



REQUEST FOR A DECISION

CIC Budget open session – October 12, 2021

To: Councillor Mallet, Budget Chair, Mayor Kate Rogers and Members of City Council
From: Alicia Keating, Assistant Director – Corporate Services/City Treasurer
Date: October 06, 2021
Title: 2022 Proposed Water & Sewer Budget

ISSUE:

Staff is seeking Council Approval for the proposed 2022 Water and Sewer Budget

RECOMMENDATION(S):

A. Recommendation:

It is recommended that the following resolution be forwarded to City Council for consideration: BE IT RESOLVED THAT the Council of the City of Fredericton 1) hereby approves the amount of \$23,182,932 as the 2022 budget for Water and Sewer Revenue; 2) hereby approves the amount of \$11,463,739 as the 2022 Water and Sewer operating budget; 3) hereby approves the amount of \$11,719,193 as the 2022 Water and Sewer capital budget; 4) hereby authorizes and directs the City Solicitor to draft the appropriate by-law to amend By-law No. W-3, A By-law Respecting Water Rates and Sewer Rentals to reflect the following changes, effective the 2nd quarter billing in 2022: a) increase the quarterly service charge from \$58.60 to \$61.90 for each of water and sewer; b) increase the consumption charge per cubic meter from \$0.93 to \$0.97 for each of water and sewer; c) increase the quarterly flat rate commodity charge from \$65.24 to \$67.96 for each of water and sewer; and 5) hereby authorizes and directs the City Solicitor to draft the appropriate by-law to amend By-law No. W-3, A By-law Respecting Water Rates and Sewer Rentals so that the bulk water rate be increased from \$2.39 per cubic meter to \$2.47 per cubic meter, effective January 1, 2022.

B. Other options: (If applicable, only complete if there are multiple options)

Council can provide other direction to staff

BACKGROUND & DISCUSSION:

See presentation for additional information

- **FINANCIAL:** due to a reduction in consumption, rate increases are required to fund operations and capital requirements in the Fund. This is in line with the Long Term Financial Plan approved on August 19, 2013.
- **LEGAL:** By-Law No. W-3, A By-Law Respecting Water Rates and Sewer Rentals will require an amendment to reflect the rate increases for 2022.
- **COMMUNICATIONS:** All communications related to budget will pass through the Corporate Communications Division

SPOKESPERSON: Alicia Keating, Assistant Director – Corporate Services/City Treasurer

Prepared by: *Alicia Keating, Assistant Director – Corporate Services/City Treasurer*

Approved by: *Michael Baldwin, Director – Corporate Services*

/Attachments: 2022 Water and Sewer Proposed Budget – Oct 12 2021

APPENDIX A – ADDITIONAL INSTRUCTIONS AND WORDING

Note: Remove/Delete this section before submitting.

GLOSSARY OF TITLES:

Issue	What is the ask?
Recommendation(s)	Council's requested action.
Background & Discussion	Why and where did this issue come from? What is going to happen?

FINANCIAL CONSIDERATION

IMPACT ON FUTURE BUDGET:

What are the long-term funding implications of this issue on capital and/or operational expenses (medium and long term), as well as any future financial risk or burden? Is the recommendation consistent with the City's commitment to ensure sustainable infrastructure and service provision?

Note: Our commitment to sustainable infrastructure and services is set out in Policy No. COR-POL-060, *Capital Prioritization & Investment* and Policy No. COR-POL-061, *Debt Affordability & Management*.

If the Department/Division independently determines that there are no financial considerations without consulting the City Treasurer, then the author must insert the following wording in this section of their report:

*The Department/Division has determined that there are no financial considerations associated with this matter. The **City Treasurer** was not specifically consulted with respect to this administrative report.*

LEGAL CONSIDERATION:

If the Department/Division independently determines that there are no legal considerations without consulting the Office of the City Solicitor, then the author must insert the following wording in this section of their report:

*The Department/Division has determined that there are no legal considerations associated with this matter. The **Office of the City Solicitor** was not specifically consulted with respect to this administrative report.*

COMMUNICATION:

If you are making changes to existing programs and/or services that will affect the public or staff, or introducing new ones, input should be sought from communications staff.

Depending on the nature of the matter, communications support may be needed in advance. Communications staff require a minimum of two (2) weeks to prepare basic communications. Strategic communications support may take longer. Emergency situations are handled outside these timelines.

Pre-determined options:

Option 1: If the Department/Division independently determines that there is no need for consulting Corporate or Strategic Communications, then the author must insert the following wording in this section of their report:

The Department/Division has determined that there is no communication considerations associated with this matter. Neither Corporate nor Strategic Communications was consulted with respect to this administrative report.

Option 2: If the Department/Division determines that there is no need for consulting Corporate or Strategic Communications prior to the approval of the report but will require assistance upon approval, then the author must insert the following wording in this section of their report:

Corporate and/or Strategic Communications will be consulted upon the approval this administrative report.

Option 3: Corporate Communications provides statement for the Administrative Report prior to the submission of the report.