

TOWN OF LANIGAN
2022 WATERWORKS INFORMATION, RATE POLICY
AND CAPITAL INVESTMENT STRATEGY

Under the Waterworks Information, Rate Policy and Capital Investment Strategy it shall be the objective of the Town of Lanigan to:

- A. Establish water & sewer rates whereby revenues exceed operating expenditures and long term debt.
- B. Establish as part of the water & sewer rates an infrastructure allocation to be put into reserve to finance all or a portion of all future waterworks infrastructure upgrades and capital expenditures.

2021 Waterworks Financial Overview

Waterworks revenue (R) (includes Capital Grant of \$167,787)	\$1,010,781
Total waterworks expenditures (E)	\$697,573
Total Waterworks Capital (C)	\$0
Total debt payments on waterworks infrastructure loans (D) Principal	\$163,019
Transfer to Utility Reserve (T)	\$313,208

Total water comparison of waterworks revenues to expenditures plus capital and debt payments expressed as a ratio:

$$\frac{R}{E+C+D+T} = \frac{1,010,781}{697,573 + 163,019 + 313,208} = 86\%$$

Comparison of Waterworks Revenues to Expenditures plus Capital, Reserves and Debt Payments less (A) amortization of \$272,251 expressed as a ratio:

$$\frac{R}{(E-A)+C+D+T} = \frac{1,010,781}{(697,573 - 272,251) + 163,019 + 313,208} = 112\%$$

As of December 31, 2021, Council has set-up \$962,714 in the Water & Sewer Utility Reserve.

Waterworks Rate Policy

With Saskatchewan Municipal Board Approval, the Town of Lanigan has approved an increase the minimum water and sewer charges and to provide an infrastructure fee for transparency.

In January 2019 the minimum water and sewer charges increased to:

Water Minimum Charge (4,000 gal)	\$49.85 per month
Sewer Minimum Charge (4,000 gal)	\$12.75 per month
Infrastructure Fee (Water & Sewer Services)	\$30.00 per month
Total Water & Sewer Services	\$92.60 per month (\$185.20 per 2 mos.)
Water Overage Rates	\$19.00 per 1,000 gallons
Sewer Overage Rates (22% of water consumption)	\$ 4.25 per 1,000 gallons

Items that impact our rates

- Capital upgrades to our Water Treatment Plant, Lift Stations and Water & Sewer Distribution System
- Water Treatment Process Upgrade cost \$3,585,641
- Proposed upgrade to lift stations of \$1.0 million dollars
- Aging infrastructure renewal
- Government Regulations

Additional Information available at the Administration office during regular business hours:

- 2021 Water System Assessment
- 2021 Annual Notice to Consumers – Drinking Water Quality and Compliance
- In accordance with *The Municipalities Regulations s. 55 (2) (b)* all consumers may access the required waterworks information on the municipal website www.town.lanigan.sk.ca.