

June 29, 2010

To: Executive Committee  
From: Budget Committee  
Subject: 2011 Interim Water and Wastewater Service Rates

**Recommendation:**

**The Budget Committee recommends to the Executive Committee that:**

- 1. City Council extend and continue the Water and Wastewater Service Rates, and the water rebate for eligible low-income disabled persons and low-income seniors, set for 2010, approved by Council and enacted by By-law No. 1206-2009, until such time that Council adopts Toronto Water's 2011 Operating and Capital Budgets and any corresponding changes, which may be necessary, to the Water and Wastewater Service Rates and water rebate.**

**Decision Advice and Other Information:**

The Budget Committee held a public meeting on June 29, 2010, and notice was given in accordance with the City of Toronto Act, 2006.

**Background:**

The Budget Committee on June 29, 2010, considered a report (June 14, 2010) from the Deputy City Manager and Chief Financial Officer and the General Manager, Toronto Water, entitled "2011 Interim Water and Wastewater Service Rates".

for City Clerk

Merle MacDonald/jsc

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## STAFF REPORT ACTION REQUIRED

### 2011 Interim Water and Wastewater Service Rates

<b>Date:</b>	June 14, 2010
<b>To:</b>	Budget Committee
<b>From:</b>	Deputy City Manager and Chief Financial Officer General Manager, Toronto Water
<b>Wards:</b>	<b>All Wards</b>
<b>Reference Number:</b>	P:\2010\Internal Services\Cf\Bc10031cf (AFS #11709)

#### SUMMARY

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This report seeks authorization to extend and continue the Water and Wastewater Service Rates and water rebate for eligible low-income disabled persons and low-income seniors, set for 2010, approved by Council and enacted by By-law No. 1206-2009, until such time that Council adopts Toronto Water's 2011 Operating and Capital Budgets and any corresponding changes which may be necessary to the Water and Wastewater Service Rates and water rebate.

#### RECOMMENDATIONS

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The Deputy City Manager and Chief Financial Officer, and the General Manager, Toronto Water, recommend that:

1. The Water and Wastewater Service Rates, and the water rebate for eligible low-income disabled persons and low-income seniors, set for 2010, approved by Council and enacted by By-law No. 1206-2009 be extended and continued until such time that Council adopts Toronto Water's 2011 Operating and Capital Budgets and any corresponding changes, which may be necessary, to the Water and Wastewater Service Rates and water rebate.

#### Financial Impact

Toronto Water and Wastewater Programs are fully funded on a 'pay as you go' basis through combined Water and Wastewater Service Rates without any reliance on borrowing/debenture

financing. The property tax budget is not impacted by the adoption of the recommendations of this report.

Toronto Water customers will not experience any change in the rate charged on water consumption as a result of the extension and continuation of the current Water and Wastewater Service Rates nor in the water rebate for eligible low-income disabled persons and low-income seniors in 2011, as a result of the recommendation in this report. However, it is anticipated that rate increases for 2011 will be required when the new Council considers the 2011 Water and Wastewater Capital and Operating Budgets.

## **COMMENTS**

Annually, Toronto City Council, enacts a by-law to set new Water and Wastewater Service Rates, in support of funding Council approved annual Operating and Capital Budgets submitted by Toronto Water. The new rates typically take effect January 1<sup>st</sup> of each new year.

At its meeting of November 30, December 1 and 2, 2009 City Council, in approving Toronto Water's 2010 Operating and Capital Budgets, also approved 2010 Water and Wastewater Service Rates and the rate of water rebate for eligible low-income disabled persons and low-income seniors, effective January 1, 2010, enacted by By-law No. 1206-2009. The staff report can be viewed at: <http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-24681.pdf>

The current Water and Wastewater Service Rates are set out in Appendix D – Schedule 1, Water & Sewer Services Rates – Revenue Services, of the City of Toronto Municipal Code Chapter 441, Fees and Charges, Items 1 – 48, inclusive, and are also referenced, where applicable, in related Municipal Code provisions. The water rebate for eligible low-income disabled persons and low-income seniors is set out in Municipal Code Chapter 849 including § 849-14.2. B. and 14.5.D.

Given the municipal election in October 2010, staff will not be in position to recommend any changes in the Water and Wastewater Service Rates and water rebate until the new Council is in place, and Toronto Water has prepared and submitted its 2011 Operating and Capital Budgets, expected early in 2011. Hence, it is proposed that the current Water and Wastewater Service Rates and current water rebate for low-income disabled persons and low-income seniors, be extended and continued until such time that the matter is considered and approved by Council in 2011.

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**SIGNATURE**



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Lou Di Gironimo  
General Manager, Toronto Water

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Cam Weldon  
Deputy City Manager and  
Chief Financial Officer