

**CITY OF PEORIA, ARIZONA
STAFF REPORT**

RPT #: SS1

Date Prepared: September 8, 2010

Council Meeting Date: October 5, 2010

TO: Carl Swenson, City Manager

THROUGH: Susan K. Thorpe, Deputy City Manager

FROM: Jeff Tyne, Management and Budget Director 

SUBJECT: Utility Fund Financing

SUMMARY:

Staff will present a discussion on the financial and policy considerations related to the city's utility operations. This will include a review of current financial policies, rate structure options, and policy issues related to the utility pricing. These considerations include:

- Current reserve levels and debt policies
- Review of water and wastewater rate structures including base rates, block structure and customer classes
- Commercial recycling pricing
- Stormwater utility financing
- Financing growth-related capital costs

Direction and guidance from this study session will be used in formulating a recommended rate program to be presented to Council during the FY 2012 budget process.

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