

## Village of Leask Waterworks Capital Investment Strategy 2010

On October 20, 2010 Council passed a resolution on a capital investment strategy.

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses. The strategy uses the 2005 waterworks system assessment that was required by Saskatchewan Environment for infrastructure planning.

To cover the costs of future waterworks infrastructure maintenance and replacements, Council will likely need to undertake in the future a combination of increasing water rates to build the waterworks reserves, once the water rates cover waterworks operating costs, and long term borrowing.

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.

Capital plans have been established to address the waterworks infrastructure deficiencies and replacements as identified and prioritized in the 2005 waterworks assessment to ensure safe drinking water. The current waterworks capital plans and planned sources of funding are as follows:

Project	Planned Year of Completion	2010 cost	Future Cost*	Sources of Funding
Replace Fire Pump	2011	22,250.	22,900	New Deal Grant
½ of Outside Meter Readers	2012	50,000.	53,045	New Deal Grant
½ of Outside Meter Readers	2013	50,000.	54,640.	New Deal Grant
Block of Water & Sewer	2014	100,000.	112550.	Reserves

\*Assuming a 3% rate of inflation per year

For future waterworks capital plans, projects will be prioritized based on what is needed to ensure safe drinking water.

### Annual Financial Overview for 2010

Total 2009 waterworks revenues (as reported in the Financial Statements)(R)- \$105,218.

Total 2009 waterworks revenues returned to general revenues - \$0.

Total 2009 waterworks expenditures (as reported in the Financial Statements)(E) - \$124,330.

Total debt payments on waterworks infrastructure loans (D) – Zero (no waterworks debt)

Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio –

$$\frac{105,218}{124,330} = 85\%$$

For 2009, waterworks revenues covered 85% of the waterworks expenditures.

Reserves available for waterworks capital infrastructure - \$142,095.