

**VILLAGE OF BETHUNE
ANNUAL WATERWORKS INFORMATION
AND
WATERWORKS RATE POLICY**

The rates and fees charged by the Village of Bethune are calculated in units of 1000 gallons of consumption with 4000 gallons per month per consumer being allowed as a base. The minimum charge to a consumer will be the base rate as established by bylaw if the consumer uses less than 4000 gallons. Overage rates apply at a rate per 1000 gallons, or part thereof, exceeding the minimum of 4000 gallons per month.

The applicable fees commencing April 1, 2014 are as follows:

- | | | |
|---|-------------------------------------------------------------|--------------------------------------|
| - | Minimum monthly charge for 4000 gallons | \$65.00 |
| - | Overage rate – gallons exceeding 12,000 in a 3 month period | \$16.50/1000
or part thereof over |

Meters are read once every 3 months.

Council will undertake periodic review of the waterworks policy to ensure that we maintain our revenues at a level to continue covering our waterworks operating costs and to consider the need for increases to offset future waterworks infrastructure costs.

In 2013 our waterworks rates covered 100% of the operating costs. Costs used to determine the rates included – employee salaries, benefits and training; insurance; professional services, machinery fuel, repairs and maintenance, power, telephone and heat, water treatment costs, water distribution repairs and maintenance and sewage lagoon treatments costs.

One objective of the waterworks policy is to maintain the utility as a self-sustaining entity. To accomplish this, rates need to increase over time so that the revenues cover the operating costs. Council will review rates periodically to ensure revenues are keeping pace with cost increases, and allow for revenues for future infrastructure maintenance and/or replacement.

This waterworks policy will ensure that the Village of Bethune continues to provide safe drinking water to our consumers. Also, rates that continue to cover operating costs will influence consumer demand and encourage water conservation. Self-financing future infrastructure will reduce demand on property taxes.

ANNUAL FINANCIAL OVERVIEW

Total 2013 waterworks revenues (audited financial statement) \$176,982

Total 2013 waterworks expenditures \$156,707

Comparison of waterworks revenues to expenditures:

For 2103 waterworks revenue covered 100% of expenditures

Amount of waterworks revenues transferred out of utilities for 2013 0

Amount of supplementary funding required to cover expenditures for 2103 0

RESERVES

Reserves available for waterworks capital infrastructure \$20,000

ATTACHMENTS

Attached is the 2012 waterworks system assessment, as required under section 25 of *The Water Regulations, 2002*.

The Village of Bethune has an agreement with Sask Water to supply our water.

WATERWORKS CAPITAL INVESTMENT STRATEGY

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and new replacements in a timely fashion to ensure the municipality is able to meet the safe drinking water requirements for all our consumers. The strategy uses the Waterworks System Assessment report prepared by our consultants EPEC Consulting – Walker Projects, Regina, Sask.

To cover the costs of future waterworks infrastructure and maintenance, Council passed a water rate bylaw in 2010 that provides for projected increases for the current year.

The capital requirements have been identified and prioritized in the Waterworks System Assessment report, which will likely be updated and monitored over the next few years to re-evaluate the priorities. The current waterworks capital plans and sources of funding are as follows:

<u>Project</u>	<u>Planned Year of Completion</u>	<u>Cost Estimate</u>	<u>Source of Funding</u>
Line Replacement	2014	\$112,000	Current, Surplus, Reserves
Stand By Motor	2015	\$20,000	Current and Reserves