



FACT SHEET ON WATERWORKS PROVISIONS

The Municipalities Regulations (Part VIII, Sections 50 to 55)

The Cities Regulations (Part V.1, Sections 22.1 to 22.6)

The Northern Municipalities Public Reporting on Municipal Waterworks Regulations

What is the purpose of the waterworks provisions?

- These provisions are part of the provincial government's safe drinking water strategy that was developed in response to the recommendations from the report of the Commission of Inquiry on North Battleford's Drinking Water.
- They will help water consumers understand the financial situation of their municipal waterworks and the need for municipalities to work towards waterworks rates that cover costs, including capital costs.
- They will encourage municipalities to establish waterworks rates that cover waterworks costs, including capital costs, and to have capital plans in place that ensure safe drinking water.
- The regulations do not require municipalities to establish cost recovery rates.

What water systems do the Regulations apply to?

- Municipal waterworks that supply water through a distribution system.
- Municipal waterworks established through a controlled corporation, such as public utility boards.
- Waterworks includes infrastructure for the supply, collection, treatment, storage and distribution of water.

What water systems do the Regulations not apply to?

- Municipal hygienic systems that are approved by Saskatchewan Environment.
- Municipal systems that are not required to do a waterworks assessment under section 35 of Saskatchewan Environment's *Water Regulations, 2002*.
- Single stand alone municipal wells, where water is truck hauled, or bulk water delivered by truck.
- Small semi-public water systems that are regulated by Saskatchewan Health.
- Private water supply systems.

What are the requirements?

- By July 1, 2006, municipalities are required to have in place a waterworks rate policy and capital investment strategy, which are to be adopted either by council resolution or bylaw.
- By September 1st of each year, the municipality is to provide on its website or in a newspaper or mailout:
 - a brief statement on the annual total waterworks revenues, expenditures and debt payments;
 - a comparison of the revenues to expenditures plus debt payments (expressed as a ratio); and
 - a list of the waterworks information that is available at the municipal office.A copy of this is to be sent to the Saskatchewan Municipal Affairs, Grants Administration and Financial Management Branch, 410-1855 Victoria Avenue, Regina, Saskatchewan, S4P 3V7.
- By September 1st of each year, the following is to be made available to the public at the municipal office:
 - the municipal waterworks rate policy and capital investment strategy;
 - a brief statement on the annual total waterworks revenues, expenditures and debt payments, and transfers of funding into, and out of, the waterworks (as reported under the financial statements);
 - a comparison of the waterworks revenues to expenditures plus debt payments (expressed as a ratio);
 - a statement of current reserves available for future waterworks capital expenditures;
 - a copy of the most recent waterworks assessment required by Saskatchewan Environment;
 - capital plans that the municipality has established and sources of funding for the capital projects; and
 - any agreements respecting the provision of municipal waterworks services.(If waterworks information cannot be separated from sewage works information, combined waterworks and sewage works information can be reported.)

A guide is provided to assist municipalities in providing waterworks information to the public.

WORKSHEET GUIDE

ANNUAL INFORMATION TO BE MADE AVAILABLE AT THE MUNICIPAL OFFICE BY SEPTEMBER 1 OF EACH YEAR (beginning 2006)	
Year:	
Name and Number of Municipality:	
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 the price per unit.	
Describe how the waterworks rates and fees are determined, including the types of costs used for determining the rates and fees.	
Describe the objectives of the waterworks rate policy – what the municipality is trying to achieve with the rates and fees. (Examples of objectives could include rates that recover costs, encourage conservation, generate revenue, are affordable, stimulate economic development, enhance external water sales, etc.)	
WATERWORKS CAPITAL INVESTMENT STRATEGY (to be established by bylaw or resolution by July 1, 2006)	
Describe the objectives of the waterworks capital investment strategy – what the municipality is trying to achieve. (Examples of objectives could include capital investments that address immediate safe drinking water infrastructure problems and/or requirements as outlined in the waterworks assessments, ensure timely capital investments to protect the infrastructure, minimize rate increases, minimize debt, capture federal and provincial infrastructure funding, expand the system, etc.)	
Describe how capital plans are determined, including how they are identified and prioritized.	
Indicate the sources of funding for waterworks capital infrastructure projects. (Examples include reserves, borrowing, general revenues, etc.)	
ANNUAL FINANCIAL OVERVIEW (of the previous calendar year)	
Total waterworks revenues (as reported in the Financial Statements) (R).	
Total waterworks expenditures (as reported in the Financial Statements) (includes interest paid on waterworks infrastructure loans) (E).	
Total debt payments on waterworks infrastructure loans (D).	
Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio - $\frac{(R)}{(E)+(D)}$.	
If needed, an explanation of the ratio. (Examples could include reasons for variation from other years; unusual expenditures, revenues or volume; new infrastructure debt, etc.)	
Amount of waterworks revenues transferred out of the utility, specifying where the revenues were transferred.	
Amount of supplementary funding transferred to the waterworks to cover expenditures, specifying the source of the supplementary funding.	
RESERVES	
Indicate reserves available for waterworks capital infrastructure.	
ATTACHMENTS	
Attach copies of the following waterworks documents: <ul style="list-style-type: none"> • Most recent engineering waterworks assessment pursuant to Section 35 of <i>The Water Regulations, 2002</i>, as required by Saskatchewan Environment; • Capital infrastructure plans in place (projects, costs and timing) and sources of funding for the projects; and • Current agreements respecting waterworks services. 	
ANNUAL INFORMATION TO BE PROVIDED DIRECTLY TO THE PUBLIC THROUGH NEWSPAPERS, DIRECT MAILOUTS OR WEBSITES BY SEPTEMBER 1 OF EACH YEAR (beginning 2006)	
As above under annual financial overview: <ul style="list-style-type: none"> • Total waterworks revenues (R); • Total waterworks expenditures (E); • Total debt payments on waterworks infrastructure loans (D); and • Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio, and any explanation of the ratio that may be needed. A list of waterworks information that is available at the municipal office.	