

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: December 11, 2023
TO: Mayor and Council
FROM: Candice Gartry, Director, Financial Services
SUBJECT: 2024 Annual Utility Rates Bylaw

RECOMMENDATION

THAT Council receive the December 11, 2023, corporate report from the Director, Financial Services, titled “2024 Annual Utility Rates Bylaw” for consideration and subsequent approval and adoption.

EXECUTIVE SUMMARY

This corporate report introduces the following bylaws for approval and adoption:

- White Rock Drainage Utility User Fee Bylaw, 2004, No. 1739, Amendment Bylaw, 2023, No. 2487
- Collection, Removal, Disposal and Recycling of Solid Waste Bylaw 2015, No. 2084, Amendment No.9, 2023 No. 2489
- Sewer Connection and Rental Charges Bylaw, 1970, No. 396, Amendment Bylaw, 2023, No. 2488
- White Rock Secondary Suite Service Fee Bylaw, 2012, No. 2009, Amendment No. 8, 2023, No. 2486

The recommended Utility user fee rate increases proposed in this corporate report equate to an increase of 7.21%, or \$141 per annum, for an average single-family household, and 7.56%, or \$56 per annum, for an average multi-family (strata) unit. The actual amounts assessed to property owners will differ depending on usage and property square footage. The Secondary Suite Service fee is recommended to increase by \$4 (1.28%) to \$317 per year.

Note: The 2024 Water Utility rates received 1st, 2nd, and 3rd readings at the November 27, 2023, Regular Council Meeting.

INTRODUCTION/BACKGROUND

Section 194 of the *Community Charter* authorizes Council, by bylaw, to establish municipal fees for services, for the use of municipal property or to exercise the authority to regulate, prohibit or impose requirements.

The four bylaws attached in Appendices A to D set out the fees for Secondary Suites as well as Solid Waste, Sanitary Sewer and Drainage Utility user fees. These fees are established each year by bylaw. The rates are based on the city’s Five-Year Financial Plan for the utilities and services

which includes forecasted revenues and expenses, asset improvement capital requirements, and reserves to save for future required infrastructure improvements. The bylaw rates are set to ensure that fees charged recover the cost of providing the services.

Budget Impact to Average Single-Family Household in 2024				
	2023	2024	Change \$\$	% Increase
Utilities				
Drainage Utility Charge	\$ 579	\$ 612	\$ 33	5.70%
Solid Waste Utility Charge	355	412	57	16.06%
Sanitary/Sewer Utility Charge	278	293	15	5.40%
Water Utility Charge*	744	780	36	4.84%
Total Utilities	\$ 1,956	\$ 2,097	\$ 141	7.21%
* The 2024 Water Utility rates received 1st, 2nd, and 3rd readings at Council's November 27, 2023, Regular Council meeting.				

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Budget Impact to Average Strata Unit in 2024				
	2023	2024	Change \$\$	% Increase
Utilities				
Drainage Utility Charge	\$ 174	\$ 184	\$ 10	5.75%
Sanitary/Sewer Utility Charge	278	293	15	5.40%
Water Utility Charge*	289	320	31	10.73%
Total Utilities	\$ 741	\$ 797	\$ 56	7.56%
* The 2024 Water Utility rates received 1st, 2nd, and 3rd readings at Council's November 27, 2023, Regular Council meeting.				

These rates will be included in the City of White Rock five-year Financial Plan (2024 - 2028) once finalized and adopted. These user fees are charged annually and included on the Property Tax Notice.

Drainage Utility user fees are assessed based on the area of the property, so the fees charged vary from property to property. The 2024 proposed fee incorporates an average 5.72% rate increase over the prior year. The 2024 average revenue increase included in the approved 2023 – 2027 Financial Plan (Bylaw No. 2458) was 4.50%. The higher increase in 2024 is related to higher than anticipated labor costs than what was budgeted in 2023 for 2024 as well as higher inflation. For the “average” single-family home the result is a \$33 increase over the prior year, to \$612. For the “average” strata-family home fees increase by \$10 to \$184.

The proposed user fee rate increase for 2024 for the Solid Waste Utility is 16.06% for 2024. The 2024 revenue increase included in the approved 2023 – 2027 Financial Plan (Bylaw No. 2458) was 4.65%. However, due to significantly higher than expected increases in vehicle operating

costs and tipping fees, a 16.06% rate increase is required. Vehicle operating costs include insurance, maintenance and fuel, all of which have seen large increases over the past year. The tonnage fee is set by GFL Environmental (waste management company) and is based on the weight of the waste being disposed of. Tipping fees are set by Metro Vancouver and are the fees incurred to ‘tip the load’ of waste. Both of these fees are outside of the City’s control and are seeing significant increases. The Solid Waste Utility user fee has been increased by \$57 (16.06%) to \$412 from the 2023 rate of \$355.

The Sanitary Sewer User fee is recommended to increase to \$293 which incorporates a \$15 (5.40%) increase compared to the prior year. The initial revenue increase for 2024, as was provided for in the approved 2023 – 2027 Financial Plan (Bylaw No. 2458) was 10% for 2024. The smaller increase this year is due to lower than expected increases in GVS & DD (Greater Vancouver Sewerage and Draining District) levy charges which are set by Metro Vancouver.

The Secondary Suite Service fee is recommended to increase by \$4 (1.28%) to \$317 per year. Secondary Suite Services fees help fund City road related projects and parks related initiatives.

FINANCIAL IMPLICATIONS

Utility User Fee rate increases are required in order to recover the cost of providing the services.

LEGAL IMPLICATIONS

No specific legal implications to note. Council approval required to authorize the budget, utility charges and property taxation rates.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

A public survey on the City’s 2024 budget was made available for responses and comment from October 16, 2023, through to November 13, 2023. The results of the survey were reported back to Council at their November 27, 2023, Regular Council meeting.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

The Engineering and Operations department consulted and advised on revenue and expense items in determining the rate increases.

ALIGNMENT WITH STRATEGIC PRIORITIES

The budget adjustments and additional budget items listed in this report align with the following Council Priorities:

Infrastructure:

Objective 1 – Ensure future infrastructure resiliency by making decisions through a long-term lens.

Objective 2 – Adapt infrastructure to address climate change factors.

Objective 3 – Construct key infrastructure projects.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council’s consideration:

1. Council approve and adopt the following bylaws to ensure that the User Fee revenue received is sufficient to cover the cost of providing the services:

- White Rock Drainage Utility User Fee Bylaw, 2004, No. 1739, Amendment Bylaw, 2023, No. 2487
 - Collection, Removal, Disposal and Recycling of Solid Waste Bylaw 2015, No. 2084, Amendment No.9, 2023 No. 2489
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 - White Rock Secondary Suite Service Fee Bylaw, 2012, No. 2009, Amendment No. 8, 2023, No. 2486
2. Council not approve one or all of the bylaws which will result in the user fees remaining the same as 2023 rates creating revenue shortfalls in the General, Drainage, Sanitary Sewer and/or Solid Waste funds.

CONCLUSION

It is recommended that Council approve and adopt the following bylaws:

- Collection, Removal, Disposal and Recycling of Solid Waste Bylaw 2015, No. 2084, Amendment No. 9, 2023 No. 2489
- White Rock Drainage Utility User Fee Bylaw, 2004, No. 1739, Amendment Bylaw, 2023, No. 2487
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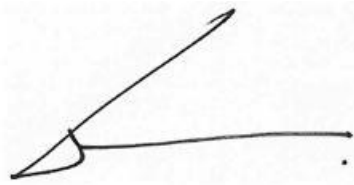
Respectfully submitted,



Candice Gartry
Director of Financial Services

Comments from the Chief Administrative Officer

I concur with the recommendation of this corporate report.

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line and a small dot at the end.

Guillermo Ferrero
Chief Administrative Officer

Appendix A: Collection, Removal, Disposal and Recycling of Solid Waste Bylaw 2015, No. 2084, Amendment No. 9, 2023 No. 2489

Appendix B: White Rock Drainage Utility User Fee Bylaw, 2004, No. 1739, Amendment Bylaw, 2023, No. 2487

Appendix C: Sewer Connection and Rental Charges Bylaw, 1970, No. 396, Amendment Bylaw, 2023, No. 2488

Appendix D: White Rock Secondary Suite Service Fee Bylaw, 2012, No. 2009, Amendment No. 8, 2023, No. 2486