

# **ANNUAL WATERWORKS INFORMATION FOR THE YEAR 2022**

*(As required under The Municipalities Act Regulations)*

<b>Name of Municipality:</b>	<b>THE VILLAGE OF QUILL LAKE</b>
<b>Date:</b>	<b>June 20, 2023</b>

## **WATERWORKS RATE POLICY**

**On September 1, 2014, Council passed Bylaw 3-14 for waterwork rates**

### **Waterworks rates and fees:**

Under the waterworks rate policy bylaw, a minimum quarterly rate of \$120.00 for consumption from 0 to 9,000 gallons and a charge of \$10.50 per 1,000 gallons of water for overages. A minimum monthly rate of \$40.00 from 0 – 3000 and \$10.50 per 1,000 gallons of water for overages. Adopted by Bylaw No. 3-14 being a bylaw to fix the rates to be charged for the use and consumption of water effective September, 1, 2014.

Council annually reviews the rates and takes inflationary factors and water capital projects into account to ensure water revenues cover the subsequent expenses. To date, other than years where extraordinary capital expenditures have taken place, operating revenues have always covered operating expenses. Council will continue to review and adjust rates to ensure this practise continues.

### **Objectives of the waterworks rate policy:**

The objective of the waterworks rate policy is to work towards waterworks that are self-financing, where the users pay for the cost of the service. To accomplish this, waterworks rates will increase over time so that revenues cover operating and capital costs. Council will also build waterworks reserves to cover future infrastructure maintenance and replacement costs such as water mains, wells and upgrade to the Water Treatment Plant. The rates established for metered water will work towards a financially independent waterworks that does not compete with other key municipal financial demands under the general revenue fund. Also, rates that cover costs will influence consumer demand and water conservation, and reduce pressures on property taxes.

## **WATERWORKS CAPITAL INVESTMENT STRATEGY (Established by Resolution)**

**Date of Council Resolution August 12, 2022**

### **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 continue to enjoy abundant, safe drinking water on an uninterrupted basis.

To address future costs of waterworks infrastructure maintenance and replacements, Council will undertake a combination of increasing water rates to build up reserves, long term borrowing, special levies, Building Canada Funding and lobbying for future funding from senior governments.

**Capital Plan and Sources of Funding - Waterworks infrastructure projects:**

The Village Council is currently working with BCL Engineering on a Water Treatment Plant upgrade project. The plan is completed this project within the next 5 years

The current waterworks capital plans and planned sources of funding are as follows:

Project	Planned Year of Completion	Cost	Future Cost*	Source of Funding
Water Treatment Plant Upgrades	2028	\$5,284,000		Grant. BCL does all grant apps on our behalf

For future waterworks capital plans, projects will be prioritized based on what is needed to ensure safe, abundant drinking water and funding available to undertake such projects.

***ANNUAL FINANCIAL OVERVIEW (for the year 2022)***

Total 2022 waterworks revenue (as reported in the Financial Statements) (R) - **\$326,843**

Total 2022 water expenditures (as reported in the Financial Statements) (includes interest paid on waterworks infrastructure loans) (E) – **\$235,841**

Total debt payments on waterworks infrastructure loans (D): \$0.00

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

$$\frac{(\$326,843)}{(\$235,841)} = 1.39$$

Explanation of the ratio:

The above ratio shows the revenue is meeting the expenditures. Rates were reviewed in 2021 and no increases was made.

Amount of 2022 water revenues transferred out of the utility, specifying where the revenues were transferred: No utility reserves were used in 2022

Amount of 2022 supplementary funding required to cover expenditures, specifying the source of the supplementary funding: **-0-**

***RESERVES***

Reserves available for waterworks capital infrastructure - \$251,452

***ATTACHMENTS***

- A waterworks system assessment was completed in 2015 by Walker Consulting as required under section 35 of *The Water Regulations, 2002*. There are no agreements for waterworks services.

**ANNUAL INFORMATION PROVIDED DIRECTLY TO THE PUBLIC  
BULLETIN BOARD AND THE VILLAGE OF QUILL LAKE WEB SITE  
2022**

The following is information on the Village of Quill Lake's waterworks, as required under *The Municipalities Act Regulations*.

**2022 Waterworks Financial Overview:**

- Total waterworks revenues (R) - \$326,843
- Total waterworks expenditures (E) - \$235,841
- Total debt payments on waterworks infrastructure loans (D) - \$0
- Comparison of water & sewer revenues to expenses plus debt payments expressed as a ratio:

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$$\frac{(\$326,843)}{(\$235,841)} = 1.39$$

For 2022 water revenues covered 139% of water expenditures.

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

- Bylaw 3-14 for waterwork rates.
- Capital plans in place and related sources of funding for the projects
- 2022 Financial overview of the waterworks
- Waterworks reserves
- 2015 waterworks assessment as required under section 35 of the Water Regulations, 2002. These waterworks assessments are no longer required.

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