City of Penticton: Financial Plan Reporting Structure

General **Utilities Environmental** Transportation Recreation and **Environmental Public Health Protective Electrical Sewer System General Government** Development **Water Utility** Services Culture **Health Services** and Safety Services Supply Services Solid Waste Mayor and Council **RCMP Electrical Utility** Engineering Engineering Transit Parks Cemetery Tourism Management Corporate Development Operations SOEC Fire Services **AWWTP** WTP Administration Services **Building and** Development Communications Water Distribution Fleet Recreation Sewer Collection License Engineering Roads and Bylaw **Facilities** Library Planning Enforcement Maintenance Economic Dog Control Finance Street Lighting Museum Development Information Land Traffic Control Technology Management **Human Resources** Engineering Revenue & Collections Procurement **Municipal Grants Development Services Public Works** Engineering Electric **Financial Services** Recreation & Culture





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Water Utility Overview

- There are three areas of activity associated with the Water Utility:
 - Water Treatment Plant Operating Costs, Capital Projects
 - Water Distribution System Operating Costs, Capital Projects
 - Presentation by public works manager to follow
 - Engineering Water Capital Projects
 - Included in previous Engineering Design Presentation



2018 Highlights

	Budget	% change	Trend
Total Revenue	-8,461,692		<u></u>
Goods and Services	895,110		
Salaries and Benefits	745,011		<u></u>
Total Internal Allocation In	2,174,271		1
Total Internal Allocation Out	<u>-36,140</u>		-
Net Operating Surplus	-4,683,440	-21.42%	•
Total Capital	3,407,250		-
Transfer to/From Surplus/Reserve	<u>1,276,190</u>		•
Balance Water Operating Fund	0		



Water Utility

Water Treatment Plant

Overview

• Our primary purpose is to treat raw water for domestic consumption.

Operates water treatment plant, 6 reservoirs and 5 pump stations Treated 6,332 million litres of lake water Treated 302 million litres of creek water Average day demand was 528 Litres per person per day Peak summer demand was 1,063 Litres per person per day









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Water Utility Water Treatment Plant

2017 Accomplishments

- Completed Asset Management Plan
- Completed Capital Equipment Replacements
- Commenced Drought Management Plan
- Continued investment for major lake pump station motor control centre upgrade
- Supported response to watermain damage under Ellis Creek.





Water Utility Water Treatment Plant

2018 Initiatives

- Significant investment planned for upgrade of critical electronic and control equipment per the asset management plan.
- Address required laboratory equipment upgrades
- Upgrade creek flow monitoring to improve management and decision making.
- Continue investment for major lake pump station motor control centre upgrade.



Staffing





2017 2018 7.6 7.6



Water Treatment Plant











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Water Utility

2018 Highlights

	Budget	% change	Trend
Total Operating Expense	1,640,121		1
Revenues	<u>-8,461,692</u>		<u></u>
Net Operating Surplus	-6,821,571	3.52%	1
Capital	487,500		1



2018 Budget

Expenses	2017 Budget	2017 Forecast	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Cross Connection	53,985	47,485	53,935	54,854	55,791	56,747	57,722
Pump Stations	280,017	294,490	278,081	283,280	288,715	292,845	297,053
Small Reservoirs	40,820	38,510	48,949	49,494	50,050	50,617	51,196
Warren Ave Well	5,374	4,232	5,975	6,167	6,374	6,488	6,604
Water Conservation	52,991	29,000	52,287	52,534	52,785	53,041	53,302
Water Treatment Plant	933,889	870,965	992,854	974,870	994,878	1,009,337	1,021,127
Water - general	85,589	85,589	109,200	109,200	109,200	109,200	109,200
Parks - other accounts	81,325	56,325	86,140	37,693	39,312	41,001	42,762
Water	<u>37,767</u>	<u>31,592</u>	<u>12,700</u>	<u>12,896</u>	<u>13,094</u>	<u>13,296</u>	<u>13,501</u>
Total Operating Expenses	1,571,757	1,458,188	1,640,121	1,580,988	1,610,198	1,632,571	1,652,467



2018 Budget

Revenues	2017	2017	2018	2019	2020	2021	2022
Revenues	Budget	Forecast	Budget	Budget	Budget	Budget	Budget
Sale of service	-7,585,956	-7,585,956	-8,038,201	-8,375,806	-8,744,341	-9,129,092	-9,530,772
Recoveries	-439,058	-437,144	-423,491	-437,114	-451,909	-467,354	-483,476
Grants	-25,000	0	0	0	0	0	0
Total Operational Revenues	-8,050,014	-8,023,100	-8,461,692	-8,812,919	-9,196,250	-9,596,446	-10,014,248



2018 Capital Budget

Project description	Budget	Comments
Asset Management Equipment Replacement	150,000	High risk aging electronic equipment
WTP optimization projects	15,000	Upgrade SCADA historian
PLC Equipment Replacement	50,000	Two main plant processors
WTP pressure reducing station equipment	10,000	Monitoring 3 Mile Road
Replace aging electrical equipment	100,000	To accumulate funds for 2022
Okanagan Lake Pump Stn	100,000	construction
Replace (2) process computers/update software	5,000	Computer purchase



2018 Capital Budget

Project description	Budget	Comments
Security video monitor	7,500	Analog to digital upgrade
Streaming current detector replacement	20,000	Chemical monitoring equipment
Fume hood replacement Lab	15,000	Safety item
Air unit replacement program	15,000	HVAC for admin building
Relocate monitoring stations -	100,000	Improve flow measurement for Ellis &
Ellis/Penticton Creek	100,000	Improve flow measurement for Ellis & Penticton Creeks
Total	487,500	



Water Utility

Summary

Water Treatment Plant

- No changes proposed in staffing
- Modest increase in operational costs
- Revenue improving in accordance with revised utility rate structure
- Improved decision making supported by Asset Management
- Pro-active maintenance and updating of equipment and controls in the plant and storage reservoirs enables the WTP team to consistently and efficiently produce high quality water.



Questions

