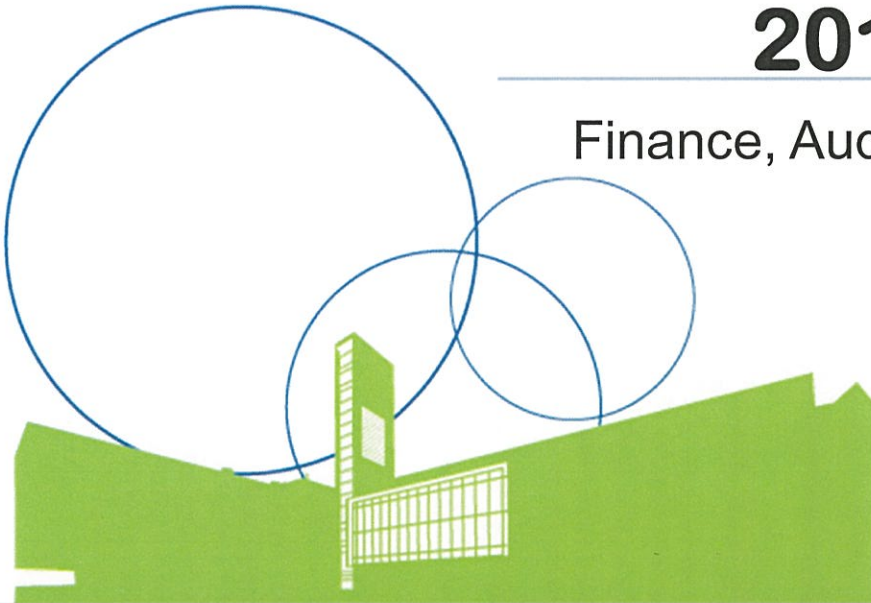


# Water/Wastewater/Stormwater 2017 Draft Budget

Finance, Audit and Administration Committee –  
January 16, 2017

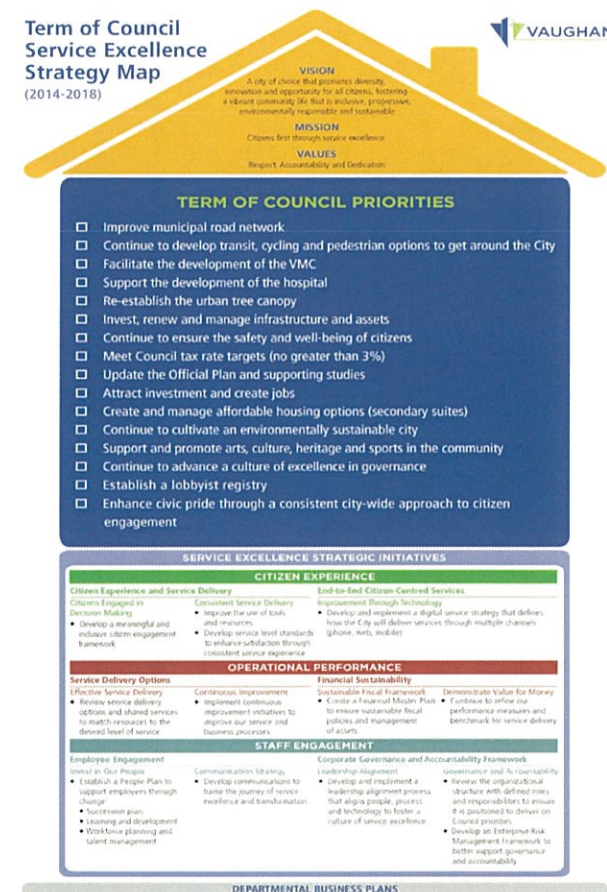


# The 2017 Budget Delivers on Council Priorities and Service Excellence

The 2017 water, wastewater and stormwater budget supports the Term of Council Priorities, as identified on the Term of Council Service Excellence Strategy Map, by ensuring that the City:

- T06- invest, renew and manage infrastructure and assets;
- T07- continue to ensure the safety and well-being of citizens; and
- T12- continue to cultivate an environmentally sustainable city.

## Term of Council Service Excellence Strategy Map (2014-2018)



# Budget Objective

- To ensure financially viable and sustainable water, wastewater and stormwater services for both the short and long-term
  - ✓ Safe drinking water
  - ✓ Effective wastewater collection
  - ✓ Stormwater management





# Draft Water and Wastewater Rates

- For 2017, the combined water and wastewater draft rate is \$3.7822/m<sup>3</sup> representing a 1.56% increase over 2016
- Based on the 2017 water and wastewater draft rate, the average household will pay an additional:

	Annual	Monthly
Water	\$7.04	\$0.59
Wastewater	\$8.48	\$0.71
Total	\$15.52	\$1.29



# Draft 2017 Stormwater Charges

Property Type	Draft Stormwater Charge – exemptions applied (2017)
Residential – Low Density (detached home) – per unit	\$50.00
Residential – Medium Density (townhouse, semi-detached) – per unit	\$30.61
Residential – High Density (condominium)	\$184.00
Non-Residential – Small (< 1 ac)	\$41.28
Non-Residential – Medium (1-10 ac)	\$1,066.21
Non-Residential – Large (>10 ac)	\$16,740.78
Agricultural/Vacant	\$694.65



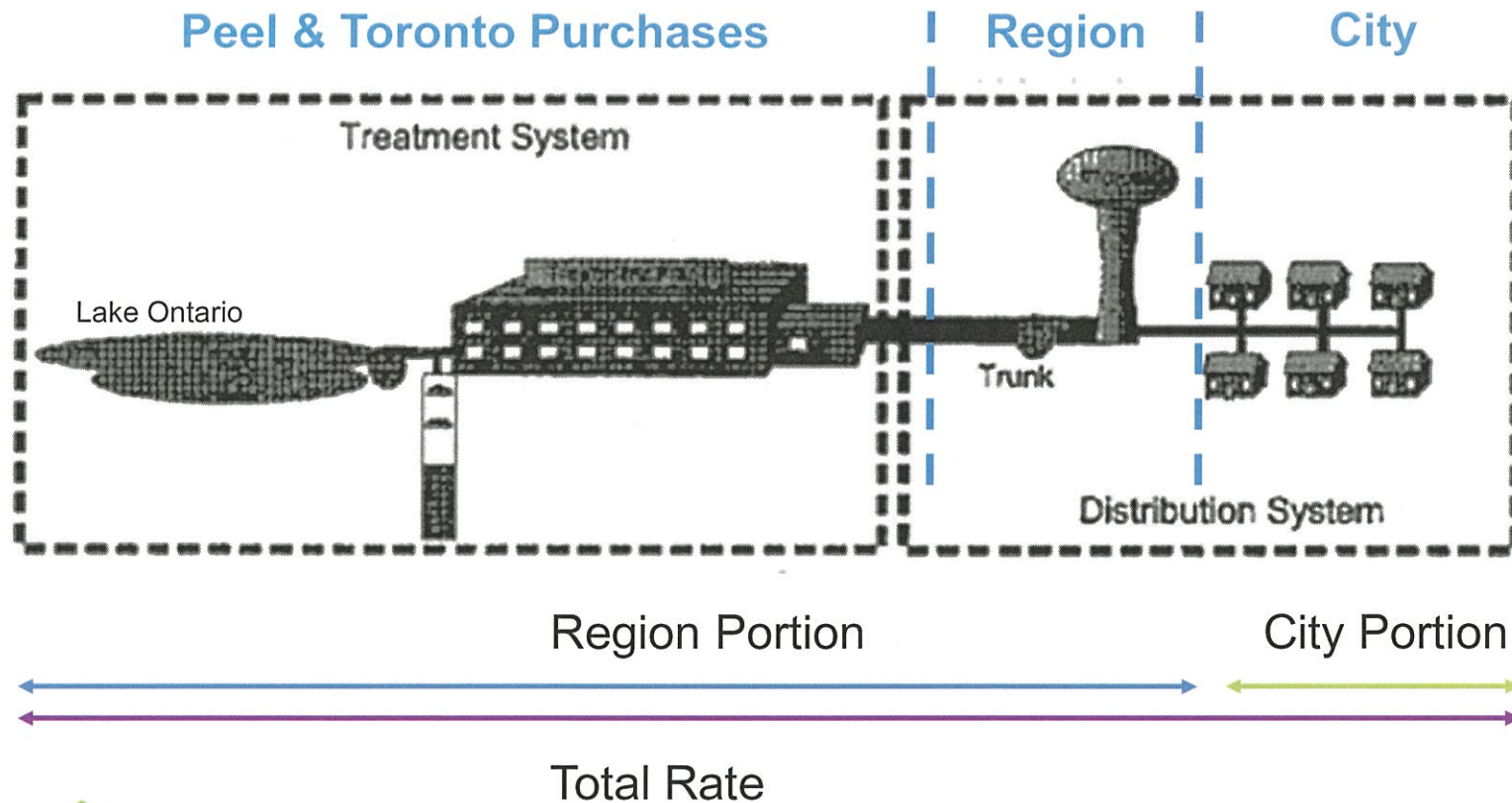


# Why do the rates increase every year?

- Rate increases ensure that the water stays safe to drink by:
  - investing in compliance, operations and maintenance, fixing the drinking water and wastewater systems and saving for future repairs
- In May 2000, in the Town of Walkerton, 7 people died and thousands became ill due to contaminated water in the drinking water system
- Justice O'Connor's inquiry into the tragedy in Walkerton was the basis for the Safe Drinking Water Act



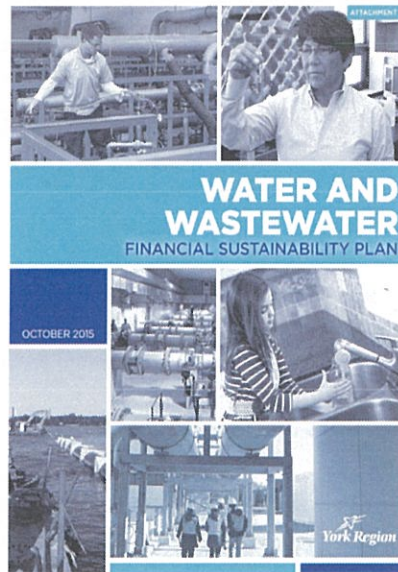
# York and Vaughan partnership to deliver Safe Drinking Water





# Water and Wastewater Financial Sustainability Plan 2015 – The Regional Municipality of York

## OBJECTIVES & PRINCIPLES



### Realizing Operational Excellence

Provide clean and safe drinking water to over 1.1 million residents

Keep over \$5.3B of capital infrastructure in good condition

Comply with complex provincial environmental regulations

### EFFECTIVE DELIVERY OF WATER AND WASTEWATER SERVICES

### Moving Towards Financial Sustainability

Set prices to achieve full cost recovery

Build reserves for future capital rehabilitation and replacement

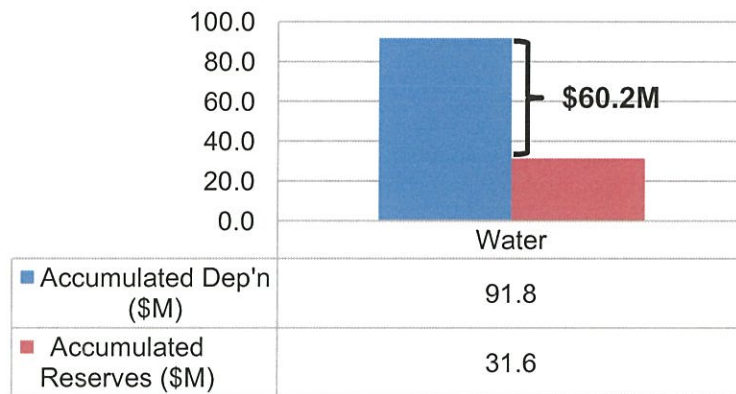
Establish rate stabilization reserves

- Combined water and wastewater rates from the Region have increased at 10% per year since 2012.
- Regional Council has approved combined water and wastewater increases at 9% for 2016 - 2020 and 2.9% for 2021.

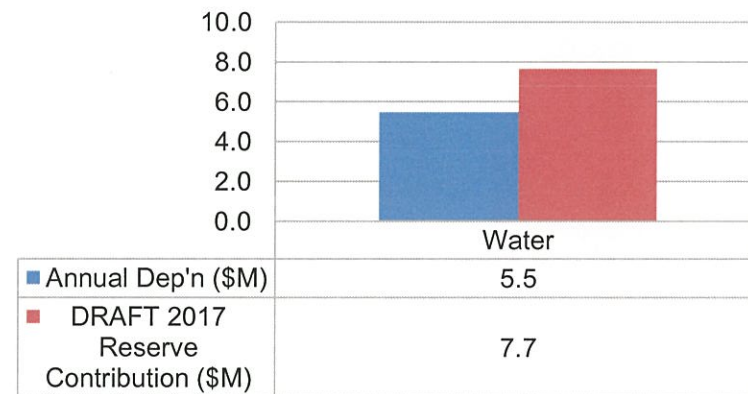


# 2017 Financial Position of Depreciation and Reserve for Water

**Water Accumulated Depreciation & Reserves**



**Water Annual Depreciation & 2017 Draft Reserves**

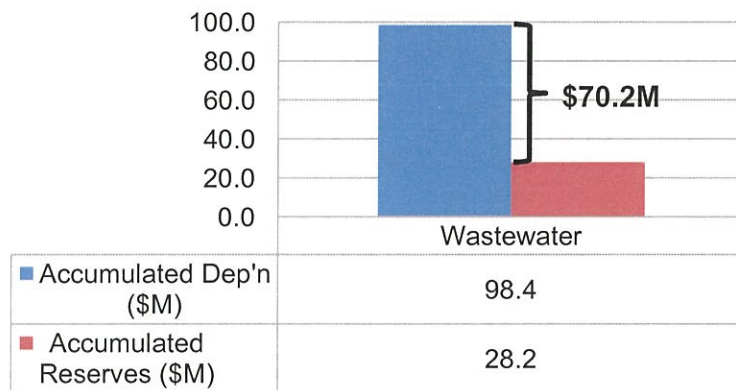


- A 2017 Water and Wastewater Rate Study will determine the current infrastructure challenges and future needs and a funding strategy will be developed to close the funding gap.

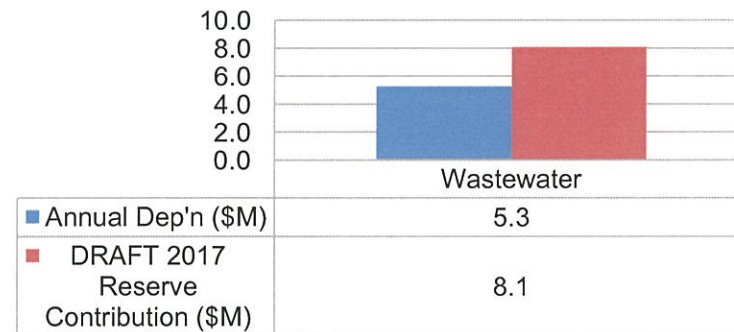


# 2017 Financial Position of Depreciation and Reserve for Wastewater

**Wastewater Accumulated Depreciation & Reserves**



**Wastewater Annual Depreciation & 2017 Draft Reserves**

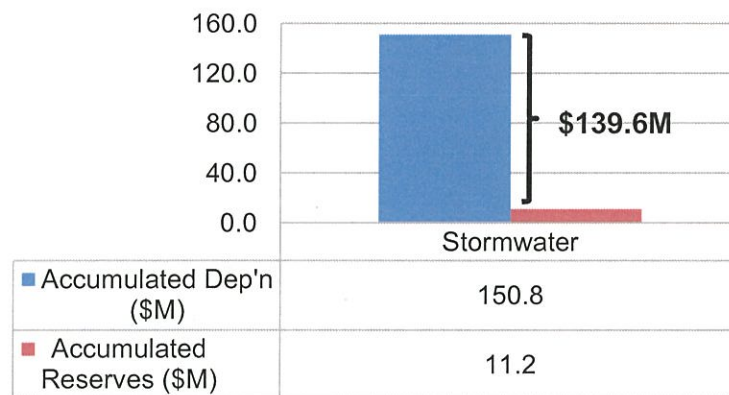


- A 2017 Water and Wastewater Rate Study will determine the current infrastructure challenges and future needs and a funding strategy will be developed to close the funding gap.

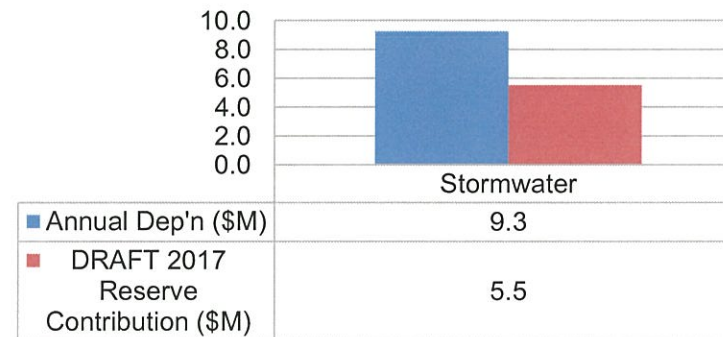


# 2017 Financial Position of Depreciation and Reserve for Stormwater

## Stormwater Accumulated Depreciation & Reserves



## Stormwater Annual Depreciation & 2017 Draft Reserves

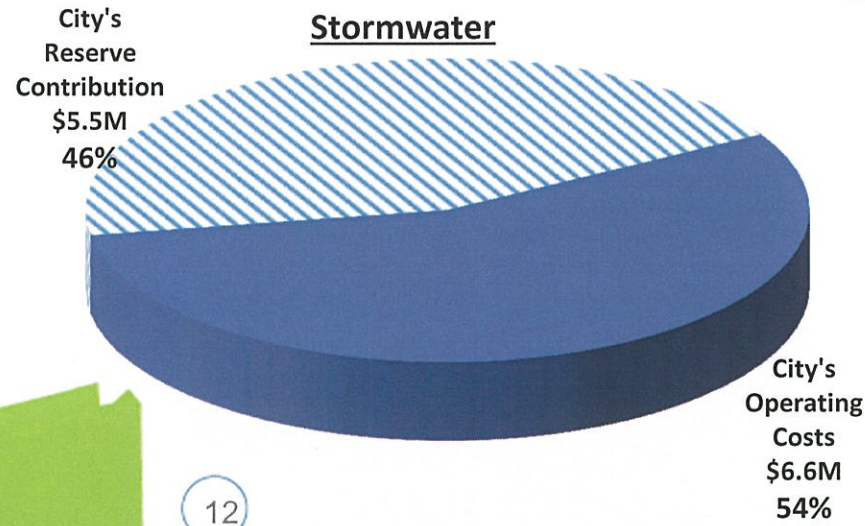
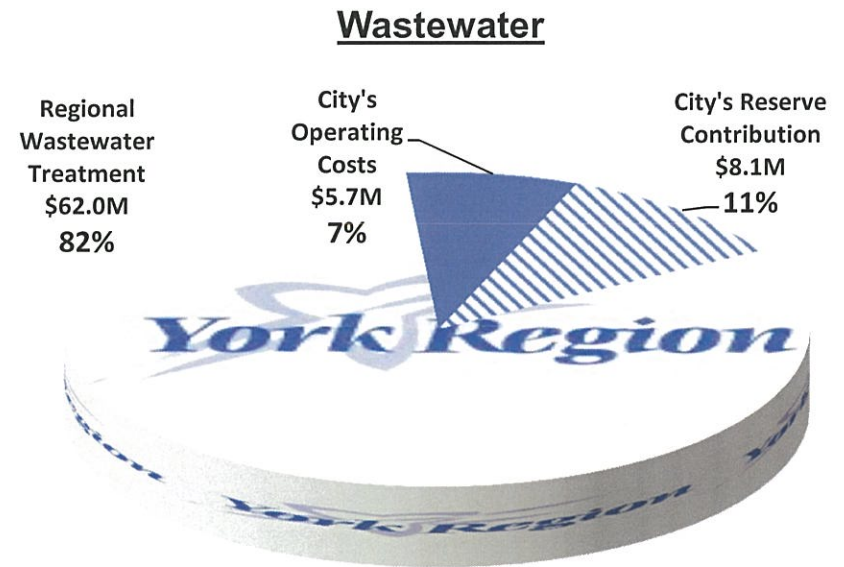
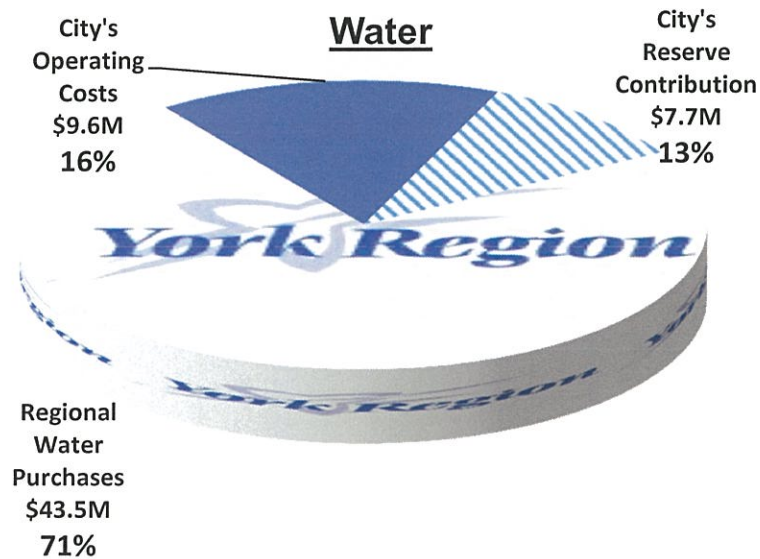


- A comprehensive capital program plan was identified in the Stormwater Rate Study to reduce the funding gap



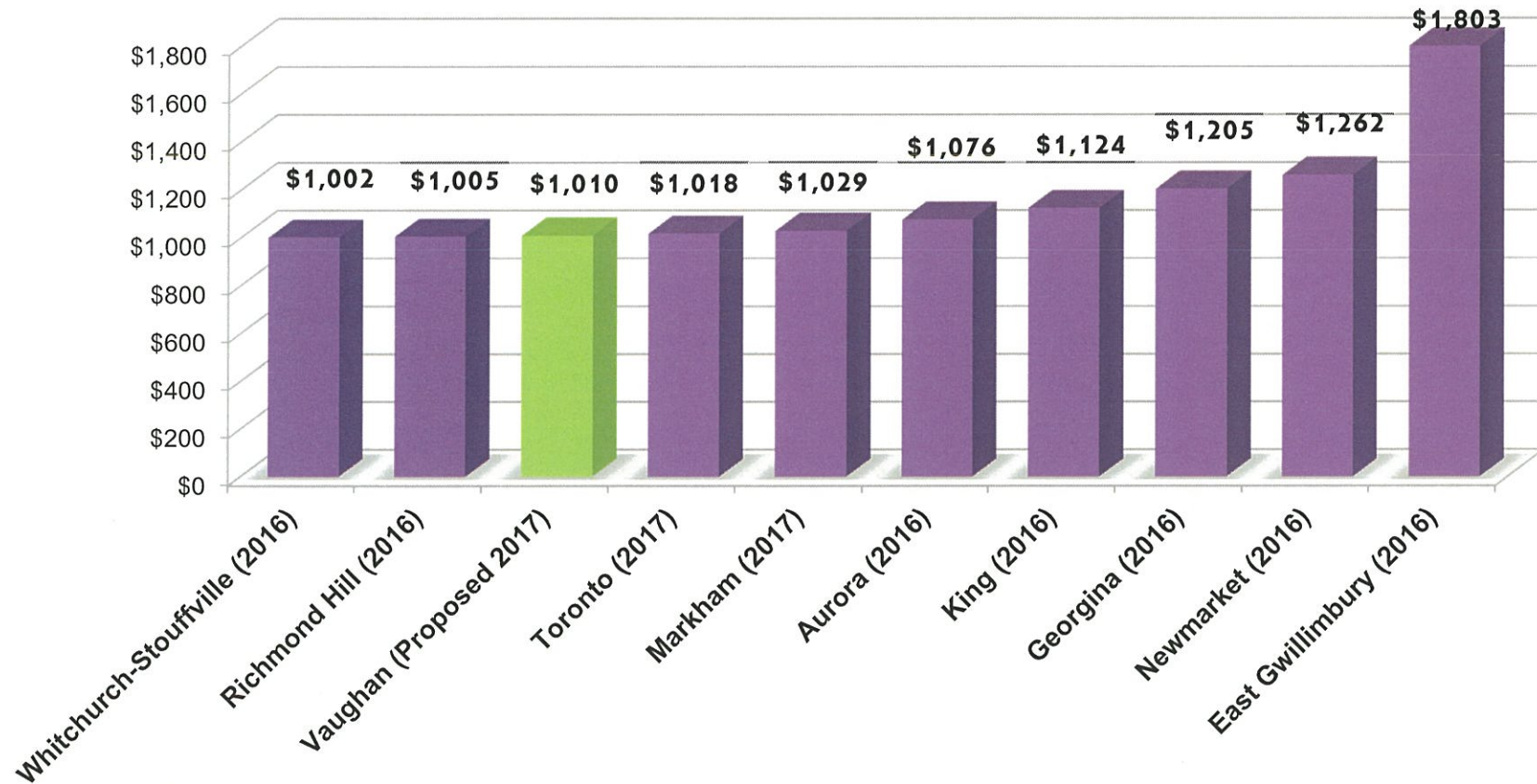


# 2017 Budget Overview



# Municipal Comparison

## Annual Cost to the Average Household\*



\*Total Water/Wastewater billing based on an average consumption/usage of 267m<sup>3</sup> per year.

# Summary

- The 9.55% combined draft water and wastewater rate and the stormwater charge will allow the City to continue to:
  - Deliver safe drinking water
  - Effectively collect wastewater
  - Manage stormwater





# Questions



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