

Instruction Guide for completing the Local Government Committee Application Form LGC-2410-WS

1. According to section 23(3) of *The Municipalities Act*, and section 24(3) of *The Northern Municipalities Act*, the following are subject to the approval of the Saskatchewan Municipal Board:

- (a) the rates, charges, tolls or rents set by a council for the use of water or sewer services;
- (b) any discounts or additional amount or percentages to be charged for arrears relating to the rates, charges, tolls or rents mentioned in clause (a).

Please be advised that, as per legislation mentioned above, our approval is limited to rates, charges, tolls or rents directly associated with water or sewer service, as well as penalties applied to unpaid accounts. This approval does not extend to the entire utility bylaw. The in-force clause of the bylaw should be as follows:

“THE rates, charges, tolls or rents contained in this bylaw shall come into force and take effect on the day of approval being issued by the Local Government Committee.”

You may also use:

“The rates, charges, tolls or rents contained in this bylaw shall come into force and take effect on the day of approval being issued by the Local Government Committee or MMM DD, YYYY, whichever is the later.”

The water and sewer rates will not be in effect until they are approved by the Local Government Committee (LGC). These rates cannot be applied retroactively.

2. The Saskatchewan Municipal Board (SMB) suggests that municipalities or public utility boards separate water and sewer rates bylaw from the utility management bylaw. If the management bylaw includes water and sewer rates, any amendments or updates to the bylaw involving water and sewer rates will require our approval.

Examples:

- (A) the rates, charges, tolls or rents set by a council for the use of water or sewer services:
 - Sewer rates
 - Water rates (Consumption based - Meters), (Base fee (flat) - no meters) or (combination).
 - Bulk water charges (For coin-operated or fill stations)
 - Infrastructure fee
- (B) any discounts or additional amount or percentage to be charged for arrears relating to the rates, charges, tolls and rents mentioned in clause (A):
 - Penalties for late or non-payment related to water, sewer, infrastructure charges.
 - Connection and disconnection fee due to late or non-payment.
- (C) **Management Fees that do not require our approval:** Water meter (equipment) deposit, application fee, disconnection and connection fees for service requested by users. (Note: If shutting off the water **due to unpaid account then it requires SMB Approval**)

3. The LGC can assist with the wording of the bylaw. Templates are available on the [Saskatchewan Municipal Board](#) website.

4. Only the original water and sewer bylaw can be amended; an amending bylaw cannot be amended again.

The Saskatchewan Municipal Board recommends that municipalities adopt a new water and sewer bylaw to replace the current one, particularly if the original bylaw is outdated and has undergone numerous amendments.

5. Please submit the form electronically along with the required documents listed in Section 2 of the application form.

Your application will be considered received when the SMB has received the completed application form *and* all required documents. During the review process, the SMB may contact municipalities for additional information if needed. Generally, you can expect a response from us within 21 days after we have received all required information.

6. When we receive a water and sewer rate application, we conduct a comprehensive financial analysis to assess the reasonableness and equity of the proposed increase. This analysis includes a review of the municipality's reserve allocation for the utility, an examination of whether current revenue covers expenditures, and an evaluation of the municipality's plan to balance the utility if there is a shortfall. Additionally, we examine the financing plan for any upcoming capital projects related to the utility.

We strongly encourage municipalities to conduct an annual review of their utility performance and consider adjusting rates as needed to ensure self-sustainability. We also advise that rate adjustments be made gradually rather than through drastic changes.

SECTION 1: Applicant Contact Information

The *Applicant* is the person authorized by a municipality to make an application to the Local Government Committee (LGC).

SECTION 2: Required Documents

This section outlines the documents that support the application.

For Public Utility Boards, providing the "Establishing Bylaw" is required to ensure that the Public Utility Board (PUB) has the authority to set rates. If the municipalities that are part of the PUB have changed, include this information.

SECTION 3: Application Details

Sustainability Details: this section outlines some of the sustainability indicators, future capital works and unexpected revenues and expenses that affected the municipality.

Extraordinary revenue: e.g., unstable connection revenue for new hook ups.

Extraordinary expenses: e.g., abnormal level of repair and maintenance that were not budgeted for, especially if it is a one-time expense or a recurring expense.

Utility Rate Details: this section collects information about the number of utility users in each fee category and how the rates for these users were created.

Water and sewer services may have various categories of users: Residential/Commercial/Industrial

SECTION 4: Additional Comments

Use this section to note any relevant information that you were not able to enter in other fields.

SECTION 5: Authorization

The *authorized* person should complete, sign and date the application form.

SECTION 6: Application Submission

Print and save a copy of your application form before submitting the application to the LGC. ***Remember to attach to the submission email the Required Documents listed in Section 2 as well as any supplemental information.***