

TOWN OF HAFFORD

ANNUAL WATERWORKS INFORMATION

ANNUAL INFORMATION TO BE MADE AVAILABLE AT THE MUNICIPAL OFFICE BY SEPTEMBER 1 OF EACH YEAR (beginning 2006)

Year: 2022

Name of Municipality: TOWN OF HAFFORD

Date: August 30, 2023

WATERWORKS RATE POLICY

On March 9, 2021 Council passed Bylaw No. 2021-04 to set rates to be charged for Water and Sewer. This bylaw came into effect with Saskatchewan Municipal Board approval on April 08, 2021. Under this bylaw, the current Water & Sewer Rates are as follows:

Water Rate (Billed every 2 months)

First 2,500 gallons	\$35.00 minimum
2,500 gallons and over	\$14.00 per 1,000 gallons

The rate established on March 9th, 2021 currently generates sufficient revenues to cover operating, capital and debt replacement costs, and to potentially provide for future reserve building. Operating costs include staff wages and benefits, contracted services, heat, power, insurance, repairs, maintenance, materials and supplies. Capital costs include both infrastructure maintenance and replacement projects. Debt repayment costs would include annual debenture and long-term loan payments. The Town currently has no debt repayment costs. When practical, any excess of revenues over expenses may be designated for a water and sewer reserve fund.

The objective of the Water & Sewer Rate Policy is to ensure waterworks are self-sustaining and that users bear the costs of the service. To facilitate this, rates need to generate revenues that cover operating, capital and debt repayment costs. Council will conduct an annual review of the waterworks policy to ensure revenues continue to cover operating, capital and debt repayment costs.

WATERWORKS CAPITAL INVESTMENT STRATEGY

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 to residence and businesses. For the purpose of infrastructure planning, the strategy uses the following: (a) 2006 Waterworks System Assessment prepared by PINTER & Associates; (b) 2007 Water Treatment Plant Evaluation prepared by Dave Clark Water Treatment Consulting; (c) the Town of Hafford Five-year Capital Works Plan.

To cover the costs of future waterworks infrastructure maintenance and replacements, Council will likely need to in the future increase water and sewer rates to build the utility reserves, and to continue to cover waterworks operating costs and 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 in the future.

Capital plans are being formulated to address the waterworks infrastructure deficiencies.

ANNUAL WATERWORKS FINANCIAL OVERVIEW

The following is information on the waterworks, as required under The Municipalities Regulations:

2021 Waterworks Overview:

Total waterworks revenues: \$176,642

Total waterworks expenditures: \$156,883

Total debt payments on waterworks infrastructure loans: \$0.00

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

$$\frac{176,642}{156,883} = 1.13$$

RESERVES - Reserves available for waterworks capital infrastructure - \$19,759

2022 Waterworks Overview:

Total waterworks revenues: \$189,751

Total waterworks expenditures: \$171,755

Total debt payments on waterworks infrastructure loans: \$0.00

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

$$\frac{189,751}{171,755} = 1.10$$

RESERVES - Reserves available for waterworks capital infrastructure - \$17,996

The following additional information is available at the Municipal Office on the waterworks:

- Audited Financial Statements
- Council is starting a reserve fund for future projects
- Annual compliance for drinking water