



Town of Pilot Butte Annual Waterworks Rate Reporting Policy

Policy No.: Operational Financial 2026-001

Effective Date: August 1, 2026

Review Date: as per Legislation

1. Purpose

The purpose of this policy is to establish an annual review of waterworks rates to ensure that revenues are sufficient to operate, maintain, and sustain the municipal waterworks system and to meet the Legislative requirement for waterworks reporting to the public.

2. Legislative Authority

This policy is established pursuant to:

- *The Municipalities Act*
- *The Waterworks and Sewage Works Regulations under The Environmental Management and Protection Act, 2010*

3. Annual Report

- The report shall consist of:
- Annual waterworks operating revenues.
- Annual waterworks operating expenditures.
- Capital expenditures related to the waterworks system.
- Debt servicing costs related to the waterworks utility.
- Contributions to or withdrawals from waterworks reserves.
- All Bylaws relating to water consumption rates



4. Waterworks Capital Investment Strategy

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance and future infrastructure replacements in a timely fashion to ensure the municipal waterworks provides safe drinking water to residents and businesses. A capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the present and future.

5. Rate Setting

Council shall determine whether existing waterworks rates remain sufficient or whether amendments are required.

Any changes to rates shall be adopted in accordance with the applicable municipal bylaw.

6 . Financial Sustainability

Council shall establish waterworks rates with the objective of maintaining the long-term financial sustainability of the municipal waterworks system.

7. Reporting

The annual report in a form of a questionnaire shall be submitted to the Ministry of Government relations. An annual waterworks information report will be posted on the Town's webpage in compliance with the Municipal Revenue Sharing Grant eligibility requirements.

Council Resolution : 2026-199



Town of Pilot Butte Annual Waterworks Rate Report

2025 Annual Waterworks Financial Overview:

The following information on the waterworks, as required under *The Municipalities Regulations*:

2025 Overview

- Total waterworks revenue \$2,073,947
- Total waterworks expenditures \$2,462,405
- Total debt payments on waterworks infrastructure loans \$304,803
- Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio: $\$2,073,947 / \$2,767,208 = 0.74$
- The waterworks revenue covered 74% of the expenditures

2025 Annual Waterworks supporting documents:

2025 Annual Waterworks audited operating revenues: \$2,073,947

2025 Annual Waterworks audited operating expenditures: \$2,462,405

Capital expenditures related to the waterworks system: \$910,252

2025 Audited Waterworks reserves: \$985,184

2025 Loan repayment: \$304,803

Long term debt: \$3,032,981

Waterworks rate bylaws and additional information available to view on line www.pilotbutte.ca (links provided) or at the Municipal Office:



Bylaw 15-2025 To establish utility rates for water and sewer service for out-of-Town users. Adopted by resolution of Council of the Town of Pilot Butte on December 23, 2024. Approved by the Saskatchewan Municipal Board, Local Government Committee on February 13, 2025

Bylaw 04-2023 To establish utility rates for the use and consumption of water and sewer. Adopted by resolution of Council of the Town of Pilot Butte on June 12, 2023. Approved by the Saskatchewan Municipal Board, Local Government Committee on July 12, 2023

Balgonie Water Agreement

2018 Waterworks assessment

Waterworks Capital Investment Strategy

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

On June 23, 2014, Council passed a resolution on the Capital Investment Strategy.

The objective of the waterworks capital investment strategy is to address anticipated waterworks maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely manner so as to ensure the municipal waterworks provides safe drinking water to residents and businesses, as we grow.

To cover the costs of future waterworks infrastructure maintenance, replacements and additions, Council will need to adjust the development fees, increase water rates for water reserves and long term borrowing as required.

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.



Waterworks rates

Rates were established based on the estimated operating costs, loan repayments and operating revenues to cover the annual costs. Reserves have been established to be used for the payment of future debt repayments from surplus from the utility and the receipt of developer fees.

The water rates were established by using a base rate which includes a minimum amount of water and pays for the fixed costs for the water utility. The rate over the minimum is at a rate to encourage conservation and generate more revenue.

Council will continue to review the rates and consider a greater increase as investment in the utility reserve account for capital projects and replacement. Council is in the process of reviewing the Balgonie water agreement and will address future increases during the budget process.

The water rate established was chosen to be an acceptable rate for residents and businesses.

The rate covers the waterworks operating costs for plant operator salaries, maintenance, energy, chemicals, power, as well as setting aside funds membrane replacement fund, capital replacement fund and the annual loan debt repayments for water meters.

The table below shows the estimated monthly minimum charges that reflect the rate to demonstrate the impact on residents and businesses with metered premises:

Using the average consumption of 95 gallons per person per day (as per Bullee Consulting Survey of 114 Saskatchewan communities) the average household of 3 persons would use 285 gallons per day (8550 gallons per month) (38.86 c. meters), the waters meters will read in cubic meters, with the typical billing shown as follows:

Base Rate	0-3080 gal	Over 3080 gal.
	(0-14.00 c. m.)	(14.01 - 38.86 + c. m.)
	\$52.00	\$1.00 per c.m.