



SaskWater

Annual Report
2021-22



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ABOUT SASKWATER

SaskWater is Saskatchewan's commercial Crown water utility, helping communities, First Nations and industry gain access to reliable and professional water and wastewater services.

The history of SaskWater goes back to 1966, when we began operations as the Saskatchewan Water Supply board. The head office was relocated from Regina to Watrous in 1977, and in 1984, the Saskatchewan Water Corporation was created with its head office in Moose Jaw. All the personnel and property of the former board were transferred to the new corporation. In 2002, SaskWater received a new mandate to operate exclusively as a commercial water utility.

SaskWater provides professional water and wastewater services to 71 communities, 10 rural municipalities, 79 rural pipeline groups, 15 industrial and 249 commercial and domestic end-user customers.

In addition, SaskWater remotely monitors facilities for six communities and provides operator training to 29 Saskatchewan First Nations.

SaskWater's services directly and indirectly reach approximately 114,000 people in Saskatchewan.

In order to provide these services, SaskWater owns nine water treatment plants, three wastewater facilities, including 15 kilometres of wastewater force main, 137 kilometres of canal and 941 kilometres of potable and non-potable water pipeline. SaskWater also owns or leases 43 booster and pump stations.

Supporting economic growth and the people of Saskatchewan has always been at the core of SaskWater's purpose. As Saskatchewan's communities and industries grow with the province's expanding economy, SaskWater works hard to supply its customers with the infrastructure, customer service and water resources they need to prosper.

CORPORATE PROFILE

SaskWater is committed to providing the highest level of service to its customers. That promise is reflected in the corporation's vision, mission and values.

Our Vision

- To be Saskatchewan's choice for water services.

Our Mission

- To create trusted and sustainable water solutions for a vibrant Saskatchewan.

Our Values

- **ACCOUNTABILITY** – We are accountable for our decisions, communication, behaviours and results.
- **TEAMWORK** – We act as a team that collaborates and supports one another and other provincial organizations to be successful.
- **CREATIVITY** – We foster creative thinking and innovative ideas.
- **STEWARDSHIP** – We put health and safety first and respect and support the environment and communities where we live and work.
- **RECOGNITION** – We recognize and acknowledge each other for our contributions and celebrate success.

SaskWater has defined five strategic priorities to guide the corporation: **CUSTOMER FOCUS, GROWTH, OPERATIONAL EXCELLENCE & INNOVATION, LEADERSHIP & CULTURE** and **CORPORATE REPUTATION**. Our 2021-22 Annual Report provides details on how we are focused on achieving the goals that support these priority areas.

SASKWATER'S VALUE PROPOSITION TO ITS CUSTOMERS

- SaskWater has the ability to invest in water and wastewater systems and our integrated asset management program ensures timely investment in existing assets. This allows customers to invest their dollars in other areas beneficial to their business or community.
- SaskWater employees hold diverse levels of certification for water and wastewater systems, allowing for early problem diagnosis and troubleshooting.
- SaskWater provides grant application support, enhancing our customers' ability to access capital funding and municipal grants.
- SaskWater's engineering team provides flexible solutions and project management services to meet the unique needs of customers from concept through to construction.
- SaskWater's remote monitoring system provides customers with the safety and security of having their facilities monitored 24 hours a day by trained operations personnel.
- SaskWater's knowledge of Saskatchewan's regulatory requirements and our operational expertise allow customers to focus on their core business while we ensure permit requirements and quality standards are met.
- SaskWater utilizes established knowledge and innovation exchange networks and is committed to adopting innovative ideas and technologies.
- As a provincial Crown utility, SaskWater has strong working relationships with regulatory and other government agencies, consultants and contractors that enable access to best practices.
- SaskWater's existing, well-maintained infrastructure allows for efficient and cost-effective regional solutions.
- SaskWater's Community Investment program supports Saskatchewan communities through sponsorships and donations.

LETTER OF TRANSMITTAL

Moose Jaw, Saskatchewan
July 2022

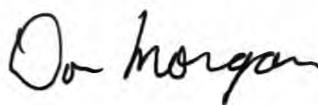
To His Honour
The Honourable Russ Mirasty, S.O.M., M.S.M.
Lieutenant Governor of Saskatchewan
Province of Saskatchewan

Dear Sir:

I have the honour to submit herewith the Annual Report of the Saskatchewan Water Corporation for the fiscal year ending March 31, 2022, in accordance with *The Saskatchewan Water Corporation Act*.

The Financial Statements included in this annual report are in the form approved by Crown Investments Corporation of Saskatchewan as required by *The Financial Administration Act, 1993* and have been reported on by the auditors.

Respectfully submitted,



Honourable Don Morgan, Q.C.
Minister Responsible for
Saskatchewan Water Corporation





LETTER TO STAKEHOLDERS

On behalf of the SaskWater Board of Directors, it is my pleasure to present the 2021–22 SaskWater Annual Report.

SaskWater annually reviews its strategic plan to ensure its relevance to changing conditions and every five to six years renews the plan and sets new long-term targets. The 2021–22 fiscal year marked the first year of SaskWater’s new strategic plan, which aligns with the Saskatchewan Growth Plan.

Growth is the central theme of the plan, supported by Customer Focus, Operational Excellence & Innovation, Leadership & Culture, and Corporate Reputation. The strategy continues to place a high priority on new or expanded regional municipal systems, supporting large industrial projects, and leveraging the skill sets of our employees over a broad range of related services. This allows SaskWater to identify and develop economies of scale in the provision of service to our customers.

During 2021–22, SaskWater worked collaboratively with several other Crown corporations and ministries to help present Saskatchewan as a good place to invest. Several high profile private sector projects were announced in the Regina area, including canola crush plants by Cargill, Viterra and a joint venture between Federated Cooperatives Limited (FCL) and

AGT Foods. FCL also announced its intention to build a renewable diesel plant. Red Leaf Pulp announced its intention to build a wheat strawboard plant. All of these facilities will be looking for non-potable water to use in their processing operations. SaskWater is working on plans to extend our infrastructure, currently running between Buffalo Pound Lake and Belle Plaine, to serve the need in the Regina area. Building this proposed system will be a multi-year project that will help diversify SaskWater’s customer base and ultimately contribute to growth in the province, and growth for SaskWater.

In order to advance our regional municipal services plan, SaskWater completed a study to identify areas of the province where clusters of communities facing potential potable water challenges might be interested in working together to find a solution. This investigation examined a number of criteria including source water quality and availability, condition of existing infrastructure, potential capital cost, life-cycle cost and population served. Whether it could be sufficiently demonstrated that joining a regional system would be more beneficial than possible upgrades to an existing standalone system was also considered.

Coming out of this work, communities in two areas of

the province have agreed to form steering committees to investigate possible regional solutions. SaskWater will continue to assess the findings in the study to determine other potential regional water supply system opportunities.

A number of capital projects were advanced during the year. SaskWater completed a major upgrade to the water treatment plant in Melfort, which serves the surrounding region; completed the design and initiated construction on a new regional water supply system using potable water purchased from the City of Lloydminster; initiated an upgrade to the water treatment plant in Meadow Lake, which also serves the Flying Dust First Nation; constructed a new pipeline to Edenwold to provide a sustainable replacement to the dugout previously used as source water; and replaced another section of the aging potable water pipeline serving customers on the regional system east of Saskatoon.

SaskWater and the City of Saskatoon were able to complete negotiations and sign a new water purchasing agreement in 2021–22, replacing the former Master Water Supply Agreement that dated back to 1983. The new Master Servicing Agreement is a significant accomplishment as it secures ongoing potable water supplies to the largest regional system operated by SaskWater.



The process included several meetings and presentations to SaskWater customers to ensure changes required by the city were understood by all and related administrative processes could be put in place. SaskWater is updating water supply agreements with our customers to reflect the key terms of the agreement with Saskatoon.

This year included the biennial customer satisfaction survey. SaskWater is very proud of the results achieved, which included the highest ever overall satisfaction rating of 8.8 out of 10, with 93 per cent of respondents indicating they would recommend us to other potential customers. We are also very proud to note the top three attributes scored by customers included 97 per cent for safe drinking water, 96 per cent for reliable service, and 95 per cent for responsiveness to emergency services. We thank our customers for the confidence they have expressed in our services and all our staff who work day in and day out to achieve those results.

It is also worth noting this was the second successive year that the COVID-19 pandemic affected not only

Saskatchewan but the world. We, once again, extend our thanks and appreciation to all staff who complied with the evolving public health orders; this entailed working from home where possible, following masking, physical distancing and other hygiene protocols, and complying with proof of vaccination or negative test results requirements. We are pleased to report there were no pandemic related service outages experienced by any customer again this year.

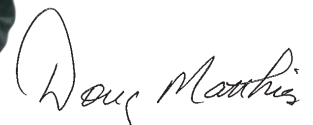
As SaskWater continues to look to innovation to improve service and keep costs in line, a major accomplishment this year was implementing the initial phase of SaskWater's enterprise resource planning system. This was a two-year journey which, over time, will lead to several improvements including: access to better and more

timely information for decision making; reduced redundancy in data entry; and improved reporting. As we continue to gain experience and knowledge with the new technology, we expect to implement more modules in the future to leverage additional system features.

Finally, we would like to acknowledge the service of past members of our Board of Directors and welcome five new members to the corporation. The reconstitution of the board's membership brought new skill sets to help ensure a good mix of experience and perspectives are represented as it guides the corporation into the future.



Michael Gering
Chair of the Board

Doug Matthies
President and CEO

FINANCIAL & OPERATING HIGHLIGHTS

Financial Highlights (\$ thousands):	Year Ended March 31 2022	Year Ended March 31 2021
Total revenue	\$ 65,664	\$ 63,284
Total expenses	54,666	53,620
Operating income	10,998	9,664
Net finance expense	(2,346)	(2,291)
Net income	\$ 8,652	\$ 7,373
Other comprehensive (loss)	(689)	(493)
Total comprehensive income	\$ 7,963	\$ 6,880
Dividends	\$ 6,489	\$ 6,259
Debt ratio	49.0 %	49.6 %
Operating Highlights (cubic metres):		
Non-potable water distributed	39,591,915	34,777,970
Potable water distributed	8,502,504	8,326,669

*Some of the above comparative figures were restated to reflect a retroactive adjustment due to an accounting policy change during the year.

Key Financial Data (\$ millions)

Year	Total Comprehensive Income	Revenue	Total Assets	Return on Average Equity	Debt Ratio
2021-22	\$8.0	\$65.7	\$370.7	11.2%	49.0%
2020-21*	\$6.9	\$63.3	\$374.2	9.7%	49.6%
2019-20	\$8.5	\$59.5	\$372.0	11.3%	50.0%
2018-19	\$7.9	\$57.3	\$359.7	10.7%	46.1%
2017-18	\$8.2	\$56.9	\$351.9	12.5%	46.6%
2016-17	\$6.5	\$53.0	\$338.1	11.0%	44.7%

*Restated

Key Operational Data

Year	Total Customer Accounts	Total Sales Volumes (million cubic metres)	Kilometres of Potable and Non-potable Pipeline	Full-Time Equivalent Employees
2021-22	424	49.2	941	133.2
2020-21	415	44.2	942	132.1
2019-20	415	45.6	942	128.8
2018-19	415	48.7	967	129.7
2017-18	414	44.7	964	126.9
2016-17	414	43.9	935	123.9



YEAR AT A GLANCE

ON TASK



Achieved highest ever survey rating in Overall Customer Satisfaction.



Invested \$5.4 million on capital projects in 2021-22, with \$1.6 million going into new customer expansion and existing customer growth projects.



Invested \$1.3 million of capital spending into system upgrades, while infrastructure maintenance spending totaled \$2.5 million.



Provided services without disruption or significant revenue impact despite challenges created by COVID-19 pandemic.



Completed study identifying communities that may benefit from potential new regional water supply systems, which would optimize provincial infrastructure investments.



Established a steering committee for communities along Highway 9 and another in the Weyburn-Estevan area to further investigate potential regional potable water supply systems in these areas.



Finalized a Master Servicing Agreement with the City of Saskatoon, and a Transition Agreement between the City of Martensville, the City of Saskatoon and SaskWater.



Added the Northern Villages of Ile-a-la-Crosse and Pine House as ROAM remote monitoring customers and the Global Transportation Hub as a new Certified Operation and Maintenance (COM) customer.



Initiated process to obtain a Certificate of Recognition from the Canadian Federation of Construction Safety Associations for our safety program.



Renegotiated and signed key service agreements with two rural pipeline groups, Temple Gardens Hotel and Spa, the Resort Village of Thomson Lake, the RM of Blucher, the City of Meadow Lake, One Arrow First Nation, and the following towns: Osler, Dalmeny, Aberdeen, Hepburn, Bradwell, Allan, Gravelbourg and White City.



Began preliminary planning work on the Regina Regional Non-potable Water Supply System.



Recorded zero lost-time injuries while demonstrating consistent reporting of near miss incidents for learning purposes, illustrating a maturing safety culture supported at all levels.

GETTING RESULTS



Rolled out a new six-year strategic plan covering 2021-22 to 2026-27 and pursued goals and objectives identified as priorities for the current fiscal year.



Implemented the first two phases of our enterprise resource planning system to enhance operational efficiencies and customer experience.



Completed design work and began construction of the Prairie North Regional Potable Water Supply System, partially funded by a grant from the New Building Canada Fund.



Constructed a pipeline to supply water from the Town of Balgonie's reservoir to the Village of Edenwold and took on the COM duties for the new potable water supply system. This project was partially funded through Investing in Canada Infrastructure Program (ICIP).



Installed 4.8 km of PVC pipe on the Saskatoon East Potable Water Supply System, and eight new customer manholes and trenchless crossings. The pipeline replacement project was partially funded by the ICIP.



Completed the design and procurement for the upgrade and expansion of the Meadow Lake water treatment plant (WTP) for a second Actiflo clarification unit.



Commissioned Melfort WTP upgrade which included the addition of a clarifier and back-up generator.



Completed comprehensive testing and monitoring of ultra filtration modules at the Gravelbourg WTP to ensure optimal operation of the newly upgraded equipment.



Completed project management of the Lac La Ronge Regional Landfill expansion. The project was a partnership between the Lac La Ronge Indian Band First Nation and six municipalities.



Completed maintenance including: an HVAC system upgrade at the White City WTP, a new UV reactor and control system upgrades at the Meadow Lake WTP, upgrades to the Mosaic pump station generator and switch gear and the rehabilitation of well six supplying the Melville Regional Potable Water Supply System.



Replaced one canal road crossing on the Saskatoon Southeast Non-potable Water Supply System and continued annual inspection program to monitor the condition of our original timber bridges.



SASKWATER'S CORE LINES OF BUSINESS

- **potable water supply**
- **non-potable water supply**
- **wastewater treatment and management**
- **certified operation and maintenance (COM)**
- **project management**
- **water and wastewater training**
- **ROAM remote monitoring**
- **leak detection audits**

Potable Water Supply

SaskWater's potable water services deliver safe and reliable drinking water to municipalities, First Nations, rural pipeline groups and businesses, ensuring that communities continue to grow and thrive. All potable water delivered by SaskWater is suitable for human consumption, complying with all applicable regulations. Municipalities represent the largest consumers of potable water.

The majority of SaskWater's municipal customers own and operate their local distribution systems and manage the relationship with their residents. SaskWater provides wholesale water delivery service to the community, which then delivers the service to its residents.

Stand-Alone Systems

SaskWater's mandate enables the corporation to purchase and operate municipal water infrastructure or to construct new water supply and treatment systems. SaskWater currently owns and operates stand-alone systems in White City, Pierceland and Cupar.

Regional Systems

For many rural communities, a regional water system is the most cost-effective and sustainable solution to their water needs. SaskWater infrastructure located across the province provides regional solutions for municipalities and First Nations. SaskWater's support and expertise

helps the communities it serves find solutions that reduce their long-term capital needs and operating costs.

SaskWater owns and operates the Wakaw-Humboldt, Codette Lake, Elbow, Gravelbourg, Melville and Meadow Lake regional potable water systems. These systems consist of a single treatment plant that produces and distributes potable water to surrounding communities through a pipeline network. Water treatment plants for these regional systems are located in Wakaw, Melfort, Elbow, Gravelbourg, Melville and Meadow Lake. Together, these systems supply potable water directly to 23 communities and several rural pipeline groups.

SaskWater also owns and operates two regional potable water systems where the water is purchased from other suppliers. SaskWater purchases potable water from the City of Saskatoon and delivers it to surrounding communities, industries, other commercial businesses and rural pipeline groups through an extensive pipeline network. SaskWater also purchases potable water from the Buffalo Pound Water Administration Board, the City of Regina and the City of Moose Jaw, sourced from the Buffalo Pound Water Treatment Plant, and delivers it to customers in the surrounding areas.

In 2021-22, SaskWater delivered 8.5 billion litres of high-quality drinking water.

Non-potable Water Supply

Industry is the largest driver of SaskWater's non-potable water services, relying on SaskWater to construct, manage and operate the dependable water supply system it requires. Water delivered through a non-potable water supply system does not meet the regulated requirements for human consumption, but has numerous industrial, commercial and agricultural applications.

The majority of SaskWater's non-potable water supply is delivered in large volumes to industrial

customers for processing and manufacturing operations, including potash mines and fertilizer manufacturers.

Municipal customers also purchase non-potable water from SaskWater. These customers own water treatment facilities and perform their own treatment processes prior to residential delivery.

SaskWater owns and operates non-potable water systems in the areas surrounding Saskatoon and Buffalo Pound Lake, and along the Saskatoon Southeast Water Supply system.

SaskWater's non-potable system in Moose Jaw is unique in that it is a geothermal well that provides service to the tourism industry.

In 2021–22, SaskWater delivered 39.6 billion litres of non-potable water.

Wastewater Treatment and Management

SaskWater recognizes the need for environmentally sustainable wastewater treatment and disposal solutions. That's why its wastewater treatment and management services aim for zero discharge to the environment. Whether it's a simple lagoon-based treatment, a complex mechanical treatment system or effluent irrigation, SaskWater strives to provide wastewater solutions that are eco-conscious. In fact, SaskWater's research into environmentally sustainable wastewater disposal spurred the development of an effluent disposal process involving a woodlot with zero discharge to the environment.

SaskWater owns and operates wastewater facilities in Nipawin, Pierceland and Fort Qu'Appelle. The Pierceland facility is a stand-alone system. The Nipawin and Fort Qu'Appelle facilities are regional wastewater systems serving multiple customers either through force mains or dump stations for commercial truck haulers.

In 2021–22, SaskWater received and treated 1.1 billion litres of wastewater.

Certified Operation and Maintenance (COM)

SaskWater lends its expertise in various ways to support customers that own their infrastructure. SaskWater contracts with 18 communities and rural pipeline groups to provide certified operation and maintenance of their water and wastewater systems, including:

- non-potable water supply
- water and wastewater treatment plants
- treated water storage facilities
- distribution systems
- wastewater collection and disposal

The above services are supervised or performed by certified operators.

COM also provides regulatory reporting and consultation, emergency planning, remote monitoring and customer support services.

SaskWater is able to offer the services of its qualified certified operators to communities and rural pipeline groups located near our existing operating centres.

Project Management

SaskWater provides project management services for customers undertaking large water and wastewater infrastructure projects. Through the planning and design stages to the construction and financing, SaskWater has the expertise and experience to provide complete project management services.

SaskWater also plans and manages the design and construction of water and wastewater infrastructure in Northern Saskatchewan on behalf of the Ministry of Government Relations. From its Prince Albert office, SaskWater provides ongoing technical advice to northern communities and First Nations for maintenance and expansion of their water and wastewater infrastructure, including

responding to community emergencies related to that infrastructure.

In 2021–22 SaskWater's Northern Engineering unit provided project management services on 32 projects on behalf of the Ministry of Government Relations and northern communities. Of the projects, 18 were funded by the New Building Canada Fund and Clean Water and Wastewater Fund grant programs.

Water and Wastewater Training

SaskWater works on behalf of Indigenous Services Canada to provide operations training to Saskatchewan First Nations. In 2021–22, SaskWater trained more than 75 water and wastewater operators at 29 First Nations.

The goal of SaskWater's training program is to assist in providing a safe water supply to residents and to safeguard their valuable water and wastewater infrastructure investment. The program began in 1978, and has evolved over the years to suit the specific water and wastewater operational needs of First Nations communities as they adapt to frequently changing technology and increasingly stringent regulatory requirements.

Benefits to First Nations communities include:

- enhanced quality of water and wastewater operations
- emergency technical assistance as required
- limited service disruptions and threats to public water quality and supply
- progressive operator development, including certification tutorial support
- annual water consumption records collection and reporting, representation at project management team meetings on behalf of First Nations receiving new facilities or significant facility upgrades and, upon request, participation in relevant stakeholder meetings

ROAM Remote Monitoring

ROAM – Remote Oversight and Monitoring – provides continuous monitoring of water and wastewater facilities for customers who wish to retain both ownership and operation of their systems. Partnering with TransGas (a subsidiary of SaskEnergy), SaskWater currently uses a Supervisory Control and Data Acquisition (SCADA) system to remotely monitor 61 SaskWater and customer-owned facilities across the province, 24 hours a day, 7 days a week.

ROAM employs certified operators who monitor water treatment plants, wastewater treatment facilities and distribution systems. On its own facilities, remote monitoring helps SaskWater increase safety, improve service, enhance water quality monitoring and reduce costs.

The benefits for the customer include providing a higher level of service to residents and customers through constant monitoring and the ability to respond proactively to plant fluctuations and troubleshooting, potentially saving time and money.

Leak Detection Audits

SaskWater provides leak detection audits using noise correlator technology to detect subsurface water leaks on distribution systems. Our team of highly qualified professionals is trained and equipped to support our customers with this industry best practice for maintenance and asset management.

This service strengthens SaskWater's commitment to provide safe, high-quality water to Saskatchewan communities as leaks of any size can damage infrastructure, contaminate a water supply, deprive a community of considerable revenue and waste a valuable natural resource.

SYSTEM MAPS

Current Service Areas in Saskatchewan

SaskWater currently owns and/or operates potable, non-potable and wastewater infrastructure in the following areas:

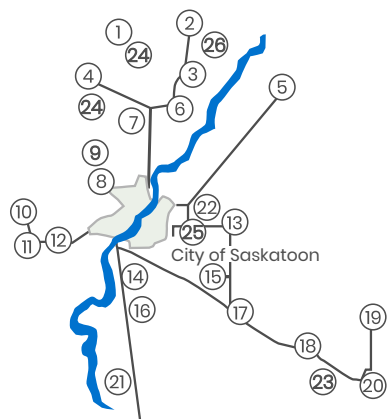
- 1 LA RONGE - AIR RONGE
- 2 PIERCELAND
- 3 MEADOW LAKE
- 4 MEOTA-COCHIN-JACKFISH LAKE
- 5 KINDERSLEY
- 6 NIPAWIN
- 7 MELFORT
- 8 WAKAW
- 9 HANLEY-WATROUS-LANIGAN
- 10 SASKATOON
- 11 ELBOW
- 12 GRAVELBOURG
- 13 MOOSE JAW
- 14 BUFFALO POUND
- 15 WHITE CITY
- 16 EDENWOLD
- 17 CUPAR
- 18 FORT QU'APPELLE
- 19 MELVILLE
- 20 RM OF SHERWOOD
- 21 ESTON
- 22 GLOBAL TRANSPORTATION HUB



OUR WATER SUPPLY SYSTEMS

SASKATOON AREA

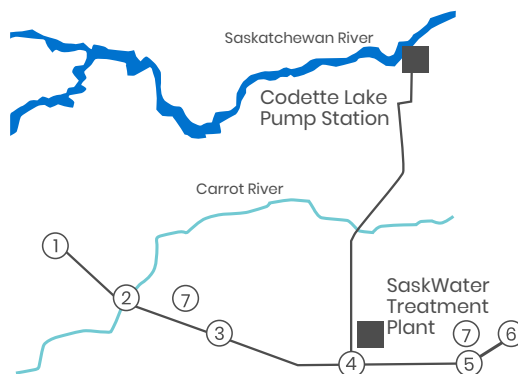
Potable Water Supply System



- | | | |
|-------------------------------|------------------------------------|-------------------------------------|
| 1. Hepburn | 10. Pratus Development Ltd. | 20. Allan |
| 2. Hague | 11. Prairie Pride Chick Sales Ltd. | 21. Dundurn Rural Water Utility |
| 3. Osler | 12. Chemtrade West | 22. Highway 41 Rural Water Utility |
| 4. Dalmeny | 13. Sunset Estates | 23. Allan South Rural Water Utility |
| 5. Aberdeen | 14. Grasswood | 24. Intervallley Inc. |
| 6. Warman | 15. Cargill Ltd. | 25. Lost River Water Co. |
| 7. Martensville | 16. Casa Rio/Wood Meadow | 26. Sask Valley Rural Water Utility |
| 8. BizHub Developments Ltd. | 17. Clavet | |
| 9. Yellowhead Industrial Park | 18. Bradwell | |
| | 19. Elstow | |

MELFORT AREA

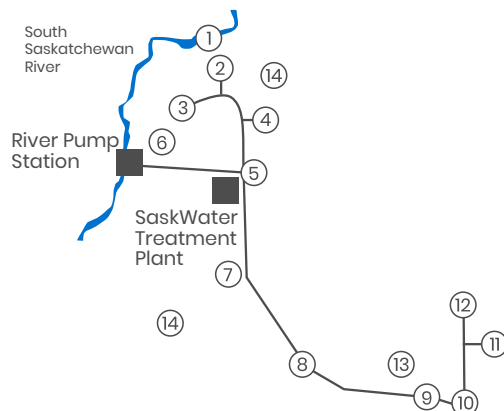
Potable Water Supply System



- | |
|---------------------------------------|
| 1. Weldon |
| 2. Kinistino |
| 3. Beatty |
| 4. Melfort |
| 5. Star City |
| 6. Star City Farming |
| 7. Melfort Rural Pipeline Association |

WAKAW-HUMBOLT AREA

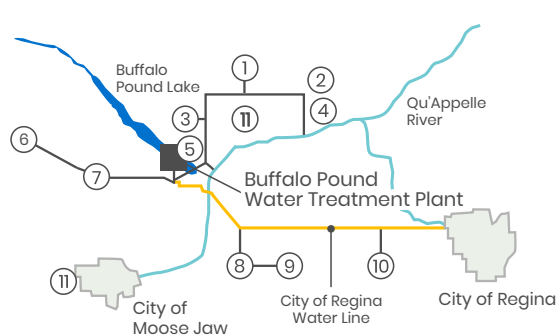
Potable Water Supply System



- | | |
|----------------------------|--|
| 1. St. Louis | 8. Bruno |
| 2. Hoey | 9. Humboldt |
| 3. St. Isidore-de-Bellevue | 10. Muenster |
| 4. Domremy | 11. Anaheim |
| 5. Wakaw | 12. Lake Lenore |
| 6. One Arrow First Nation | 13. SHL Pipeline Association |
| 7. Cudworth | 14. North Central Rural Pipeline Association |

BUFFALO POUND AREA

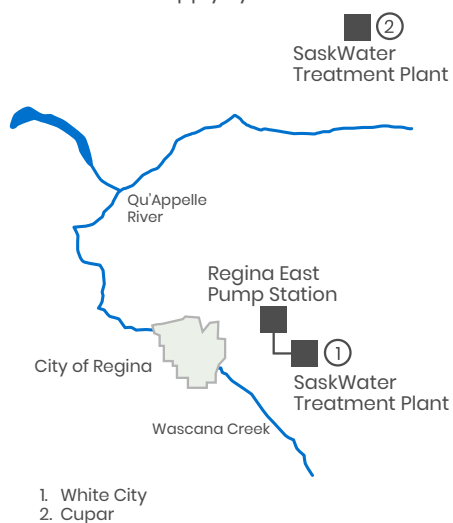
Potable Water Supply System



- | | |
|----------------------------------|---------------------------|
| 1. Bethune | 7. Tuxford |
| 2. Arm River Farming | 8. Yara Belle Plaine Inc. |
| 3. Buffalo Plains Cattle Company | 9. Windsor Salt Ltd. |
| 4. Disley | 10. Grand Coulee |
| 5. K+S Potash Canada | 11. Dufferin Water Assoc. |
| 6. Marquis | |

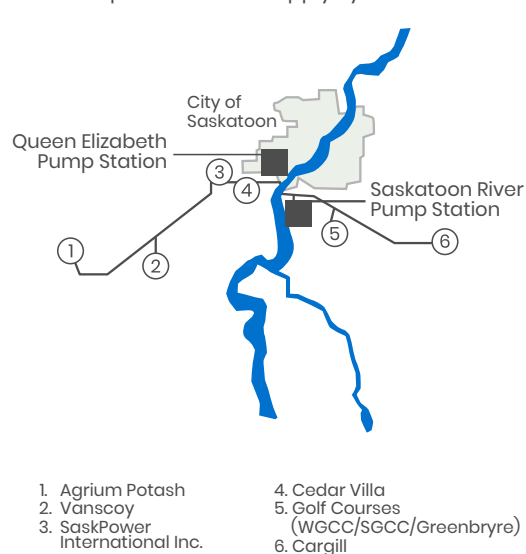
REGINA EAST

Potable Water Supply System



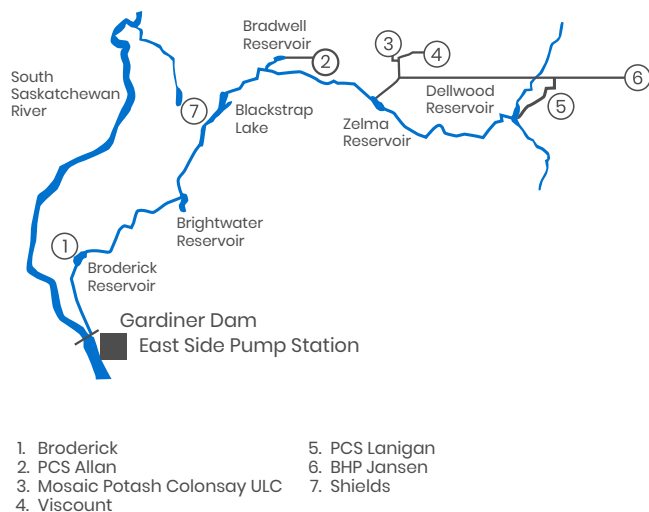
SASKATOON AREA

Non-potable Water Supply System



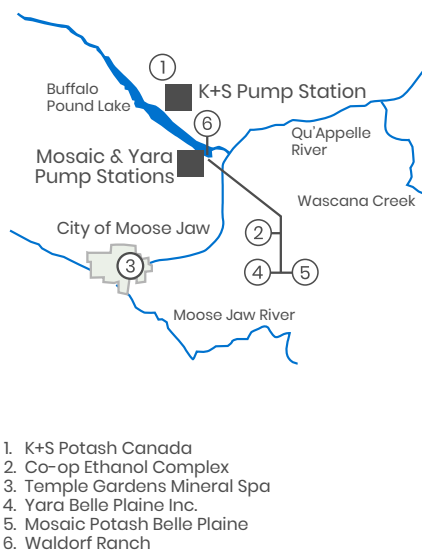
SASKATOON SOUTHEAST

Non-potable Water Supply System




BUFFALO POUND AREA

Non-potable Water Supply System







MANAGEMENT DISCUSSION & ANALYSIS

- **Overview**
- **Strategic Plan and Balanced Scorecard Measures**
- **Corporate Strategic Plan**
 - **Customer Focus**
 - Customer Satisfaction
 - **Growth**
 - **Operational Excellence & Innovation**
 - **Leadership & Culture**
 - Our People
 - **Corporate Reputation**
 - Our Corporate Social Responsibility Commitment
- **Operating Environment**

OVERVIEW

The following Management Discussion and Analysis (MD&A) highlights key factors that influenced SaskWater's operations and financial results for the year ended March 31, 2022. The MD&A should be read in conjunction with the audited financial statements and accompanying notes, which have been prepared in accordance with International Financial Reporting Standards.

The information has been prepared and organized to assist readers in understanding the business services offered by SaskWater, where the company operates, key aspects of the strategic plan and results achieved during the year.

The MD&A contains certain forward-looking statements that are subject to inherent uncertainties and risks. Many of these risks are described in the Risk Management section of the MD&A. All forward-looking statements reflect the corporation's best estimates and assumptions based on information available at the time the statements were made. However, actual results and events may vary significantly from those anticipated.

SaskWater's primary lines of business are the provision of potable and non-potable water, which make up over 80 per cent of all revenue. The remaining revenue is derived from a combination of wastewater services, certified operation and maintenance (in which SaskWater provides operator management services but does not own the facilities), support to northern Saskatchewan communities and First Nations (as further described in the Lines of Business section) and amortization of customer and grant contributions to support capital projects.

Potable water services are largely provided to municipalities while non-potable water services are typically for large industrial businesses. Potable water sales are influenced by weather conditions over the summer months in particular, population changes within individual communities and changes to the customer base, such as securing a new customer community. Non-potable water sales are concentrated within the potash sector in the province and are sensitive to global market conditions within the sector.



STRATEGIC PLAN AND BALANCED SCORECARD MEASURES

In 2021–22 SaskWater launched a new strategic plan to respond to changes in our operating environment and the water sector. After accomplishing many of the strategic priorities in our last plan, we identified a number of new opportunities to pursue. Through the strategic planning process, we redefined our mission and vision for SaskWater, re-evaluated our strategies going forward, set new near-term priorities and established new values.

Our strategic direction is described by our mission *to create trusted and sustainable water solutions for a vibrant Saskatchewan*, and our vision, *to be Saskatchewan's choice for water services*. These two statements provide focus, inspiration and direction for our customer-centric, strategic framework and they align with the Government of Saskatchewan's growth plan initiatives to grow the province and enhance the quality of life for Saskatchewan people. Safe, reliable water is critical to the health and economic well-being of communities, and serves as an important component to attract population and industrial/business growth.

The cost of providing water is increasing rapidly in Saskatchewan due to aging infrastructure and challenges associated with treating increasingly complex water quality as well as supply issues. Many communities in the province require significant capital upgrades and are struggling with how to address these costs. Our municipal customers are cognizant that their residential customers have to balance multiple financial commitments with access to safe water, which is a necessity for life. During challenging economic times, industrial customers pursue ways to reduce their costs and want to know that SaskWater's services are reliable and efficient.

Due to the rising cost of infrastructure and the declining condition of water supply assets across the province, we believe that regionalization is a viable





option to provide safe, reliable and economical water services over the long term. Growing SaskWater's business through regionalization, diversifying our products and services and meeting the water needs of municipal and industrial customers continues to be our focus.

In order to accomplish our vision and mission, five strategic priorities and goals have been identified, which include Customer Focus, Growth, Operational Excellence & Innovation, Leadership & Culture and Corporate Reputation. Growth is the central priority of our strategic plan, and it is supported by the remaining four. These strategic priorities complement each other to achieve our vision of being Saskatchewan's water supplier of choice. We believe that being customer-centric in our service approach, harnessing innovation to improve efficiency and affordability, focusing on the leadership capabilities of our employees and enhancing our reputation with stakeholders, will support our endeavours to grow our services across the province.

We measure our progress with the strategic plan through our performance management program and report on our success using the balanced scorecard. All the measures and corresponding targets in the balanced scorecard have been aligned with the priority areas to monitor and measure progress. Progress toward the targets is monitored and reported throughout the year to the Board of Directors and Crown Investments Corporation (CIC), allowing for corrective action to be taken, if necessary, to achieve the targets.

The following sections highlight each of our priorities and the progress we have made, with a focus on performance relative to our balanced scorecard measures and targets for the 2021–22 fiscal year.

CORPORATE STRATEGIC PLAN

VISION		MISSION	VALUES
To be Saskatchewan's choice for water services.		To create trusted and sustainable water solutions for a vibrant Saskatchewan.	<ul style="list-style-type: none"> • Accountability • Teamwork • Creativity • Stewardship • Recognition
STRATEGIC PRIORITIES		STRATEGIC GOALS	
 CUSTOMER FOCUS		<ul style="list-style-type: none"> • Provide a great customer experience. • Increase the perceived value of service provided by SaskWater. • Be a customer-centric organization. 	
 GROWTH		<ul style="list-style-type: none"> • Increase revenue to \$73 million from existing lines of business by 2026-27. • Increase revenue from new services by \$2 million by 2026-27. 	
 OPERATIONAL EXCELLENCE & INNOVATION		<ul style="list-style-type: none"> • Employees embrace innovation and actively participate in identifying and implementing innovative ideas. • Leverage technology and analytics to support decision-making and enhance services delivered to customers. • Optimize capital, operational and overhead costs. 	
 LEADERSHIP & CULTURE		<ul style="list-style-type: none"> • Effective leaders throughout the organization. • Employees understand, embrace and demonstrate the corporate culture. • Commitment to a safe and healthy workplace. 	
 CORPORATE REPUTATION		<ul style="list-style-type: none"> • Strengthen SaskWater's reputation with stakeholders. • SaskWater is recognized as a good corporate citizen. • SaskWater contributes to the overall success of the province. 	





CUSTOMER FOCUS

OUR GOALS

- **Provide a great customer experience**
- **Increase the perceived value of service provided by SaskWater**
- **Be a customer-centric organization**

WE COMMIT TO:

Excellent customer support and deliver high-quality, reliable services at a price that is valued by the customer.

As a customer-centric organization, we strive to create a great customer experience with each and every interaction we have with our customers. We view our relationship with customers as a partnership where we work together to develop mutually beneficial solutions that are valued. This means that the customer's perspective is central to all of our decisions.

As customers are central to what we do, we know that their success will also be ours. We believe that strong customer relationships are paramount to realizing new growth opportunities. Having a positive reputation with our customer is key to our long-term success.



HOW WE MEASURE UP

2021–22 marks the first year of SaskWater’s new six-year strategic plan. In conjunction with the plan, SaskWater crafted clear measures of success to coincide with our redefined strategic goals and priorities. During this process, balanced scorecard measures from the previous plan were compared to the new strategic goals and objectives to evaluate their relevance to the current plan. As a result of this review, SaskWater identified several balanced scorecard measures that were carried over, while also creating a suite of new measures to better reflect the plan’s goals and priorities.

SaskWater’s **Customer Focus** priority serves to ensure that customers continue to have confidence in SaskWater to provide safe and reliable water services and that their needs are prioritized. SaskWater uses four measures to evaluate our success in meeting and exceeding customer needs and expectations.

SaskWater evaluates customer experiences through the following measures: *Customer Satisfaction Survey*, *% of Interruptions Resolved Within 24 Hours* and the *Water Quality Index*. SaskWater carries out a Customer Satisfaction Survey on a biennial basis, divided into association, community, industrial and single-user customer segments. This survey measures our customers’ perceptions of their interactions with SaskWater and our ability to provide a great customer experience. In 2021, we

exceeded our targeted customer satisfaction level with a score of 8.8 out of 10. This represents the highest-ever level of customer satisfaction for SaskWater. SaskWater’s highest attributes, according to customers, is our ability to provide safe drinking water and reliable services, and to demonstrate responsiveness in addressing emergencies.

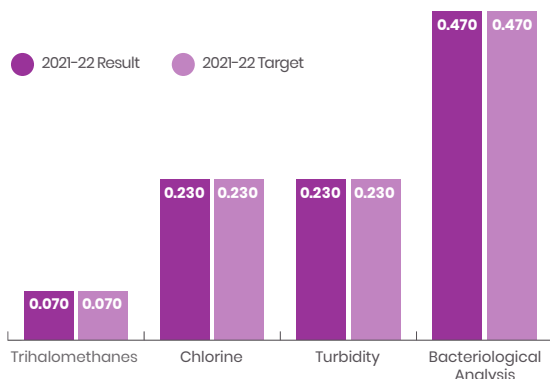
The *% of Interruptions Resolved Within 24 Hours* measure allows us to track our performance in restoring service to the customer after an interruption. Scoring well in the measure ensures that all planned interruptions (repairs and maintenance) and unplanned interruptions (power outages, water supply leaks) are addressed quickly and that service is restored to the customer as proficiently as possible. The measure is displayed as a percentage of interruptions that were responded to within 24 hours. SaskWater recorded 32 interruptions in 2021–22 and was successful in addressing 31 within 24 hours. As a result, SaskWater achieved a 97 per cent success rate and was on target for the year.

The *Water Quality Index* measure identifies four critical factors that determine whether SaskWater is achieving the delivery of high-quality water throughout our potable water supply systems. The factors include chlorine, turbidity, bacteriological analysis and trihalomethanes (THMs). For the target calculation, each factor is given a weighted





WATER QUALITY INDEX FACTOR RESULTS



percentage based on risk and impact associated with its potential presence in the water source. *The Water Quality Index* measure was on target for 2021-22, with all SaskWater systems meeting each of the *Water Quality Index* factors.

Full details regarding the 2021 water quality results can be found in SaskWater's 2021 Water Quality Report located at www.saskwater.com/publication-articles/water-quality-reports.

The *Current Customer Engagement* measure identifies how often SaskWater has purposeful communication with our customer groups. While communication with each customer is ongoing through regular business operations, SaskWater is making a conscious effort to engage municipal customers at least once per year in a more meaningful discussion. This dialogue is meant to ensure that specific needs can be addressed expeditiously, including their growth plans, and to build relationships that make our customers feel valued. SaskWater has established a long-term target of having annual in-person meetings with these customers by the end of the strategic plan. For 2021-22, SaskWater set a threshold that would see us contact 45 per cent of the target customer group during the year. SaskWater achieved this goal, despite the limitations of COVID-19 and adverse travel conditions that occurred in the winter.

BALANCED SCORECARD

LEGEND

- EXCEEDED TARGET BY 20% OR GREATER
- ON TARGET
- SLIGHTLY OFF TARGET BY UP TO 20%
- OFF TARGET BY GREATER THAN 20%
- TARGET INFORMATION NOT AVAILABLE

STRATEGIC OBJECTIVE

PROVIDE A GREAT CUSTOMER EXPERIENCE

MEASURE	2021-22 TARGET	2021-22 RESULT	STATUS LIGHT	2022-23 TARGET	2023-24 TARGET	2024-25 TARGET	2025-26 TARGET	2026-27 TARGET	LONG-TERM TARGET
1 Customer Satisfaction Survey	8.5	8.8	●	N/A	8.5	N/A	8.5	N/A	8.5
2 % of Interruptions Resolved Within 24 Hours	97%	97%	●	97%	97%	97%	97%	97%	97%
3 Water Quality Index	0.989	1.000	●	0.990	0.991	0.992	0.993	0.994	0.995
4 Current Customer Engagement	45%	45.3%	●	52%	60%	70%	78%	85%	100%

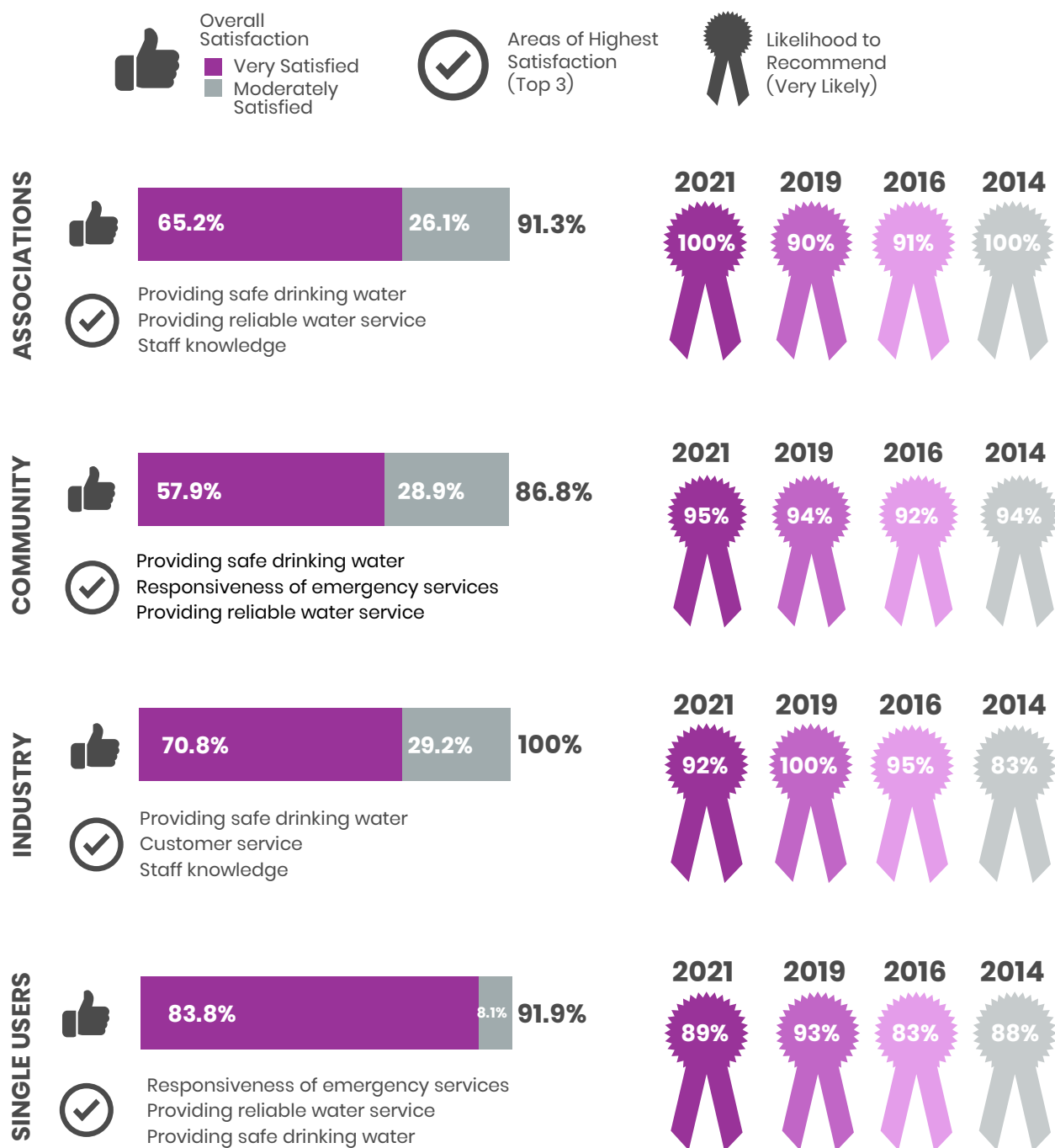
INCREASE THE PERCEIVED VALUE OF SERVICE PROVIDED BY SASKWATER

small, medium and large municipal customers



CUSTOMER SATISFACTION

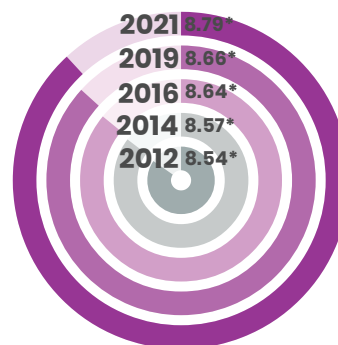
2021 Biennial Survey Results



Overall Satisfaction



Overall satisfaction remains strong (91.8% of customers are satisfied).



Areas of Highest Satisfaction*



Providing safe drinking water



Providing reliable water service



Responsiveness of emergency services



Staff knowledge



Customer service provided

Perception of Fair Prices



Customers continue to believe that service prices are fair.

Those who rated 7 to 10.



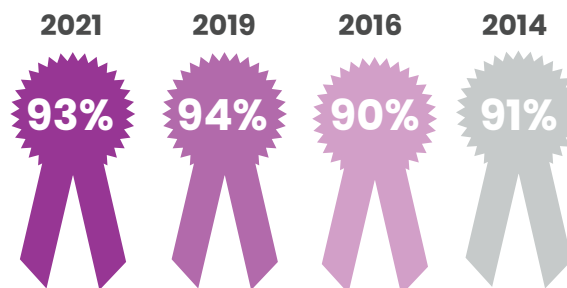
Level of Agreement with Cost Distribution



Seven in 10 agree that residents and industry should pay the total cost of water treatment and distribution.

* Average on 10 point scale

Likelihood to Recommend Service



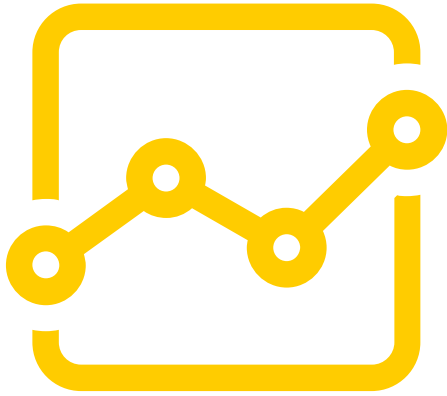
The likelihood to recommend service remains high.

122 Interviews completed
(68 telephone, 54 online)

Field dates



September 20, 2021,
to October 19, 2021



GROWTH

OUR GOALS

- Increase revenue to \$73 million from existing lines of business
- Increase revenue from new services by \$2 million

WE PROVIDE:

A diverse suite of services and solutions that increase market share and shareholder returns.

SaskWater is committed to growing the business so that we provide value to our shareholder and support Saskatchewan's growth goals through strategic investments and partnerships. Our growth strategy continues to emphasize diversification, competitiveness and risk reduction by increasing SaskWater's customer base and expanding our revenue streams.

We will continue to advance a regional approach to water infrastructure development in the province to diversify and grow our business. We believe this

is a sustainable way to provide water services across the province and support the Government of Saskatchewan's Growth Plan for investing and supporting communities and infrastructure development. We laid the initial foundation for regionalization in our previous strategy and are looking to continue our focus and effort in this area. While regionalization is an important pillar for growth, we will also continue to work with individual municipal and industrial customers to provide services that address their needs and expectations.



HOW WE MEASURE UP

SaskWater's **Growth** goal highlights our determination to grow and expand. Growth is central to our strategic plan and supports the goals of the Government of Saskatchewan as the province recovers from the COVID-19 pandemic.

Increase Revenue to \$75 Million by 2026-27 is SaskWater's only growth measure. SaskWater selected a \$75 million growth target in 2019-20. At that time, SaskWater's total revenue was \$59.5 million. To achieve an increase of \$15.5 million over the life of the strategic plan, SaskWater will require

the addition of several new projects and the expansion of its customer base. These include collaborating with other government entities on investment attraction opportunities, a study to pinpoint and recommend viable locations for new regional systems, preparing grant submissions for new customers, and leveraging SaskWater's brand to better market our services to potential clients. We continue to explore potential opportunities to develop and monetize new lines of business that would open up new markets for SaskWater.

BALANCED SCORECARD

LEGEND

- EXCEEDED TARGET BY 20% OR GREATER
- ON TARGET
- SLIGHTLY OFF TARGET BY UP TO 20%
- OFF TARGET BY GREATER THAN 20%
- TARGET INFORMATION NOT AVAILABLE

STRATEGIC OBJECTIVE

MEASURE		2021-22 TARGET	2021-22 RESULT	STATUS LIGHT	2022-23 TARGET	2023-24 TARGET	2024-25 TARGET	2025-26 TARGET	2026-27 TARGET	LONG- TERM TARGET
INCREASE REVENUE TO \$75 MILLION BY 2026-27	5 Revenue Growth (000's)	\$61,410	\$65,664	●	\$66,270	\$68,023	\$70,342	\$72,249	\$71,161	\$75,000



OPERATIONAL EXCELLENCE & INNOVATION

OUR GOALS

- **Employees embrace innovation and actively participate in identifying and implementing innovative ideas**
- **Leverage technology and analytics to support decision-making and enhance services delivered to customers**
- **Optimize capital, operational and overhead costs**

WE FOSTER:

Innovative teams who continuously seek improvements that enhance the value of our solutions and improve the customer experience.

Safe and reliable water services are vital to our customers and our goal is to provide these services in an efficient and effective manner. We will embrace innovative approaches to enhance our customer services and optimize operational effectiveness. With this in mind, this priority speaks to identifying innovative solutions for our customers that will address their water supply requirements as efficiently and cost effectively as possible.

Establishing a collaborative and teams based approach, internally and externally, is necessary to identify and implement innovative ideas that are timely and help us to remain relevant with our customers. Building a culture of innovation where employees feel empowered to explore new ideas and continuously improve and add value to the products and services we provide, is foundational to our success.



HOW WE MEASURE UP

SaskWater's **Operational Excellence & Innovation** priority outlines five measures that evaluate SaskWater's success in managing our internal resources and optimizing our current assets. By meeting our internal operating targets, we continue to provide customers with high-quality, safe drinking water that is delivered in the most efficient and economically sustainable manner possible.

SaskWater successfully met our *Efficiency Target and Crown Collaboration* measures. Since 2015–16, SaskWater has maintained an efficiency program that tracks and quantifies corporate efficiencies, including Crown collaboration initiatives where resources and expertise are shared among Saskatchewan's Crown sector. SaskWater's new strategic plan places strong emphasis on promoting efficiency and collaboration. 2021–22 was the first year that SaskWater established targets for these measures. The *Efficiency Target* calculates the savings that the corporation has achieved through implementing internal initiatives that reduce costs, avoid costs, procure items more efficiently or determine new revenue sources.

In 2021–22, SaskWater greatly surpassed our efficiency target thanks to staff at all levels of the organization embracing and contributing to this goal. Staff also identified many initiatives

not previously recognized. Some of the newly documented initiatives represented significant efficiency savings that contributed to SaskWater surpassing our target.

Similarly, SaskWater has been involved in Crown collaboration initiatives. Crown collaboration is undertaken to ensure that all Crowns, ministries and other government agencies are working cooperatively to share resources and knowledge amongst each other. This is done with the ultimate goal of promoting better outcomes for both Crowns and ministries, as well as the Saskatchewan public who utilize these services. 2021–22 was the first year that the Crowns were given a collective performance target. The Crowns were able to achieve \$48.9 million of the \$50 million target. SaskWater solely assisted by identifying nearly \$1 million in Crown collaboration savings, or approximately two per cent of the total cumulative target.

The *Corporate Operating Ratio* measure quantifies corporate efficiency by considering total operating and overhead costs in relation to overall revenue. Similarly, the *Corporate Productivity per FTE* measure tracks employee productivity by using a ratio of earned revenue to the number of FTEs in the organization. An FTE is all paid hours worked, including overtime hours. Both revenue and





expenses were higher than originally budgeted; however, both totals rose at a rate that achieved the targeted ratio for these measures.

The *Asset Renewal & Replacement* measure ensures that SaskWater is appropriately investing in our infrastructure. According to industry best practice, large utilities should target a replacement budget that is between 2.0 – 4.0 per cent of the total asset base of the company. This ensures that SaskWater is properly replacing infrastructure as the corporation ages. SaskWater was off target from our original budgeted amount

for 2021–22; however, we did finish the year within the long-term 2.0 – 4.0 per cent range.

The variance for the measure was the result of timeline shifts for a few projects that were originally scheduled for the 2021–22 year. Some reached completion earlier than expected while others were delayed for the upcoming year. In addition, SaskWater has experienced some procurement delays due to supply chain issues attributed to the COVID-19 pandemic.

BALANCED SCORECARD

LEGEND

- EXCEEDED TARGET BY 20% OR GREATER
- ON TARGET
- SLIGHTLY OFF TARGET BY UP TO 20%
- OFF TARGET BY GREATER THAN 20%
- TARGET INFORMATION NOT AVAILABLE

STRATEGIC OBJECTIVE

EMPLOYEES EMBRACE INNOVATION AND ACTIVELY PARTICIPATE IN IDENTIFYING AND IMPLEMENTING INNOVATIVE IDEAS

OPTIMIZE CAPITAL, OPERATIONAL & OVERHEAD COSTS

MEASURE	2021–22 TARGET	2021–22 RESULT	STATUS LIGHT	2022–23 TARGET	2023–24 TARGET	2024–25 TARGET	2025–26 TARGET	2026–27 TARGET	LONG-TERM TARGET
6 Efficiency Target	\$1M	\$2.3M	●	TBD	\$1M	\$1M	\$1M	\$1M	\$1M
7 Crown Collaboration	\$50M	\$48.9M	●	TBD	TBD	TBD	TBD	TBD	TBD
8 Corporate Operating Ratio	0.67	0.68	●	0.69	0.68	0.68	0.68	0.67	0.50–0.60
9 Corporate Productivity per FTE	\$458	\$493	●	\$485	\$491	\$501	\$507	\$492	\$521
10 Asset Renewal & Replacement	4.0%	2.0%	●	2%–4%	2%–4%	2%–4%	2%–4%	2%–4%	2%–4%





LEADERSHIP & CULTURE

OUR GOALS

- **Effective leaders throughout the organization**
- **Employees understand, embrace and demonstrate the corporate culture**
- **Commitment to a safe and healthy workplace**

SASKWATER PROVIDES:

A great employee experience through strong leadership and corporate culture.

Engaged employees love what they do and in turn provide a great customer experience and have a positive impact on business results. High-quality, skilled employees with the ability and confidence to make sound decisions about the operations of the corporation are necessary to

achieve our strategic priorities. SaskWater's culture and leadership priority speaks to the importance of our employees and outlines our commitment to providing employees with the leadership and workplace environment they need to succeed.



OUR PEOPLE

At SaskWater, employees are the corporation's most important asset and provide a valuable connection to our customers, industry contacts and the general public.

Employees

SaskWater has approximately 129 employees working out of headquarters in Moose Jaw and offices in Regina, Saskatoon and Prince Albert, as well as the locations identified on the systems map on page 15.

SaskWater operates in a unionized environment; 83 of our permanent employees are members of the UNIFOR Union, Local 820.

Diversity

At SaskWater, we understand the importance of a diverse workforce to support our operations and help us continue to be an innovative and forward-looking corporation.

SaskWater supports a representative workforce. Strategies include attraction, retention, training and

promotion of those who fall into the Saskatchewan Human Rights Commission representative categories: women in under-represented positions, visible minorities, Indigenous peoples and persons with disabilities.

In 2021–22, members of these designated equity groups represented 35 per cent of SaskWater's workforce. To further support diversity, we continue to deliver an Indigenous Cultural Awareness Program to SaskWater employees. This year, 26 of our employees attended this program, bringing the percentage of staff who has taken this training to 98 per cent.

As part of their core training, SaskWater employees attend Crucial Conversations, a two-day interactive communication skills development workshop aimed at contributing to a respectful working environment. Since this became part of the core training in 2016–17, 78 active employees (60 per cent) have attended.





Training

SaskWater encourages and supports training in the areas of ongoing education, professional development and occupational health and safety for employees. Training is offered to upgrade employee knowledge and skills. This increases organizational effectiveness by raising overall employee performance and engagement.

Due to COVID-19 quarantine requirements and related training cancellations, the number of employees accessing this type of training in 2021–22 was significantly reduced compared to previous years. However, during that time, three employees continued to access SaskWater's Tuition and Book Reimbursement policy, and even completed post-secondary programs.

Education

In the water and wastewater industry, education is important. Investing in post-secondary education is investing in SaskWater's future employees and the future workforce of Saskatchewan. SaskWater's co-op terms show our commitment to recruiting promising young talent in Saskatchewan. SaskWater posted three eight-month co-op placements in 2021–22, and successfully filled two of them at its Moose Jaw and Melfort locations.

HOW WE MEASURE UP

SaskWater supports the growth and well-being of our employees. The **Leadership & Culture** priority focuses on three main strategic objectives: to develop effective leaders throughout the organization, create a strong corporate culture and having a commitment to health and safety. In these areas SaskWater has four measures to gauge success.

Leadership Development Hours Per FTE represents the average number of hours SaskWater employees have engaged in formal leadership training throughout the year. To be considered as formal leadership, the educational program must directly relate to leadership development and improvement, or offer educational improvement beyond the scope of an employee's current position at SaskWater. SaskWater was slightly below target in 2021–22 as an individual who was participating in the program is no longer with SaskWater and their training hours could not be counted toward the target.

The *Employee Engagement Survey* is a corporate-wide survey conducted biennially to track the effectiveness of employee engagement strategies. SaskWater has established a long-term target of 80 per cent employee engagement. An employee engagement score for this measure is created based on employee survey results and is defined by the survey provider. In 2020–21, SaskWater received an employee engagement score of 68 per cent. Since then, SaskWater has been working on several initiatives to address employee engagement. SaskWater did not conduct an employee engagement survey in 2021–22, and will look to survey the staff in the upcoming fiscal year.

The *Absenteeism Rate* measure tracks the amount of absenteeism that has occurred throughout the year. The long-term target is tied to the absenteeism

rate in the overall Crown sector. Company absenteeism acts as a barometer with respect to the health and well-being of employees. Increases in overall absenteeism typically stem from negative events occurring in the workplace and therefore are important to track. In 2021–22, the measure is greater than targeted as a result of the COVID-19 pandemic. SaskWater anticipates a return to normal absenteeism levels in the upcoming year.

SaskWater's safety measure, Total Recordable Injury Rate (TRIR), tracks the number of reportable safety events that occurred throughout the year. An injury

is considered a recordable safety event at any point when the injury requires medical treatment beyond standard first aid. The measure divides the number of recordable injuries by the total amount of labour hours performed during that period. TRIR is considered industry best practice for measuring safety performance.

SaskWater had one recordable injury in 2021–22 that did not result in lost time producing a TRIR score of 0.87. This result is well below the industrial average for safety events and demonstrates SaskWater's commitment to safety.

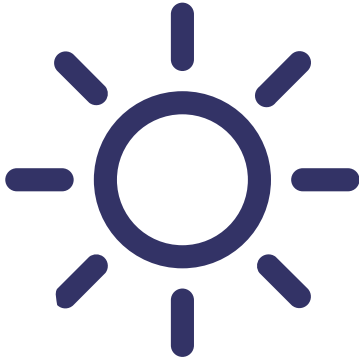
BALANCED SCORECARD

LEGEND

- EXCEEDED TARGET BY 20% OR GREATER
- ON TARGET
- SLIGHTLY OFF TARGET BY UP TO 20%
- OFF TARGET BY GREATER THAN 20%
- TARGET INFORMATION NOT AVAILABLE

STRATEGIC OBJECTIVE

	MEASURE	2021–22 TARGET	2021–22 RESULT	STATUS LIGHT	2022–23 TARGET	2023–24 TARGET	2024–25 TARGET	2025–26 TARGET	2026–27 TARGET	LONG- TERM TARGET
EFFECTIVE LEADERS THROUGHOUT THE ORGANIZATION	11 Leadership Development Hours per FTE	4 hrs	3.45 hrs	●	4 hrs	4 hrs	5 hrs	6 hrs	8 hrs	8 hrs
	12 Employee Engagement Survey	N/A	N/A	●	70%	N/A	72%	N/A	74%	80%
EMPLOYEES UNDERSTAND, EMBRACE, & DEMONSTRATE THE CORPORATE CULTURE	13 Absenteeism Rate	6.0	7.36	●	6.0	6.0	6.0	6.0	6.0	Crown Sector Average
	14 Total Recordable Injury Rate (TRIR)	1.44	0.87	●	1.15	1.13	1.11	1.09	1.08	1.00



CORPORATE REPUTATION

OUR GOALS

- **Strengthen SaskWater's reputation with stakeholders**
- **SaskWater is recognized as a good corporate citizen**
- **SaskWater contributes to the overall success of the province**

WE ARE RECOGNIZED AS:

A vital and valued water utility by our stakeholders, and known for building healthy, vibrant, sustainable communities and supporting a thriving Saskatchewan economy.

As a Crown corporation, SaskWater is committed to being an outstanding corporate citizen. What we do and how we do it can leave a lasting impact on our shareholders, society and natural environment. Our focus with this priority is to enhance our

relationships with our stakeholders, operate in a socially and environmentally responsible manner and support the province in achieving its vision and goals.



HOW WE MEASURE UP

SaskWater understands the role we play in the community and how a strong and successful SaskWater benefits the province overall. The two measures for our **Corporate Reputation** priority include being recognized as a good citizen and our contributions to the overall success of the province.

In this priority area, SaskWater tracks a measure that examines water loss on our systems, or current annual real losses (CARL) and another that considers greenhouse gas (GHG) emissions. *The CARL – % of Total System Volume* and *GHG Emissions Reduction* measures focus on the environmental impact of SaskWater.

The *CARL – % of Total System Volume* measures the overall water loss that occurred on SaskWater's potable and non-potable systems throughout the year. Water loss is a problem both environmentally and economically, as the wasted costs and energy involved in procuring and treating water that is ultimately lost create a drag on system performance. A long-term target of 2.0 per cent water loss is considered an extremely high benchmark for water loss acceptability. SaskWater manages water loss by maintaining our infrastructure through an asset

management program and by optimizing pressure on systems to avoid leaks. SaskWater's water loss in 2021–22 was mainly due to an accumulation of minor leaks that were identified and rectified either by repair or replacement. There were no significant leaks that took place over the course of the year.

SaskWater's *GHG Emissions Reduction* measure compares our company's annual GHG emissions intensity against our 2005 GHG emissions levels. SaskWater has set a target to reduce GHG emissions intensity by 40 per cent in 2030 from our 2005 levels. This measure includes GHG emissions from several sources, including purchased power, fuel for transportation and energy required to heat buildings and offices. The measure tracks the amount of GHGs required to move one million cubic metres of water. SaskWater performed well in 2021–22. SaskWater's GHG Committee continues to identify ways to reduce the corporation's carbon footprint, including the installation of solar panels at several SaskWater sites, implementation of pump curve efficiencies on pipelines to maximize the pipeline's efficiency and by promoting more virtual meetings to avoid added fuel costs.



SaskWater had a successful year, financially. SaskWater uses two financial measures in the balanced scorecard to monitor financial performance: *Debt to Debt & Equity* and *Return on Equity (ROE)*.

The *Debt to Debt & Equity* measure calculates the corporation's total debt and compares it to the sum of total debt and equity of the corporation.

As SaskWater grows our business and upgrades our aging assets, debt levels will increase to finance the capital program. The ratio of *Debt to Debt & Equity* in 2021–22 was within target at 49 per cent, slightly below the expected 50 per cent. SaskWater's short-term debt was lower than budgeted as some capital projects

were delayed into 2022–23, requiring less debt for the year.

ROE is a measure of income expressed as a percentage of average equity. Strong potable and non-potable sales helped the organization achieve our budgeted financial targets and to exceed our ROE target for 2021–22.

The corporation continues to find financial success as SaskWater remains focused on customers and growth. Maintaining a high level of customer satisfaction while diligently seeking out and signing new potable and non-potable customers has resulted in SaskWater's financial stability and success.

BALANCED SCORECARD

LEGEND

- EXCEEDED TARGET BY 20% OR GREATER
- ON TARGET
- SLIGHTLY OFF TARGET BY UP TO 20%
- OFF TARGET BY GREATER THAN 20%
- TARGET INFORMATION NOT AVAILABLE

STRATEGIC OBJECTIVE

	MEASURE	2021–22 TARGET	2021–22 RESULT	STATUS LIGHT	2022–23 TARGET	2023–24 TARGET	2024–25 TARGET	2025–26 TARGET	2026–27 TARGET	LONG- TERM TARGET
SASKWATER IS RECOGNIZED AS A GOOD CORPORATE CITIZEN	15 CARL – % of Total System Volume	2.4%	2.2%	●	2.3%	2.2%	2.1%	2.0%	2.0%	2.0%
	16 GHG Emissions Reduction	436 Tonnes	412 Tonnes	●	382 Tonnes	377 Tonnes	377 Tonnes	372 Tonnes	376 Tonnes	396 Tonnes
SASKWATER CONTRIBUTES TO THE OVERALL SUCCESS OF THE PROVINCE	17 Debt to Debt & Equity	50.1%	49.0%	●	50.1%	53.0%	51.6%	51.6%	55.2%	60%
	18 Return of Equity (ROE)	8.9%	11.2%	●	9.2%	9.9%	9.1%	9.4%	9.7%	9%



OUR CORPORATE SOCIAL RESPONSIBILITY COMMITMENT

What Drives Our Efforts

Corporate Social Responsibility and Sustainability at SaskWater is the practice of addressing current and future corporate needs while protecting and enhancing economic, social and environmental resources. The corporation's business is reliant on a financially stable bottom line, a healthy environment, strong communities and industries, a satisfied and engaged workforce and strong partnerships with stakeholders and the shareholder. SaskWater's Corporate Social Responsibility and Sustainability Policy, approved by the Board of Directors in 2013, supports the wise use of our economic, social and environmental resources.

SaskWater's Policy

As a Crown corporation, SaskWater contributes to the province's well-being by helping to build healthy, vibrant communities and a thriving Saskatchewan economy. We endeavour to do so through sustainable practices. These efforts are guided by policy based on three principles: economic prosperity, social responsibility and environmental stewardship.

OUR GUIDING PRINCIPLES

Economic Prosperity

At SaskWater, we strive to achieve economic prosperity through accountable and transparent governance. We are committed to creating financial stability for our shareholders and supporting Saskatchewan industry while providing products and innovative solutions that are valued by our customers. Where feasible, we encourage the procurement of goods and services from Indigenous suppliers and contractors, and the development of local employment opportunities in communities where SaskWater operates.

- To show our commitment to accountable and transparent governance and long-term financial stability in 2021–22, SaskWater:
 - enhanced its Enterprise Risk Management program and supporting policy by implementing risk appetite statements. Every year, the corporation identifies corporate risks and assesses the top 10 against likelihood and impact. Top risks are identified in the annual report for public disclosure and submitted to Crown Investments Corporation.
 - produced an annual report that documents the performance of the corporation via the

Balanced Scorecard and financial reports for public consumption.

- launched SaskWater's strategic plan, 2021–22 to 2026–27.

- To address long-term financial stability for the corporation, SaskWater:
 - has a cost of service rate methodology in place, designed to recover the full cost of providing service, including a rate of return. In 2018–19, SaskWater undertook an external review of the cost of service rate methodology and approach to ensure that the policies and methodology applied today are appropriate given current business conditions and utility best practices. SaskWater continues to review our rate program against the report and revise the model where applicable.
 - obtained federal/provincial infrastructure grants to upgrade infrastructure in several SaskWater-owned systems. Grants support rate affordability and system sustainability by lowering the capital recovery requirements from rates, and they allow SaskWater to invest in aging infrastructure.

- implemented efficiency initiatives to manage costs and create value for customers through effective services.
 - participated in 10 Crown collaboration initiatives to identify services and resources that can be shared to reduce overall Crown costs, support economic growth and enhance customer service.
- In 2021–22, SaskWater completed the upgrade to the water treatment plant in the City of Melfort to protect the quality of water on the system and support future growth of its customers. Local contractors were involved with the upgrade project.
- In 2021–22, SaskWater's invested in replacement of pipeline that was at end of life on the Saskatoon Potable Water Supply System – East to ensure the reliability and longevity of service for customers on the system.
- SaskWater is committed to a best value procurement approach within the parameters of all relevant trade agreements. Wherever possible, SaskWater evaluates procurement options to maximize the use of local resources, recognizing that – other factors being equal – experience, knowledge and familiarity with a region bring added value to a project. This creates opportunities for small- and medium-sized businesses in and around Saskatchewan to bid on SaskWater contracts and ensures the best value for SaskWater and our customers through a fair, open and transparent bidding process.
- To explore new ways of engaging Indigenous vendors, SaskWater's Director of Engineering works with other Crown corporations and ministries to explore opportunities to enhance Indigenous procurement. In 2021–22, SaskWater engaged the services of eight Saskatchewan vendors who identified their company as Indigenous or declared Indigenous content in their proposal. SaskWater also implemented an updated Indigenous Procurement Policy and Procedures to further encourage Indigenous content in SaskWater procurement.

Social Responsibility

As a socially responsible corporation, SaskWater looks to improve the overall well-being of our customer communities while contributing to a healthy economy and positive business environment. That's why we support organizations in our customer communities that enrich the lives of residents through numerous events and initiatives. SaskWater commits to providing our customers water and wastewater services that meet or exceed provincial water and wastewater regulations. We are committed to hiring a representative workforce and keeping our employees positively engaged. Through these efforts we will continue to nurture strong customer and business relationships.

- SaskWater conducts community consultations to provide a forum for communities and individuals to learn and ask questions about SaskWater projects that may impact them. During 2021–22:
 - SaskWater and the City of Saskatoon executed the terms of a Master Servicing Agreement. As a result, our Customer Growth and Engagement (CG&E) team continues to engage with the Saskatoon area large potable water user customers to negotiate new water supply agreements.
 - CG&E continues to work with potential customers of the proposed Highway 9 Regional Water Supply System. A steering committee was established for participating communities and a meeting was held to provide an update and discuss next steps on the project. CG&E will be working with the project steering committee members regarding opportunities to install water meters in their communities to confirm water consumption levels.
 - Meetings were held with communities of Lashburn and Marshall to provide updates on the progress of the Prairie North Regional Potable Water Supply System. The two communities are looking forward to receiving water from this system to address their long-term water needs.



- SaskWater's customer engagement process gives municipal, industrial and rural pipeline group customer representatives the opportunity to ask questions about the services they receive from SaskWater, understand how the system is performing and identify and discuss current and future capital, operational requirements and any potential impact to water rates. While being mindful of changing COVID-19 health restrictions throughout the year and taking appropriate precautions when necessary, SaskWater was able to deliver a large majority of our customer engagement sessions in person in 2021-22. Virtual sessions remained a useful tool to accommodate situations where in-person meetings were not possible. Sessions were held with representatives of 15 customer groups served by the following systems and facilities:

- Wakaw-Humboldt Regional Water Supply System
- Edenwold Water Supply System
- Meadow Lake Regional Water Supply System
- Buffalo Pound Potable Water Supply System
- White City Potable Water Supply System
- Melville Regional Potable Water Supply System

- RM of Sherwood Water Treatment Plant
- Cupar Potable Water Supply System
- Kindersley Water Treatment Plant
- Codette Lake Regional Water Supply System
- Elbow Regional Water Supply System
- Gravelbourg Regional Water Supply System
- Echo Regional Wastewater System

- As one of Saskatchewan's commercial Crown corporations, SaskWater has the opportunity to make positive contributions to Saskatchewan communities. In 2021-22, requests for support through SaskWater's Community Investment program were lower than normal due to COVID-19 restrictions limiting public events and fundraisers. Despite receiving fewer requests, we sponsored 47 events in 40 communities throughout the year.

SaskWater's Community Investment Policy's categories of support include: Community Enhancement, First Nations/Diversity and Partnership.

In the category of Community Enhancement, in 2021-22, SaskWater provided sponsorships to several of our customer communities through a range of opportunities, including:

- Town of Marshall's fundraising efforts to support new soccer nets for the community

RUMOUR HAS IT



//

Thank you for SaskWater's support of our public skating program. Your generosity allows the families in our community to stay active and create memories all winter long.

Ruth Fehr, Town of Hepburn

- annual support for the Moose Jaw Health Foundation
- Town of Lashburn's Community Day activities
- Town of Hepburn's public skating program
- Kindersley & District Plains Museum drive-thru Christmas lights fundraiser
- rink board dividers in the Town of Wakaw
- Line 19 Multiplex Committee's fundraising initiative
- support for the purchase of a water bottle filling station in the Town of Bruno
- golf tournaments, fishing derbies and mental health initiatives

In support of First Nations/Diversity, in 2021–22, SaskWater provided support to events and organizations, including:

- Saskatchewan Polytechnic bursary–Indigenous Student Summer Transition Program
- Special Olympics Saskatchewan Polar Plunge fundraiser
- Canadian Deafblind Association golf tournament

SaskWater's Partnership-related support in 2021–22 included:

- Saskatchewan Science Centre
- Shad Canada's virtual design and engineering experience
- Saskatchewan Polytechnic - Water Resources Program equipment needs

- donation to TeleMiracle on behalf of our customers in lieu of Christmas cards

- SaskWater employs qualified operators and supports their professional development by maintaining and upgrading certifications required to ensure that our water supply systems are performing at or above required standards. We are vigilant in the oversight of our systems to ensure the safety of the potable water we supply. Operators have access to remote monitoring and a network of relief operators to ensure that our facilities are always properly supervised. To facilitate this work, SaskWater has developed and implemented an application called Water Analysis and Validation (WAV). WAV allows SaskWater to collect all water data (supervisory control and data acquisition data, lab test data and field test data) in one spot, validate and sort it, and more easily report on it.
- SaskWater's continued commitment to providing a safe and healthy workplace for all employees has been critical in protecting our employees throughout the ongoing global pandemic. SaskWater implemented our Pandemic Plan in response to COVID-19 and responded with timely adjustments to public health orders as they were imposed. Employees who could effectively work from home did so, while our operations teams implemented strategies and extra measures to limit contact with other groups. Our continued focus is on ensuring that SaskWater employees are safe and feel safe while in the workplace, and to provide the tools and strategies to achieve this.



From all of the teachers and students at Wakaw School, thank you so much for sponsoring the Legacy One resource for our school. Supporting mental health is so important and we sincerely appreciate this generous and kind gesture.

Jacquie Bergerman, Vice Principal





Our employees' health and safety, and providing water and wastewater services to our customers, remain our top priorities.

- SaskWater supports a representative workforce through core training opportunities. In 2021–22, SaskWater had 26 employees attend the Indigenous Cultural Awareness Program online, bringing our total employees trained to 98 per cent. While some of the more interactive programming SaskWater typically participates in was paused due to COVID-19 concerns, several SaskWater employees engaged in online leadership training courses in 2021–22.
- SaskWater offers our employees a health and wellness benefit that encourages them to stay active and make healthy lifestyle choices within their communities, which has spillover benefits for local businesses.
- SaskWater encourages staff initiatives that benefit community groups and causes that are important to our employees. While volunteer opportunities were not a possibility in 2021–22 due to COVID-19, employees were still able to participate in office fundraisers, generating funds to support campaigns such as the Terry Fox Run.

Environmental Stewardship

Protecting our natural environment is fundamentally important to the ongoing success of SaskWater. As we provide vital water supply and wastewater services to our customers, we ensure that the environment is protected through careful compliance with relevant national and provincial regulations, standards and guidelines. Within our operations, we strive to develop efficiencies that conserve precious natural resources and take every opportunity to promote the value of water in our society and the need to preserve it.

- SaskWater provides water conservation resources and information at www.saskwater.com.
- SaskWater set an emissions intensity target to reduce GHG emissions by 40 per cent in 2030 from 2005 levels. As of 2020, SaskWater has achieved a 42 per cent reduction, with 387 tonnes of GHG emissions per 1 million cubic metres of water being pumped or treated.

SaskWater's Greenhouse Gas Committee meets regularly to review potential initiatives to reduce GHG emissions. The committee has implemented initiatives, including:

- formalizing the GHG target as a balanced scorecard measure



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The generous sponsorship we received from SaskWater brings us one step closer to achieving our goal of creating a community-oriented facility that will provide all individuals along Highway 19 a space to host childrens' workshops, family weddings, community events and corporate meetings.

Katie Vollmer, Line 19 Multiplex Committee

- operating solar panels at three sites to use renewable energy and reduce GHG emissions
- replacing inefficient lighting with more efficient LED lighting
- implementing a pump optimization program to lower power consumption by reducing average operating pressures in water supply lines
- reducing employee travel by implementing remote access to facilities for diagnostic and troubleshooting purposes
- implementing Microsoft Teams software for virtual meetings to minimize travel
- Water conservation is critical to our operations. SaskWater takes an active approach to minimizing water loss on our water supply systems. The target is a water loss rate of 2.4 per cent or less. SaskWater is undertaking a targeted asset renewal and replacement program for our systems that are aging and experiencing high water loss. (See the CARL measure in the balanced scorecard on page 42)
- We actively participate in corporate recycling of paper, plastics, electronics and batteries.
- A category for Environment/Sustainability is designated within our Community Investment Policy. In 2021–22, SaskWater supported initiatives such as:
 - Nature Conservancy of Canada's Conservation Internship Program
 - Conservation Learning Centre's education programming
 - Regional Centre of Expertise – Education for Sustainable Development Recognition Awards

SaskWater recently launched a new strategic plan. One of the priorities within the plan focuses on corporate social responsibility and places an emphasis on both social and environmental responsibility.

Over the next several years, SaskWater will be transitioning to an Environmental, Social, and Governance policy and reporting framework that will expand on these priorities.



Shad's impact is not possible without the support of organizations like SaskWater. Your sponsorship enabled Saskatchewan youth to come up with ideas and turn them into viable solutions in Shad's real-world STEM design challenge. The 2021 challenge centered on helping Canadians treat freshwater with respect and students developed a fountain of new ideas to address freshwater management and pollution in Canada.

Tim Jackson, CEO, Shad Canada



OPERATING ENVIRONMENT

SaskWater monitors several important factors that have an impact on our financial performance. The following section examines elements of SaskWater's competitive situation that can affect our success in acquiring necessary resources, or marketing our services in a profitable manner. It provides an assessment of our financial results in the 2021-22 fiscal year and considers factors that can influence SaskWater's competitive position, our customer base, corporate reputation and ability to attract and retain capable employees.

KEY INFLUENCES

COVID-19

SaskWater continues to adapt to the challenges of the COVID-19 pandemic. With the rollout of vaccines and lifting of public health orders, our employees returned to the office in July 2021. Throughout the uncertainty of the pandemic, SaskWater employees demonstrated flexibility and resilience while maintaining high levels of customer service and satisfaction.

During the pandemic, SaskWater provided all of our services without disruption. From a revenue perspective, SaskWater was not affected in any substantive manner. SaskWater's large municipal and industrial customers continued to draw potable and non-potable water at volumes in line with pre-pandemic consumption levels. The pandemic brought unforeseen savings as corporate expenses were lower than originally budgeted amounts. With employees working from home for a portion of the year, travel decreased significantly, resulting in short-term savings in this area. These factors resulted in financial stability despite the economic uncertainty.

The biggest impact of COVID-19 was felt in delays to construction projects. Several projects

in 2021-22 saw setbacks when contractors were unable to maintain staffing levels due to employees contracting the virus or supply chain issues delayed construction timelines. To date, SaskWater has performed all operational functions as required and provided services as expected, despite the challenges associated with COVID-19.

Potash

SaskWater serves several prominent potash producers. These major industrial customers utilize large volumes of non-potable water. We serve seven of Saskatchewan's 10 operating mine sites.¹

Overall, since 2000, the potash market has demonstrated volatile price swings. At times, SaskWater has been impacted by weak potash prices when temporary mine shutdowns and periods of reduced production resulted in temporary decreases in revenues.

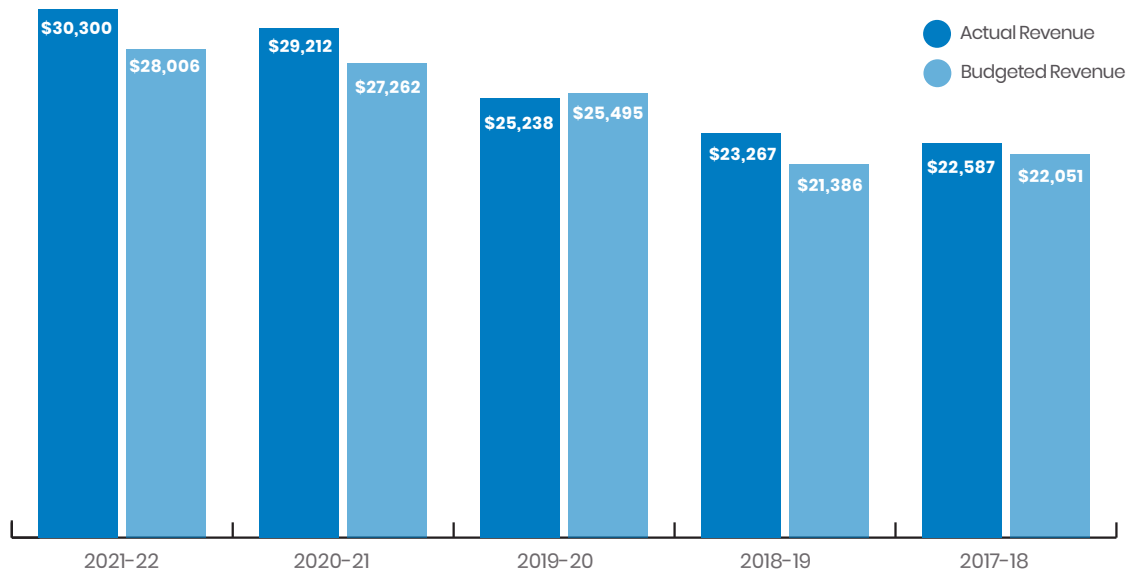
A recent stretch of persistently low potash prices caused BHP to delay their decision to proceed with construction at their Jansen mine site. This was coupled with industry concerns about the impact that the sizeable production capacity of the mine would have on an already oversupplied global market. However, in August 2021, BHP announced that they would proceed with the construction of the new mine and are looking to begin production in 2026-27.

In 2021 potash, as a commodity, had gradually decreased in value by almost 70 per cent from market highs in 2009; however, prices have taken an upswing in response to recent global events. Supply disruptions to both the Belarusian and Russian potash markets, as a result of the conflict in Ukraine, have pushed potash prices back to levels nearing all-time highs.

With BHP's renewed commitment to the Jansen project and the increases to global potash prices, SaskWater believes we may see revenue growth in our non-potable line of business.

¹Esterhazy has three mine sites Mosaic K1, K2 & K3. For the purpose of this list, Esterhazy is labelled as one mine site.

POTABLE REVENUE – BUDGET VS ACTUAL



Climate

SaskWater's potable revenues are largely impacted by precipitation levels. Due to Saskatchewan's lower than average precipitation during the past five years, SaskWater has seen higher than expected volumes, which thereby resulted in higher than expected revenue.

The chart above shows the potable revenue actuals vs budget, highlighting the additional revenue that has occurred due to the drought conditions.

However, a prolonged provincial drought has resulted in water supply challenges. During the summer of 2021, the Water Security Agency (WSA) minimized water releases from Lake Diefenbaker due to the low water supply levels at the reservoir. SaskWater was required to decrease the volume available to supply the Broderick Reservoir and Blackstrap Lake, which are used to manage the Saskatoon Southeast Water Supply (SSEWS) system. During the course of the summer and fall, SaskWater worked with the WSA to replenish both bodies of water to their full supply level.

Collaboration

Maintaining efficient operations and promoting a culture of innovation are core tenets of SaskWater's strategic plan. These principles allow SaskWater to continue to drive high customer satisfaction, promote efficient use of assets and maintain competitive rates. Crown collaboration has been very beneficial to SaskWater, and has allowed us to partner with other Crown corporations and ministries to pursue opportunities that could not have been achieved independently. Examples include access to SaskEnergy's Supervisory Control and Data Acquisition (SCADA) system and SaskPower's Advanced Metering Infrastructure (AMI). We also partner with Crown Investments Corporation (CIC) for internal audit, legal and CFO/CEO certification. SaskWater continues to look for partnership opportunities through participation on Crown collaboration committees and with associated working groups.

SaskWater is also collaborating with government agencies and the private sector to advance our growth strategy. In 2020, we partnered with the

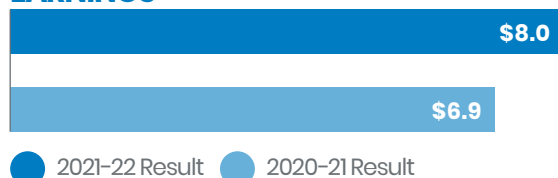
WSA and Saskatchewan's Ministry of Government Relations to help develop a regional water strategy for SaskWater. The working group procured a consultant to help create a cost-benefit analysis tool that can be utilized to evaluate potential new regional systems in the province. Upon the conclusion of that study, SaskWater contracted an engineering company to assist in creating a regional system road map that applied the data provided by WSA and the ministry. The resulting report identified potential regional systems that would benefit from a regional approach to infrastructure investment.

Total income generated in 2021-22 was \$8.0 million, compared to \$6.9 million in 2020-21. Income from operations is \$8.7 million compared to \$7.4 million in the previous year, prior to recording \$0.7 million in unrealized losses in the current year, largely due to changes in the market value of investments held to retire long-term debt (\$0.5 million gain in 2020-21).

2021-22 RESULTS

Revenue for the year increased by 3.8 per cent, with a combination of both potable and non-potable water sales making up the majority of the increase. Non-potable water sales were up \$1.3 million to \$23.4 million due to industrial customers' market conditions rebounding in the third quarter. Potable water sales were up \$1.1 million (\$0.7 million net of bulk water purchases) to \$30.3 million mainly due to the extended hot, dry summer season that was experienced in many parts of the province in 2021.

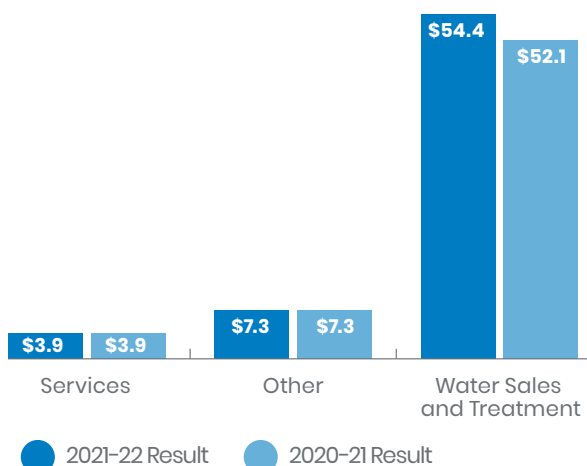
EARNINGS



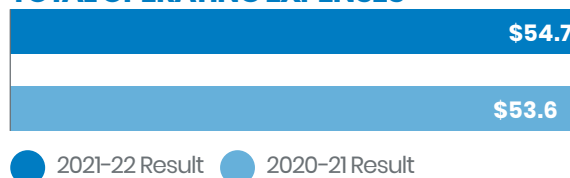
TOTAL REVENUE



REVENUE SOURCES



TOTAL OPERATING EXPENSES



Wastewater treatment revenue was relatively consistent between the years at approximately \$700,000. Service revenue was also on par with the previous year at \$3.9 million. Other income of \$7.3 million is primarily related to amortization of contributions received from customers or from federal and provincial grant programs to help offset capital construction costs.

The COVID-19 pandemic had negligible impact on revenue over the course of the year. SaskWater customers continued to pay their accounts and no additional liquidity or collection risk arose in the year.

To generate the additional revenue, expenses increased by approximately \$1.0 million, with \$400,000 of this relating to depreciation on assets in service. Bulk water purchases are primarily associated with the Saskatoon Potable Water Supply System, which uses water purchased from the City of Saskatoon. Bulk water costs increased by \$600,000, which correlates with the increased potable water sales attributed to the hot, dry summer season.

Costs associated to salaries, benefits, operations, maintenance, administration, and Saskatchewan taxes all remained relatively consistent year over year.

Interest expense on funds borrowed to finance capital investments rose by \$100,000 to \$2.7 million in 2021-22. Investment income also rose by approximately \$56,000 in the year, as additional contributions to debt retirement funds were made during the year.

CAPITAL INVESTMENT

SaskWater spent \$8.8 million on various capital projects (\$17.1 million in 2020-21). The majority of the funds were to support system upgrades and replacements for existing customer communities. Capital investment was lower in 2021-22, as investments to support customer growth and expansion projects were either coming to a close or just in the initial stages of the projects. SaskWater recorded approximately \$3.5 million as contributions from customers and granting agencies in the year to help offset the capital cost of projects.

Major projects in the year included the completion of upgrades to the water treatment plant in Melfort that serves approximately 9,000 residents in the region; initial spending on the Prairie North Regional Potable Water Supply System project; a pipeline replacement project on the Saskatoon East Potable pipeline; as well as various other growth, upgrade and replacement projects as part of our normal asset management program.

Key Financial Data

(\$ millions)	Year ended March 31, 2022	Year ended March 31, 2021
Total Assets	\$370.60	\$374.20
Return on Equity	11.2%	9.7%
Debt Ratio	49.0%	49.6%
Dividends Declared	\$6.489	\$6.259

LIQUIDITY AND CAPITAL RESOURCES

SaskWater's debt ratio was 49.0 per cent at March 31, 2022 (49.6 per cent at March 31, 2021). SaskWater secures capital investment dollars through a combination of internally generated cash from operations and from debt arranged through the Government of Saskatchewan, Ministry of Finance. The maximum short-term borrowing and maximum total borrowing are established by Order in Council as follows:

Financing (\$ millions)	Authorized	Outstanding at March 31, 2022
Short Term (promissory notes)	\$ 30.0	\$ 5.5
Total (including short term)	\$ 130.0	\$ 88.4

SaaS arrangements were identified and assessed to determine if the corporation has control of the software. For those arrangements where control does not exist, the corporation derecognized the amounts previously capitalized. The adoption of the above agenda decisions has resulted in recognition of costs to configure SaaS arrangements as an expense of \$972,000 in the Statement of Comprehensive Income in the previous year. The table that appears on page 55 presents the impact of the April 1, 2020, restatement on the comparative information presented in the prior year financial statements.

New Accounting Standards in the Current Year

The corporation has adopted amendments to various accounting standards effective April 1, 2021, which did not have a significant impact on the financial statements.

ACCOUNTING POLICY CHANGES

During the year, the corporation revised its accounting policy in relation to configuration and customization costs incurred in implementing Software as a Service (SaaS) arrangements in response to the International Financial Reporting Interpretations Committee (IFRIC) agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements. The corporation's accounting policy has historically been to capitalize costs related to the configuration and customization of SaaS arrangements as property, plant and equipment in the Statement of Financial Position. Following the adoption of the above IFRIC agenda decision, current

Amounts in (000's of dollars)	As previously reported	Adjustment	As restated
Statement of Comprehensive Income for the year ended March 31, 2021			
Operations, maintenance and administration	\$ 11,074	\$ 972	\$ 12,046
Total expenses	52,648	972	53,620
Net income	8,345	(972)	7,373
Total comprehensive income	7,852	(972)	6,880
Statement of Financial Position as at March 31, 2021			
Property, plant and equipment	347,120	(972)	346,148
Total assets	375,175	(972)	374,203
Retained earnings	69,145	(972)	68,173
Total Province's equity	77,687	(972)	76,715
Statement of Changes in Equity for the year ended March 31, 2021			
Net income	8,345	(972)	7,373
Retained earnings	69,145	(972)	68,173
Statement of Cash Flows for the year ended March 31, 2021			
Net income	8,345	(972)	7,373
Cash provided by operating activities	23,227	(972)	22,255
Property, plant and equipment expenditures	(17,288)	972	(16,256)
Cash used in investing activities	(16,852)	972	(15,880)

*See Accounting Policy Changes on page 54 for more information.

2022–23 OUTLOOK

The outlook for SaskWater continues to be positive. With the lifting of COVID-19 public health measures in the spring of 2022, SaskWater was positioned to increase engagement with customers and provincial stakeholders. Market forces as a result of the pandemic, such as inflation, interest rate increases and supply chain disruptions, will be a concern in the immediate future as SaskWater looks to construct and finance new water supply systems. SaskWater continues to monitor and mitigate these risks as the issues continue to be prevalent in the marketplace.

Despite these concerns, SaskWater's capital expenditures are expected to be \$52.7 million in 2022–23 and include significant work on an industrial non-potable system in the Regina area as well as a new regional municipal system. Investments to ensure the safe and reliable operation of various existing systems are also included in upcoming projects.

Longer term projections show SaskWater expects to make \$194 million in gross capital investments in our infrastructure during the next five years. This includes new growth projects, refurbishment and corporate projects, as well as spending required for safety and compliance purposes and optimization of the corporation's business systems.

Earnings are expected to be \$7.4 million in 2022–23, generating a return on equity of 9.2 per cent, in line with SaskWater's long term return on equity target of nine per cent. Overall, revenues are forecast to be similar to the current year results. The predicted reduction in earnings is largely influenced by increased salary costs associated with additional staffing positions required to deliver services. Negotiated wage adjustments and in-range movements are also contributing factors. Depreciation is also expected to increase as capital projects are completed and assets are put into service.

Future earning projections could be impacted by the sudden boon to Saskatchewan's resource prices as

a result of the ongoing conflict in Ukraine. This shift could result in strong revenue for SaskWater's non-potable line of business. Construction of a Regina Regional Non-potable Water Supply System will boost SaskWater's non-potable revenues and diversify SaskWater's industrial customer base in years to come by serving more agricultural value-added businesses. These positive developments will assist in reducing SaskWater's dependency on the potash sector, as the sector today comprises about 75 per cent of our non-potable revenue and 33 per cent of our total revenue.

SaskWater's potable line of business also looks poised for growth as a new regional system, the Prairie North Regional Potable Water Supply System, will be coming online in 2022–23. Annual potable revenue variability depends mostly on precipitation levels. SaskWater has performed better than budget for the past several years as southern Saskatchewan has gone through persistent drought conditions, thus increasing demand for potable water.

SaskWater will continue to follow the pillars of our strategic plan, and we are aligned with the Government of Saskatchewan's strategic vision and direction. We are committed to providing solutions and services that benefit our customer, and will continue to optimize and leverage our resources and technology to achieve our goals. SaskWater will champion Crown collaboration and ensure that we assist in the economic recovery of the province, coming out of the COVID-19 pandemic.

FUTURE ACCOUNTING CHANGES

A number of new standards, amendments to standards and interpretations of standards have been issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, the application of which is effective for periods after April 1, 2022. The corporation does not expect the implementation of these new accounting pronouncements to have a significant impact on its accounting policies or financial statements.



RISK MANAGEMENT

Providing safe, reliable and sustainable water and wastewater services is subject to risks that can affect the achievement of SaskWater's strategic goals and objectives. SaskWater manages risk through an enterprise risk management (ERM) program designed to minimize the impact of risks and enable the corporation to achieve business goals and performance objectives. To ensure consistent risk management, SaskWater has implemented our ERM Policy, which provides an approach to manage risks and establishes the roles and responsibilities throughout our organization.

The Executive Committee is responsible for identifying risks that impact the corporation's strategic objectives, and for implementing mitigation measures to manage those risks. The Board of Directors provides oversight to ensure that an acceptable risk management program is in place. As part of this oversight, the Board receives an annual update that provides a broad overview of the top risks and their mitigation measures.

The following discussion outlines the top 2021–22 corporate risks and the strategies implemented to address them.

Employee Engagement

Having a positive relationship with our employees is critical to SaskWater's success as an organization and to the provision of safe, reliable water and wastewater services to our customers. Employee engagement and empowerment are the cornerstones to having a productive and innovative environment. Any changes to the organization that occur due to mandate, corporate decisions and/or legislative changes could result in a misunderstanding by employees and affect relationships, particularly if those changes are not communicated properly.

Negative implications of deteriorating employee relationships are loss of productivity, a decline in employee/employer trust and possible labour disruptions with in-scope employees.

SaskWater manages this risk by:

- promoting our commitment to train staff
- maintaining a competitive remuneration package
- committing to a safe work environment
- implementing an employee performance management system designed to link corporate objectives with individual work plans and to provide constructive feedback on performance
- communicating the corporation's plans and activities via an employee newsletter
- monitoring engagement levels through an employee engagement survey
- having regular meetings with the management, staff and/or union to discuss any issues related to policy, mandate, corporate direction and/or legislative changes

Financial Dependence on Industrial Customers

The majority of the water distributed by SaskWater is to resource-based industrial customers, and our revenues are therefore susceptible to fluctuations within the resource sector. This is a challenge as many of SaskWater's industrial customers are served through volumetric-based rates.

The resource sector is subject to global market forces and significant production swings. Demand for resources is influenced by global economic and environmental factors such as commodity price, new players in the market, changing corporate consortiums, corporate mergers and consolidations, the global trade environment, population shifts, and weather/climate conditions. As economic conditions have a significant influence on the consumption patterns of industrial customers, any change to production and investment decisions could negatively or

positively impact the demand for services offered by SaskWater.

The strategies SaskWater uses to mitigate this risk include:

- an annual review of potable and non-potable rates using an industry standard cost of service methodology
- identifying minimum purchase requirements in contracts to offset the effect of volatility in service needs
- reinforcing a corporate culture to identify and implement cost-efficient business operations
- pursuing growth opportunities that focus on diversifying the customer base, with an emphasis on regional water supply systems

General Economic Conditions

General economic conditions can impact the financial situation and operations of SaskWater. Changes to the economy can change the consumption patterns of customers and/or influence production and investment decisions by industry, which could negatively or positively impact the demand for services offered by SaskWater. While the economy has been recovering from the impacts of the pandemic, SaskWater is monitoring inflationary, interest and supply chain challenges, as these will have a financial impact on the corporation and may impact SaskWater's growth strategy and provision of reliable services.

Mitigation strategies for this risk include:

- Crown collaboration efforts to minimize cost and share resources
- implementation of efficiency strategies to mitigate cost impacts
- monitoring supply chains and maintenance of inventory of supplies to weather supply challenges

Competitive Market

SaskWater's growth strategy is dependent on the development, acquisition and operation of municipal, regional and industrial water and/or wastewater systems in Saskatchewan. As part of this strategy, SaskWater is looking to broaden current services and expand into new service areas and lines of business.

SaskWater's major competitors are municipalities themselves. Communities choose to operate their own water and wastewater facilities either because they view third party services as too expensive, or because they do not want to lose control of their water and wastewater services. Larger municipalities often provide regional services to adjacent communities at a premium over what their own residents pay, as a means of generating revenue.

Increased competition by municipalities may result in the loss of new business opportunities, or in non-renewal or loss of existing service contracts. Municipalities tend to assume that because SaskWater is a commercial entity that they can operate their own systems at less cost. This perception, though often unfounded, creates a challenge for SaskWater to be recognized as a competitive service provider.

Strategies that SaskWater is pursuing internally to mitigate the impact of this risk include:

- promoting SaskWater's value proposition including our large team of certified operators, 24-hour remote monitoring, engineering support, asset management, capital investment availability, strong customer satisfaction ratings and ongoing dialogue with customers
- annual review of our of strategic plan, business plan and brand strategy
- obtaining feedback from customers regarding customer relations and service
- maintaining an external presence at key customer events, such as the Saskatchewan Urban Municipalities Association and Saskatchewan Association of Rural Municipalities conventions

Dependency on Third Party Suppliers

SaskWater purchases potable water from several third party suppliers and redistributes it to our customers along pipeline routes. These systems use existing infrastructure to keep overall costs low for the end-user. With these arrangements, SaskWater is reliant on the third party supplier to provide reliable potable water that meets regulatory requirements. SaskWater may be impacted when third party suppliers are unable to meet their obligations due to technical or infrastructure issues, because of concerns relating to source water quality or due to their own growth plan requirements. In the vast majority of cases, third party suppliers are meeting their obligations and often meet or exceed regulatory requirements.

SaskWater is subject to rate increases from third-party suppliers. At times these increases have been significant with little advance warning. Depending on the period of time when the rate change occurs, and the corporation's ability to pass the cost on, it has a direct impact on cost recovery. It can also be challenging to SaskWater's customers. In order to mitigate the above concerns, SaskWater continues to build and maintain positive relationships with its third-party suppliers.

Grant Funding

The availability of grants has both a positive and negative impact on SaskWater's growth prospects. Grants provide the capital dollars necessary to make a project viable by lowering customer rates; however, they can also result in customers deciding to pursue projects on their own without SaskWater's involvement. Delays in grant funding can also impede growth expectations, and customers may choose to wait for grants rather than proceed with their own water or wastewater project.

The mitigation strategies for this risk include:

- collaborating with customers, government and non-government stakeholders on grant programs that would best support community needs
- maintaining awareness of grant programs and building strong relationships with program administrators to ensure that all information required is provided
- promoting regional systems that would serve a larger population base, allowing for more per capita benefit from grant dollars

Contamination of Water Supplies

The quality of drinking water is important to the health and well-being of the public. Contamination of drinking water, either by biological pathogens or chemical pollutants, can cause illness. In the case of biological contamination, boil water advisories are put in place to protect human health.

Contamination to potable water systems can result from factors such as inadequate or inappropriate treatment processes, failure to maintain appropriate levels of residual chlorine in water supplies or external contaminants entering potable water systems.

Contamination of source water can occur from naturally occurring compounds, chemicals in groundwater systems and pollution from man-made sources. Contamination of source water can be the result of one incident or due to long-term exposure that can degrade the quality of water over time.

The contamination of potable supplies and/or the source water can have implications on service delivery and may require costly infrastructure upgrades and/or an alternate supply of water. Consequently, potable water is a highly regulated resource, and any issues that may occur require urgent response. If contamination were to occur, services could be suspended or reduced until the contamination is cleared.

SaskWater's operations are monitored with stringent water treatment standards and controls to ensure the quality of treated water; the number of tests, frequency and form of water quality testing; and mandatory improvements to the water treatment processes if required. SaskWater strives to meet or exceed the regulatory requirements for treatment on all of our potable water supply systems to ensure the health and safety of our customers.

Other mitigation strategies include:

- a corporate water quality policy, whereby the corporation is required to meet or exceed provincial water quality regulations at its owned water treatment and supply facilities and certified operation and maintenance sites
- extensive water quality testing and reporting
- ensuring system operators meet or exceed the regulatory requirements for education and training
- working closely with the regulatory agencies regarding SaskWater's waterworks infrastructure and participating in consultations about potential future regulatory changes
- a remote monitoring system that is operated 24 hours a day, 365 days a year, to augment manual operations and provide instant alarms in case of problems
- procedures to notify customers about precautionary drinking water advisories or boil water orders
- researching, testing and implementing new technologies and techniques to improve the quality of source and drinking water
- quality control and quality assurance and emergency response plans
- day-to-day management and oversight of facilities

Service Interruptions and Failures

Water and wastewater works are subject to potential service interruptions, such as asset failures, which could impact customer satisfaction and the corporation's reputation and financial position. SaskWater has systems and assets, including water and wastewater treatment facilities and/or equipment, pipelines, pump stations and booster stations. Some of these assets may require replacement due to their age and/or condition. Aging assets are expensive to maintain, operate and replace, and have the potential to result in service interruptions if not maintained properly.

SaskWater's water and wastewater infrastructure is subject to other operational risks, including mechanical failure, accidents, storms, power failure and other force majeure events. Any of these situations may result in service interruptions.

Service interruptions can have an impact on SaskWater and our customers. Customers run the risk of having no water for consumption or production purposes, which will impact customer satisfaction. With any service interruption, SaskWater runs the risk of negative impacts to revenue.

Strategies in place to mitigate these risks include:

- certain critical assets or ones with long lead times to procure are kept in inventory
- systems designed with some redundancy to minimize down time
- an asset management system to proactively manage asset refurbishment
- targeted capital spending on asset refurbishment for all of SaskWater's systems, particularly for those systems that require critical asset upgrades
- emergency response plans for individual facilities
- vulnerability assessments, including site security
- contact procedures to notify customers in the event of service interruptions

- remote monitoring 24 hours a day, 365 days a year, to provide instant alarms in case of problems
- periodic third party system audits to identify potential issues
- customers are encouraged to have water storage reserves to meet their needs in cases of service interruptions; in extreme circumstances, water may be hauled from other locations
- presence of liability insurance

Security of Water Supplies

A secure supply of water can be impacted for a variety of reasons, including climate change, restrictions on use by the regulator, natural hazards, severe weather conditions, competing uses, water contamination and economic conditions. This can impact the demand for water services, the ability to supply services to existing customers, restrict growth opportunities, and impact the financial position of the corporation and its reputation as a provider of water.

Changes to climate can have implications relating to water supply. The province naturally experiences cycles of wet and dry years; however, a changing climate may exacerbate this. Cycles of drought are inevitable and there will be pressure to meet increased customer demands while encouraging customers to reduce their consumption to ensure sustainability of watersheds. With prolonged periods of dry conditions, demand will increase, which may result in a corresponding decrease in the supply of source water. In extreme drought situations, there is a high probability that drought measures would be put in place by the regulator.

Weather can impact operations and revenues. Demand for water during the summer months is generally greater than during the fall, winter and spring. The warmer summer weather contributes to additional requirements for water in connection with outdoor water use. SaskWater has historically seen a variation in municipal demand in accordance with temperature and rainfall levels and frequency, particularly during the summer months. Extreme weather events can cause damage to water supply facilities and/or power

supplies to water facilities, disrupting the reliable supply of water. These events can also impact the quality/quantity of the source water.

Mitigation measures include:

- minimum purchase requirements or fixed fees in contracts to reduce revenue volatility
- focus on efficiency to control costs
- volume and usage forecasting
- communication with Water Security Agency regarding water supply issues
- monitoring regulatory requirements and implementing changes as required
- optimizing water treatment plant operation to minimize discharge volumes going to waste, such as after backwash processes
- provision of conservation messaging for customers

Changing Regulatory Environment

SaskWater's water and wastewater operations are subject to stringent regulatory requirements that govern the environment, health and safety, quality of water provided to customers, water allocation rights and the manner in which SaskWater collects, treats, discharges and disposes of wastewater.

The federal government continually reviews water and wastewater regulations, and these changes are generally adopted by the provincial regulator. Regulatory requirements for wastewater have become more stringent, requiring different timelines to do upgrades depending on the condition of water treatment facilities.

Regulatory and/or policy changes in other areas may also impact SaskWater's corporate, operational and engineering activities. Any changes to policies and/or legislation regarding greenhouse gas emissions, labour relations or corporate business functions could have some material impact.

Mitigation measures to manage this risk include:

- maintaining a solid working relationship with the shareholder, and provincial and federal regulatory agencies
- actively participating in consultation reviews of potential regulatory changes
- designing facilities with the potential for future regulatory changes in mind
- completing the capital budget in conjunction with assessments for regulatory compliance
- ongoing training of certified operators to ensure that facilities are operated in accordance with regulations

Business Continuity

Disruptions to our head office building (i.e., fire) or information technology (IT) systems, Human Resources events such as strike and/or pandemic, and/or disruptions to regional facilities present risks that include business failure, financial loss, data security breaches and negative impacts on employees and reputation.

Throughout 2021–22, SaskWater continued to enact its Business Continuity Plan (BCP) protocols to manage through the COVID-19 pandemic. SaskWater was able to implement a strong response to the social, economic and business challenges caused by the pandemic. We continued to provide safe and reliable water services to our customers and keep our employees safe. Our approach to business continuity has shown that we can be resilient during challenging times. SaskWater employees have demonstrated their commitment to this organization and our customers by continuing to provide services and by carrying out duties in less than ideal situations.

Strategies in place to mitigate business continuity risk include:

- our BCP, which encompasses our Pandemic Plan, Pandemic Return to Work Plan and Strike Contingency Plan
- establishment of our off-site Incident Command Centre, as outlined in the BCP. While located in

Moose Jaw, a backup is available at the Regina shop in the event that Head Office is unavailable

- development of an emergency response plan
- guidelines and protocols for employees in the office and essential services staff working in the field to protect the health and safety of our staff
- Senior management checks in and monitors business operations daily

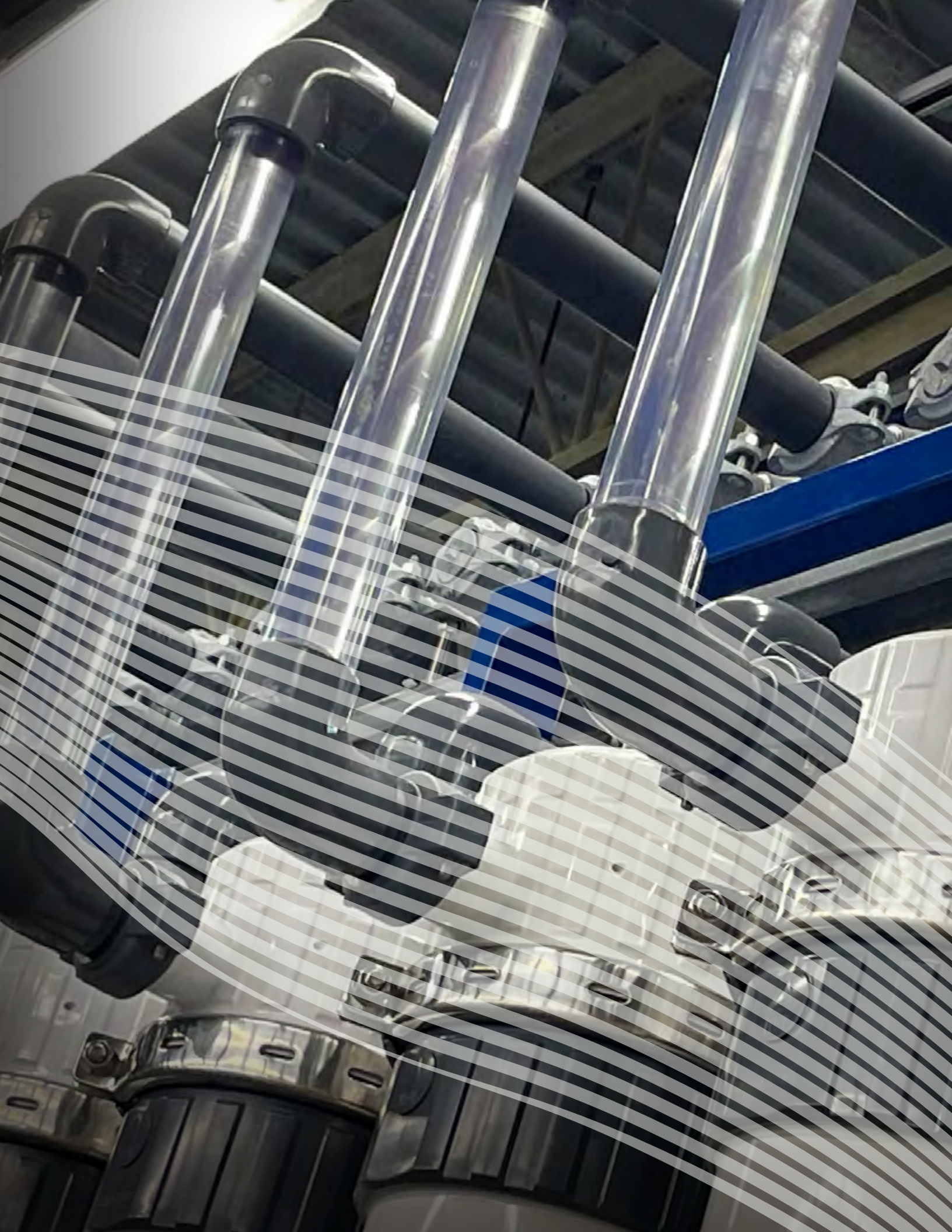
Information Technology and Data Management

IT is an important function to support the business and operational processes at SaskWater. The reliability and efficiency of IT systems is critical to the corporation's success as a service provider. Failure of IT could have unintended financial and productivity consequences that could have an impact on SaskWater's reputation, particularly in those situations where the failure could have been prevented.

Cybersecurity is at the forefront of protecting the corporation from external IT threats. Malicious intrusions from phishing, spam and malware on IT systems are increasing. Several global cyberattacks have heightened the awareness of this risk. Consistent monitoring, updating and training of all SaskWater staff is necessary to ensure that our IT system is protected.

To mitigate this risk, SaskWater:

- developed a multi-year IT strategy and implementation plan
- established a disaster recovery system and provided employee training to recognize external threats via email
- established cybersecurity through a third party IT service provider
- implemented governance controls to mitigate cyber risk
- carried out a cybersecurity review of all critical IT systems and governance controls





FINANCIAL STATEMENTS

- **Management's Responsibility**
- **Management's Report On Internal Control Over Financial Reporting**
- **Independent Auditor's Report**
- **All Statements**

Management's Responsibility

The financial statements of Saskatchewan Water Corporation (SaskWater; the Corporation) are the responsibility of management and have been prepared in accordance with International Financial Reporting Standards. The preparation of the financial statements necessarily involves the use of estimates based on management's best judgment, particularly when transactions affecting the current period cannot be finalized with certainty until future periods. In management's opinion, the financial statements have been properly prepared within the framework of selected accounting policies summarized in the financial statements and incorporate, within reasonable limits of materiality, information available up to May 19, 2022. The financial information presented in the Management's Discussion & Analysis (MD&A) and elsewhere in this report is consistent with that in the financial statements.

Management maintains appropriate systems of internal control which provide reasonable assurance that the Corporation's assets are safeguarded and appropriately accounted for, that the financial records are relevant, reliable, and accurate, and that transactions are executed in accordance with management's authorization. This system includes corporate-wide policies and procedures, as well as the appropriate delegation of authority and segregation of responsibilities within the organization. An internal audit function, provided by the Crown Investments Corporation of Saskatchewan (CIC) independently evaluates the effectiveness of these controls on an ongoing basis and reports its findings to management and the Audit & Finance Committee of the Board of Directors.

The Board of Directors, through the Audit & Finance Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal control. The Audit & Finance Committee consists entirely of outside Directors. At regular meetings, the Committee reviews audit, internal control and financial reporting matters with management, the internal auditors and the external auditors to satisfy itself that each is properly discharging its responsibilities. The financial statements and the Independent Auditor's Report have been reviewed by the Audit & Finance Committee and have been approved by the Board of Directors. The internal and external auditors have full and open access to the Audit & Finance Committee, with and without the presence of management.

The financial statements have been examined by Deloitte LLP, Chartered Professional Accountants, as appointed by the Lieutenant Governor in Council and approved by CIC. The external auditor's responsibility is to express its opinion on whether the financial statements are fairly presented in accordance with International Financial Reporting Standards. The Independent Auditor's report outlines the scope of their audit and states their opinion.

On behalf of the corporation,



Doug Matthies
President and CEO



Danny Bollinger
Director, Financial Services and Chief Financial Officer

May 19, 2022

Management's Report on Internal Control over Financial Reporting

I, Doug Matthies, the President and Chief Executive Officer, and I, Danny Bollinger, Director, Financial Services and Chief Financial Officer, certify the following:

- That we have reviewed the financial statements included in the Annual Report of Saskatchewan Water Corporation (SaskWater). Based on our knowledge, having exercised reasonable diligence, the financial statements included in the Annual Report, fairly present, in all material respects the financial condition, results of operations, and cash flows, as of March 31, 2022.
- That based on our knowledge, having exercised reasonable diligence, the financial statements included in the Annual Report of SaskWater do not contain any untrue statements of material fact, or omit to state a material fact that is either required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made.
- That SaskWater is responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable legislative authorities; and SaskWater has designed internal controls over financial reporting that are appropriate to the circumstances of SaskWater.
- That SaskWater conducted its assessment of the effectiveness of the corporation's internal controls over financial reporting and, based on the results of this assessment, SaskWater can provide reasonable assurance that internal controls over financial reporting as of March 31, 2022, were operating effectively and no material weaknesses were found in the design or operation of the internal controls over financial reporting.

On behalf of management,



Doug Matthies
President and CEO



Danny Bollinger
Director, Financial Services and Chief Financial Officer

May 19, 2022

Independent Auditor's Report

To the Members of the Legislative Assembly
Province of Saskatchewan

Opinion

We have audited the financial statements of Saskatchewan Water Corporation (the "Corporation"), which comprise the statement of financial position as at March 31, 2022, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Restated Comparative Information

We draw attention to Note 11 to the financial statements, which explains that certain comparative information presented for the year ended March 31, 2021 has been restated. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
May 20, 2021
Regina, Saskatchewan

Statement of Comprehensive Income

for the year ended (thousands of dollars)

	March 31 2022	March 31 2021
		Restated
Revenue (Note 4)		
Water sales and treatment	\$ 54,446	\$ 52,031
Services	3,954	3,956
Other	7,264	7,297
	65,664	63,284
Expenses		
Salaries and benefits	14,329	14,257
Operations, maintenance and administration	11,996	12,046
Depreciation	15,174	14,762
Bulk water purchases	12,233	11,669
Saskatchewan taxes	934	886
	54,666	53,620
Net income before the following	10,998	9,664
Finance income	386	330
Finance expense	(2,732)	(2,621)
Net finance expense (Note 5)	(2,346)	(2,291)
Net income	8,652	7,373
Other comprehensive loss		
Debt retirement fund change in fair value	(689)	(412)
Realized gains on debt retirement fund redemptions	20	—
Re-classification of realized gains to net finance expense	(20)	—
Net actuarial loss on retiring allowance	—	(81)
	(689)	(493)
Total comprehensive income	\$ 7,963	\$ 6,880

See accompanying notes

Statement of Financial Position

as at (thousands of dollars)

Assets	March 31 2022		March 31 2021	
			Restated	
Current assets				
Cash	\$	2,521	\$	1,271
Trade and other receivables (Note 6)		10,671		8,409
Prepaid expenses and inventories (Note 7)		1,221		1,351
Current portion of deferred charges (Note 8)		15		15
		14,428		11,046
Deferred charges (Note 8)		263		278
Investment – debt retirement funds (Note 9)		13,289		13,510
Right-of-use assets (Note 10)		2,929		3,221
Property, plant and equipment (Note 11)		339,677		346,148
	\$	370,586	\$	374,203
Liabilities and Province’s Equity				
Current liabilities				
Trade and other payables (Note 12)	\$	6,081	\$	6,130
Notes payable (Note 13)		5,500		7,500
Dividends payable (Note 14)		2,191		2,085
Current portion of deferred credits (Note 15)		35		35
Current portion of deferred revenue (Note 16)		7,150		6,846
Current portion of provisions (Note 17)		—		864
Current portion of lease liabilities (Note 18)		728		783
Current portion of long-term debt (Note 19)		—		3,900
		21,685		28,143
Deferred credits (Note 15)		250		285
Deferred revenue (Note 16)		184,570		188,379
Provisions (Note 17)		—		—
Lease liabilities (Note 18)		2,281		2,497
Long-term debt (Note 19)		82,918		77,493
Employee benefits (Note 20)		693		691
		292,397		297,488
Province’s equity				
Equity advance (Note 21)		8,700		8,700
Accumulated other comprehensive loss		(847)		(158)
Retained earnings		70,336		68,173
		78,189		76,715
	\$	370,586	\$	374,203

Commitments and contingencies (Note 22)

See accompanying notes

On behalf of the Board:



Chair



Director

Statement of Changes in Equity

for the year ended (thousands of dollars)

	Equity Advances	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
Balance, March 31, 2020	\$ 8,700	\$ 335	\$ 67,059	\$ 76,094
Net income (Restated)	—	—	7,373	7,373
Other comprehensive loss	—	(493)	—	(493)
Dividends	—	—	(6,259)	(6,259)
Balance, March 31, 2021 (Restated)	8,700	(158)	68,173	76,715
Net income	—	—	8,652	8,652
Other comprehensive loss	—	(689)	—	(689)
Dividends	—	—	(6,489)	(6,489)
Balance, March 31, 2022	\$ 8,700	\$ (847)	\$ 70,336	\$ 78,189

See accompanying notes

Statement of Cash Flows

for the year ended (thousands of dollars)

	March 31 2022	March 31 2021
		Restated
Operating activities		
Net income	\$ 8,652	\$ 7,373
Items not affecting cash from operations:		
Depreciation	15,174	14,762
Impairment recovery	(16)	—
Impairment of assets	554	241
Amortization of deferred revenue	(6,982)	(6,891)
Amortization of provisions	(875)	(212)
Addition to provisions	—	618
Employee benefits	2	11
Net financing expense	2,346	2,291
Gain on disposal of property, plant and equipment	(109)	(157)
Change in non-cash working capital items:		
Trade and other receivables	(2,262)	614
Prepaid expenses and inventories	130	(112)
Deferred charges	15	(12)
Deferred credits	(35)	320
Trade and other payables	(61)	(1,620)
Deferred revenue	3,477	7,448
Interest paid	(2,600)	(2,494)
Interest received	53	75
Cash provided by operating activities	17,463	22,255
Investing activities		
Property, plant and equipment expenditures	(8,842)	(16,256)
Proceeds on disposal of property, plant and equipment	219	376
Cash used in investing activities	(8,623)	(15,880)
Financing activities		
Lease payments	(518)	(582)
Proceeds from long-term debt	5,425	5,000
Repayment of long-term debt	(3,900)	—
Advance of notes payable	3,004	4,008
Repayment of notes payable	(5,004)	(7,502)
Debt retirement fund installments	(2,250)	(2,217)
Debt retirement fund redemptions	2,036	—
Dividends paid	(6,383)	(5,723)
Cash used in provided by financing activities	(7,590)	(7,016)
Increase (decrease) in cash	1,250	(641)
Cash, beginning of year	1,271	1,912
Cash, end of year	\$ 2,521	\$ 1,271

See accompanying notes

1. General information

The Saskatchewan Water Corporation (the Corporation) is a corporation located in Canada. The address of the Corporation's registered office and principal place of business is 200-111 Fairford Street East, Moose Jaw, SK, S6H 1C8.

The Corporation was established on July 1, 1984 under the authority of *The Water Corporation Act* which remained in effect until September 30, 2002. On October 1, 2002 *The Saskatchewan Water Corporation Act* was proclaimed.

By virtue of *The Crown Corporations Act, 1993*, the Corporation has been designated as a subsidiary of Crown Investments Corporation of Saskatchewan (CIC). Accordingly, the financial results of the Corporation are included in the consolidated financial statements of CIC, a Provincial Crown corporation. As the Corporation is a Provincial Crown corporation, it is not subject to Federal or Provincial income taxes in Canada, but is subject to Provincial corporate capital tax.

The principal activity of the Corporation is to construct, acquire, manage or operate water facilities and to provide services in accordance with any agreements that it enters into pursuant to *The Saskatchewan Water Corporation Act*.

2. Basis of preparation

a) Statement of compliance

The Corporation's financial statements are prepared by management in accordance with International Financial Reporting Standards (IFRS). These financial statements were approved and authorized for issue by the Board of Directors on May 19, 2022.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Financial instruments that are accounted for according to the financial instrument categories defined in Note 3(p).
- Provisions defined in Note 3(j).
- Employee benefit obligations defined in Note 3(m).

c) Functional and presentation currency

These financial statements are presented in Canadian Dollars, which is the Corporation's functional currency.

d) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market at the measurement date under current market conditions (exit price). The Corporation's own credit risk and the credit risk of the counterparty have been taken into account in determining the fair value of financial assets and liabilities. The Corporation has classified the fair value of its financial instruments as level 1, 2, or 3 (Note 24) as defined below:

- Level 1 — Fair Values are determined using inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities to which the Corporation has immediate access.
- Level 2 — Fair Values are determined using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Debt retirement funds are valued at closing period-end unit prices received from the Saskatchewan Ministry of Finance. In all other circumstances, valuations are determined with reference to similar actively traded instruments. All long-term debt obligations are estimated using discounted cash flow analysis based on current market yields for similar arrangements.
- Level 3 — Fair values are determined based on inputs for the asset or liability that are not based on observable market data.

e) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the accounting policy in Note 3, and the following notes:

- Note 6 – trade and other receivables
- Note 10 – right-of-use assets
- Note 11 – depreciation of property, plant and equipment; Software as a Service
- Note 16 – deferred revenue
- Note 17 – provisions
- Note 18 – lease liabilities
- Note 20 – measurement of employee benefits
- Note 22 – commitments and contingencies

2. Basis of preparation (continued)

f) New standards and interpretations that came into effect during the year

The Corporation has adopted amendments to various accounting Standards effective April 1, 2021, which did not have a significant impact on the financial statements.

g) New standards and interpretations not yet adopted

New standards and amendments to standards and interpretations which are not yet effective for the year ended March 31, 2022, have not been applied in preparing these financial statements. In particular, the Corporation is reviewing the following amended standards and interpretations:

- Amendments to IFRS 9, *Financial Instruments*
- Amendments to IAS 1, *Presentation of Financial Statements*
- Amendments to IAS 8, *Accounting Policies, change in Accounting Estimates and Errors*
- Amendments to IAS 16, *Property, Plant and Equipment*
- Amendments to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*

These amendments are not expected to have a significant impact, if any, on the financial statements in the following fiscal year.

3. Significant accounting policies

a) Revenue recognition

The Corporation recognizes revenue when it transfers control over a promised good or service, a performance obligation under the contract, to a customer and where the Corporation is entitled to consideration as a result of completion of the performance obligation. Depending on the terms of the contract with the customer, revenue recognition can occur at a point in time or over time. When a performance obligation is satisfied, revenue is measured at the transaction price that is allocated to that performance obligation. For contracts where non-cash consideration is received, revenue is recognized and measured at the fair value of the non-cash consideration.

Customer contracts may include the transfer of multiple goods and services. Where the Corporation determines that the multiple goods and services are not distinct performance obligations, they are treated as a single performance obligation. There are currently no contracts that contain significant financing components. Revenue is classified as water sales and treatment, services and other revenue depending on the nature of each distinct performance obligation.

Contract costs for obtaining a customer contract are recognized as expenses as incurred unless they create an asset related to future contract activity that the Corporation expects to recover.

Significant judgement may be required to determine the number of distinct performance obligations within a contract and the allocation of transaction price to multiple performance obligations in a contract, and to determine whether the Corporation acts as a principal or agent for certain performance obligations. When multiple performance obligations are identified in a contract, the transaction price is allocated based on the stand-alone selling price of each performance obligation specified separately in the contract. If stand-alone selling price is not observable, the Corporation estimates the stand-alone selling price for each distinct performance obligation based on the related expected cost plus margin of each distinct performance obligation. The Corporation is acting as a principal when the Corporation controls the goods or services before transfer to the customer. The Corporation is acting as an agent when it is obliged to arrange for the provision of the goods and services by another party that are not controlled by the Corporation before transfer to the customer. When the Corporation acts as an agent, the revenue is recognized net of any related costs incurred.

The Corporation's principle sources of revenue and methods applied to the recognition of these revenues in these financial statements are as follows:

Water sales and treatment revenues

The contracts with customers for the supply of each of potable water, non-potable water and wastewater treatment primarily consist of perpetual contracts that are effective until terminated by the customer or the Corporation. The Corporation provides a series of distinct goods or services, which are simultaneously received and utilized by the customers. Each of the performance obligations is satisfied over time using the output method for recognition of revenue, i.e., the units of each good or service supplied to the customer which is when control of the good or service has been transferred to or from the customer as it passes through the delivery point.

Revenues are calculated based on the customer's usage of the goods during the period, at the applicable rates as per the terms of the respective contracts. Customers are generally billed on a monthly basis and payment is generally due within 30 days of billing the customer.

Services revenues

The contracts with customers for the supply of certified operations & maintenance and remote monitoring services primarily consist of perpetual contracts that are effective until terminated by the customer or the Corporation. The contracts with customers for the supply of each of project management, northern project management, operator training, and leak detection services primarily consist of short and medium term contracts that are effective until the end of the term, when the performance obligation is fulfilled or they are terminated by the customer or the Corporation. Certain service contracts include multiple services, each of which the Corporation has determined to typically constitute distinct performance obligations. Each of the performance obligations in these contracts relate to the provision of a series of distinct services, which are simultaneously received and utilized by the customers as the services are provided. Performance obligations under service contracts such as certified operations and maintenance, operator training, leak detection and remote monitoring are satisfied over time using the output method. Time and disbursement contracts such as once contained in ancillary certified operations and maintenance, project management and northern project management are satisfied over time using the input method.

Revenues are calculated based on the services provided to the customer during the period, at the applicable rates as per the terms of the respective contracts. These revenues include an estimate of the value of services provided to the customers in the reporting period and billed subsequent to the reporting period. Customers are generally billed within a month and payment is generally due within 30 days of billing the customer.

3. Significant accounting policies (continued)

a) Revenue recognition (continued)

Other revenues

The contracts with customers that result in deferred revenues primarily consist of perpetual contracts that are effective until terminated by the customer or the Corporation. Recognition of the deferred revenue is described in Note 3 (i).

Revenues are calculated based on the goods or services provided to the customer during the period, at the applicable rates as per the terms of the respective contracts. Customers are generally billed within a month and payment is generally due within 30 days of billing the customer.

b) Contract assets and liabilities

A contract liability is recorded when the Corporation receives consideration before the performance obligations have been satisfied. Contract liabilities related to customer contributions are described in Note 3 (i). A contract asset is recorded when the Corporation has rights to consideration for the completion of a performance obligation when that right is conditional on something other than the passage of time. The Corporation recognizes unconditional rights to consideration separately as a receivable. Contract assets and receivables are evaluated at each reporting period to determine whether there is any objective evidence that they are impaired.

c) Inventories

Maintenance materials and treatment supplies inventory are recorded at the lower of weighted average cost and net realizable value. The net realizable value of inventory is the estimated market price for the same or similar items. Materials and supplies are charged to inventory when purchased and then expensed or capitalized when used.

d) Deferred charges

Deferred charges represent discounts and commissions on certain long-term debt issuances. Discounts and commissions are paid upon receipt of the debt issue and amortized over the life of the debt.

e) Leases

At the inception of a contract, the Corporation determines whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leased Assets

The Corporation assesses whether a contract is or contains a lease, at inception of the contract. The Corporation recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Corporation recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. For the year ended March 31, 2022 short-term, low value and variable lease payments were determined to be \$623 (March 31, 2021 - \$519).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Corporation uses its incremental borrowing rate.

Each lease payment is allocated between the liability and interest so as to achieve a constant rate on the finance balance outstanding. The interest component is included in finance expense. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Corporation's estimate or assessment of whether it will exercise an extension, termination, or purchase option. A corresponding adjustment is made to the right-of-use asset or is recorded in the statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

The Corporation applies judgment in determination of the lease term for certain lease contracts with renewal options. The assessment of whether the Corporation is reasonably certain to exercise such options impacts the lease term, which could significantly affect the amount of lease liabilities and right of use assets recorded on the initial recognition of the lease contract.

f) Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and any accumulated provisions for impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and borrowing costs on qualifying assets for those projects that are under construction for a period greater than six months. Assets under construction are recorded as in progress until they are available for use, at which time they are transferred to property, plant and equipment.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in net income as incurred.

When property, plant and equipment is disposed of or retired, the related cost, accumulated depreciation and any accumulated impairment losses are eliminated. Any resulting gains or losses are reflected in net income for the period.

In determining if a SaaS (Software as a Service) arrangement is eligible for capitalization as an intangible asset, the Corporation assesses the arrangement to determine if it has control of the software or a specific portion of the software. For those arrangements, or specific portions of arrangements where control does not exist, the Corporation recognizes any related implementation costs as Operations, maintenance and administration expenses as incurred through profit and loss. Where control exists the costs are capitalized as intangible assets and depreciated over the respective useful lives.

3. Significant accounting policies (continued)

g) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognized in net income on a straight-line balance basis over the estimated useful lives of each part of an item of property, plant and equipment and right of use assets, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The depreciation rates used for asset classes are as follows:

Property, plant and equipment	Rate
Building	2.50% to 10.00%
Water facilities	2.00% to 33.33%
Maintenance equipment and office equipment	5.00% to 25.00%

Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the remaining term of the lease contract.

Depreciation methods, estimated useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

h) Impairment

i) Financial assets

The Corporation recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost; and debt instruments designated as Fair Value through Other Comprehensive Income (FVOCI). The Corporation uses a matrix to determine the lifetime expected credit losses for trade receivables. Debt instruments and other receivables that are determined to have low credit risk at the reporting date are measured at 12-month ECL. The Corporation considers a debt instrument to have low credit risk when its credit risk rating is A or higher (investment grade).

The Corporation uses historical patterns for the probability of default, the timing of collection and the amount of the incurred credit loss, which are adjusted based on management's judgment about whether current economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest. The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. The Corporation considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Corporation in full, without recourse by the Corporation to actions such as realizing security, or the financial asset is 365 days or more past due.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the loss allowance is charged to profit or loss and is recognized in Other Comprehensive Income (OCI). The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery.

ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit, or "CGU").

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. Where a reasonable and consistent basis can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise, they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in net income. Impairment losses recognized in respect of CGU's are allocated to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

i) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance expense. Currently the only provision recognized relates to onerous contracts.

j) Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Corporation from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Corporation recognizes any impairment loss on the assets associated with that contract.

k) Deferred credits

Deferred credits represent premiums on certain long-term debt issuances. Premiums are received upon receipt of the debt issue and amortized over the life of the debt.

3. Significant accounting policies (continued)

i) Deferred revenue

Government grants

Government grants are recognized initially as deferred revenue at fair value when there is reasonable assurance that they will be received and the Corporation will comply with the conditions associated with the grant. Grants that compensate the Corporation for expenses incurred are recognized in net income on a systematic basis in the same periods in which the expenses are recognized. Grants that compensate the Corporation for the cost of an asset are recognized in net income on a systematic basis over the useful life of the asset.

Customer contributions

Customer contributions are received from customers, generally in the form of cash, to assist in the construction of assets to provide services to the contributing customers. Prior to the commencement of construction these amounts are recorded as infrastructure deposits. As construction occurs these amounts are transferred to deferred revenue.

When completion of the construction is determined to be a separately identifiable performance obligation, these amounts are recognized directly into net income. When completion of construction is not determined to be separate from the ongoing supply or services performance obligation, these amounts are transferred to deferred revenue and recognized in net income over the term of the contract with the customer. If the contract does not specify a period or automatically continues in effect after an initial term, the revenue shall be recognized over a period no longer than the useful life of the related assets used to provide the ongoing service.

m) Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus if the Corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Corporation pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in net income in the periods during which services are rendered by employees.

iii) Defined benefit retirement allowance plan

The Corporation's obligation is the amount of future benefit that employees have earned in return for their service in the current and prior periods. As at December 31 of each year the future benefit is actuarially determined using the projected benefit method. Any actuarial gains or losses are recognized in other comprehensive loss and the Corporation will transfer any actuarial gains or losses from other equity to retained earnings in the year it is recognized in other comprehensive loss.

n) Finance income and expense

Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognized as it accrues in net income, using the effective interest method.

Finance costs comprise interest expense on borrowings and lease liabilities, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognized on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in net income using the effective interest method.

o) Equity advance

The Corporation periodically receives funding from its parent and sole equity holder, Crown Investments Corporation of Saskatchewan. Funding is first analyzed to determine whether the funding is a transaction with the equity holder in their capacity as an equity holder, i.e. equity injection, or whether the funding would be available to other parties for a specific purpose. If there is no requirement to comply with certain conditions relating to the operating activities of the Corporation, the funding is recorded as an equity advance. If the Corporation must comply with certain past or future conditions relating to the operating activities of the Corporation, and the funding could be available to other parties for a specific purpose, the funding is recorded as a government grant (see Note 3(l)).

p) Financial instruments

The Corporation classifies its financial instruments into one of the following categories: amortized cost (AC); fair value through profit or loss (FVTPL); fair value through other comprehensive income (FVOCI); and other liabilities (OL) (Note 24).

All financial instruments are measured at fair value on initial recognition and recorded on the statement of financial position. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows of the financial asset in a transaction where substantially all the risks and rewards of ownership of the financial asset are transferred or in a transaction where the Corporation neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset but does not retain control of the asset. Any interest in transferred financial assets that is created or retained by the Corporation is recognized as a separate asset or liability.

The Corporation initially recognizes debt securities issued on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Corporation also derecognizes a financial liability when there is a substantial modification of the terms of an existing financial liability or a part of it. In this situation, a new financial liability under the new terms is recognized at fair value, and the difference between the carrying amount of the financial liability or part of the financial liability extinguished and the new financial liability under the new terms is recognized in profit or loss.

3. Significant accounting policies (continued)

p) Financial instruments (continued)

i) Amortized cost

A financial asset is measured at amortized cost if both of the following criteria are met: The asset is held to collect its contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest. Financial assets included within this category are initially recognized at fair value and subsequently measured at amortized cost, less impairment losses. The Corporation has classified trade and other receivables as amortized cost financial assets.

ii) Fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if both of the following criteria are met: the objective of the business model is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest. The Corporation may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. This election is made for each separate investment. Financial assets included within FVOCI are initially and subsequently measured at fair value. Movements in the carrying amount should be recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. Where the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified to profit or loss as a reclassification adjustment. The Corporation has classified debt retirement funds as FVOCI assets.

iii) Fair value through profit or loss (FVTPL)

A financial asset is measured at FVTPL if they do not meet the criteria of amortized cost or FVOCI. This includes all derivative financial assets. The Corporation may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis. Financial assets included within FVTPL should be measured at fair value with all changes recorded through profit or loss. The Corporation has classified Cash as FVTPL.

iv) Other liabilities

Other financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Upon derecognition, all gains and losses are also recognized in profit or loss.

4. Revenue

	March 31 2022	March 31 2021
Water sales and treatment		
Potable water supply	\$ 30,319	\$ 29,212
Non-potable water supply	23,361	22,109
Wastewater treatment	766	710
	54,446	52,031
Services		
Certified operations & maintenance	2,660	2,573
Project management	—	4
Northern project management	529	552
Operator training	727	757
Leak detection	1	10
Remote monitoring	37	60
	3,954	3,956
Other		
Amortization of customer contributions	6,173	6,243
Amortization of government grants – capital related	809	611
Miscellaneous revenue	282	443
	7,264	7,297
	\$ 65,664	\$ 63,284

At March 31, 2022 the Corporation has \$191,720 (March 31, 2021 – \$195,224) of contract liabilities recorded as deferred revenue in the statement of financial position related to contributions received from customers and government grants. Revenue will be recognized in future periods related to this balance, as described in Note 3 (i), over periods ranging up to 50 years.

5. Finance income and expenses

	March 31 2022	March 31 2021
Finance income		
Debt retirement fund earnings	\$ 234	\$ 295
Realized gains on redemption of debt retirement funds	20	—
Other finance income	97	35
Amortization of long term debt premiums	35	—
	386	330
Finance expenses		
Interest expense on short-term debt	14	22
Interest expense on long-term debt	2,600	2,494
Amortization of discount and commissions	15	8
Unwinding of discount on provisions	11	24
Unwinding of discount on lease liabilities	79	84
Retirement allowance interest cost	13	—
Borrowing costs capitalized to qualifying assets	—	(11)
	2,732	2,621
Net finance expense	\$ (2,346)	\$ (2,291)
Interest capitalization rate	0.00%	0.10%

6. Trade and other receivables

	March 31 2022	March 31 2021
Trade receivables	\$ 3,452	\$ 6,279
Accrued receivables	7,277	2,143
Other receivables	4	10
	10,733	8,432
Expected credit losses	(62)	(23)
	\$ 10,671	\$ 8,409
	March 31 2022	March 31 2021
Expected credit losses, opening balance	\$ 23	\$ 71
Accounts written-off	—	(62)
Provision adjustments	39	14
Expected credit losses, ending balance	\$ 62	\$ 23

The Corporation's exposure to credit risks and impairment losses related to trade and other receivables is disclosed in Note 24.

7. Prepaid expenses and inventories

	March 31 2022	March 31 2021
Prepaid expenses	\$ 626	\$ 749
Inventories	595	602
	\$ 1,221	\$ 1,351

8. Deferred Charges

	March 31 2022	March 31 2021
Balance, beginning of the year	\$ 293	\$ 281
Deferred charges – additions	—	25
Amortization of deferred charges	(15)	(13)
	278	293
Less: Current portion of deferred charges	(15)	(15)
Non-current balance, end of the year	\$ 263	\$ 278

9. Investment — debt retirement funds

Under conditions attached to certain long-term debt issues from the Province of Saskatchewan, the Corporation is required to invest annually an amount at least equal to one per cent of the related outstanding debt. The investments, referred to as debt retirement funds, are administered by Saskatchewan's Ministry of Finance. The investments in debt retirement funds are held by the Province of Saskatchewan. The yield on the investments was -3.3% for the year ended March 31, 2022 (-0.4% for the year ended March 31, 2021). The changes in the carrying amount of debt retirement funds are as follows:

	March 31 2022	March 31 2021
Debt retirement funds, beginning of year	\$ 13,510	\$ 11,410
Installments	2,250	2,217
Redemptions	(2,036)	—
Earnings	254	295
Change in fair value of debt retirement funds	(689)	(412)
Debt retirement funds, end of year	\$ 13,289	\$ 13,510

Debt retirement fund installments due in each of the next five years are as follows:

2022/23	\$ 829
2023/24	808
2024/25	808
2025/26	791
2026/27	791
	\$ 4,027

10. Right-of-use assets

	Buildings		Vehicles		Equipment		Total
Cost							
Balance at March 31, 2020	\$	3,017	\$	969	\$	90	\$ 4,076
Implementation of IFRS 16		—		270		—	270
Additions		—		(90)		(5)	(95)
Balance at March 31, 2021		3,017		1,149		85	4,251
Additions		—		217		—	217
Disposals		—		(87)		—	(87)
Balance at March 31, 2022	\$	3,017	\$	1,279	\$	85	\$ 4,381
Accumulated depreciation							
Balance at March 31, 2020	\$	293	\$	216	\$	35	\$ 544
Amortization		294		197		35	526
Disposals		—		(38)		(2)	(40)
Balance at March 31, 2021		587		375		68	1,030
Amortization		293		156		12	461
Disposals		-		(39)		—	(39)
Balance at March 31, 2022	\$	880	\$	492	\$	80	\$ 1,452
Carrying amounts							
Balance at March 31, 2021	\$	2,430	\$	774	\$	17	\$ 3,221
Balance at March 31, 2022	\$	2,137	\$	787	\$	5	\$ 2,929

11. Property, plant and equipment

	Buildings	Water Facilities	Maintenance & Office Equipment	Assets under Construction	Land	Total
Cost						
Balance at March 31, 2020	\$ 2,232	\$ 471,086	\$ 8,023	\$ 4,854	\$ 1,887	\$ 488,082
Additions (Restated)	31	10	11	16,122	-	16,174
Transfers	-	9,323	340	(9,663)	-	-
Disposals	(42)	(1,647)	(29)	-	(8)	(1,726)
Balance at March 31, 2021 (Restated)	2,221	478,772	8,345	11,313	1,879	502,530
Additions	-	-	94	8,748	-	8,842
Transfers	37	16,223	286	(16,546)	-	-
Disposals	-	(606)	(479)	-	-	(1,085)
Balance at March 31, 2022	\$ 2,258	\$ 494,389	\$ 8,246	\$ 3,515	\$ 1,879	\$ 510,287
Accumulated depreciation and impairment						
Balance at March 31, 2020	\$ 1,426	\$ 136,849	\$ 5,197	\$ -	\$ -	\$ 143,472
Depreciation	68	13,877	291	-	-	14,236
Impairment of assets	-	241	-	-	-	241
Disposals	(33)	(1,507)	(27)	-	-	(1,567)
Balance at March 31, 2021	1,461	149,460	5,461	-	-	156,382
Depreciation	70	14,236	407	-	-	14,713
Impairment recovery	-	(16)	-	-	-	(16)
Impairment of assets	-	554	-	-	-	544
Disposals	-	(616)	(407)	-	-	(1,023)
Balance at March 31, 2022	\$ 1,531	\$ 163,618	\$ 5,461	\$ -	\$ -	\$ 170,610
Carrying amounts						
Balance at March 31, 2021 (Restated)	\$ 760	\$ 329,312	\$ 2,884	\$ 11,313	\$ 1,879	\$ 346,148
Balance at March 31, 2022	\$ 727	\$ 330,771	\$ 2,785	\$ 3,515	\$ 1,879	\$ 339,677

At March 31, 2022 the Corporation had property, plant and equipment that was fully depreciated and still in use with a cost of \$33,515 (March 31, 2021 - \$31,261).

For the year ended March 31, 2022, capitalized borrowing costs related to the acquisition of land and construction of new assets amounted to \$0 (March 31, 2021 - \$11), with a capitalization rate of 0.0% (March 31, 2021 - 0.1%).

During the year ended March 31, 2022 there were capital additions required to operate a previously impaired cost generating unit. In assessing the impact of the addition, as well as the overall cost generating unit performance, an additional impairment of \$554 (March 31, 2021 - \$241) was recorded against the overall cost generating units assets.

For the year ended March 31, 2022 there was an impairment recovery of \$16 for assets that were transferred from a previously impaired cost generating unit, to a cost generating unit that is not impaired (March 31, 2021 - \$0).

During the year, the Corporation revised its accounting policy in relation to configuration and customization costs incurred in implementing SaaS arrangements in response to the IFRIC (International Financial Reporting Interpretations Committee) agenda decision clarifying its interpretation of how current accounting standards apply to these types of arrangements.

The Corporation's accounting policy has historically been to capitalize costs related to the configuration and customization of SaaS arrangements as property, plant and equipment in the Statement of Financial Position. Following the adoption of the above IFRIC agenda decision, current SaaS arrangements were identified and assessed to determine if the Corporation has control of the software. For those arrangements where control does not exist, the Corporation derecognized the amounts previously capitalized.

The adoption of the above agenda decisions has resulted in recognition of costs to configure SaaS arrangements as an expense of \$972 in the Statement of Comprehensive Income in the previous year.

11. Property, plant and equipment (continued)

The following table presents the impact of the April 1, 2020 restatement on the comparative information presented in the prior year financial statements:

	As previously reported	Adjustment	As restated
Statement of Comprehensive Income for the year ended March 31, 2021			
Operations, maintenance and administration	\$ 11,074	\$ 972	\$ 12,046
Total expenses	52,648	972	53,620
Net income	8,345	(972)	7,373
Total comprehensive income	7,852	(972)	6,880
Statement of Financial Position as at March 31, 2021			
Property, plant and equipment	347,120	(972)	346,148
Total assets	375,175	(972)	374,203
Retained earnings	69,145	(972)	68,173
Total Province's equity	77,687	(972)	76,715
Statement of Changes in Equity for the year ended March 31, 2021			
Net income	8,345	(972)	7,373
Retained earnings	69,145	(972)	68,173
Statement of Cash Flows for the year ended March 31, 2021			
Net income	8,345	(972)	7,373
Cash provided by operating activities	23,227	(972)	22,255
Property, plant and equipment expenditures	(17,288)	972	(16,256)
Cash used in investing activities	(16,852)	972	(15,880)

12. Trade and other payables

	March 31 2022	March 31 2021
Trade payables	\$ 1,697	\$ 1,669
Interest payable	644	632
Other payables	3,740	3,829
	\$ 6,081	\$ 6,130

The Corporation's exposure to liquidity risk related to trade and other payables is disclosed in Note 24.

13. Notes payable

	March 31 2022	March 31 2021
Amount outstanding	\$ 5,500	\$ 7,500
Interest rate	0.162%	0.108%
Due date	1-Apr-22	31-May-21

By Order-in-Council 171/2014 and subject to the maximum sum of \$130 million of total debt, SaskWater is approved to borrow from time to time by way of temporary loans from the Province of Saskatchewan or from any Chartered bank, credit union or other person, amounts not exceeding the aggregate principle sum of \$30 million (March 31, 2021 - \$30 million) at any time outstanding, such borrowing to be by way of bank overdraft, line of credit, or in any other manner that SaskWater may determine.

The Corporation's exposure to interest rate and liquidity risk related to notes payable is disclosed in Note 24.

14. Dividends payable

	March 31 2022	March 31 2021
Balance, beginning of the year	\$ 2,085	\$ 1,549
Dividends declared	6,489	6,259
Payments remitted	(6,383)	(5,723)
Balance, end of the year	\$ 2,191	\$ 2,085

As a subsidiary of CIC, the Corporation declares and remits dividends accordingly.

15. Deferred Credits

	March 31 2022	March 31 2021
Balance, beginning of the year	\$ 320	\$ —
Deferred credits — additions	—	325
Amortization of deferred credits	(35)	(5)
	285	320
Less: Current portion of deferred revenue	(35)	(35)
Non-current balance, end of the year	\$ 250	\$ 285

16. Deferred revenue

	March 31 2022	March 31 2021
Balance, beginning of the year	\$ 195,225	\$ 194,668
Net deferred revenue additions	3,477	7,448
Amortization of deferred revenue	(6,982)	(6,891)
	191,720	195,225
Less: Current portion of deferred revenue	(7,150)	(6,846)
Non-current balance, end of the year	\$ 184,570	\$ 188,379

17. Provisions

	March 31 2022	March 31 2021
Balance, beginning of the year	\$ 864	\$ 434
Settlements during the year	(665)	(164)
Provisions reversed during the year	(210)	(48)
Provisions added during the year	—	618
Unwinding of the discount on provisions	11	24
	—	864
Less: Current portion of provisions	—	(864)
Non-current balance, end of the year	\$ —	\$ —

17. Provisions (continued)

The Corporation had an onerous contract related to a potable system at the beginning of the year. The system has a significant contract in effect until December 31, 2022. During the previous year the Corporation entered into an agreement to terminate the existing agreement once a new water supply source and system are constructed. The new water supply source and system came into service on January 1, 2022 and as such the existing onerous contract was terminated and all related provisions were eliminated.

18. Lease liabilities

	March 31 2022	March 31 2021
Total future minimum lease payments	\$ 3,307	\$ 3,638
Less: Future finance charges on leases	(298)	(358)
Present value of lease liabilities	3,009	3,280
Less: Current portion of lease liabilities	(728)	(783)
	\$ 2,281	\$ 2,497

The weighted average discount rate applied is 1.75% - 4.81% (March 31, 2021 - 1.75% - 4.81%).

As at March 31, 2022, scheduled future minimum lease payments and the present value of lease liabilities are as follows:

	Future minimum lease payments	Present value of lease liabilities
Less than one year	\$ 728	\$ 659
Between one and five years	1,704	1,544
More than five years	875	806
	\$ 3,307	\$ 3,009

The lease liabilities consist of the Corporation's leases for vehicles, office equipment and office facilities. Any leases that include renewal options where the Corporation was reasonably certain to exercise the options were included in the right-of-use asset and lease liabilities accordingly..

19. Long-term debt

Date of Maturity	March 31, 2022			March 31, 2021	
	Coupon Rate (per cent)	Effective Rate (per cent)	Outstanding Amount	Effective Rate (per cent)	Outstanding Amount
01-Dec-21	2.96	2.96	-	2.96	3,900
01-Mar-24	5.32	5.32	2,100	5.32	2,100
10-Apr-25	5.05	5.05	1,700	5.05	1,700
02-Jun-27	2.65	2.75	5,000	2.75	5,000
03-Dec-30	4.32	4.32	9,000	4.32	9,000
12-Dec-35	3.29	3.29	2,407	3.29	2,407
10-Jan-36	3.18	3.18	2,400	3.18	2,400
03-Nov-36	2.94	2.94	4,575	2.94	4,575
10-Apr-37	3.20	3.20	2,800	3.20	2,800
11-May-37	3.02	3.02	2,600	3.02	2,600
03-Mar-38	3.15	3.15	5,000	3.15	5,000
01-Sept-39	2.39	2.39	4,500	2.39	4,500
01-Mar-40	2.20	2.20	5,093	2.20	5,093
01-Mar-41	3.29	3.29	10,718	3.29	10,718
01-Mar-41	3.16	3.16	4,600	3.16	4,600
02-Jun-50	3.10	3.23	10,000	3.23	10,000
02-Jun-30	2.20	1.51	5,000	1.51	5,000
03-Nov-36	2.49	2.49	1,525	N/A	-
01-Dec-36	2.70	2.70	3,900	N/A	-
			82,918		81,393
Less: Current portion of long-term debt			-		(3,900)
			\$ 82,918		\$ 77,493

Long-term debt repayments in each of the next five years are as follows:

2022/23	\$ -
2023/24	2,100
2024/25	-
2025/26	1,700
2026/27	-
Thereafter	79,118
	\$ 82,918

By Order-in-Council 171/2014 SaskWater is authorized to borrow up to an aggregate principal amount of \$130 million (March 31, 2021 - \$130 million) inclusive of the \$30 million in temporary borrowings referenced in Note 13. All of the above loans are payable to the Province of Saskatchewan's GRF with interest payable semi-annually. The Corporation's exposure to interest rate and liquidity risk related to long-term debt is disclosed in Note 24.

Under conditions attached to certain advances from the Province of Saskatchewan the Corporation is required to pay annually, into debt retirement funds administered by the Saskatchewan Ministry of Finance, amounts at least equal to 1% of certain debt outstanding (Note 9).

20. Employee benefits

a) Defined benefit retiring allowance plan

The amounts related to the defined benefit retiring allowance plan for executive, management employees and members of the UNIFOR Union are as follows:

	March 31 2022	March 31 2021
Balance, beginning of year	\$ 691	\$ 599
Expenses	2	11
Actuarial losses	-	81
Balance, end of year	\$ 693	\$ 691

An actuarial assessment is required to be completed each calendar year as at December 31 in conjunction with reporting requirements of the plan. The significant actuarial assumptions adopted in measuring the Corporation's annual accrued benefit liability are:

Discount rate	2.40%	1.80%
Inflation rate	2.25%	2.25%
Average remaining service life	11.7 years	12.2 years

The discount rate was based on the yield curve for Saskatchewan provincial bonds whose duration approximates the duration of the liabilities.

b) Defined contribution pension plan

The Corporation's employees participated in the Public Employees Pension Plan (the Plan), a defined contribution pension plan. The Corporation's contributions to the Plan include making regular payments into the Plan equal to 160% of the required amounts contributed by employees for current service. The total amount paid to the Plan for the year ended March 31, 2022 was \$908 (March 31, 2021 - \$888).

21. Equity advance and capital disclosure

The Corporation does not have share capital. However, the Corporation has received advances from CIC to form its equity capitalization. The advances reflect an equity investment in the Corporation by CIC.

The Corporation's debt management plan is built on the goal of ensuring the capacity to meet long-term obligations and ensuring financial health, while achieving the growth plans of the Corporation.

As a Crown corporation, SaskWater receives its long-term capital funding primarily from the Saskatchewan Ministry of Finance. SaskWater also has access to a \$30 million line of credit.

The Corporation's capital consists of notes payable, long-term debt and equity, less debt retirement funds.

	March 31 2022	March 31 2021
		Restated
Gross long-term debt	\$ 82,918	\$ 81,393
Notes payable	5,500	7,500
Debt retirement funds	(13,289)	(13,510)
Net debt	75,129	75,383
Total equity	78,189	76,715
Capitalization	\$ 153,318	\$ 152,098
Debt ratio	49.0%	49.6%

The Corporation has complied with all externally imposed restrictions on its debt for the year ended March 31, 2022.

22. Commitments and contingencies

a) Contractual commitments

As of March 31, 2022, the Corporation has outstanding commitments of \$6,978 (March 31, 2021 - \$4,431) for construction contracts and consulting agreements primarily relating to assets under construction and other service contracts.

b) Litigation

The Corporation has provided, in its accounts, for any known claims from lawsuits or other legal proceedings for which there is material risk of liability to the Corporation in accordance with management's best estimates and the advice received from legal counsel. The Corporation intends to account for any differences which may arise between amounts provided and amounts expended in the period in which the claims are resolved.

23. Related party transactions

a) Related parties

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Corporation by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). The Corporation has elected to take partial exemption under IAS 24 Related Party Disclosures which allows government related entities to limit the extent of disclosures about related party transactions with government and other government related entities.

Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms. The Corporation also pays Saskatchewan provincial sales tax on all its taxable purchases to the Saskatchewan Ministry of Finance. Taxes paid are recorded as part of the cost of those purchases.

b) Compensation of key management personnel

Key management personnel include the President and Vice President positions. The compensation related to key management for employee services is shown below:

	March 31 2022	March 31 2021
Salaries, wages and short-term employee benefits	\$ 670	\$ 666
Post-employment benefits	49	48
	\$ 719	\$ 714

24. Financial instruments and risk management

a) Fair values

Fair values are the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are estimates using present value and other valuation techniques which are significantly affected by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates that reflect varying degrees of risk. Therefore, due to the use of judgment and future-oriented information, aggregate fair value amounts should not be interpreted as being realizable in an immediate settlement of the instruments.

24. Financial instruments and risk management (continued)

a) Fair values (continued)

The following summarizes the classification, carrying amounts and fair values of the Corporation's financial instruments:

			March 31, 2022 Asset (Liability)		March 31, 2021 Asset (Liability)	
Financial instruments	Classification ¹	Level ²	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Cash	FVTPL	1	\$ 2,521	\$ 2,521	\$ 1,271	\$ 1,271
Trade and other receivables	AC	N/A	10,671	10,671	8,409	8,409
Debt retirement funds	FVOCI	2	13,289	13,289	13,510	13,510
Financial liabilities						
Trade and other payables	OL	N/A	(6,081)	(6,081)	(6,130)	(6,130)
Notes payable	OL	N/A	(5,500)	(5,500)	(7,500)	(7,500)
Dividends payable	OL	N/A	(2,191)	(2,191)	(2,085)	(2,085)
Long-term debt	OL	2	(82,918)	(80,852)	(81,393)	(89,222)

¹Classification details are as follows:

FVTPL – Fair value through profit and loss

AC – Amortized cost

FVOCI – Fair value through other comprehensive income (loss)

OL – Other liabilities at amortized cost

²Fair values are determined using a fair value hierarchy as follows:

Level 1 – Where quoted prices are readily available from an active market.

Level 2 – Valuation model not using quoted prices, but still using predominantly observable market inputs, such as market interest rates.

Level 3 – Valuation for the asset or liability that are not based on observable market data.

Not applicable (N/A) – Financial instruments that are carried at values which approximate fair value.

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price. Debt retirement funds are monies set aside to retire outstanding debt upon maturity. The Corporation is required to pay annually into debt retirement funds which are held and invested by the Saskatchewan Ministry of Finance. The impact of a 1% fluctuation in market prices related to these investments would have an increase or decrease of approximately +/- \$133,000 (March 31, 2021 - +/- \$135,000).

The Corporation is exposed to interest rate risk on the maturity of its long-term debt. However, in the current low interest rate environment, these risks are considered low. Interest rate risk on these expected future borrowings are managed, based on the refinancing needs of the Corporation, using derivative financial instruments when deemed appropriate. The Corporation had no derivative financial instruments in place to offset interest rate risk as of March 31, 2022 and March 31, 2021. The change in rate would have no impact on net income due to classification of long-term debt as other liabilities.

24. Financial instruments and risk management (continued)

c) Liquidity risk

Liquidity risk is the risk that the Corporation is unable to meet its financial commitments as they become due. The Corporation manages cash resources based on financial forecasts and anticipated cash flows. The following summarizes the contractual maturities of the Corporation's financial liabilities:

	March 31, 2022				
	6 months or less	7 – 12 months	Subsequent year 2	Subsequent years 3–5	More than 5 years
Trade and other payables	\$ 6,081	\$ –	\$ –	\$ –	\$ –
Notes payable	5,500	–	–	–	–
Dividends payable	2,191	–	–	–	–
Long-term debt	1,308	1,307	4,715	9,082	105,858
	\$ 15,080	\$ 1,307	\$ 4,715	\$ 9,082	\$ 105,858

	March 31, 2021				
	6 months or less	7 – 12 months	Subsequent year 2	Subsequent years 3–5	More than 5 years
Trade and other payables	\$ 6,130	\$ –	\$ –	\$ –	\$ –
Notes payable	7,500	–	–	–	–
Dividends payable	2,085	–	–	–	–
Long-term debt	1,294	5,194	2,472	10,950	101,274
	\$ 17,009	\$ 5,194	\$ 2,427	\$ 10,950	\$ 101,274

Future cash flows from operations and availability under existing credit facilities will be adequate to support these financial liabilities.

d) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. Concentrations of credit risk relate to groups of customers or counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

24. Financial instruments and risk management (continued)

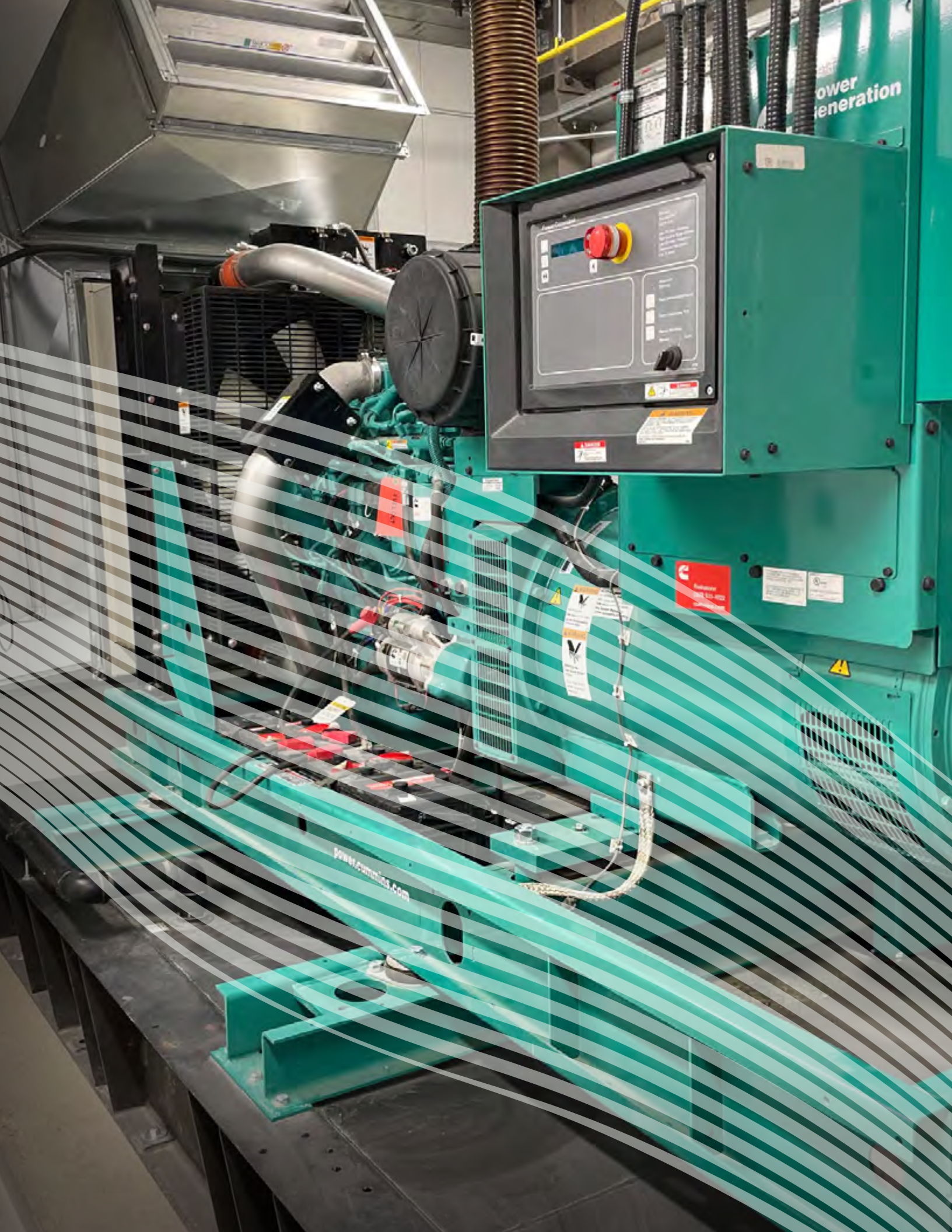
d) Credit risk (continued)

The Corporation is not exposed to a significant concentration of credit risk. The maximum credit risk to which the Corporation is exposed as at the following dates, is limited to the fair value of the financial assets recognized as follows:

	March 31 2022	March 31 2021
Cash	\$ 2,521	\$ 1,271
Trade receivables		
Current	3,188	5,928
31 – 60 days	89	7
61 – 90 days	27	95
91 – 180 days	67	100
Over 180 days	81	149
Subtotal	3,452	6,279
Expected credit losses	(62)	(23)
	3,390	6,256
Accrued and other receivables	7,281	2,153
Debt retirement funds	13,289	13,510
	\$ 26,481	\$ 23,190

Provisions for credit losses are maintained and regularly reviewed by the Corporation based on an lifetime expected credit losses. Historically, the Corporation has not written-off a significant portion of its accounts receivable balances. At March 31, 2022, the Corporation had a balance of \$62 (March 31, 2021 – \$23) recorded in the expected credit losses account.

Debt retirement funds are on deposit with, and being administered by, the Saskatchewan Ministry of Finance. At March 31, 2022, the Ministry has invested these funds primarily in Provincial government and Federal government bonds with varying maturities to coincide with related long-term debt maturities and are managed based on this maturity profile and market conditions. As such, the related credit risk associated with these investments as at March 31, 2022, is considered low.





CORPORATE GOVERNANCE

- Overview
- Board of Directors
- Executive
- Corporate Directory

OVERVIEW

What It Means

Corporate governance is generally accepted as the set of processes, customs, policies, laws and institutions that affect how a corporation is directed, administered or controlled.

Corporate governance includes the relationships among stakeholders and the goals for which the corporation is governed. Contributors to corporate governance include the shareholder, the Board of Directors and management.

Effective corporate governance results in a well-run, high performing and transparent organization, accountable to the public it serves.

A Vision for all Crown Corporations

SaskWater shares in the vision that the provincial government has defined for the Crown sector. This vision is for "...a secure and prosperous Saskatchewan, leading the country in economic and population growth, while providing a high quality of life for all."

Crown Corporation Structure

SaskWater is a statutory Crown corporation governed by *The Saskatchewan Water Corporation Act, 2002*, and is subject to the provisions of *The Crown Corporations Act, 1993*.

Crown Investments Corporation (CIC) of Saskatchewan is the Province of Saskatchewan's holding company for its commercial Crown corporations, including SaskWater, and has authority to establish direction for SaskWater related to certain matters set out in legislation.

Through the Chair, who is an independent Director, the Board of Directors is accountable to the Minister Responsible for SaskWater.

Roles and Responsibilities

The Government of Saskatchewan represents the public's interests and sets the vision for the Crown sector. Government approves and rescinds Crown Board appointments.

The CIC Board sets strategic direction for the Crown sector, sets public policy expectations, approves performance standards, allocates capital, and monitors and evaluates the Crown corporation's performance throughout the year.

The Minister Responsible for SaskWater keeps informed of Crown activities and functions as the communications channel between the Crown corporation and its stakeholders, including government, the legislature and the public.

CIC develops policy on Crown corporations and communicates and monitors strategic shareholder direction and policy to the corporation.

SaskWater's Board oversees the overall direction of the business activities of the corporation to achieve the performance targets and is responsible for the approval and implementation of the corporation's strategic plan and performance plan.

Direction to the Crown Sector

The CIC Board provides direction to SaskWater that is reflected in our strategic, business and operational plans. CIC priorities include:

- customer focus to provide the best possible service that is high quality, accessible and affordable
- infrastructure for economic development in Saskatchewan
- development of an effective workforce while striving to contain growth in the workforce
- financial and fiscal sustainability

CIC also provides direction to SaskWater for such things as programs, reporting processes and procedures, policies and administrative or legislative matters.

Source: Crown Sector Strategic Plan

Board of Directors

The SaskWater Board of Directors terms of reference states that the board will have a minimum of three (3) members and a maximum of ten (10). Since November 29, 2021, the SaskWater Board has consisted of ten (10) independent Directors. All are appointed for a set term by the Lieutenant Governor in Council, who also designates the Chair and Vice Chair. Subject to applicable legislation, Directors are appointed for a fixed term and their appointments can be renewed at expiry.

Responsibilities and Duties

The board is responsible for SaskWater's stewardship while fostering success consistent with SaskWater's mandate. The board works with management to oversee corporate operations, including:

- setting corporate direction
- guiding strategic planning processes
- executing performance evaluations
- annual and quarterly monitoring and reporting functions
- assisting in business plan development and approval
- monitoring processes and systems used to achieve sustainable operations

The SaskWater Board of Directors met seven (7) times in 2021–22.

Committees

In 2021–22, the board had two (2) standing committees to undertake detailed reviews and provide in-depth supervision in key areas of responsibility.

The committees of the board were:

- Audit and Finance
- Governance and Corporate Responsibility

The Audit and Finance Committee held four meetings in 2021–22.

Current committee members (appointed to committee on December 1, 2021): Patricia Hughes (Chair), Alison Green, Rauncie Kinnaird, Richard Porter, Terri Uhrich, Michael Gering (ex officio).

The Audit and Finance Committee helps the board fulfill its financial accountability by:

- overseeing the corporation's budget, financial operations and results
- reviewing internal controls established by management and the Board
- participating in internal and external audit processes
- monitoring the adequacy and condition of capital assets
- reviewing and making recommendations on capital activities
- ensuring appropriate systems are in place to identify and manage risk

The Governance and Corporate Responsibility Committee held four meetings in 2021–22.

Current committee members (appointed to committee on December 1, 2021): Glenda Whalen (Chair), Tracy Arno, Amber Biemans, Steve Kemp, Michael Gering (ex officio).

The Governance and Corporate Responsibility Committee reviews and maintains SaskWater's governance practices and oversees the board's nominating and governance activities, including:

- evaluating the performance of Board committees, Board Chair, individual Directors and the President/CEO
- recommending Board and committee structure, composition and mandate
- ensuring Board orientation and opportunities for professional development
- articulating the roles and responsibilities of the Board
- overseeing compensation policies and collective bargaining mandate

Governance Practices

The SaskWater Board has implemented a comprehensive set of governance practices and is committed to clear disclosure of its governance practices in accordance with current best practice disclosure standards.

On June 30, 2005, the Canadian Securities Administrators (CSA) National Policy 58-201 on Corporate Governance Guidelines and National Instrument 58-101 on Governance Disclosure Rules came into effect. The CSA standards supersede the Toronto Stock Exchange Corporate Governance Guidelines, which the Board used previously to assess its practices. The Governance and Corporate Responsibility Committee has reviewed the Guidelines with a view of adapting the Board's governance practices to the Guidelines, where effective and beneficial. Although SaskWater is not required to comply with the CSA governance guidelines, the corporation has used them to benchmark its corporate governance practices.

SaskWater's Corporate Governance policies and practices can be found in the 2021-22 Corporate Governance Statement posted to our website at www.saskwater.com. The link to this document can be found in the About Us section under Leadership.





BOARD OF DIRECTORS



Michael Gering
Chair
Swift Current

Michael Gering is President and CEO of Diamond Energy Services in Swift Current, a company he founded in 1996. He has worked in the oilfield industry since 1985. He is also a member of the RM of Swift Current Council and the Swift Current Chamber of Commerce.

Michael and his wife are long-time residents of Swift Current. Over the years, he has supported his community through his involvement with Swift Current Minor Hockey and the South Saskatchewan Female Hockey League, and as a member of the Great Plains College Board of Directors. He has also participated on numerous other community and fundraising committees. Michael currently sits on the Canadian Association of Energy Contractors Board of Directors.

Michael completed the Johnson and Shoyama Board Governance Program.



Richard Porter
Vice Chair
Warman

Richard Porter was the owner and CEO of Shellbrook Crushing, Shellbrook Trucking and several related businesses. Richard has gained a wealth of knowledge and experience as an employer dealing with large staffs and government contracts. He has a good working knowledge of both sides, as employer and employee.

Community involvement is a large part of Richard's life and over the years he has been very active with the Kinsmen Club, Telemiracle and as Chair of the Parkland School Division Board. He was a councillor in the RM of Canwood for 10 years and served as Reeve for four years.

Richard has served on and chaired several committees, including the Fundraising Committee for the Parkland Integrated Health Centre in Shellbrook. Richard also serves on the Area Transportation Planning Committee for the Province of Saskatchewan and is Vice Chair with the Saskatchewan Agricultural Hall of Fame.



Tracy Arno
Saskatoon

Tracy Arno is a Saskatchewan business leader, entrepreneur and owner of Essence Recruitment. She leads her successful practice based on the core values of honesty, transparency, community, diversity and respect.

Tracy's extensive Canadian network stems from her vast involvement and dedication to her community. She is a Board Director for SaskWater, Saskatoon Prairieland Park, Chair of the NSBA (North Saskatoon Business Association), Saskatoon City Hospital Foundation, and RAP (Restoration Action Program). Tracy is also a past President of the Greater Saskatoon Chamber of Commerce. She enjoys being involved as a mentor for the Raj Manek Mentorship Program and volunteers with several community initiatives.



Amber Biemans

Humboldt

Amber Biemans joined the SaskWater Board in May 2021. She is a lawyer and partner at Behiel, Will & Biemans in Humboldt, Saskatchewan. She was called to the bar in 2006 and attained her Queen's Counsel designation in 2019. She practices real estate law, corporate law, estate planning, and estate administration. She also serves on the Carlton Trail Ski Club Board. She previously held Board positions with the Humboldt & District Chamber of Commerce and Humboldt Co-Operative Preschool.

Amber is on SaskWater's Governance and Corporate Responsibility Committee and is currently taking the Institute of Corporate Directors (ICD) Saskatchewan Directors Education Program.



Alison Green

Regina

Alison Green joined SaskWater's Board of Directors in November 2018. Prior to that, she was a Director of the SOCO Board and Chair of the Audit and Finance Committee.

Alison is a Regina native, and completed her Bachelor of Administration degree and CMA designation (CPA, CMA) at the University of Regina. She also has a Certified Financial Planner designation (CFP) and obtained her Chartered Director (C. Dir.) designation in 2015 from The Directors College.

Alison has a background in finance, having worked in the energy sector, banking industry and public accounting. She is a tax specialist at Saveway Tax Services in Regina where she enjoys providing tax and accounting services to individuals, families and business clients.

In her volunteer life, Alison has been a Rotarian for 25 years and was a Director of the Rotary Club of Regina. She has served on the National Board and Division Board of CNIB, and is a new Director of the EFile Association of Canada.



Patricia Hughes

Prince Albert

Patricia Hughes is the CEO for the Prince Albert & District Chamber of Commerce. In addition, she and her husband Brad actively farm in Tisdale on the family farm.

Patricia and Brad reside in Prince Albert. They have two grown sons with whom they enjoy spending their spare time at the family cabin in Candle Lake, Saskatchewan.

Patricia is actively involved with Community Futures. She is currently a Director on her local Board, Prince Albert Community Futures, and represents Saskatchewan with Pan West Community Futures. As well, she is a Director with Hatchet Lake Economic Development Corporation.

Patricia has served on other local Boards and continues to be very active in her community, participating in several fundraising initiatives that support local organizations.



Steve Kemp

Regina

Steve joined SaskWater's Board of Directors in December 2020. Prior to that, he was a member of the Saskatchewan Rate Review Panel.

Steve completed his Bachelor of Science in Electrical Engineering from the University of Saskatchewan and is a Professional Engineer registered in Saskatchewan, British Columbia and Ontario. He is the President and an owner of Ritenburg & Associates Ltd., a local Saskatchewan-based Engineering Consulting firm.

As part of his ongoing professional development and community involvement, Steve is a member of the Saskatchewan Capital Commission Engineering Advisory Panel, Canadian Progress Club – Regina Centre, Canadian Healthcare Engineering Society – Sask Chapter, and the White City/ Emerald Park Business Association.



Rauncie Kinnaird

Sandy Shores Resort

Rauncie Kinnaird owns and operates Lake Life Properties and Sandy Shores Resort on Lake Diefenbaker in Saskatchewan. She constructed a water treatment facility, playground, internet services, and is currently building an inland marina and adjoining marketplace at Sandy Shores Resort. Since 2001, Rauncie has owned and operated numerous businesses. She has experience in both e-commerce and retail. She also farms near Birsay, Saskatchewan.

Rauncie is active in the Raj Manek Mentorship Program and with the Women Entrepreneurs of Saskatchewan (WESK) programming. As a mother of three young adults, she volunteers frequently at hockey, church, and school. She is President of the Sandy Shores Resort Community Association and has served on countless non-profit boards.

Rauncie shares her time between Saskatoon and Sandy Shores Resort. She holds a Bachelor of Arts and a Class I Water Treatment and Distribution Operator Certificate. Rauncie is currently taking the ICD-Rotman Directors Education Program (DEP).



Terri Uhrich
Saskatoon

Terri Uhrich was named to the SaskWater Board in June 2021 and is a member of the Audit and Finance Committee.

Terri has spent the majority of her career as a lawyer working in-house for a variety of organizations, including insurance, exploration and mining, and financial services. She is an active member of the Canadian Bar Association and the Canadian Corporate Counsel Association and participates as a volunteer on a number of boards. Terri serves as Director, Governance & Board Services, for the Saskatchewan Workers' Compensation Board and is enrolled in the Directors Education Program offered by the Institute of Corporate Directors and the Rotman School of Management.



Glenda Whalen
Qu'Appelle

Glenda Whalen was a small business owner in Saskatchewan. After many years working in the field of education, she pursued her Bachelor of Fine Arts degree at the University of Regina, graduating with distinction, and was employed as a contracted designer. Glenda and her husband are owners and operators of a grain farm in the RM of South Qu'Appelle. They have two sons who are married, and two grandchildren.

Top priority in Glenda's life is serving her community. She is currently serving as Board Chair for the Qu'Appelle Lioness Club and is past Chair of the Qu'Appelle Public Library Branch of the Southeast Regional Library. She also served on many local Boards in her community. Her passions are travelling, reading and lifelong learning! Glenda obtained her Chartered Director (C. Dir.) designation from The Directors College, McMaster University.



EXECUTIVE



Doug Matthies

**President
CEO**

Doug Matthies has served as President and CEO of SaskWater since July 1, 2010. Prior to joining SaskWater, he served in several senior capacities in the provincial government, including Deputy Minister of Finance, Deputy Minister of Agriculture and Food, General Manager of the Saskatchewan Crop Insurance Corporation and General Manager of the Saskatchewan Pension Plan.

Doug has over 34 years' experience in the provincial government in several areas, including strategic planning, policy analysis and development, financial management, program operations, public accountability, legislative and regulatory processes, and stakeholder relations and consultations. Prior to joining government in 1988, he worked in the private-sector accounting firm Clarkson and Gordon, and later the firm Arscott Hill & Matonovitch.

Doug has served on several boards over the course of his career, including organizations in the fields of international trade, agricultural research, transportation and financial institutions. He has also been a member of various federal-provincial working groups, inter-ministry working groups and community groups.

Doug is a Chartered Professional Accountant (CPA) with a Bachelor of Administration (Distinction) degree from the University of Regina. He has also obtained his Chartered Director (C. Dir.) designation from The Directors College.



Jacquie Gibney

**Vice President
Corporate and Customer Service**

Jacquie Gibney became Vice President, Corporate and Customer Service at SaskWater in September 2014. She is responsible for corporate services, information technology, policy and planning, risk management, corporate communications and business development for the corporation.

Prior to joining SaskWater, Jacquie held several positions with Farm Credit Canada, including Director of Corporate Communications and Change Management and Director of Strategy and Government Relations. She also spent over 20 years with the Saskatchewan Ministry of Agriculture in a variety of senior capacities, including Assistant Deputy Minister responsible for industry development.

Jacquie has over 31 years of public sector experience, including agriculture finance, policy and program development, corporate communications, strategic planning, government relations, research and business development. Jacquie has a Bachelor of Science in Agriculture degree from the University of Saskatchewan and a Master's degree in Business Administration.



Eric Light

Vice President

Operations and Engineering

Eric Light assumed the duties of Vice President, Operations and Engineering in June 2014. He is responsible for managing the delivery of SaskWater's core business, the operation, maintenance and service delivery for the supply of potable and non-potable water to communities and industries and for the engineering functions to manage new capital projects and support operations. Other lines of business falling under Eric's direction include certified operation and maintenance of customer-owned infrastructure, wastewater treatment and management, project management and operator training.

Eric has over 36 years of engineering and management experience and has been with SaskWater since 1986. He has a Bachelor of Applied Science (Distinction) degree in Regional Systems Engineering from the University of Regina, as well as his Master of Engineering degree in Civil Engineering from the University of Saskatchewan. He is a member of the Association of Professional Engineers and Geoscientists of Saskatchewan.



CORPORATE DIRECTORY

Operations & Engineering

Eric Light

Vice President, Operations and Engineering

Ryan Evans

Director, Engineering

Rynette Moore-Guillaume

Director, Operations

Kevin Cudmore

Manager, Northern Engineering

Doug Matthies

President and CEO

Danny Bollinger

Director, Financial Services

Corporate & Customer Service

Jacquie Gibney

Vice President, Corporate and Customer Service

Randy Avery

Director, Customer Growth and Engagement

Amanda Zarubin

Director, Corporate Services

Ingrid Newton

Manager, Strategic Planning, Policy and Risk

Courtney Mihalicz

Manager, Corporate Communications

Paul Mayson

Manager, IT Services

Office Locations

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