

**WATERWORKS RATE POLICY  
AND  
CAPITAL INVESTMENT STRATEGY**

Year: 2020	January 1 – December 31, 2020
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Name and Number of Municipality:	Northern Village of Air Ronge
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**WATERWORKS RATE POLICY (to be established by bylaw or resolution by July 1, 2006)**

Describe the waterworks rates and fees charged by the municipality, including price per unit:  
**Attached Bylaw No. 299/18**

Describe how the waterworks rates and fees are determined, including the type of costs used for determining the rates and fees.

**The Northern Village of Air Ronge, The Town of La Ronge and The Lac La Ronge Indian Band all have agreed to contribute funds to the Lac La Ronge Regional Water Corporation (the “Corporation”) through cost sharing. Administrative and operating expense sharing changed to the Town of La Ronge 41.90%, the Northern Village of Air Ronge 17.24% and the Lac La Ronge Indian Band 40.86%. Now Operational, administrative and operating expenses will be evaluated every year. Additional funding for the capital project has been received through Canada Strategic Infrastructure Fund. Increase 3% each year up to 2019 Council plans to revisit and adjust accordingly**

<u>Date</u>	<u>Monthly Charge(Water)</u>
January 1, 2020	\$38.95
January 1, 2021	Revisit and adjust accordingly

Describe the objectives of the waterworks rate policy:

**The objective of the waterworks rate policy is to provide safe reliable drinking water to the residents of the municipality at an affordable cost to the residents. The flat fee rates have been calculated to offset all costs and expenses for providing this service to the residents. These rates have to be re-examined now that all the costs of purchasing the drinking water from the LLRRWC and for having SaskWater as the municipality’s certified operator is fully known.**

**WATERWORKS 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, infrastructure problems and future infrastructure replacements in a timely fashion as to ensure that the municipal waterworks will provide safe drinking water to all users. To cover cost of future maintenance and replacements to the waterworks infrastructure, funds will need to be placed in reserve for future use. Therefore, revenues will need to exceed operating expenditures which will require an increase in usage rates so that reserves can be funded. All capital costs associated with the municipality’s waterworks should be funded from waterworks revenues or reserves and not from the Village’s general operating revenues or general reserves.**

Describe how capital plans are determined, including how they are identified and prioritized:

**The water treatment plant is a new system, assuming that there will not be any major expenses to the system for a few years, we have water lines that are aging and may need replacing. There will also be increases from SaskWater and the LLRRWC.**

Indicate the sources of funding for waterworks capital infrastructure projects

**Municipal Resources as well as Federal and Provincial Grants**

### ANNUAL FINANCIAL OVERVIEW

Total Waterworks revenues (as reported in the 2019 Financial Statement)	<b>\$ 576,452</b>
Total Waterworks expenditures (as reported in the 2019 Financial Statement)	<b>\$ 739,317</b>
Total Debt Payments on waterworks infrastructure loans	<b>\$0</b>
Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio	
<b>\$ 576,452</b>	<b>0.78</b>
<b>\$ 739,317</b>	
If needed an explanation of the ratio	
Amount of waterworks revenues transferred out of the utility, specifying where the revenues were transferred. <b>\$0 transferred to reserve</b>	
Amount of supplementary funding transferred to the waterworks to cover expenditures, specifying the source of the supplementary funding <b>\$0.00</b>	

### RESERVES

Indicate reserves available for waterworks capital infrastructure  
**The municipality currently has a general reserve fund for capital expenditures but it is not specifically designated for waterworks capital expenditures.**

### ATTACHMENTS

Most recent engineering waterworks assessment Pursuant to Section 35 of *The Water Regulations, 2002* as required by Saskatchewan Environment:  
**Waterworks System Assessment Northern Saskatchewan - Available upon request**  
**Current Certified Operation and Maintenance Agreement for the Distribution of Drinking Water and Collection of Wastewater agreement with SaskWater.**  
**Drinking Water supply agreement with LLRRWC.**  
**Bylaw 299/18 a Water and Sewer Bylaw for the Northern Village of Air Ronge**

**Northern Village of Air Ronge  
Annual Notification to the Public  
Municipal Waterworks  
2020 Financial Year**

As required under section 45(3) of *The Northern Municipalities Regulations*, the following information on the Northern Village of Air Ronge Waterworks for the 2020 fiscal year is available to consumers:

Total Waterworks revenues (as reported in the 2020 Financial Statement)	<b>\$ 576,452</b>
Total Waterworks expenditures (as reported in the 2020 Financial Statement)	<b>\$ 739,317</b>
Total Debt Payments on waterworks infrastructure loans	<b>\$0</b>
Comparison of waterworks revenues to expenditures plus debt payments (expressed as a ratio)	<b>0.78%</b>

All waterworks information for the 2020 fiscal year required under section 44 of *The Northern Municipalities Regulations* is available for inspection at the municipal office during regular business hours.

