

## Multiyear Operating Budget Summary

	2019 Recommended Budget	2020 Forecast	2021 Forecast	2022 Forecast
<b>Utilities</b>				
<b>500 - Revenue</b>				
120 - Government Grants	\$7,000	\$7,000	\$7,000	\$7,000
124 - Utility User Rates	56,874,759	58,471,228	60,155,794	61,931,070
130 - User Fees & Charges	1,080,550	1,099,726	1,119,286	1,139,237
150 - Investment Income	1,302,605	1,363,596	1,424,904	1,503,684
155 - Other Revenues	6,000	6,000	6,000	6,000
<b>Total 500 - Revenue</b>	<b>59,270,914</b>	<b>60,947,550</b>	<b>62,712,984</b>	<b>64,586,991</b>
<b>600 - Expense</b>				
200 - Salaries & Wages	9,345,895	9,601,437	9,905,534	10,086,143
205 - Employee Benefits	1,858,188	1,873,431	1,909,166	1,921,328
210 - Training & Development	212,968	212,969	212,969	212,969
215 - Business Expenses	55,437	55,444	55,451	55,458
220 - Advertising & Printing	489,611	493,499	497,202	500,977
225 - Professional Services	453,019	503,019	476,882	416,367
235 - Rentals & Leases	362,575	362,575	362,575	362,575
240 - Contracted Services	9,105,425	9,296,364	9,492,237	9,693,160
245 - Supplies & Materials	23,208,571	24,331,707	25,490,151	26,686,023
250 - Repairs & Maintenance	2,050,661	2,052,058	2,053,483	2,054,938
255 - Equipment Purchases	201,539	201,539	201,539	201,539
260 - Utilities	(238,969)	(219,654)	(201,098)	(181,038)
265 - Telecommunications	144,852	144,852	144,852	144,852
270 - Interest on Debt	2,395,949	2,491,518	2,324,845	2,164,875
280 - Other Expenses	92,254	92,254	92,254	92,254
281 - Interprogram	2,737,123	2,838,733	2,853,746	2,834,977
315 - Amortization Expense	8,125,317	7,572,975	7,429,203	7,475,441
<b>Total 600 - Expense</b>	<b>60,600,415</b>	<b>61,904,720</b>	<b>63,300,991</b>	<b>64,722,838</b>
<b>Net Revenues/(Expenses)</b>	<b>(1,329,501)</b>	<b>(957,170)</b>	<b>(588,007)</b>	<b>(135,847)</b>
<b>700 - Non-Operating Items</b>				
405 - From Reserve	1,715,171	1,670,245	1,462,695	1,353,318
415 - To Reserve	(4,710,736)	(4,062,178)	(4,240,180)	(4,815,207)
431 - Long Term Debt Repaid	(3,845,734)	(4,213,938)	(4,063,711)	(3,877,705)
<b>Total 700 - Non-Operating Items</b>	<b>(6,841,299)</b>	<b>(6,605,871)</b>	<b>(6,841,196)</b>	<b>(7,339,594)</b>
<b>Non-Cash Adjustment</b>	<b>8,170,800</b>	<b>7,563,041</b>	<b>7,429,203</b>	<b>7,475,441</b>
<b>Net Impact For Budget Purposes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>

## Two Year Operating Budget Comparison

	2019 Recommended Budget	2018 Approved Budget	Variance \$	Variance %
<b>Utilities</b>				
<b>500 - Revenue</b>				
120 - Government Grants	\$7,000	\$7,000	\$0	0%
124 - Utility User Rates	56,874,759	55,343,070	1,531,689	3%
130 - User Fees & Charges	1,080,550	1,083,650	(3,100)	(0%)
150 - Investment Income	1,302,605	1,036,953	265,652	26%
155 - Other Revenues	6,000	6,000	0	0%
<b>Total 500 - Revenue</b>	<b>59,270,914</b>	<b>57,476,673</b>	<b>1,794,241</b>	<b>3%</b>
<b>600 - Expense</b>				
200 - Salaries & Wages	9,345,895	9,092,802	253,093	3%
205 - Employee Benefits	1,858,188	2,022,621	(164,433)	(8%)
210 - Training & Development	212,968	212,672	296	0%
215 - Business Expenses	55,437	55,430	7	0%
220 - Advertising & Printing	489,611	480,503	9,108	2%
225 - Professional Services	453,019	385,591	67,428	17%
235 - Rentals & Leases	362,575	362,575	0	0%
240 - Contracted Services	9,105,425	8,619,470	485,955	6%
245 - Supplies & Materials	23,208,571	21,883,880	1,324,691	6%
250 - Repairs & Maintenance	2,050,661	2,049,291	1,370	0%
255 - Equipment Purchases	201,539	201,539	0	0%
260 - Utilities	(238,969)	(321,411)	82,442	(26%)
265 - Telecommunications	144,852	144,852	0	0%
270 - Interest on Debt	2,395,949	2,441,151	(45,202)	(2%)
275 - Grants & Requisitions	0	200,000	(200,000)	(100%)
280 - Other Expenses	92,254	92,254	0	0%
281 - Interprogram	2,737,123	2,636,790	100,333	4%
315 - Amortization Expense	8,125,317	7,684,602	440,715	6%
<b>Total 600 - Expense</b>	<b>60,600,415</b>	<b>58,244,612</b>	<b>2,355,803</b>	<b>4%</b>
<b>Net Revenues/(Expenses)</b>	<b>(1,329,501)</b>	<b>(767,939)</b>	<b>(561,562)</b>	<b>73%</b>
<b>700 - Non-Operating Items</b>				
405 - From Reserve	1,715,171	1,862,356	(147,185)	(8%)
415 - To Reserve	(4,710,736)	(4,986,917)	276,181	(6%)
431 - Long Term Debt Repaid	(3,845,734)	(3,834,691)	(11,043)	0%
<b>Total 700 - Non-Operating Items</b>	<b>(6,841,299)</b>	<b>(6,959,252)</b>	<b>117,953</b>	<b>(2%)</b>
<b>Non-Cash Adjustment</b>	<b>8,170,800</b>	<b>7,727,191</b>	<b>443,609</b>	<b>6%</b>
<b>Net Impact For Budget Purposes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>



UT Budget Changes 2018 to 2019	
<b>Revenues</b>	
Utility User Rates	Increase in waste water rate primarily from Alberta Capital Region Wastewater Commission. Increase in water rates primarily from EPCOR, offset by reduction in consumption to align to actuals. Increase in waste collection rate plus customer growth. Decrease in storm rate.
Investment Income	Increased interest rate as well as increased reserve balances will lead to increased investment income.
<b>Expenses</b>	
Salaries & Wages	Salaries increased due to changes in the standard salaries and grid movement.
Employee Benefits	Benefits decreased based on historical actuals and future rate changes.
Professional Services	Increase due to Wet Weather Discharge permit (2019-INIT-9) & increase for consulting dollars for UT Engineering, Asset Management (2019-INIT-74). This is offset by a reduction in consulting services to align to actuals.
Contracted Services	Increased waste collection and processing costs, increased tonnage of waste and costs for implementing the recycling changes caused by external market factors.
Supplies & Materials	Increase in cost for sewer treatment from Alberta Capital Region Wastewater Commission and increase potable water cost from EPCOR.
Utilities	Increase largely due to increased volume of natural gas.
Interest on Debt	Decreased interest due to lower debt.
Grants & Requisitions	Reduction due to the completion of the storm water condo grant program in 2018.
Interprogram	Increased to cover overhead for services provided by other departments.
Amortization	Increased assets in use, offset by Non Cash Adjustment.
<b>Non-Operating Items</b>	
From Reserve	Decreased levy funding to fund lower levy debt payments.
To Reserve	Decreased transfers to reserve to fund annual capital programs.

## Two Year Operating Budget Comparison

	2020 Forecast	2019 Recommended Budget	Variance \$	Variance %
<b>Utilities</b>				
<b>500 - Revenue</b>				
120 - Government Grants	\$7,000	\$7,000	\$0	0%
124 - Utility User Rates	58,471,228	56,874,759	1,596,469	3%
130 - User Fees & Charges	1,099,726	1,080,550	19,176	2%
150 - Investment Income	1,363,596	1,302,605	60,991	5%
155 - Other Revenues	6,000	6,000	0	0%
<b>Total 500 - Revenue</b>	<b>60,947,550</b>	<b>59,270,914</b>	<b>1,676,636</b>	<b>3%</b>
<b>600 - Expense</b>				
200 - Salaries & Wages	9,601,437	9,345,895	255,542	3%
205 - Employee Benefits	1,873,431	1,858,188	15,243	1%
210 - Training & Development	212,969	212,968	1	0%
215 - Business Expenses	55,444	55,437	7	0%
220 - Advertising & Printing	493,499	489,611	3,888	1%
225 - Professional Services	503,019	453,019	50,000	11%
235 - Rentals & Leases	362,575	362,575	0	0%
240 - Contracted Services	9,296,364	9,105,425	190,939	2%
245 - Supplies & Materials	24,331,707	23,208,571	1,123,136	5%
250 - Repairs & Maintenance	2,052,058	2,050,661	1,397	0%
255 - Equipment Purchases	201,539	201,539	0	0%
260 - Utilities	(219,654)	(238,969)	19,315	(8%)
265 - Telecommunications	144,852	144,852	0	0%
270 - Interest on Debt	2,491,518	2,395,949	95,569	4%
280 - Other Expenses	92,254	92,254	0	0%
281 - Interprogram	2,838,733	2,737,123	101,610	4%
315 - Amortization Expense	7,572,975	8,125,317	(552,342)	(7%)
<b>Total 600 - Expense</b>	<b>61,904,720</b>	<b>60,600,415</b>	<b>1,304,305</b>	<b>2%</b>
<b>Net Revenues/(Expenses)</b>	<b>(957,170)</b>	<b>(1,329,501)</b>	<b>372,331</b>	<b>(28%)</b>
<b>700 - Non-Operating Items</b>				
405 - From Reserve	1,670,245	1,715,171	(44,926)	(3%)
415 - To Reserve	(4,062,178)	(4,710,736)	648,558	(14%)
431 - Long Term Debt Repaid	(4,213,938)	(3,845,734)	(368,204)	10%
<b>Total 700 - Non-Operating Items</b>	<b>(6,605,871)</b>	<b>(6,841,299)</b>	<b>235,428</b>	<b>(3%)</b>
<b>Non-Cash Adjustment</b>	<b>7,563,041</b>	<b>8,170,800</b>	<b>(607,759)</b>	<b>(7%)</b>
<b>Net Impact For Budget Purposes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>



UT Budget Changes 2019 to 2020	
<b>Revenues</b>	
Utility User Rates	Water consumption revenue increase due to increased utility rate charged to the customer and increased number of customers. Wastewater treatment revenue increase due to increased utility rate charged to the customer and increased number of customers. Solid waste collection revenue increase due to increased utility rate charged to the customer and increased number of customers.
Investment Income	Increased interest rate as well as increased reserve balances will lead to increased investment income.
<b>Expenses</b>	
Salaries & Wages	Salaries increased due to changes in the standard salaries and grid movement.
Professional Services	Increase due to additional requirements for the Wet Weather Discharge permit (2019-INIT-9).
Contracted Services	Increases in waste collection and processing costs.
Supplies & Materials	Increase in potable water costs from EPCOR, as well as an increase in wastewater treatment costs from Alberta Capital Region Wastewater Commission.
Interest on Debt	Increased debt payments to fund capital requirements.
Interprogram	Increased internal chargebacks to cover increased overhead for services provided by other departments.
Amortization	Decrease due to lower asset base to be amortized, offset by Non Cash Adjustment.
<b>Non-Operating Items</b>	
From Reserve	Decreased levy funding to fund lower levy debt payments.
To Reserve	Decreased transfers to reserve to fund annual capital programs.
Long-Term Debt Repaid	Increased debt payments to fund capital requirements.

## Two Year Operating Budget Comparison

	2021 Forecast	2020 Forecast	Variance \$	Variance %
<b>Utilities</b>				
<b>500 - Revenue</b>				
120 - Government Grants	\$7,000	\$7,000	\$0	0%
124 - Utility User Rates	60,155,794	58,471,228	1,684,566	3%
130 - User Fees & Charges	1,119,286	1,099,726	19,560	2%
150 - Investment Income	1,424,904	1,363,596	61,308	4%
155 - Other Revenues	6,000	6,000	0	0%
<b>Total 500 - Revenue</b>	<b>62,712,984</b>	<b>60,947,550</b>	<b>1,765,434</b>	<b>3%</b>
<b>600 - Expense</b>				
200 - Salaries & Wages	9,905,534	9,601,437	304,097	3%
205 - Employee Benefits	1,909,166	1,873,431	35,735	2%
210 - Training & Development	212,969	212,969	0	0%
215 - Business Expenses	55,451	55,444	7	0%
220 - Advertising & Printing	497,202	493,499	3,703	1%
225 - Professional Services	476,882	503,019	(26,137)	(5%)
235 - Rentals & Leases	362,575	362,575	0	0%
240 - Contracted Services	9,492,237	9,296,364	195,873	2%
245 - Supplies & Materials	25,490,151	24,331,707	1,158,444	5%
250 - Repairs & Maintenance	2,053,483	2,052,058	1,425	0%
255 - Equipment Purchases	201,539	201,539	0	0%
260 - Utilities	(201,098)	(219,654)	18,556	(8%)
265 - Telecommunications	144,852	144,852	0	0%
270 - Interest on Debt	2,324,845	2,491,518	(166,673)	(7%)
280 - Other Expenses	92,254	92,254	0	0%
281 - Interprogram	2,853,746	2,838,733	15,013	1%
315 - Amortization Expense	7,429,203	7,572,975	(143,772)	(2%)
<b>Total 600 - Expense</b>	<b>63,300,991</b>	<b>61,904,720</b>	<b>1,396,271</b>	<b>2%</b>
<b>Net Revenues/(Expenses)</b>	<b>(588,007)</b>	<b>(957,170)</b>	<b>369,163</b>	<b>(39%)</b>
<b>700 - Non-Operating Items</b>				
405 - From Reserve	1,462,695	1,670,245	(207,550)	(12%)
415 - To Reserve	(4,240,180)	(4,062,178)	(178,002)	4%
431 - Long Term Debt Repaid	(4,063,711)	(4,213,938)	150,227	(4%)
<b>Total 700 - Non-Operating Items</b>	<b>(6,841,196)</b>	<b>(6,605,871)</b>	<b>(235,325)</b>	<b>4%</b>
<b>Non-Cash Adjustment</b>	<b>7,429,203</b>	<b>7,563,041</b>	<b>(133,838)</b>	<b>(2%)</b>
<b>Net Impact For Budget Purposes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>



UT Budget Changes 2020 to 2021	
<b>Revenues</b>	
Utility User Rates	Water consumption revenue increase due to increased utility rate charged to the customer and increased number of customers. Wastewater treatment revenue increase due to increased utility rate charged to the customer and increased number of customers. Solid waste collection revenue increase due to increased utility rate charged to the customer and increased number of customers.
Investment Income	Increased interest rate as well as increased reserve balances will lead to increased investment income.
<b>Expenses</b>	
Salaries & Wages	Salaries increased due to changes in the standard salaries and grid movement.
Contracted Services	Increase in waste collection and processing costs.
Supplies & Materials	Increase in potable water costs from EPCOR, as well as an increase in wastewater treatment costs from Alberta Capital Region Wastewater Commission.
Interest on Debt	Lower interest payments as debt matures.
Amortization	Lower asset base to be amortized, offset by Non Cash Adjustment.
<b>Non-Operating Items</b>	
From Reserve	Decreased levy funding to fund lower levy debt payments.
To Reserve	Increased transfers to reserve to fund annual capital programs.
Long-Term Debt Repaid	Decreased principal payments as debt matures.

## Two Year Operating Budget Comparison

	2022 Forecast	2021 Forecast	Variance \$	Variance %
<b>Utilities</b>				
<b>500 - Revenue</b>				
120 - Government Grants	\$7,000	\$7,000	\$0	0%
124 - Utility User Rates	61,931,070	60,155,794	1,775,276	3%
130 - User Fees & Charges	1,139,237	1,119,286	19,951	2%
150 - Investment Income	1,503,684	1,424,904	78,780	6%
155 - Other Revenues	6,000	6,000	0	0%
<b>Total 500 - Revenue</b>	<b>64,586,991</b>	<b>62,712,984</b>	<b>1,874,007</b>	<b>3%</b>
<b>600 - Expense</b>				
200 - Salaries & Wages	10,086,143	9,905,534	180,609	2%
205 - Employee Benefits	1,921,328	1,909,166	12,162	1%
210 - Training & Development	212,969	212,969	0	0%
215 - Business Expenses	55,458	55,451	7	0%
220 - Advertising & Printing	500,977	497,202	3,775	1%
225 - Professional Services	416,367	476,882	(60,515)	(13%)
235 - Rentals & Leases	362,575	362,575	0	0%
240 - Contracted Services	9,693,160	9,492,237	200,923	2%
245 - Supplies & Materials	26,686,023	25,490,151	1,195,872	5%
250 - Repairs & Maintenance	2,054,938	2,053,483	1,455	0%
255 - Equipment Purchases	201,539	201,539	0	0%
260 - Utilities	(181,038)	(201,098)	20,060	(10%)
265 - Telecommunications	144,852	144,852	0	0%
270 - Interest on Debt	2,164,875	2,324,845	(159,970)	(7%)
280 - Other Expenses	92,254	92,254	0	0%
281 - Interprogram	2,834,977	2,853,746	(18,769)	(1%)
315 - Amortization Expense	7,475,441	7,429,203	46,238	1%
<b>Total 600 - Expense</b>	<b>64,722,838</b>	<b>63,300,991</b>	<b>1,421,847</b>	<b>2%</b>
<b>Net Revenues/(Expenses)</b>	<b>(135,847)</b>	<b>(588,007)</b>	<b>452,160</b>	<b>(77%)</b>
<b>700 - Non-Operating Items</b>				
405 - From Reserve	1,353,318	1,462,695	(109,377)	(7%)
415 - To Reserve	(4,815,207)	(4,240,180)	(575,027)	14%
431 - Long Term Debt Repaid	(3,877,705)	(4,063,711)	186,006	(5%)
<b>Total 700 - Non-Operating Items</b>	<b>(7,339,594)</b>	<b>(6,841,196)</b>	<b>(498,398)</b>	<b>7%</b>
<b>Non-Cash Adjustment</b>	<b>7,475,441</b>	<b>7,429,203</b>	<b>46,238</b>	<b>1%</b>
<b>Net Impact For Budget Purposes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>





UT Budget Changes 2021 to 2022	
<b>Revenues</b>	
Utility User Rates	Water consumption revenue increase due to increased utility rate charged to the customer and increased number of customers. Wastewater treatment revenue increase due to increased utility rate charged to the customer and increased number of customers. Solid waste collection revenue increase due to increased utility rate charged to the customer and increased number of customers.
Investment Income	Increased interest rate as well as increased reserve balances will lead to increased investment income.
<b>Expenses</b>	
Salaries & Wages	Salaries increase due to changes in the standard salaries and grid movement.
Professional Services	Wet weather discharge permit funding will not be required in 2022 (2019-INIT-109).
Contracted Services	Increase in waste collection and processing costs.
Supplies & Materials	Increase in potable water costs from EPCOR, as well as an increase in wastewater treatment costs from Alberta Capital Region Wastewater Commission.
Utilities	Increased for inflation.
Interest on Debt	Lower debt interest payments as debt matures.
Amortization	Increase due to increased assets in use offset by Non Cash Adjustment.
<b>Non-Operating Items</b>	
From Reserve	Decreased levy funding to fund levy debt payments.
To Reserve	Increased transfers to reserve to fund annual capital programs and increased funding to fund the mass replacement of water meters for the automated meter reading program starting in 2022.
Long-Term Debt Repaid	Decreased principal payments as debt matures.

## Staffing Increase Requests

SIR Number	SIR Name	FTE	Hours
<b>None</b>			

## Capital Base

Project Name	Cost	Dept.
<b>Electronic Hardware/Software</b>		
IT Infrastructure Replacement Program - Utilities	\$ 320,000	UT
	<b>320,000</b>	
<b>Machinery &amp; Equipment</b>		
Annual Water Meter / Radio Frequency Program	\$ 6,400,000	UT
	<b>6,400,000</b>	
<b>Utilities</b>		
Infrastructure Renewal - Utilities Lifecycle Management	\$ 750,000	UT
Annual Corrosion Control Program	65,000	UT
Annual Hydrant / Valve Replacement	500,000	UT
Annual Rollout Carts	90,800	UT
Asbestos Removal and Abatement Program	450,000	UT
Annual Utilities Fleet Addition & Replacement Program	297,700	UT
	<b>2,153,500</b>	
<b>Total</b>	<b>8,873,500</b>	

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