

**NORTHERN VILLAGE OF DENARE BEACH
WATERWORKS RATE POLICY
ANNUAL REPORT
January 1 – December 31, 2010**

The management of the waterworks system, the terms and rates are set in Bylaw 1/89 Schedule C as follows:

Residential (single family unit) \$20.00 per month basic rate payable at the Village Office on a quarterly basis for the first 30 cubic meters per month. Adjustments will be made yearly on a yearly volume of 360 cubic meters of water at \$1.35 per cubic meter for any volume of water in excess of the 360 cubic meters.

Commercial and Institutional Basic rate shall be \$20.00 per month, minimum for the first 20 cubic meters, with monthly adjustments of \$1.35 per cubic meter for each cubic meter or part thereof for any amount in excess of 20 cubic meters. Payment is to be made at the Village Office on a quarterly basis.

Discounts A 10% discount on the gross billing for residential, commercial or institutional water bills shall be given, at the discretion of council, to the quarterly water billing if payment is made on or prior to the due date.

Turn On or Off Fee A charge of \$15.00 shall be levied and payment of the same made prior to any service regarding turning on or off of the water being provided by the Village

The waterworks rates were set in 1985 when the original water and sewer bylaw was created. The rates and fees are determined by Council and although they have been reviewed from time to time the rates have not changed to date. A comprehensive study is underway that will see an increase in water rates in 2011.

The objective of the waterworks rate policy is to ensure that high quality potable water is provided to the residents of the Northern Village of Denare Beach.

Waterworks Capital Investment Strategy

The objectives of the waterworks capital investment strategy:

To address and prepare for future legislated water compliance needs of the residents of the Northern Village of Denare Beach.

To monitor the Northern Village of Denare Beach waterworks distribution system and prepare for system upgrades as outlined in the 2010 Waterworks System Assessment Northern Saskatchewan prepared by Associated Engineering.

To provide funding for any emergency repairs that will become a reality on an aging water works system.

The capital plans will be determined as set out in the Waterworks System Assessment Report for 2010 and or in case of an emergency on an as needed basis

The funding for these capital plans will be from federal grants, provincial grants, municipal reserves, municipal resources and where applicable cost shared with the Peter Ballantyne Cree Nation.

Annual Financial Overview

Total waterworks revenue (as reported in the Financial Statement for 2010) \$153,110

Total waterworks expenditures (as reported in the Financial Statement for 2010) \$248,262

Total debt payments on waterworks infrastructure (loans) - zero (no waterworks debt)

Comparison of water works revenue to expenditures, plus debt payments, expressed as a ratio

$$\frac{153,110}{248,262 + 0} = .62$$

Explain the ratio

For 2010 the waterworks revenue covered 62% of the waterworks expense.

Amount of waterworks revenue transferred out of the utility - zero

Amount of 2010 supplementary funding required \$95,152

Reserves

Reserves available for waterworks capital infrastructure \$129,299

Attachments

Attached is the 2010 waterworks system assessment, as required under section 35 of *The Water Regulations, 2002*.

There are no agreements for waterworks services.

Denare Beach is named in the Emergency Measures Plans for the City of Flin Flon and the Town of Creighton for a potable water supply should the need arise.