



Village of Theodore
Box 417 Theodore, SK. S0A 4C0
Phone: (306) 647-2315
Facsimile: (306) 647-2476
E-mail: theodore.village@sasktel.net
Website: www.villageoftheodore.com

2011

WATERWORKS RATE POLICY,

ANNUAL WATERWORKS

FINANCIAL OVERVIEW

AND

CAPITAL INVESTMENT

STRATEGY

WATERWORKS RATE POLICY

On July 29, 2009, Council passed a bylaw to fix the rates to be charged for the use and consumption of water.

Under this bylaw a three year rate increase was established:

MONTHLY WATER RATES EFFECTIVE JULY 1, 2009:

2,000 gallons or less	Minimum \$25.00
2,001 to 30,000 gallons	\$5.00 per 1,000 gallons or part thereof
Over 30,001 gallons	\$7.00 per 1,000 gallons or part thereof

MONTHLY WATER RATES EFFECTIVE JULY 1, 2010:

2,000 gallons or less	Minimum \$28.00
2,001 to 30,000 gallons	\$5.00 per 1,000 gallons or part thereof
Over 30,001 gallons	\$7.00 per 1,000 gallons or part thereof

MONTHLY WATER RATES EFFECTIVE JULY 1, 2011:

2,000 gallons or less	Minimum \$31.00
2,001 to 30,000 gallons	\$5.00 per 1,000 gallons or part thereof
Over 30,001 gallons	\$7.00 per 1,000 gallons or part thereof

By 2012, the three year phase-in of increased utility rates will be complete; Council will review the waterworks bylaw at the end of 2012 to ensure waterworks revenues cover waterworks operating costs and waterworks infrastructure costs.

OBJECTIVES OF THE WATERWORKS RATE POLICY

- ▶ The objective of the waterworks rate policy is to work toward 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 so that the revenues cover operating costs. At the end of the third year of the planned rate increases, Council will review its waterworks policy to determine if revenues are covering costs.
- ▶ This waterworks rate policy will work towards financially independent waterworks that do not have to compete with other key municipal financial demands under the municipal general revenue fund. This will ensure our waterworks can provide safe drinking water. Also, rates that cover costs will influence consumer demand and water conservation, and self-financing waterworks will reduce pressures on property taxes.

RESERVES

The Village of Theodore currently has \$40,000 in Reserves. In the 2011 Budget, Council budgeted for a transfer to Reserves of \$45,260.00, 40% of 2011 Water Bills, to be used for future water line replacement.

CAPITAL INVESTMENT STRATEGY

On September 28, 2011, Council passed a resolution on a capital investment strategy.

OBJECTIVES:

- ▶ The objectives of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses.
- ▶ 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 future.

PRIORITIES:

- ▶ Capital plans have been established to address the waterworks infrastructure deficiencies and replacements to ensure safe drinking water. The current waterworks capital plans and planned sources of funding are as follows:

Project	Planned Year of Completion	Estimated Costs	Source of Funding
Pitless Adapters (2) at Wells	2011	\$10,000	Utility Revenue
Water Line Replacement – Main Line from Wells to Water Treatment Plant	2012	\$80,000	Utility Revenue and Reserves
Water Treatment Plant Pumps	2012	\$20,000	Utility Revenue
Water Line Replacement – 11 Blocks in Village	2013	\$60,000	Utility Revenue