



# User Rate



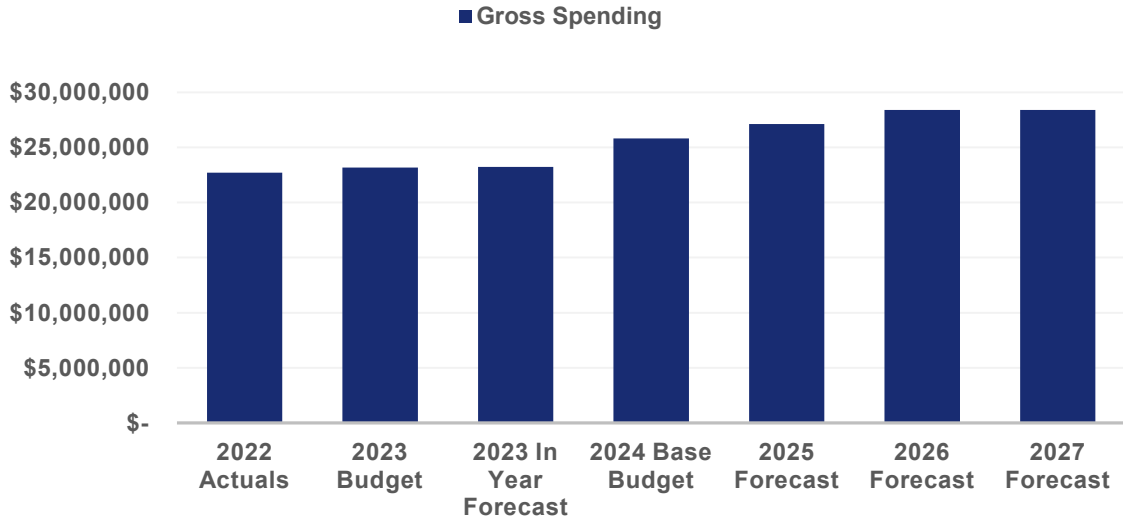
**Water Operations**

**Wastewater Operations**

**Parking Operations**

# WATER OPERATIONS

## Water Operations Forecast



## Base Budget Change Report - Water Operations

000's	2022 Actuals	2023 Budget	In Year Forecast	2024 Base Budget	Change in Base Budget	
<b>Expenses</b>						
Salaries & Benefits	\$ 8,497	\$ 8,997	\$ 8,434	\$ 9,294	\$ 298	3.31%
Recovery from Capital	\$ (153)	\$ (340)	\$ (240)	\$ (358)	\$ (18)	5.38%
Materials & Supplies	\$ 3,354	\$ 2,796	\$ 3,300	\$ 3,701	\$ 905	32.38%
Equipment & Capital Purchases	\$ 477	\$ 478	\$ 527	\$ 602	\$ 125	26.09%
Services	\$ 2,205	\$ 2,196	\$ 2,409	\$ 2,603	\$ 407	18.52%
Rents & Other Expenses	\$ 378	\$ 487	\$ 349	\$ 398	\$ (88)	-18.15%
Grant Expenses & Transfers	\$ 7,940	\$ 8,544	\$ 8,451	\$ 9,561	\$ 1,017	11.90%
<b>Expenses Total</b>	<b>\$ 22,697</b>	<b>\$ 23,157</b>	<b>\$ 23,230</b>	<b>\$ 25,801</b>	<b>\$ 2,644</b>	<b>11.42%</b>
<b>Revenues</b>						
User Fees, Service Charges, & Rentals	\$ 31,245	\$ 31,500	\$ 32,065	\$ 33,999	\$ 2,499	7.93%
Fines & Penalties	\$ 103	\$ -	\$ 80	\$ 80	\$ 80	0.00%
Other Revenues	\$ 6	\$ -	\$ -	\$ -	\$ -	0.00%
Grant Revenues & Contributions	\$ 15	\$ -	\$ -	\$ -	\$ -	0.00%
Interdepartmental Transfers	\$ (8,223)	\$ (8,344)	\$ (8,465)	\$ (8,278)	\$ 65	-0.78%
<b>Revenue Total</b>	<b>\$ 23,146</b>	<b>\$ 23,157</b>	<b>\$ 23,680</b>	<b>\$ 25,801</b>	<b>\$ 2,644</b>	<b>11.42%</b>
<b>Net Operating Expense/(Revenue)</b>	<b>\$ (449)</b>	<b>\$ -</b>	<b>\$ (450)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>0.00%</b>

<b>Base Transfer to Water Capital Reserve</b>	<b>\$ 9,216</b>
<b>Impact of New Investments</b>	<b>\$ (237)</b>
<b>Requested Transfer to Water Capital Reserve</b>	<b>\$ 8,979</b>

### Comments

#### Salaries and Benefits

The cost of labor is expected to increase by \$298 thousand for 2024. The increase provides for cost-of-living provisions, merit increases for full time CUPE and non-union employees, and estimated increases for benefit rates.

#### Materials & Supplies

Water Operations is expecting that the cost of chemicals to increase by 150% (\$304 thousand) over 2023. Water Operations is also planning to start selling water meter packages so there is a related increase of \$370 thousand in the cost of the water meter packages. The increase in costs is offset by a corresponding \$370 thousand increase in revenues from the sale of these packages. Water Operations is also seeing higher costs for small parts and field supplies (\$68 thousand).



## Equipment & Capital Purchases

The increase relates to the purchase of a spare permeate pump and motor required to maintain operations while main pumps are removed for maintenance (\$35 thousand) and the purchase of needed replacement valves at the Surface Water Treatment Plant (\$30 thousand). Also included is a replacement sand separator for well 14 (\$60 thousand).

## Services

There has been an increase in contracted services related to a multi year contract to complete condition assessments (\$100 thousand) and higher costs for equipment maintenance at the Surface Water Treatment Plant (\$220 thousand). Excess soil testing costs are expected to increase \$50 thousand over 2023.

## Grant Expenses & Transfers

Water Operations is fully funded from Water User Fees. Any surplus user fee revenues are transferred to the Water Capital Reserve to offset future downward variances. The contribution to the Water Capital Reserve will be increased by \$1 million for 2024.

## User Fees

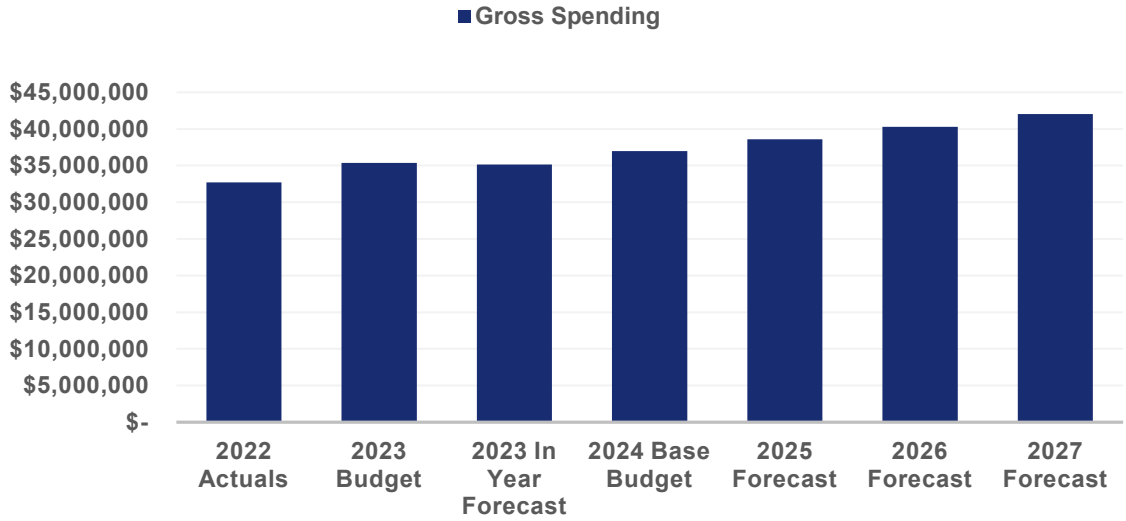
Water rate revenue is expected to increase by \$2.5 million in 2024 based on consumption and flow patterns as well as the recommended increases for the fixed charge and volume rate charge outlined in the recent water and wastewater system financial plan.



# WASTEWATER OPERATIONS

## Financial Overview

### Wastewater Operations Forecast



## Base Budget Change Report - Wastewater Operations

000's	2022 Actuals	2023 Budget	In Year Forecast	2024 Base Budget	Change in Base Budget	
<b>Expenses</b>						
Salaries & Benefits	\$ 5,709	\$ 6,476	\$ 6,476	\$ 6,657	\$ 181	2.79%
Recovery from Capital	\$ (97)	\$ (245)	\$ (245)	\$ (250)	\$ (5)	1.94%
Materials & Supplies	\$ 4,353	\$ 4,565	\$ 4,562	\$ 4,773	\$ 208	4.57%
Equipment & Capital Purchases	\$ 123	\$ 54	\$ 54	\$ 54	\$ 0	0.46%
Services	\$ 4,334	\$ 5,237	\$ 5,227	\$ 5,122	\$ (115)	-2.19%
Rents & Other Expenses	\$ 735	\$ 603	\$ 395	\$ 411	\$ (191)	-31.76%
Grant Expenses & Transfers	\$ 17,559	\$ 18,659	\$ 18,659	\$ 20,220	\$ 1,560	8.36%
<b>Expenses Total</b>	<b>\$ 32,715</b>	<b>\$ 35,349</b>	<b>\$ 35,129</b>	<b>\$ 36,987</b>	<b>\$ 1,638</b>	<b>4.64%</b>
<b>Revenues</b>						
User Fees, Service Charges, & Rentals	\$ 38,923	\$ 41,238	\$ 41,238	\$ 43,615	\$ 2,378	5.77%
Fines & Penalties	\$ 103	\$ -	\$ 80	\$ 80	\$ 80	0.00%
Grant Revenues & Contributions	\$ 13	\$ -	\$ -	\$ -	\$ -	0.00%
Interdepartmental Transfers	\$ (5,460)	\$ (5,889)	\$ (6,445)	\$ (6,708)	\$ (819)	13.91%
<b>Revenue Total</b>	<b>\$ 33,580</b>	<b>\$ 35,349</b>	<b>\$ 34,872</b>	<b>\$ 36,987</b>	<b>\$ 1,638</b>	<b>4.64%</b>
<b>Net Operating Expense/(Revenue)</b>	<b>\$ (865)</b>	<b>\$ -</b>	<b>\$ 256</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>0.00%</b>

<b>Base Transfer to Wastewater Capital Reserve</b>	<b>\$ 20,005</b>
<b>Impact of New Investments</b>	<b>\$ (28)</b>
<b>Requested Transfer to Wastewater Capital Reserve</b>	<b>\$ 19,977</b>

### Comments

#### Salaries and Benefits

The cost of labor is expected to increase by \$180 thousand for 2024. The increase provides for cost-of-living provisions, merit increases for full time CUPE and non-union employees, and estimated increases for benefit rates.

#### Materials & Supplies

The cost of chemicals and oxygen have increased \$100,000.

#### Grant Expenses & Transfers

After considering proposed new investment and service recommendations, the contribution to the wastewater capital reserve will be increased by \$1.6 million. The increase will contribute to the sustainability of the City's wastewater infrastructure while keeping rate increases in line with historical norms.

#### User Fees

Wastewater rate revenue is expected to increase by \$2.4 million in 2024 based on consumption and flow patterns as well as the recommended increases for the fixed charge and volume rate charge outlined in the 2023 water and wastewater system financial plan.

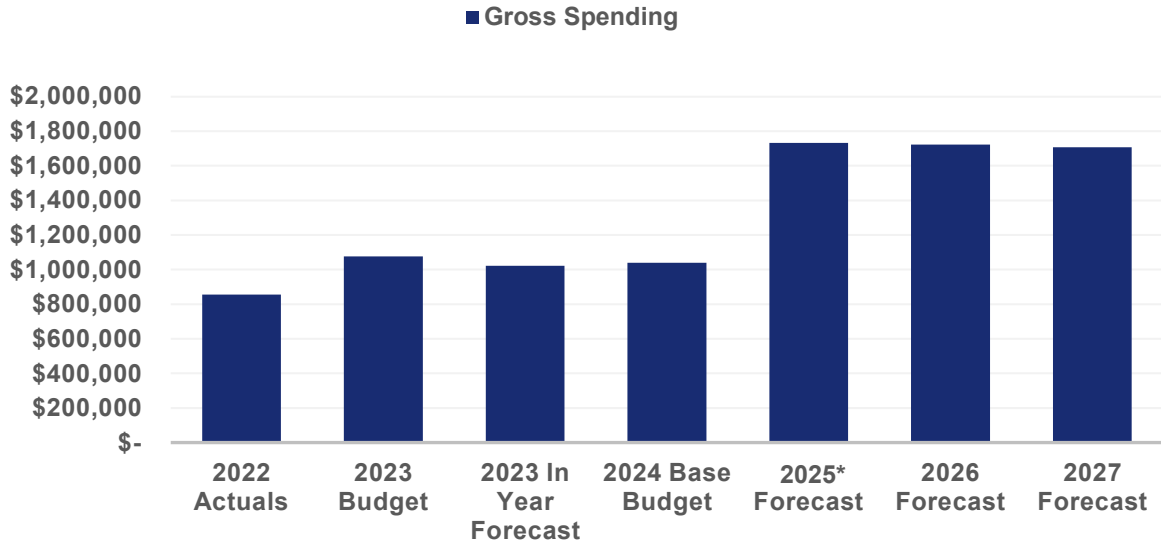
#### Interdepartmental Transfers

Facility costs have increased \$711 thousand with insurance premiums increasing \$440 thousand over 2023.

# PARKING OPERATIONS

## Financial Overview

### Parking Operations Forecast



*\*As the last debt payment for the parkade will be made in 2024, the increase gross expenditures in 2025 are attributed to an annual contribution to the parking reserve of an average of \$678K per year.*





## Base Budget Change Report - Parking Operations

000's	2022 Actuals	2023 Budget	In Year Forecast	2024 Base Budget	Change in Base Budget	
<b>Expenses</b>						
Salaries & Benefits	\$ 541	\$ 660	\$ 638	\$ 572	\$ (88)	-13.28%
Recovery from Capital	\$ (120)	\$ (43)	\$ (101)	\$ -	\$ 43	-100.00%
Materials & Supplies	\$ 45	\$ 62	\$ 58	\$ 59	\$ (3)	-5.07%
Equipment & Capital Purchases	\$ 28	\$ 110	\$ 100	\$ 25	\$ (85)	-77.27%
Services	\$ 243	\$ 205	\$ 282	\$ 331	\$ 126	61.60%
Rents & Other Expenses	\$ 119	\$ 82	\$ 44	\$ 52	\$ (30)	-36.64%
<b>Expenses Total</b>	<b>\$ 856</b>	<b>\$ 1,076</b>	<b>\$ 1,021</b>	<b>\$ 1,039</b>	<b>\$ (37)</b>	<b>-3.44%</b>
<b>Revenues</b>						
User Fees, Service Charges, & Rentals	\$ 1,680	\$ 1,384	\$ 1,712	\$ 1,750	\$ 366	26.45%
Licenses & Permits	\$ 342	\$ 315	\$ 370	\$ 353	\$ 38	12.06%
Grant Revenues & Contributions	\$ 1,420	\$ 684	\$ 313	\$ 328	\$ (356)	-52.10%
Interdepartmental Transfers	\$ (1,760)	\$ (1,306)	\$ (1,373)	\$ (1,391)	\$ (85)	6.48%
<b>Revenue Total</b>	<b>\$ 1,683</b>	<b>\$ 1,076</b>	<b>\$ 1,021</b>	<b>\$ 1,039</b>	<b>\$ (37)</b>	<b>-3.44%</b>
<b>Net Operating Expense/(Revenue)</b>	<b>\$ (826)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>0.00%</b>

<b>Base Contribution From Parking Reserve</b>	<b>\$ 288</b>
<b>Impact of New Investments</b>	<b>\$ -</b>
<b>Requested Contribution From Parking Reserve</b>	<b>\$ 288</b>

### Comments

#### Salaries and Benefits & Recovery from Capital

The development of digital parking permit project was completed in 2023 so the funding of the business lead position (which included a recovery to the capital project) has ended.

#### Materials & Supplies

Removal of the stormwater utility budget.

#### Equipment & Capital Purchases, Services and Rents & Other Expenses

The 2024 budget has been updated between these three account categories to better align expenses to accounts.

#### User Fees, Service Charges, Rentals and Licenses & Permits

Increase in parking revenue to reflect the increase in people returning to the waterfront and downtown areas in 2023 and projected increases for 2024.

#### Grant Revenues & Contributions

Reduction in the required contribution from the parking reserve with the increase in parking revenue and decrease in parking operations expenses.

#### Interdepartmental Transfers

Increase in corporate facilities operational expense required to maintain the Collier Street Parkade.