



## THE CORPORATION OF THE CITY OF VERNON

### **MEMORANDUM**

**TO:** Patti Bridal, Chief Administrative Officer **FILE:** 1830-02 (2023)  
**FROM:** Debra Law, Director, Financial Services **DATE:** March 28, 2024  
**SUBJECT: 2023 YEAR-END RESULTS – SEWER ONLY**

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The purpose of this memorandum is to provide Council with the 2023 year-end operating results of the Sewer Fund, as per the request at the regular Council meeting on March 25, 2024. Administration has included Attachment 1 – Summary of Amended Budget vs YTD Actuals – Sewer Fund Only for Council information.

Note that a list all of the departments that make up the Sewer fund are listed under both Revenues and Expenditures. Both budget and actual Revenues and Expenditure total the same amount, resulting in net Revenues over Expenditures totalling zero. All excess revenues over expenditures in the Sewer fund are transferred to Sewer reserves to provide funding of future capital investments.

#### **Revenues**

Overall Revenues exceeded budget by \$1,079,758. Almost half of this is due to an excess internal transfer from Solid Waste to repay a loan used to purchase solid waste carts - \$490,717. Other excess revenue included actuarial revenue not budgeted \$455,783, excess fees for septic service dump fees \$169,136, excess high strength waste surcharges \$77,190, and unbudgeted recoverable work order revenue \$177,914 (see Expenditures). There was also a shortfall in actuals for residential user fees of \$269,436 and various small budget shortfalls throughout the Sewer fund that make up for the rest of the differences.

#### **Expenditures**

Overall Expenditure savings totalled \$491,617. Most of these savings were experienced in Water Reclamation Operations - \$190,407 savings in the biosolids contract, \$463,360 savings in HRAD expenditures, and various other savings in the department. There were two areas of actuals exceeding budget – the Sanitary Collection System experienced excess costs in materials and supplies of \$104,357, and Water Reclamation Operations had \$177,914 of costs related to recoverable work orders (see Revenues).

#### **Net Result**

The 2023 overall net year end results for the Sewer fund totalled \$1,571,375, resulting in a total transfer to Sewer reserves of \$4,233,968 at the end of the year.

**RECOMMENDATION:**

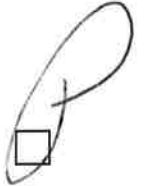
THAT Council receive for information the memorandum titled "2023 Year-End Results – Sewer Only", dated March 28, 2024 and respectfully submitted by the Director, Financial Services.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Law".

Attachment: 1 – Summary of Amended Budget vs YTD Actuals – Sewer Only

Approved for the Agenda by the CAO

A handwritten signature in cursive script, appearing to read "P", with a small square checkmark drawn below it.