

2020 ANNUAL UTILITY INFORMATION

Available to the Public on the Town of Southey Website (www.southey.ca)

Name of Municipality: **Town of Southey**

Date: August 25, 2021

ANNUAL FINANCIAL OVERVIEW – FOR THE 2020 YEAR

The following is information on the Town of Southey Water and Sewer Utility, as required under *The Municipalities Act*.

Water and Sewer Utility Financial Overview:

For the Year 2020

Revenues (Operating and Capital)	\$ 259,275
Transfer from Utility Reserve	0
<i>Total Revenue from All Sources</i>	<i>\$ 259,275</i>
Operation Expenses (including amortization)	\$ 212,832
Capital Expenses (from TCA schedule)	4,913
Debt Repayment (principal only)	103,635
Transfer to Utility Reserve	0
“Back Out” Amortization	(52,086)
<i>Total Expenses</i>	<i>\$ 269,294</i>
2020 Net Profit (Loss)	(\$10,019)

Comparison of utility revenues to expenditures (excluding amortization), expressed as a ratio is: 0.96

The following additional information on the utility operation is available at the Town office for public viewing:

- Waterworks System Assessment – Round 4
- Water Supply Agreements

Water and Sewer Utility – Transfers to or From

For 2020 there were no transfers of utility revenue out of the utility department and no transfers within the reserves for utility.

Reserves – December 31, 2020

The Town of Southey has reserves available for future capital infrastructure of \$780,249.

WATERWORKS RATES (SCHEDULE ‘A’ TO BYLAW 8-2019)

In 2019, Council passed a bylaw setting the Water, Sewer and Sewer Infrastructure Rates.

The following per gallon water rates were adopted:

Monthly Rate	Estimated Monthly Charge
\$16.50 for 3,000 gallons	\$21.50 per month
\$5.00 per 1,000 gallons or part thereof over 3,000 gallons	(based on 3,673 gallons per month)

The objective of the waterworks rate bylaw is to ensure that waterworks 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 will continue to cover operating costs. Expenditures in recent years have been significantly impacted by federal and provincial regulations intent on providing safe drinking water for consumers. The Town of Southey is looking at imposing a penalty on accounts not paid within thirty days of billing; pending approval of the SMB.

WATERWORKS CAPITAL INVESTMENT STRATEGY

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements and additions; in a timely fashion so as to ensure the municipal waterworks system provides safe and adequate drinking water to residents and businesses to enable continued sustainable growth for the municipality.

The strategy uses the waterworks system assessment report required by Saskatchewan Ministry of Environment and capital infrastructure needs identified by the municipality to develop a comprehensive capital works plan. Source funding models are developed to set rates and infrastructure charges at a level adequate to cover all costs associated with the plan.

The goal of the capital works plan is to address recognized utility infrastructure deficiencies. The utility capital works plan and estimated costs over the next five to ten years are as follows:

Water Treatment Plant (replace filter media, replace float controller)	\$75,000
Water Tower Inspection	\$10,000
Water Distribution Pumping (VLS pump, conduct software-based analysis, inspection of water tower, replace aged hydrants and isolation valves)	\$385,000