



## 2013 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	<b>NON-LEVY CITY OPERATIONS</b> <b>Toronto Water</b>	Recommended Adjustments				2014 Net Incremental Outlook (\$000s)	2015 Net Incremental Outlook (\$000s)					
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions							
		<b>2013 Recommended Base Budget Before Service Change:</b>	958,085.6	939,775.9	18,309.7	1,726.8	5,052.2	3,124.8					
Z1	1	<b>Defer Additional Positions for Linear Infrastructure</b>	(168.4)	0.0	(168.4)	(2.0)	0.0	0.0					
(TW-ZME02)		<b>Service / Activity:</b> District Operations / n/a  <b>Description:</b> Toronto Water requires additional funding of \$0.168 million for 2 positions, materials and supplies to accomodate maintenance of the recent linear infrastructure growth related to developments at Morningside Heights and Warden Avenue / St. Clair Avenue areas, that will add another 84 km in linear assets. Increase in positions is based on the current ratio of the approves staff to assets. In oder to reduce costs, Toronto Water will defer its request for those positions to 2014.  <b>Service Level Change:</b> There is no change to current service levels.  <b>ADMIN:</b>						(168.4)	0.0	(168.4)	(2.0)	168.4	0.0
Z1	2	<b>Marine Operations Efficiencies</b>	(310.0)	0.0	(310.0)	0.0	0.0	0.0					
(TW-Z7M02)		<b>Service / Activity:</b> Operational Support / Optimized Maintenance Unit  <b>Description:</b> Staring in 2013, the Toronto Port Authority will take responsibility over the weed cutting and cleaning services of the leased water lots in the harbour area, which are currently provided by the City of Toronto, through an outside contractor. This will reduce costs of Toronto Water's marine operations by \$0.310 million. Through variety of reduction options Toronto Water already achieved savings of \$0.180 million in 2012.  <b>Service Level Change:</b> There will be no impact on services already provided to leaseholders.  <b>ADMIN:</b> Recommended.						(310.0)	0.0	(310.0)	0.0	0.0	0.0

**Category Legend - Type**

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Service Change



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			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z2	3	<b>User Fee Inflationary Increases</b>	0.0	0.0	0.0	0.0	0.0	0.0
<small>(TW-ZMR01)</small>		<b>Service / Activity:</b> MULTIPLE / N/A						
		<b>Description:</b>						
		In accordance with Council's approved User Fee Policy, Toronto Water identified service specific inflationary factors that will provide for full cost recovery of services provided. The overall factor for Toronto Water's 2013 Operating Budget was estimated at 1.8% including increases in labour costs, energy, utilities, materials and contracted services, resulting in additional revenues of \$0.281 million.						
		Proposed user fee changes are summarized in the 2013 Water and Wastewater Rate Report from the Acting Deputy City Manager and Chief Financial Officer and General Manager for Toronto Water, which will be considered concurrently with Toronto Water's 2013 Operating Budget.						
		The following increases will be effective January 1, 2013:						
		1. Increases for 12 water service fees (Appendix C, Schedule 2, Water Service, Reference Numbers: 1, 2, 5, 11, 12, 13, 15, 15.1, 17, 21, 25 and 32) based on 1.8% inflationary factor and actual contract increases.						
		2. Increases for 8 wastewater service fees (Appendix C, Schedule 3, Wastewater Service, Reference Numbers: 4, 5, 6, 15, 16, 17, 18 and 19) based on 1.8% inflationary factor and actual contract increases.						
		<b>Service Level Change:</b>						
		There is no change to current service levels.						
		<b>ADMIN:</b> Recommended.	0.0	281.3	(281.3)	0.0	0.0	0.0
		<b>Total Recommended Service Level Reductions:</b>	(478.4)	281.3	(759.7)	(2.0)	168.4	0.0
		<b>Total Recommended Base Budget:</b>	957,607.2	940,057.2	17,550.0	1,724.8	5,220.6	3,124.8

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