

# Backgrounder

## Utilities

Utilities provides long term, sustainable management of Saskatoon's water and energy resources. This business line provides safe and reliable electricity, quality drinking water, and the collection and treatment of wastewater and collection of storm water collection.

### Planned Strategic Outcomes for 2017

- Improve and expand electrical infrastructure
- Improve and expand drinking water infrastructure
- Improve and expand wastewater infrastructure
- Improve and expand storm water infrastructure and monitor and remediate surface drainage
- Reduce energy consumption through conservation practices and increase energy efficiency and safety

### Operating Budget Overview

- 2017 total expenditure budget of \$332.6 million
- Funding sources: 100% user fees
- Expenditures of \$332.6 million spread amongst five service lines with the largest ones being Saskatoon Light & Power, Water, and Wastewater Utilities, which utilize 51.5%, 23% and 21% of total utility expenditure respectively

### Summary of Operating Changes

The 2017 budget proposes an increase of \$29.2 million over the 2016 expenditure level. The increase is made up of:

- \$28.1 million in inflationary increases due to increases in cost of purchasing bulk power, formula increases to grants in lieu and return on investment payments
- \$963,500 due to growth pressures for water and wastewater services
- \$132,200 for service level increases in the Water, Wastewater and Waste Services Utilities

### Funded Capital Budget

The Utilities 2017 Capital Budget includes \$105.2 million of funded capital projects. The water and wastewater budgets include \$21.6 million in capital projects relating to the Clean Water and Wastewater Federal Funding Program. This funding will go toward the rehabilitation of low capacity water mains and sanitary sewer mains.