

Section 20. - Limits on Water and Sewer Rates.

Beginning July 1, 2005, the average annual rates for water and sewer services over the period beginning January 1, 2005, shall not be increased, without voter approval, in any fiscal year by an amount greater than the combined rates of inflation and population growth in the city, identified as provided in Article III, Section 1(a)(i) of this Charter, excluding rate increases required by bond covenants and rates established by contract. Notwithstanding the above, each year the city council may review and adjust the rate design for the combined utility system such that the overall average of all rates does not exceed the limit set out above. (Added by amendment November 2, 2004)

Section 21. - Exclusions from limits on City revenues.

- (a) Revenues of enterprise funds are not included in revenues limited by this Charter. The preceding provisions do not affect Charter limitations on the growth of property taxes or water and sewer rates contained in Article III, Section 1, and Article IX, Section 20, of this Charter.

Enterprise funds (e.g., the Airport System) are all those largely self-sufficient activities not funded with property tax revenues. To maintain the self-sufficiency of the Water and Sewer System, the revenues of that System can only be used for the purposes of that System, and limited drainage purposes, as set forth in the existing debt covenants of that System. Those revenues cannot be used for any other purpose.

- (b) For the purposes of calculating any revenue limitation in this Charter, amounts resulting from termination of or reduced participation in a tax increment reinvestment zone shall be treated in the same manner as revenues from annexed areas in Article III, Section 1.
- (c) City Council may prescribe methods for complying with limits on revenues in this Charter to account for changes in accounting standards or practices. (Added by amendment November 7, 2006)