

# Waterworks Provisions

## Ministry of Government Relations

*The Municipalities Regulations (Part VIII, Sec. 50 to Sec. 55)*

*The Cities Regulations (Part V.1, Sec. 22.1 to Sec. 22.6)*

*The Northern Municipalities Regulations (Part VIII, Sec. 40 to Sec. 45)*

## Waterworks Provisions

### What are municipal waterworks?

- Municipal waterworks means waterworks that are:
  - Owned by a municipality, directly or through a controlled corporation; and
  - Operated by a municipality, directly or through a controlled corporation, or by another person on behalf of a municipality.
- Waterworks are infrastructure used to supply, collect, treat, store or distribute water intended or used for a human consumptive use or a hygienic use, whether or not any other use is or has been made of that water.
- Human consumptive use includes the following applications:
  - Drinking;
  - Cooking and food preparation;
  - Oral hygiene.

### What water systems do the regulations apply to?

- The regulations apply to municipal waterworks that:
  - Supply water through a distribution system;
  - Are used to supply, collect, treat, store or distribute water intended or used for a human consumptive use; and
  - For which an independent engineering assessment is required pursuant to Sec. 32 of *The Waterworks and Sewage Works Regulations*.

### What water systems do the regulations not apply to?

- The regulations do not apply to municipal waterworks:
  - Used to supply water for a hygienic use, as authorized pursuant to *The Waterworks and Sewage Works Regulations*, but not for a human consumptive use; or
  - Regulated pursuant to *The Health Hazard Regulations*.

### What are the requirements?

#### To be provided to the consumers and the ministry:

- On or before September 1 of each year, the municipality is to provide on its website or in a newspaper or mailout:
  - A statement on the annual total waterworks revenues, expenditures and debt payments for the previous calendar year;
  - A comparison of the revenues to expenditures plus debt payments (expressed as a ratio);
  - Any explanation of the ratio mentioned above that the municipality considers necessary;
  - Notice that the information required to be made available to the public (see next section) is available for inspection at the municipality's municipal office during regular office hours.

**Made available for public inspection:**

- On or before September 1 of each year, the following is to be made available to the public at the municipal office:
  - The municipality's current waterworks rate policy and capital investment strategy (adopted by bylaw or resolution);
  - A brief statement on the previous year's total waterworks revenues, expenditures, debt payments and transfers to and from all funds;
  - A comparison of the waterworks revenues to expenditures plus debt payments (expressed as a ratio);
  - The municipality's current waterworks reserves;
  - A copy of the most recent waterworks assessment conducted pursuant to Sec. 32 of *The Waterworks and Sewage Works Regulations*;
  - Capital plans (projects, costs and timing) that the municipality has established and sources of funding for the infrastructure projects;
  - Any current agreements respecting the provision of municipal waterworks services.

**What is a waterworks rate policy?**

- Describes:
  - The waterworks rates or fees charged by the municipality including the price per unit;
  - How the waterworks rates or fees are determined including the types of costs used for determining the rates or fees; and
  - The objectives of the rates and fees (i.e. recover costs, encourage conservation, generate revenue, stimulate economic activity, etc.).

**What is a waterworks capital investment strategy?**

- Describes:
  - How capital plans are determined including how they are identified and prioritized;
  - The source of funding for projects; and
  - The objectives of the capital investment strategy (i.e. to address immediate safe drinking water infrastructure problems, minimize rate increases, minimize debt, capture funding from other levels of government, expand the system, etc.).

## **Annual Submission Of Public Reporting On Municipal Waterworks**

Pursuant to Sec.55 of *The Municipalities Regulations*, Sec. 22.6 of *The Cities Regulations*, and Sec. 45 of *The Northern Municipalities Regulations*, your municipality must submit its Public Reporting on Municipal Waterworks to the Ministry of Government Relations. The ministry will annually provide a questionnaire by email link to municipalities to assist them in fulfilling this obligation.

The questionnaire must be answered in its entirety, **including attaching a copy** of the information that was provided to the consumers.

The ministry has implemented annual eligibility requirements for municipalities to receive their unconditional [Municipal Revenue Sharing \(MRS\)](#) Grants. Submission of waterworks information to the ministry is one of the requirements to receive the MRS grant. If a municipality does not submit the waterworks information to the ministry, the municipality will be considered non-compliant and MRS grants will be withheld.

## **Guidance to Complete the Questionnaire**

Amounts requested in the questionnaire are for the prior year.

Once you begin you may want to save and come back later to finish your questionnaire. The Save & Continue Toolbar at the top left corner allows you to enter your email address to receive a link to return to your questionnaire later.

*Question 2:* Total Waterworks Revenue (R) – this is the total waterworks revenue.

*Question 3:* Total Waterworks Expenditures (E) – this is the total waterworks expenditures and includes interest paid on waterworks infrastructure loans.

*Question 4:* Total Annual Waterworks Debt Repayment (D) – this is the total annual principal repayment made on debt used for waterworks infrastructure.

*Question 5:* Ratio -  $\frac{(R)}{(E) + (D)}$

*Question 6:* Any explanation of the ratio that council wishes to provide (i.e. reasons for variation from other years, unusual expenditures, revenues or volume, new infrastructure debt, etc.).

*Question 7:* Confirmation that the required waterworks information has been provided to consumers.

*Question 8:* Method(s) used to provide the Public Reporting on Municipal Waterworks to consumers (i.e. website, mailout or newspaper).

*Question 9:* Attachment – include a copy of the financial overview and notice of information being made available by council to its consumers. Please note: although the ministry is provided copies of documents, receipt of the documents is not to be considered as verification, endorsement or approval by the ministry of the contents of the documents.

## **Sample Financial Overview and Notice to Consumers**

Municipalities may follow the sample when providing their waterworks financial overview and notice to consumers:

**(Year) Waterworks Financial Overview:**

- Total waterworks revenues (R) - \$\_\_\_\_
- Total waterworks expenditures (E) - \$\_\_\_\_
- Total debt payments on waterworks infrastructure loans (D) - \$\_\_\_\_
- Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio:

$$\frac{R}{(E + D)} = \frac{(\$ \_\_\_)}{(\$ \_\_\_ + \$ \_\_\_)} = \_\_\_$$

**For (Year), waterworks revenues covered \_\_% of the waterworks expenditures and debt payments.**

Ratio explanation (if applicable):

Note that the following information required pursuant to section 54 of the *Municipalities Regulations* is available for inspection at the municipal office during regular office hours:

- Waterworks rate policy and capital investment strategy.
- (Year) waterworks financial overview.
- Current waterworks reserves.
- Most recent waterworks independent engineering assessment.
- Capital plans for waterworks infrastructure projects and sources of funding.
- All current agreements entered into by the municipality respecting the provision of municipal waterworks services.

If you have any questions regarding the questionnaire email [waterworks@gov.sk.ca](mailto:waterworks@gov.sk.ca).