TOWN OF BRUNO

2021 ANNUAL WATERWORKS INFORMATION POLICY

POLICY 01/2021 Resolution: /2021

DATE: July 20th, 2021

WATERWORKS RATE POLICY

Bylaw #07/2020 was passed September 17, 2020 for the 2021 year.
The waterworks rate policy for 2021 is:

- the minimum rate charge of $166.14 per quarter for a maximum of 5,000 gallons of water
- the per 1000-gallon water rate of $28.81 for usage above the 5,000-gallon minimum;
- A flat rate fee for sewer service at $166.14 per quarter,
- a total minimum of $332.28 per quarter.
- These rates were to ensure that water & sewer works revenues cover water and sewer works operating costs.

THE WATERWORKS RATE POLICY FOR 2021

The Town of Bruno at its July 2021 meeting will pass a Bylaw to update the rates to be charged for the use and consumption of water and sewer for 2022.
The waterworks rate policy for 2022 will be:

- the minimum rate charge of $182.75 per quarter for a maximum of 5,000 gallons of water
- the per 1000-gallon water rate of $31.69 for usage above the 5,000-gallon minimum;
- A flat rate fee for sewer service at $182.75 per quarter,
- a total minimum of $3365.50 per quarter.
- These rates will to ensure that water & sewer works revenues cover water and sewer works operating costs.

For waterworks, operating costs and expenditures include staff salaries, benefits, training, water from SaskWater, utilities, insurance, chemicals, equipment, and building maintenance. The major cost is of purchasing treated river water from SaskWater.

This waterworks rate policy should allow the Town to reserve some funding annually to help offset future waterworks infrastructure needs.

Below provides the planned flat rate for 5,000 gallon rate and the per 1000 gallon water rate projected increases over five years from 2018.

			Estimated	**Estimated**	**Estimated**
	Per 1000 gallon rate	Per 1000 gallon rate	**Quarterly Water**	**Quarterly Sewer**	Total
Date	Minimum 5,000	Above 5,000 minimum	**Charge (minimum)**	**Charge (minimum)**	Charge (minimum)
January 1. 2018 10%	$16.64/1000	$21.65/1000	**$124.82**	**$124.82**	$249.64
January 1,2019 10%	$18.30/1000	$23.81/1000	**$137.31**	**$137.31**	$274.62
January 1, 2020 10%	$20.13/1000	$26.19/1000	**$151.04**	**$151.04**	$302.08
January 1, 2021 10%	$22.14/1000	$28.81/1000	$166.14	$166.14	$332.28
January 1 2022 10%	$24.35/1000	$31.68/1000	$182.75	$182.75	$365.50

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 need to increase over time in relation to expenses, so that the revenues cover operating costs. Council will review its waterworks policy annually to determine if revenues are covering costs.

WATERWORKS CAPITAL INVESTMENT STRATEGY

i) 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 collection for residents and businesses. The strategy uses the 2011 and 2015 Waterworks System Assessment as required by Saskatchewan Environment for infrastructure planning. In 2018 The Town of Bruno completed a Sanitary & Storm Network Asset Management Plan as well as a Water Network Management Plan. These Asset Management plans will be utilized by the Town of Bruno in future Capital Asset planning and Acquisitions. The Town of Bruno intends to continue building our reserve fund through budgeted revenue surpluses annually.

ii) The current waterworks capital plans and planned sources of funding are as follows.

Project	Planned year of completion	Estimated project cost	Future Cost*	Sources of Funding
Hydrant replacements	2018 - 2027	$20,000	$180,000	Budgeted Utility Annual Funding
Distribution Pump & Variable Frequency Device at WTP	2019	$55,000	Maintenance costs	Gas Tax Fund Budgeted Utility Annual Funding
Bulk Water system upgrade	2020	$10,000	Maintenance costs	Gas Tax Fund Budgeted Utility Annual Funding
Lift Station Upgrade	2021	$100,000	Running costs, Maintenance costs	MEEP Funding Budgeted Utility Annual Funding
South Water Loop	2021	$200,000	Maintenance costs	CIF Funding Budgeted Utility Annual Funding
Pump Header	2022	25,000	Maintenance costs	Budgeted Utility Annual Funding

ANNUAL FINANCIAL OVERVIEW

Total 2020 waterworks revenues $461,124.46
Total 2020 waterworks expenditures $355,212.44
Total debt payments on waterworks infrastructure loans $0

Comparison of waterworks and sewer revenues to expenditures plus debt payments, expressed as a ratio

$$\frac{\$461,124.00}{\$355,512.00} = 1.29 \text{ times}$$

For 2020, waterworks and sewer revenues covered 129% percent of the expenditures.

RESERVES

Reserves available for waterworks capital infrastructure at December 31, 2020 $232,037.78

OTHER AVAILABLE WATERWORKS INFORMATION

Engineering Assessments
Drinking Water Quality and Compliance Report
Water Network Asset Management Plan
Waterworks Quality Assurance Quality Control Policy
Asset Management Plans