
2006 BUDGET BRIEFING NOTE – 2006 Budgeted and Pending Draws on the Toronto Water and Wastewater Capital Reserve Funds

Issue/Background:

At its meeting of January 13, 2006 the Deputy City Manager and Chief Financial Officer was requested to report to the Budget Advisory Committee on February 3, 2006 regarding the impact of 2006 budgeted and pending requests on the Toronto Water and Wastewater Reserve Funds.

Key Points:

A summary of the reserve fund draws is set out in the table below.

2006 Budgeted and Pending Draws on the Toronto Water and Wastewater Capital Reserve Funds	In Millions
2006 Toronto Water Capital Budget Funding*	\$301.618
No-Fault Grants Program	\$4.000
2006 TRCA Capital Budget Funding	\$3.000
Land Acquisition for Source Water Protection Reserve	\$0.500
Tree Planting for Stormwater Reduction	\$1.000
2006 TRCA Operating Budget Funding Request**	\$3.597

Note:

* Does not include Land Acquisition for Source Water Protection Reserve, Tree Planting for Stormwater Reduction and No-Fault Grant Program

**Pending funding request based on Council approval.

- **2006 Toronto Water Capital Budget Funding**

Toronto Water Capital Budget reserve fund draws in 2006 total \$307.1 million, comprised of \$161.6 million from the Toronto Water Capital Reserve Fund and \$145.5 million from the Toronto Wastewater Capital Reserve Fund.

- **2006 TRCA Capital Budget Funding**

The 2006 Toronto and Region Conservation Authority (TRCA) Council-approved Capital Budget includes funding from the Toronto Wastewater Capital Reserve Fund in the amount of \$3.0 million.

The Toronto Wastewater Capital Reserve Fund will have sufficient funds to cover the 2006 TRCA Capital Budget draw of \$3.0 million.

- **2006 TRCA Operating Budget Funding**

The 2006 TRCA Operating Budget of \$6.672 million represents an increase of \$0.264 million or 4.1% compared to the 2005 level of \$6.409 million. Approximately \$0.204 million or 77% of the increased funding is requested through a draw on the Toronto Water Capital Reserve Fund.

Pending draws on the Toronto Water Capital Reserve Fund include funding for the 2006 TRCA Operating Budget. In 2005, funding of \$3.393 million was provided to TRCA from the Toronto Water Capital Reserve Fund. For 2006, TRCA is requesting funding in the amount of \$3.597 million from the Toronto Water Capital Reserve Fund. That amount represents 53% of TRCA's total 2006 Operating Budget of \$6.672 million; the other 47% is funded through the tax levy. Toronto Water agreed in principle prior to the 2006 Operating Budget review process to maintain the 2005 funding level.

Since 2003, a portion of the funding for the TRCA Operating Budget has been provided from the Toronto Water Capital Reserve Fund. The amount of operating budget funding to the TRCA has been a recommendation from the Budget Advisory Committee during the budgetary review process.

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