timely replacement of that infrastructure so that residents and businesses can continue to enjoy abundant, safe drinking water on an uninterrupted basis. The cost of future waterworks infrastructure replacement will likely need a combination of increasing water rates to build reserves, funding from senior governments, long term borrowing and the possibility of local improvement levies.

(Describe how capital plans are determined, including how they are identified and prioritized. Indicate the sources of funding for waterworks infrastructure projects.)

Capital plans are being developed to address the waterworks infrastructure deficiencies and replacements as identified and prioritized in the 2015 waterworks system assessment that was required by Saskatchewan Environment. Also used for the capital plans is the 2016 draft Water Distribution Model Report. Grant applications will be made in hopes of securing funding from senior governments. The current waterworks capital plans and planned sources of funding are as follows:

Project	Planned Year of Completion	Costs	Future Costs	Source of Funding
Meter Replacement	2009*	\$ 16,000	\$75,000	Operating
5 th Ave Upsizing	2015	\$ 60,000		Operating
Sewage Pumping Station	2015	\$ 810,000		Operating/Reserves
WP Water and Waste Water	2018	\$2,800,000		Operating/Reserves
Sewerage Lagoon	2019	\$2,800,000		Grants/Borrowing/Reserves

* This is an annual project replacing 100+ meters each year

Future waterworks capital projects will be prioritized based on what is needed to ensure safe drinking water and funding available to undertake such projects.

ANNUAL FINANCIAL OVERVIEW (of the previous calendar year)

Total 2015 water and sewer revenues (as reported in the Financial Statements) –(R)- **\$1,759,268**

Total 2015 water and sewer expenditures (as reported in the Financial Statements) (includes interest paid on waterworks infrastructure loans) -(E)- **\$1,113,331**

Total debt payments on waterworks infrastructure loads (D) – zero (no waterworks debt)

Comparison of water & sewer revenues to expenditures plus debt payments expressed as a ratio

\$1,759,268 = 1.58

\$1,113,331 +0

If needed, an explanation of the ratio (Examples could include reasons for variation for other years; unusual expenditures, revenues or volume; new infrastructure debt, etc.)

For 2015, water and sewer revenues exceeded water and sewer expenditures.

Amount of 2015 supplementary funding required to cover expenditures - **\$0**

RESERVES

Reserves available for waterworks capital infrastructure - **\$ 1,277,006**

ATTACHMENTS

-Available at the Town Office, at a cost of \$35 is the 2010 Waterworks system assessment as required under section 35 of *The Water Regulations, 2002*.

-There is one agreement for waterworks services: the Town of Battleford is temporarily supplying water to the City of North Battleford due to the Husky oil spill in July 2016.

ANNUAL INFORMATION PROVIDED DIRECTLY TO THE PUBLIC THROUGH NEWSPAPERS, DIRECT MAILOUTS OR WEBSITES BY SEPTEMBER 1 OF EACH YEAR

The following is information on the Town of Battleford's waterworks, as required under *The Municipalities Regulations*.

2015 Waterworks Financial Overview:

Total water and sewer revenues (R) - **\$1,759,268**

Total water and sewer expenditures (E) - **\$ 1,113,331**

Total debt payment on waterworks infrastructure loans (D) - **\$ 0**

Comparison of water & sewer revenues to expenses plus debt expressed as a ratio- **$\frac{\$1,759,268}{\$1,113,331+0} = 1.58$**

For 2015, water and sewer revenues exceeded water and sewer expenditures 1.58%

The following additional information is available at the municipal office on the waterworks:

- The May 17, 2010 waterworks rate policy and capital investment strategy
- Capital plans in place and related sources of funding for the projects
- 2016 financial overview of the waterworks
- waterworks reserves
- at a cost of \$35, a copy of the 2010 waterworks assessment.

(A copy of the information is to be sent to Saskatchewan Government Relations, Policy Development Branch, 1855 Victoria Avenue, Room 1540, Regina, Saskatchewan, S4P 3T2)

Notes for Public Utility Boards

- These regulations also apply to public utility boards established under *The Municipalities Act*.
- The public utility board is responsible for compiling the required information related to the public utility and providing it to the respective municipalities.
- The municipalities are to make the public utility information available to the public at their municipal offices.
- Also, municipalities are to make available to the public at their municipal offices required waterworks information on the waterworks components that are not part of the public utility.
- The municipality must also provide the required information on the public utility and its own waterworks components directly to the public.