# 2025 Water and Wastewater Rate Study

## City of Kawartha Lakes

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## Final Report

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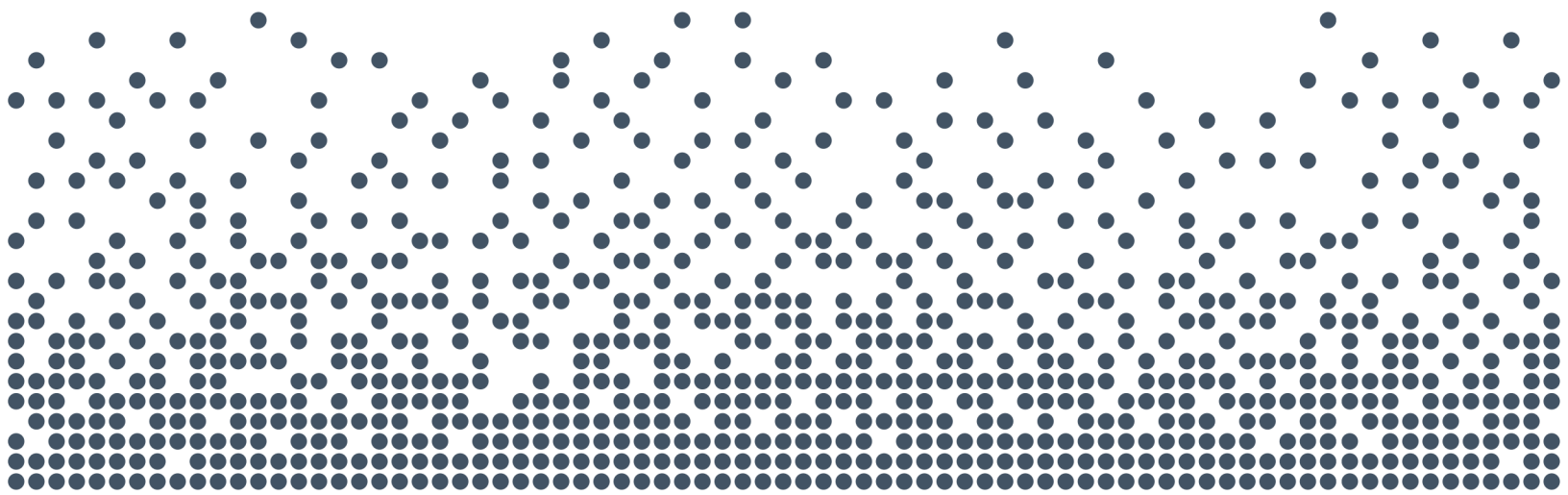
# List of Acronyms and Abbreviations

| Acronym | Full Description of Acronym |
|---|---|
| C.C.B.F. | Canada Community-Building Fund |
| D.C.A. | *Development Charges Act, 1997*, as amended |
| D.C. | Development Charges |
| E.C.A. | Environmental Compliance Approval |
| G.F.A. | Gross Floor Area |
| H.E.W.S.F. | Housing-Enabling Water Systems Fund |
| I.J.P.A. | *Infrastructure for Jobs and Prosperity Act*, *2015* |
| I.O. | Infrastructure Ontario |
| O.C.I.F. | Ontario Community Infrastructure Fund |
| OLT | Ontario Land Tribunal |
| O. Reg. | Ontario Regulation |
| O.S.I.F.A. | Ontario Strategic Infrastructure Financing Authority |
| sq.ft. | Square Feet |
| S.W.S.S.A. | *Sustainable Water and Sewage Systems Act, 2002* |



# Report

# Chapter 1
## Introduction

# 1. Introduction

## 1.1 Background

The City of Kawartha Lakes (City) is a single-tier municipality which provides water and wastewater services to municipally serviced areas of the City. In 2025, there were approximately 14,056 metered water customers receiving treatment, distribution, and storage services across 22 municipal water systems and 11,577 wastewater customers with water meters receiving treatment and collection services across six wastewater systems.

Most of the water and wastewater customers are metered, as there are currently only eight non-metered water customers and 754 non-metered wastewater customers. In addition, the City also charges mandatory connect fees to customers with access to municipal services but have not opted to connect to municipal water and wastewater services. In total, 101 water customers and 41 wastewater customers are charged the mandatory connect fees. Table 1-1 summarizes the current metered customers (differentiated by meter size) and non-metered water and wastewater customers.

Table 1-1
Customer Profile

| Metered | Water | Wastewater |
|---|---|---|
| 5/8" - 3/4" | 13,649 | 11,195 |
| 1" | 141 | 130 |
| 1 ½" | 93 | 83 |
| 2" | 134 | 130 |
| 3" | 25 | 25 |
| 4" | 10 | 10 |
| 6" | 3 | 3 |
| 8" | 1 | 1 |
| **Total** | **14,056** | **11,577** |
| **Flat Rate Customers** | | |
| **Non-Metered** | **Water** | **Wastewater** |
| Unmetered/Flat Rate | 8 | 754 |
| Mandatory Connects | 101 | 41 |
| **Total Flat Rate Customers** | **109** | **795** |
| **Grand Total** | **14,165** | **12,372** |

Metered customers are currently charged a monthly base charge, which varies depending on the size of the customer's water meter, and a volumetric rate (i.e., $ per $m^3$) for water consumption. These fees are imposed separately for water and

wastewater services. Rates for unmetered customers and mandatory connect fees are charged a flat rate per month.

The water and wastewater rates currently imposed are provided in Table 1-2.

Table 1-2
2025 Water and Wastewater Rates

| 2025 - Water Billing Rates | |
|---|---|
| **Base Charge** | |
| 5/8" - 3/4" | $33.52 |
| 1" | $43.61 |
| 1 ½" | $56.07 |
| 2" | $90.32 |
| 3" | $342.62 |
| 4" | $436.05 |
| 6" | $654.05 |
| 8" | $903.20 |
| **Volume Charge** | |
| **Consumption Rates** | |
| $3.14 | per $m^3$ |
| **Unmetered/Flat Rate Customers** | |
| $80.10 | per month |
| **Mandatory Connects** | |
| $16.67 | per month |

| 2025 - Wastewater Billing Rates | |
|---|---|
| **Base Charge** | |
| 5/8" - 3/4" | $35.58 |
| 1" | $47.19 |
| 1 ½" | $62.47 |
| 2" | $100.62 |
| 3" | $381.68 |
| 4" | $485.78 |
| 6" | $729.25 |
| 8" | $1,006.16 |
| **Volume Charge** | |
| **Consumption Rates** | |
| $1.76 | per $m^3$ |
| **Unmetered/Flat Rate Customers** | |
| $61.69 | per month |
| **Mandatory Connects** | |
| $16.67 | per month |

## 1.2 Study Process

The City retained Watson & Associates Economists Ltd. (Watson) to undertake a water and wastewater rate study to update its 2021 Water and Wastewater Rate Study (Rate Study), which was also completed by Watson. Municipalities periodically undertake water and wastewater studies to ensure rates are reflective of the costs being incurred. Watson has also been retained to prepare a Water Financial Plan as part of the five-year submission requirements for the purpose of obtaining a municipal drinking water license as per the *Dafe Drinking Water Act, 2002*. The Water Financial Plan, meeting the requirements of O. Reg. 453/07, is provided under separate cover.

The objectives of the study and the steps involved in carrying out the assignment are summarized below:

- Update water and wastewater service demand assumptions based on analysis of historical consumption and recent trends;
- Estimate future consumption levels by applying revised demand assumptions to forecast system growth;
- Develop a capital program consisting of lifecycle needs arising from the City's water and wastewater capital forecast, 2025 Asset Management Plan, and the 2025 Development Charges (D.C.) Background Study (dated September 17, 2025);
- Identify potential methods of cost recovery from the capital needs listing. These recovery methods may include other statutory authorities (e.g., *Development Charges Act, 1997* (D.C.A.), *Municipal Act*, etc.) as an offset to recovery through the water and wastewater rates;
- Forecast annual operating costs and rate-based funding requirements;
- Develop a long-term water and wastewater rate forecast;
- Provide an impact assessment on rate payers;
- Prepare the Financial Plan required under the Municipal Drinking Water Licensing Program, as prescribed by the *Safe Drinking Water Act* (Ontario Regulation (O. Reg.) 453/07); and
- Present findings to staff and Council for their consideration.

The following analysis is provided in this report:

- Chapter 2 – Forecast Growth and Service Demands
- Chapter 3 – Capital Infrastructure Needs
- Chapter 4 – Lifecycle Costing
- Chapter 5 – Capital Cost Financing
- Chapter 6 – Operating Expenditure and Revenue
- Chapter 7 – Pricing Structures
- Chapter 8 – Forecast Water and Wastewater Rates
- Chapter 9 – Recommendations

## 1.3 Legislative Context

Significant regulatory changes have taken place in Ontario since the water crisis in Walkerton. These changes result from the Walkerton Commission and the 93 recommendations made in the Walkerton Inquiry Part II report. Areas of recommendation include:

- watershed management and source protection;
- quality management;
- preventative maintenance;
- research and development;
- new performance standards;
- sustainable asset management; and
- lifecycle costing.

The legislation which would have most impacted municipal water and wastewater rates was the *Sustainable Water and Sewage Systems Act, 2002* (S.W.S.S.A.), as it required municipalities to implement full-cost pricing. The legislation was enacted in 2002; however, it had not been implemented pending the approval of its regulations. The Act was repealed as of January 1, 2013. It is expected that the provisions of the *Water Opportunities Act* will implement the requirements of S.W.S.S.A. Furthermore, on December 27, 2017, O. Reg. 588/17 was released under the *Infrastructure for Jobs and Prosperity Act, 2015* (I.J.P.A.), which outlines the requirements for asset management for municipalities. The results of the asset management review under this Act will need to be considered in light of the recent investments undertaken by the City and the capital spending plan provided herein.

The following sections describe these various resulting changes.

### *1.3.1 Safe Drinking Water Act*

The *Safe Drinking Water Act* was passed in December 2002. The *Safe Drinking Water Act* provides for 50 of the 93 Walkerton Part II recommendations. It focuses on the administrative and operational aspects of the provision of water.

The purposes of the *Safe Drinking Water Act* are to “recognize that the people of Ontario are entitled to expect their drinking water to be safe and to provide for the

protection of human health and the prevention of drinking water health hazards through the control and regulation of drinking water systems and drinking water testing. 2002, c. 32, s. 1."

The following is a brief summary of the key elements included in the *Safe Drinking Water Act*:

- Mandatory licensing and accreditation of testing laboratories;
- New standards for treatment, distribution quality and testing;
- Mandatory operator training and certification;
- Mandatory licensing of municipal water providers;
- Stronger enforcement and compliance provisions; and
- "Standard of care" requirements for municipalities.

This legislation impacts the costs of operating a water system with the need for higher skilled operators including increased training costs, increased reporting protocols and requirements, continuing enhancements to quality standards, and the costs to license each water system.

### *1.3.2 Financial Plans Regulation*

On August 16, 2007, the Ministry of Environment, Conservation, and Parks (M.O.E.C.P.) issued O. Reg 453/07, which requires the preparation of financial plans for water (and wastewater) systems. The M.O.E.C.P. has also provided a Financial Plan Guidance Document to assist in preparing the plans. A summary of the key elements of the regulation is provided below:

- The financial plan will represent one of the key elements for the City to obtain its Drinking Water Licence;
- The financial plans shall be for a period of at least six years, but longer planning horizons are encouraged;
- As the regulation is under the *Safe Drinking Water Act, 2002*, the preparation of the plan is mandatory for water and encouraged for wastewater;
- The plan is considered a living document (i.e., will be updated as annual budgets are prepared) but will need to be undertaken, at a minimum, every five years;
- The plans generally require the forecasting of capital, operating and reserve fund positions, providing detailed inventories, forecasting future users and volume usage, and corresponding calculation of rates. In addition, Public Sector

Accounting Board (P.S.A.B.) information on the system must be provided for each year of the forecast (i.e., total non-financial assets, tangible capital asset acquisitions, tangible capital asset construction, betterments, write-downs, disposals, total liabilities, and net debt);

- The financial plans must be made available to the public (at no charge) upon request and be available on the City's website. The availability of this information must also be advertised; and
- The financial plans are to be approved by Resolution of the Council or governing body indicating that the drinking water system is financially viable.

In general, the financial principles of the draft regulations follow the intent of S.W.S.S.A. to move municipalities towards financial sustainability. Many of the prescriptive requirements, however, have been removed (e.g., preparation of two separate documents for provincial approval, auditor opinions, engineer certifications, etc.).

A Guideline ("Towards Financially Sustainable Drinking Shores – Water and Wastewater Systems") had been developed to assist municipalities in understanding the Province's direction and provided a detailed discussion on possible approaches to sustainability. The Province's Principles of Financially Sustainable Water and Wastewater Services are provided below:

Principle #1: Ongoing public engagement and transparency can build support for, and confidence in, financial plans, and the system(s) to which they relate.

Principle #2: An integrated approach to planning for water, wastewater, and stormwater systems is desirable given the inherent relationship of these services.

Principle #3: Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.

Principle #4: Lifecycle planning with mid-course corrections is preferable to planning over the short term, or not planning at all.

Principle #5: An asset management plan is a key input to the development of a financial plan.

Principle #6: A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.

Principle #7: Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.

Principle #8: Financial plans are "living" documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.

Principle #9: Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal Council.

It is noted that this rate study does not include a water or wastewater financial plan, however, it will provide the basis to undertake the required financial plan(s).

### *1.3.3 Water Opportunities Act, 2010*

Since the passage of the *Safe Drinking Water Act, 2002*, further changes and refinements to the legislation have been introduced. Some of these Bills have found their way into law, while others have not been approved. Bill 72, the *Water Opportunities Act, 2010*, was introduced into legislation on May 18, 2010, and received Royal Assent on November 29, 2010.

The Act provides for the following elements:

- The fostering of innovative water, wastewater and stormwater technologies, services, and practices in the private and public sectors;
- Preparation of water conservation plans to achieve water conservation targets established by the regulations; and
- Preparation of sustainability plans for municipal water services, municipal wastewater services, and municipal stormwater services.

Regarding the sustainability plans:

- The Act extends from the water financial plans and requires a more detailed review of the water financial plan and requires a full plan for wastewater and stormwater services; and
- Regulations will provide performance targets for each service – these targets may vary based on the jurisdiction of the regulated entity or the class of entity.

The financial plan shall include:

- An asset management plan for the physical infrastructure;
- A financial plan;
- For water, a water conservation plan;
- An assessment of risks that may interfere with the future delivery of the municipal service, including, if required by the regulations, the risks posed by climate change and a plan to deal with those risks; and
- Strategies for maintaining and improving the municipal service, including strategies to ensure the municipal service can satisfy future demand, consider technologies, services and practices that promote the efficient use of water and reduce negative impacts on Ontario's water resources, and increase co-operation with other municipal service providers.

Performance indicators will be established by service, with the following considerations:

- Financing, operation, or maintenance of a municipal service, or to any other matter in respect of what information may be required to be included in a plan;
- Different municipal service providers or for municipal services in different areas of the Province.

Regulations will prescribe:

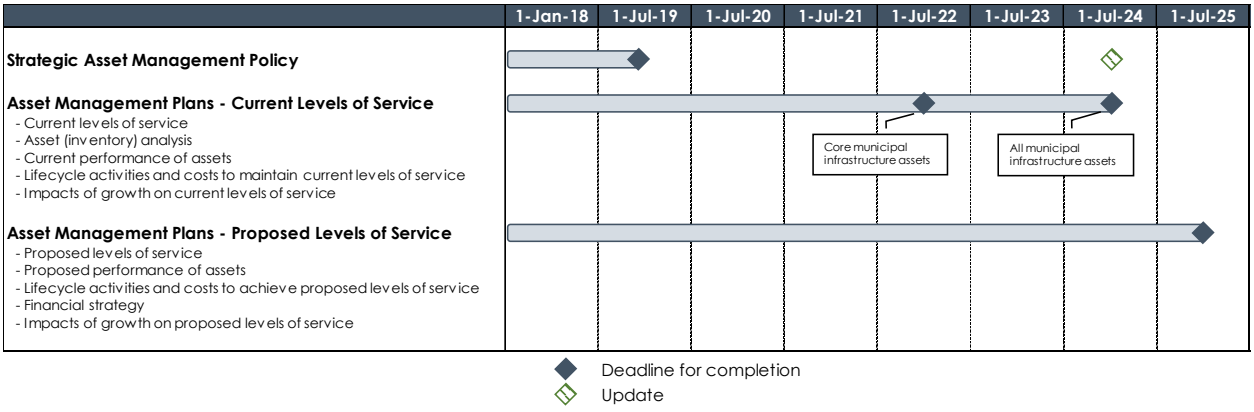
- Timing;
- Contents of the plans;
- Which identified portions of the plan will require certification;
- Public consultation process; and
- Limitations, updates, refinements, etc.

As noted earlier, it is expected that this Act will implement the principles of the S.W.S.S.A. once all regulations are put in place.

### *1.3.4 Infrastructure for Jobs and Prosperity Act, 2015*

On June 4, 2015, the Province passed the *Infrastructure for Jobs and Prosperity Act, 2015* (I.J.P.A.) which, over time, will require municipalities to undertake and implement asset management plans for all infrastructure they own. On December 27, 2017, the Province of Ontario released O. Reg. 588/17 under I.J.P.A. which has three phases that municipalities must meet. The timelines associated with the three phases were later extended by O. Reg. 193/21 which was filed on March 15, 2021. The timelines are presented in Figure 1-1 below.

Figure 1-1
Legislative Timelines set out by the Jobs and Prosperity Act
Legislation related to Asset Management Plans




Every municipality in Ontario will have to prepare a strategic asset management policy by July 1, 2019. Municipalities will be required to review their strategic asset management policies at least every five years and make updates as necessary. The subsequent phases are as follows:

- Phase 1 – Asset Management Plan (by July 1, 2022) for core assets, municipalities must have the following:
    - Inventory of assets;
    - Current levels of service, including some prescribed measures; and
    - Lifecycle management strategies and associated costs to maintain current levels of service.

- Phase 2 – Asset Management Plan (by July 1, 2024):
    - Same steps as Phase 1, but for all assets.
- Phase 3 – Asset Management Plan (by July 1, 2025) builds on Phases 1 and 2, adding:
    - Proposed levels of service; and
    - Financial strategy that supports achieving proposed levels of service.

In relation to water and wastewater services (which are considered core assets), municipalities were required to have an asset management plan that addressed the related infrastructure by July 1, 2022 (Phase 1). O. Reg. 588/17 specifies that the municipality's asset management plan must include the following for each asset category:

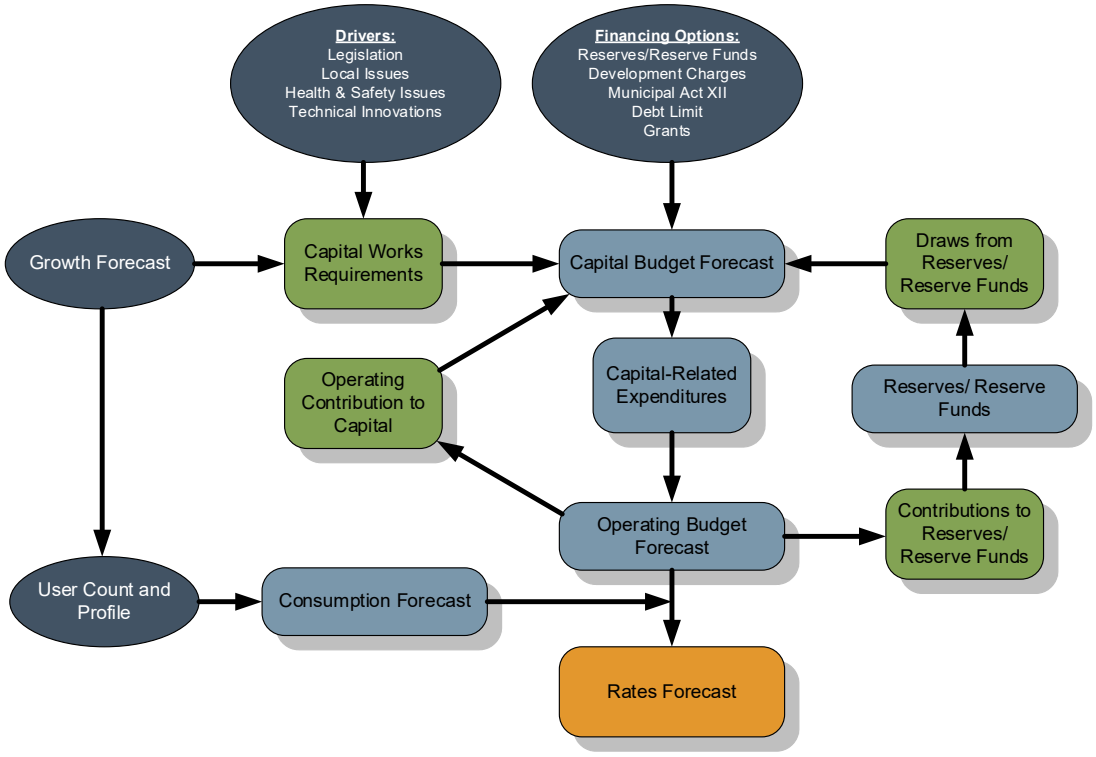
- The current levels of service being provided, determined in accordance with the following qualitative descriptions and technical metrics and based on data from at most the two calendar years prior to the year in which all information required under this section is included in the asset management plan;
- The current performance of each asset category, including:
    - a summary of the assets in the category;
    - the replacement cost of the assets in the category;
    - the average age of the assets in the category, determined by assessing the average age of the components of the assets;
    - the information available on the condition of the assets in the category;
    - a description of the municipality's approach to assessing the condition of the assets in the category, based on recognized and generally accepted good engineering practices where appropriate; and
    - the lifecycle activities that would need to be undertaken to maintain the current levels of service.

The City's asset management plan was completed in June 2025.

## 1.4 Water and Wastewater Rate Calculation Methodology

Figure 1-2 illustrates the general methodology used in determining the full cost recovery of water and wastewater services.

Figure 1-2
Water and Wastewater Rate Calculation Methodology




The methodology employed generally consists of 5 major elements:

## 1. Customer Demands and Consumption Forecast

As noted in Section 1.1, the City employs a rate structure consisting of a monthly base charge and a consumptive rate.

This first step in the analysis is important as it produces the current base revenue by source and assumptions for forecasting purposes. The customer forecast is modelled for the water and wastewater systems independently to identify differences in service demands. The water and wastewater volume forecasts are prepared by applying average annual consumption/flow estimates to future development. Volume estimates were determined based on a review of historical average levels across the City's water and wastewater systems.

## 2. Capital Needs Forecast

The capital needs forecasts are developed to measure program/service level adjustments, lifecycle requirements, and growth-related needs. The City's 10-year capital budget forecast provides the base capital forecast for this assignment and has been developed based on the City's 2025 Asset Management Plan, 2025 D.C. Background Study, and specific needs identified by City staff. This is in line with the water and wastewater customer growth forecast assumptions. Capital expenditures are forecast with inflationary adjustments based on capital cost indices.

## 3. Capital Funding Plan

The capital funding plans consider the potential funding sources available to address the capital needs forecast. The sources of capital funding include rate-based support, reserves/reserve funds, grants, and debt for program/service level improvements. Growth-related sources of funding include D.C.s, if imposed by a municipality, and debt. The use of rate-based funding is measured against the revenue projections and affordability impacts. The reserve/reserve fund sources are measured against the sustainability of these funds, relative to lifecycle demands, revenue projections, and affordability impacts. Debt financing is considered for significant capital expenditures where funding is required beyond long-term lifecycle needs or to facilitate rate transition policies. Debt financing is measured against the municipality's debt policies and annual repayment limits to ensure a practical and sustainable funding mix.

## 4. Operating Budget Forecast

The operating budget forecast considers adjustments to the municipality's base budget reflecting program/service level changes, operating fund impacts associated with infrastructure, and financing for capital projects. The operating expenditures are forecast with inflationary adjustments and growth in service demand, based on fixed and variable cost characteristics as well as the operation of new infrastructure. The operating budget forecast ties the capital funding plan and reserve/reserve fund continuity forecast to the rate-based revenue projections. This ensures sufficient funding for both the ongoing annual operation and maintenance of water and wastewater services, as well as the capital cost requirements to ensure service sustainability. Operating revenues are projected to identify the base charge and volume rate parts, net of other operating revenues. Other operating revenues include bulk water sales, rental fees, water connection fees, and other miscellaneous revenues.

## 5. Rate Forecast and Structure

The rate forecast and rate structure components of the analysis considers various rate structures to recover the forecast rate-based revenue from the projected customer demands. At this stage in the analysis the full costs of service are measured against the customer growth and volume demands to determine full cost recovery rates. The analysis may consider alternative structures, including amalgamating individual systems within a municipality, consistent with municipal policies/strategies, industry practice, and customer affordability. The rate forecasts are applied against a range of customer types, and in relation to other municipalities, to measure the annual water and wastewater bill impacts.

# Chapter 2
# Forecast Growth and Servicing Requirements

# 2. Forecast Growth and Servicing Requirements

In preparing the demands forecast for water and wastewater services, the City provided a summary of the number of customers by meter size, metered consumption by customer meter size and the number of non-metered and unconnected customers for the municipal water and wastewater systems. This information is contained in Table 1-1.

Compared with projections in the 2021 Rate Study, the actual growth in water and wastewater customers between 2020 and 2024 was slightly higher than expected. In the 2021 Rate Study, water customers were projected to grow by approximately 193 per year and reach 13,902 customers by the end of 2024. The actual number of water customers for the same period were 263 higher, totalling 14,165 customers. Similarly, the wastewater customers at the end of 2024 totalled 12,372, which exceeded the 2021 Rate Study forecast of 12,149 by 223 customers.

The City's 2025 D.C. Background Study and actual historical growth that occurred since the last rate study were consulted to determine the growth forecast estimates for this rate study. The 2025 D.C. Background Study projects approximately 783 residential dwelling units in the areas serviced by water and per year over the next 10 years. This was compared to the five-year historical average growth from 2020 to 2024 of 219 new water connections per year[1]. After reviewing the 2025 D.C. Background Study projections and historical growth with City staff, it was determined that the five-year historical average customer growth would be appropriate for rate calculation purposes. This forecast represents a more conservative approach that would minimize the financial risks related to achieving a slower pace of growth than forecast in the City's 2025 D.C. Background Study. If system growth is realized at a higher that forecast rate, then the water and wastewater systems will likely be in a stronger financial position and may require either lower rate increase in future years or will have accumulated a more sustainable reserve fund position or mitigated future debt requirements.

[1] The actual number of new residential dwelling units would have been higher than the number of connections as multi-residential buildings may have one meter for multiple residential dwelling units

Table 2-1 provides the water and wastewater customer growth forecast for the 2025 to 2035 period based on the City's 2024 customer profile and average annual growth over the historical five-year period.

The water consumption forecast is prepared based on the historical consumption data provided by the City and applying the average annual consumption per customer to the customer growth forecast in Table 2-1. Groups of large volume customers were isolated and netted out of the annual water consumption average, to estimate typical water demands for new customers. The City intends to maintain its practice of charging uniform water and wastewater rates across all municipal systems, as such, the average annual water consumption per customer of 152 $m^3$ was applied. Wastewater billing is calculated using metered water consumption, therefore average annual water consumption is used for forecasting future wastewater flows.

Average annual water consumption per customer (net of large volume users) has decreased by approximately 12% compared to the estimates contained in the City's 2021 Rate Study (173 $m^3$ in 2021 vs. 152 $m^3$ currently). Applying the average volume of usage estimates to new customers results in an estimated increase in water consumption of 333,075 $m^3$ by 2035 (an total increase of 11.7%). Table 2-2 provides the detailed water consumption and wastewater flow forecast.

## Table 2-1
## Water and Wastewater Customer Forecast

| Water Customer Forecast | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Residential and Non-Residential) | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 | 14,165 |
| New - Growth | 110 | 329 | 549 | 768 | 987 | 1,206 | 1,426 | 1,645 | 1,864 | 2,083 | 2,303 |
| **Total** | **14,275** | **14,494** | **14,714** | **14,933** | **15,152** | **15,371** | **15,591** | **15,810** | **16,029** | **16,248** | **16,468** |

| Wastewater Customer Forecast | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Residential and Non-Residential) | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 | 12,372 |
| New - Growth | 110 | 329 | 549 | 768 | 987 | 1,206 | 1,426 | 1,645 | 1,864 | 2,083 | 2,303 |
| **Total** | **12,482** | **12,701** | **12,921** | **13,140** | **13,359** | **13,578** | **13,798** | **14,017** | **14,236** | **14,455** | **14,675** |

## Table 2-2
## Water and Wastewater Consumption Forecast

| Water Volume Forecast ($m^3$) | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Residential and Non-Residential) | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 | 2,821,139 |
| New | 16,711 | 50,018 | 83,326 | 116,633 | 149,941 | 183,248 | 216,555 | 249,863 | 283,170 | 316,478 | 349,785 |
| **Total** | **2,837,850** | **2,871,157** | **2,904,465** | **2,937,772** | **2,971,080** | **3,004,387** | **3,037,695** | **3,071,002** | **3,104,310** | **3,137,617** | **3,170,925** |

| Wastewater Flows Forecast ($m^3$) | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Residential and Non-Residential) | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 | 2,481,511 |
| New | 16,711 | 50,018 | 83,326 | 116,633 | 149,941 | 183,248 | 216,555 | 249,863 | 283,170 | 316,478 | 349,785 |
| **Total** | **2,498,222** | **2,531,529** | **2,564,837** | **2,598,144** | **2,631,452** | **2,664,759** | **2,698,066** | **2,731,374** | **2,764,681** | **2,797,989** | **2,831,296** |

# Chapter 3
# Capital Infrastructure Needs

# 3. Capital Infrastructure Needs

## 3.1 Capital Forecast

Capital forecasts have been prepared for the water and wastewater systems, encompassing lifecycle capital needs, major maintenance, and growth-related improvements. A detailed list of the capital works for these services is provided in Tables A-1 and B-1 of the Appendix, respectively. The projects are categorized as either non-growth-related or growth-related. Non-growth-related projects are drawn from the City's state-of-good-repair capital budget, while growth-related projects are based on the City's 2025 D.C. Background Study. Both categories are further broken down into treatment, vertical distribution/collection, horizontal distribution/collection, and studies and special projects. All capital costs are presented in 2025$.

For water services, the total capital costs anticipated over the 2026 to 2035 period are $500.0 million. These include $98.7 million for non-growth-related projects and $401.3 million for growth-related projects. The majority of the growth-related costs are associated with the Lindsay Water Treatment Plant ($265.0 million) and the Bobcaygeon Water Treatment Plant ($68.3 million). Other significant growth-related projects include the Northwest Lindsay Water Tower ($15.0 million) and the Thornhill Road Reservoir ($13.5 million).

For wastewater services, the total capital costs anticipated over the 2026 to 2035 period are $374.3 million. These include $96.0 million for non-growth-related projects and $278.2 million for growth-related projects. The majority of the growth-related costs are associated with the Lindsay Water Pollution Control Plant ($129.3 million), the Bobcaygeon Water Pollution Control Plant ($46.5 million), and the Fenelon Falls Wastewater Pollution Control Plant ($20.4 million).

# Chapter 4
## Lifecycle Costing

# 4. Lifecycle Costing

## 4.1 Overview of Lifecycle Costing

### *4.1.1 Definition*

Lifecycle costing has been used in the field of maintenance engineering and to evaluate the advantages of using alternative materials in construction or production design. The method has gained wider acceptance and use in the areas of industrial decision-making and the management of physical assets.

Lifecycle costs include all of the costs which are incurred during the service life of a physical asset. This service life spans the period; from the time its acquisition is first considered to the time it is taken out of service for disposal or redeployment. The asset goes through several stages in its lifecycle. These include specification, design, manufacture (or build), install, commission, operate, maintain, and disposal. Figure 4-1 depicts these stages in schematic form.

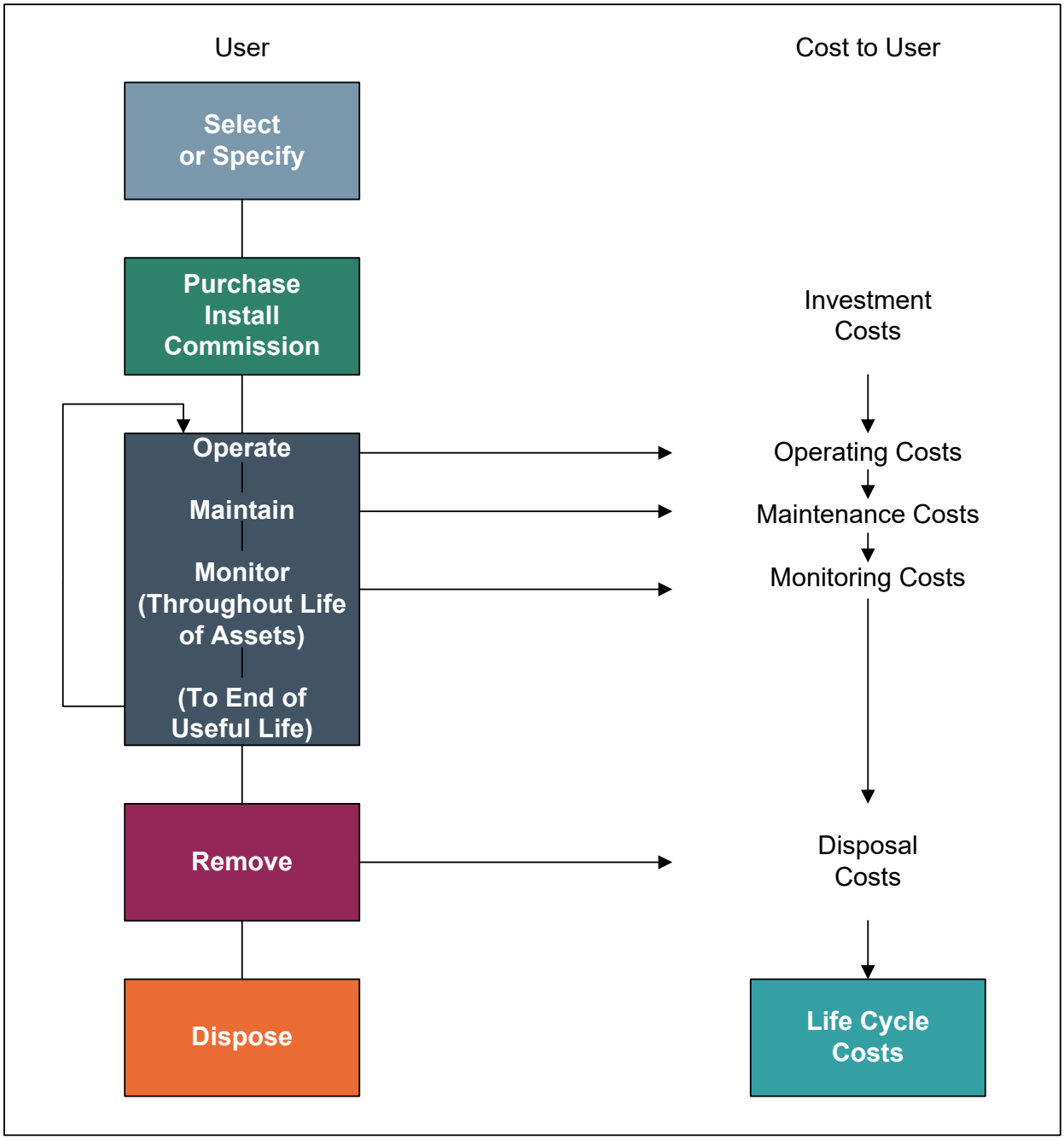
### *4.1.2 Financing Costs*

This section will focus on financing mechanisms in place to fund the costs incurred throughout the asset's life.

In a municipal context, services are provided to benefit rate payers. Acquisition of assets is normally timed in relation to direct needs within the community. At times, economies of scale or technical efficiencies will lead to oversizing an asset to accommodate future growth within the City. Over the past few decades, new financing techniques such as D.C.s or connection charges have been employed based on the underlying principle of having those that require and directly benefit from expansionary needs, to pay for those needs, vs. having the costs spread amongst existing rate payers (i.e., growth paying for growth needs). Operating costs, which reflect the cost of the service for that year, are charged directly to all existing rate payers who have received the benefit. Operating costs are normally charged through the tax base or user rates.

Capital expenditures are recouped through several methods, with operating budget contributions, D.C.s, connection charges, reserves, developer contributions, grants, and debentures being the most common.

Figure 4-1
Lifecycle Costing




Construction related to growth could produce D.C.s or connection charges and developer contributions (e.g., works internal to a subdivision which are the responsibility of the developer to construct) to fund a significant portion of projects, where new assets are being acquired to allow growth within the municipality to continue. As well,

debentures could be used to fund such works, with the debt charge carrying costs recouped from growth and/or rate payers in the future.

Capital construction to replace existing infrastructure, however, is largely not growth-related and will therefore not yield D.C.s, connection charges, or developer contributions to assist in financing these works. Hence, a municipality is typically dependent upon debentures, reserves, and contributions from the operating budget to fund these works.

Figure 4-2 depicts the costs of an asset from its initial conception through to replacement. It then follows the costs through to the next replacement.

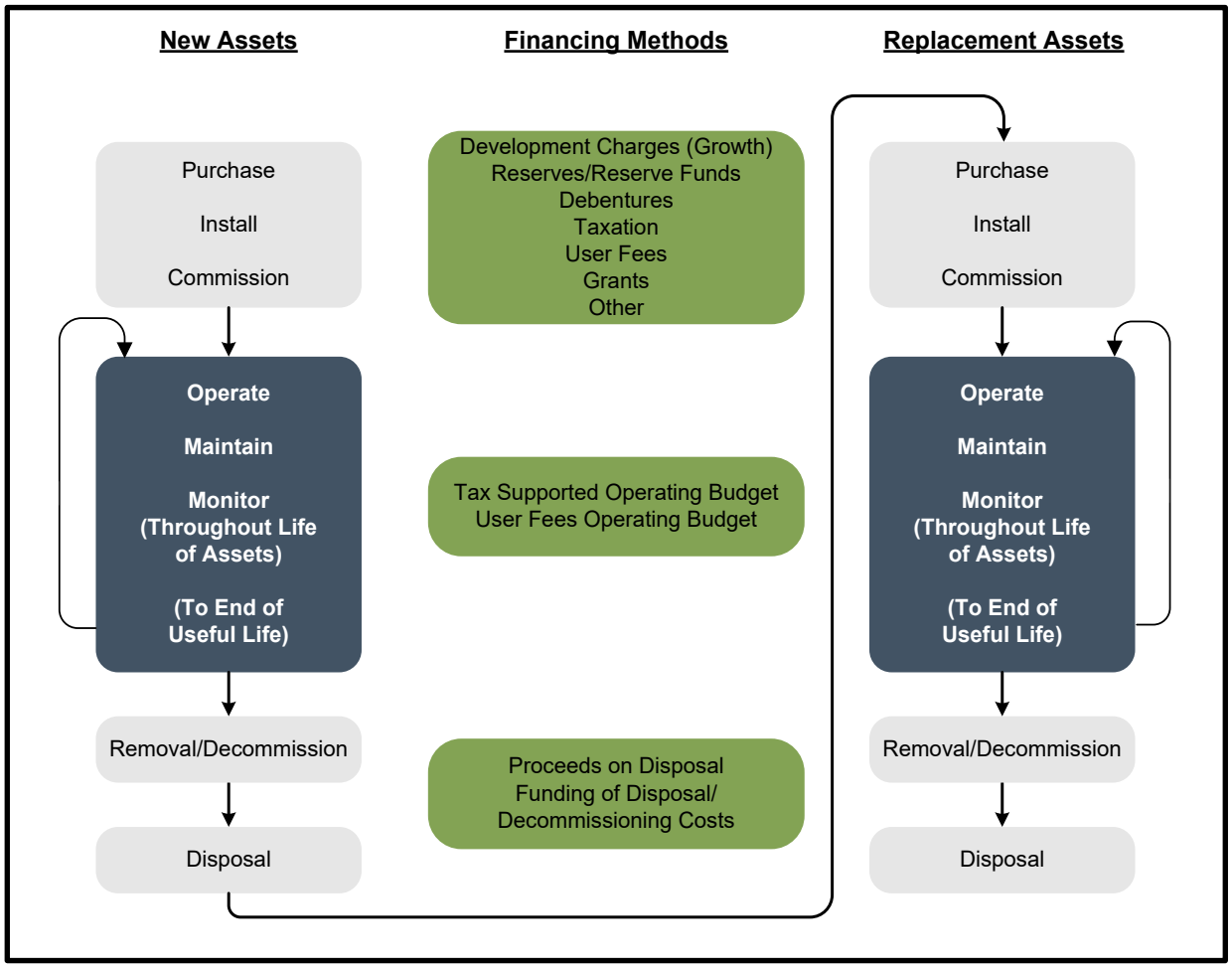
As referred to earlier, growth-related financing methods such as D.C.s, connection charges, and developer contributions could be used to finance the growth-related component of the new asset. These revenues are collected (indirectly) from the new homeowner who benefits directly from the installation of this asset. Other financing methods may be used to address the non-growth-related component of this project. These methods include reserves which have been collected from past rate payers, operating budget contributions collected from existing rate payers, and debentures which future rate payers will carry. Ongoing costs for monitoring, operating, and maintaining the asset will be charged annually to the existing rate payer.

When the asset requires replacement, the sources of financing will be limited to reserves, debentures, and contributions from the operating budget. At this point, the question is raised: "If the cost of replacement is to be assessed against the rate payer who benefits from the replacement of the asset, should the past rate payer pay for this cost, or should future rate payers assume this cost?" If the position is taken that the past user has used up the asset, hence they should pay for the cost of replacement, then a charge should be assessed annually through the life of the asset, to have funds available to replace it when the time comes. If the position is taken that the future rate payer should assume this cost, then debentures and a contribution from the operating budget should be used to fund this work.

Charging for the cost of using up an asset is the basic concept behind depreciation methods utilized by the private sector. This concept allows for expending the asset as it is used up in the production process. The tracking of these costs form part of the product's selling price and, hence, end-users are charged for the asset's depreciation. The same concept can be applied in a municipal setting to charge existing users for the

asset's use and set those funds aside in a reserve to finance the cost of replacing the asset in the future.

Figure 4-2
Financing Lifecycle Costs



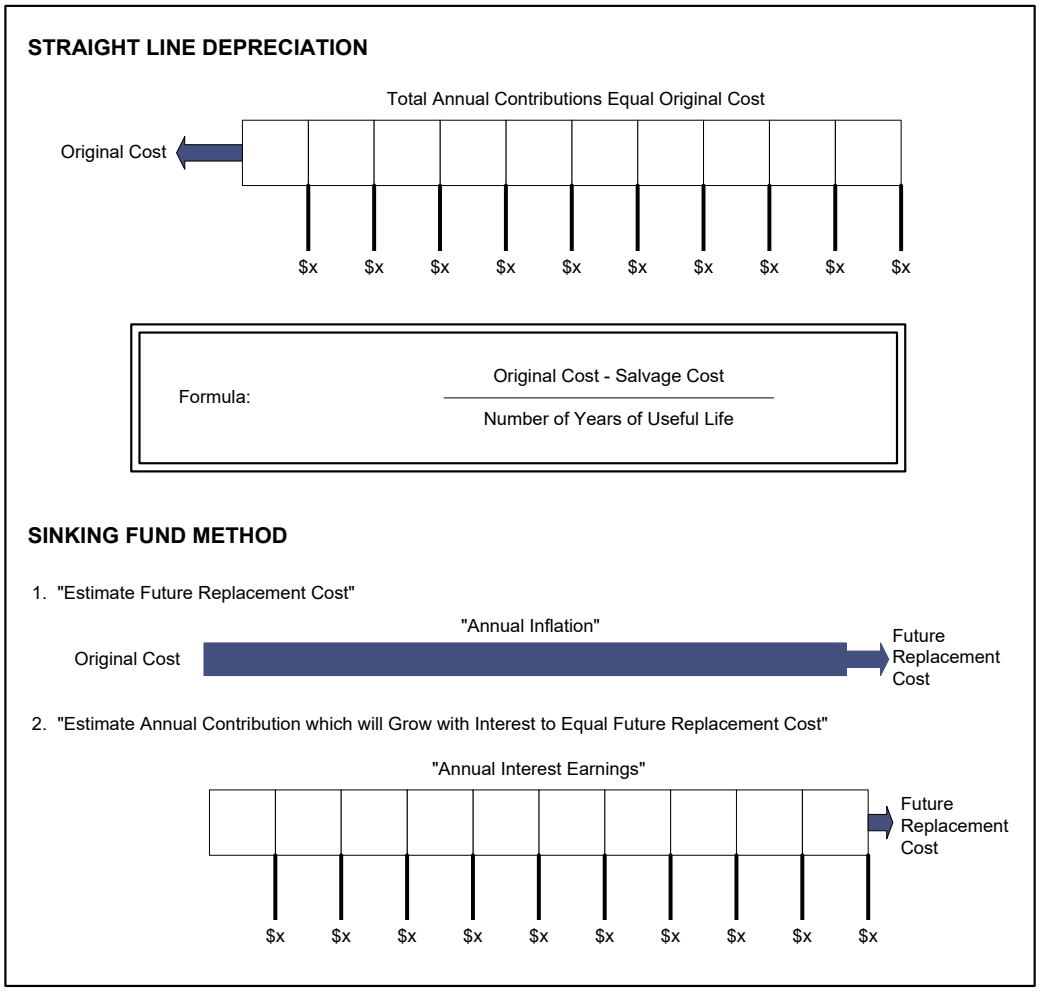

### *4.1.3 Costing Methods*

There are two basic methods of calculating the cost of the usage of an asset and for the provision of the revenue required when the time comes to retire and replace it. The first method is the Depreciation Method. This method recognizes the reduction in the value of the asset through wear and tear and aging. There are two commonly used forms of depreciation: the straight-line method and the reducing balance method (shown graphically in Figure 4-3).

The straight-line method is calculated by taking the original cost of the asset, subtracting its estimated salvage value (estimated value of the asset at the time it is disposed of) and dividing this by the estimated number of years of useful life. The reducing balance method is calculated by utilizing a fixed percentage rate, and this rate is applied annually to the undepreciated balance of the asset value.

The second method of lifecycle costing is the sinking fund method. This method first estimates the future value of the asset at the time of replacement. This is done by inflating the original cost of the asset at an assumed annual inflation rate. A calculation is then performed to determine annual contributions (equal or otherwise) which, when invested, will grow with interest to equal the future replacement cost

Figure 4-3



## 4.2 Summary

The annual lifecycle contribution amounts have been calculated to determine the level of capital investment to be included in the full cost assessment and rate forecast. Table 3-1 summarizes the current asset replacement value and long-term annual lifecycle replacement needs, in 2025 dollars, for water services and wastewater services. These numbers reflect the annual level of investment the City should consider to maintain its assets in a fiscally responsible manner.

The average annual lifecycle costs for the water and wastewater systems are based on the City's 2025 Asset Management Plan for existing assets. For assets that will come into service during the 2026 to 2035 forecast period, the average annual lifecycle replacement cost ratio (relative to total replacement cost) was applied to the per household cost of new water and wastewater infrastructure over the buildout period. The total replacement cost of existing water and wastewater infrastructure across the City is estimated at $861.0 million, with an average annual lifecycle cost of $11.0 million.

Table 3-1
Summary of Water and Wastewater Infrastructure (2025$)

| Description | Replacement Cost | Annual Lifecycle Replacement Costs |
|---|---|---|
| Water | $451,000,000 | $5,700,000 |
| Wastewater | $410,000,000 | $5,300,000 |
| **Total** | **$861,000,000** | **$11,000,000** |

# Chapter 5
## Capital Costs Financing

# 5. Capital Costs Financing

## 5.1 Summary of Capital Cost Financing Alternatives

Historically, the powers that municipalities had to raise alternative revenues to taxation to fund capital costs have been restrictive. Over the past number of years, several legislative reforms have been introduced. Some of these have expanded municipal powers (e.g., Bill 26, introduced in 1996 to provide for expanded powers for imposing fees and charges), while others appear to limit them (e.g., Bill 98 in 1997 and Bill 23 in 2022 providing amendments to the D.C.A.).

The current *Municipal Act* came into force on January 1, 2003, with significant amendments in 2006 through the *Municipal Statute Law Amendment Act*. Part XII of the Act and O. Reg. 584/06 govern a municipality's ability to impose fees and charges. This legislation provides municipalities with broadly defined powers and the ability to impose fees for both operating and capital purposes. Under s.484 of *Municipal Act, 2001*, the *Local Improvement Act* was repealed with the in-force date of the *Municipal Act* (January 1, 2003). The municipal powers granted under the *Local Improvement Act* now fall under the jurisdiction of the *Municipal Act*.

The methods of capital cost recovery available to municipalities are provided as follows:

| Recovery Methods | Section Reference |
|---|---|
| • *Development Charges Act, 1997*, as amended | 5.2 |
| • *Municipal Act* | 5.3 |
| ○ Fees and Charges | |
| ○ Stormwater Area Charges | |
| ○ Connection Fees | |
| ○ Local Improvements | |
| • Grant Funding Availability | 5.4 |
| • Existing Reserves/Reserve Funds | 5.5 |
| • Debenture Financing | 5.6 |
| • Recommended Capital Financing Approach | 5.7 |

## 5.2 Development Charges Act, 1997

D.C.s are a revenue tool used by municipalities to recover the capital costs associated with new development and redevelopment. These costs are in addition to what a developer/builder normally constructs as part of their subdivision (i.e., Local Services). Empowered by the D.C.A., as amended (D.C.A.), municipalities may pass by-laws to impose charges to recover the capital costs associated with development and redevelopment.

The City imposes D.C.s under the D.C.A to recover the costs associated with new connections to the system. The City's use of D.C.s is discussed further in Section 8.2.

## 5.3 Municipal Act

Part XII of the *Municipal Act* provides municipalities with broad powers to impose fees and charges via passage of a by-law. These powers, as presented in s.391(1), include imposing fees or charges:

> "for services or activities provided or done by or on behalf of it;
>
> for costs payable by it for services or activities provided or done by or on behalf of any other municipality or local board; and
>
> for the use of its property including property under its control."

Restrictions are provided to ensure that the form of the charge is not akin to a poll tax. Any charges not paid under this authority may be added to the tax roll and collected in a like manner. The fees and charges imposed under this part are not appealable to the Ontario Land Tribunal (OLT).

The *Municipal Act* provides the ability of municipalities to impose capital charges for water and sewer services on landowners not receiving an immediate benefit from the works. Under s.391(2) of the Act, "a fee or charge imposed under subsection (1) for capital costs related to sewage or water services or activities may be imposed on persons not receiving an immediate benefit from the services or activities but who will receive a benefit at some later point in time." Also, capital charges imposed under s.391 are not appealable to the OLT because the charges are "unfair or unjust."

Under the new *Municipal Act*, municipalities are permitted to pass a by-law requiring buildings to connect to the municipality's sewer and water systems and charging the owner for the cost of constructing services from the mains to the property line under Part II, General Municipal Powers (s.9 (3) b of the *Municipal Act*). Enforcement and penalties for this use of power are contained in s.427 (1) of the *Municipal Act*.

The City imposes a *Municipal Act* charge in the Northwest Lindsay Development Area for the capital costs of wastewater collection works.

## 5.4 Grant Funding Availability

**Federal Infrastructure Funding**

The Government of Canada has provided funding to assist municipalities with their water and wastewater systems, including repair and rehabilitation projects. Some funding programs are time-limited, for example the Clean Water and Wastewater Fund and the Investing in Canada Infrastructure Program.

Other programs are ongoing and provide a permanent source of funding. For example, the Canada Community-Building Fund (formerly know as the Federal Gas Tax Fund). The Canada Community-Building Fund provides over $2 billion each year to communities across Canada. Each municipality then chooses how to use the money. They can make strategic investments in 18 different projects, including water and wastewater services.

**Ontario Government**

The Province has taken steps to increase municipal infrastructure funding. The Ontario Community Infrastructure Fund (O.C.I.F.) was launched in 2014 and currently provides $400 million in formula-based funding to help eligible communities renew and rehabilitate their infrastructure. The Ontario government also provides funding through the Connecting Links program ($30 million in 2023-2024) to help pay for the construction and repair costs of municipal roads that connect communities to provincial highways. This is on top of the Building Ontario Up investment of $130 billion in public infrastructure over 10 years starting in 2015.

Additionally, in the 2023 budget, the Province announced it was providing $825 million over three years through the Housing-Enabling Water Systems Fund (H.E.W.S.F.).

Funding through the H.E.W.S.F. would help municipalities repair, rehabilitate, and expand drinking water, wastewater, and stormwater infrastructure needed to build more homes. Since the original announcement, the Province has increased the total available funding through the H.E.W.S.F. to over $1.0 billion

The City anticipates receiving $2.8 million in grant funding for water services in 2026.

The City is encouraged to continue to pursue funding opportunities as they are announced or made available to assist with funding its water and wastewater infrastructure.

## 5.5 Existing Reserves and Reserve Funds

The City has established reserves and reserve funds for water and wastewater capital costs. These reserves have been used in the capital funding forecast for rate-based needs. The following table shows the water and wastewater reserves used in this analysis and their estimated balances as of December 31, 2024. The D.C. reserve fund balances are as in the September 17, 2025, D.C. Background Study.

Table 5-1
Uncommitted Reserve/Reserve Fund Balances as of December 31, 2024

| Reserve | Dec. 31 2024 |
|---|---|
| **Water** | |
| Capital Reserve | 8,565,542 |
| Development Charges Reserve Fund | 10,054,005 |
| **Wastewater** | |
| Capital Reserve | 5,766,301 |
| Development Charges Reserve Fund | (6,682,114) |

## 5.6 Debenture Financing

Although it is not a direct way to reduce the overall cost to ratepayers, municipalities use debentures to help them pay for large capital expenditures. In addition, debenture financing can promote inter-generational equity whereby future tax and rate payers who will benefit from the infrastructure pay for the cost of the infrastructure.

The Ministry of Municipal Affairs and Housing controls the amount of debt Ontario municipalities can incur. This is done through its powers under the *Municipal Act*. O.

Reg. 403/02 provides the current rules respecting municipal debt and financial obligations. Under these rules, a municipality's debt capacity is capped at 25% of the municipality's own purpose revenue. That is, only 25% of these revenues may be allotted for servicing debt (i.e., debt charges). The City's 2024 Annual Repayment Limit is $51.9 million (i.e., annual financing costs) based on the City's 2024 FIR. However, the City's adopted debt servicing policy is to limit the annual debt servicing costs to 10% of gross revenues. This policy excludes D.C. supported debt.

### 5.6.1 Infrastructure Ontario

Infrastructure Ontario (I.O.) is an arms-length crown corporation, which has been set up as a tool to offer low-cost and longer-term financing to assist municipalities in renewing their infrastructure (this corporation merged the former Ontario Strategic Infrastructure Financing Authority (O.S.I.F.A.) into its operations). I.O. combines the infrastructure renewal needs of municipalities into an infrastructure investment "pool". I.O. will raise investment capital to finance loans to the public sector by selling Infrastructure Renewal Bonds to individual and institutional investors.

I.O. provides access to infrastructure capital that would not otherwise be available to smaller borrowers. Larger borrowers receive longer loan terms than they could get in the financial markets. They can also save on costs such as legal fees and underwriting commissions. Under the I.O. approach, all borrowers receive the same low interest rate. I.O. will enter into a financial agreement with each municipality, subject to technical and credit reviews, for a loan up to the maximum amount of the loan request.

To be eligible to receive these loans, municipalities must submit a formal application along with pertinent financial information. Allotments are prioritized and distributed based upon the Province's assessment of need.

### 5.6.2 Ontario Investment Bank

The Province, through the *Building Ontario Fund Act, 2024* established funding through a new Ontario Infrastructure Bank. This arms-length, board-governed agency will assist investors and institutions in participating in large-scale infrastructure projects. The bank is newly established and currently in the process of being operationalized.

## 5.7 Recommended Capital Financing Approach

In undertaking the Rate Study, multiple scenarios were assessed to allow the City to fully fund the water and wastewater systems (including long-term annual capital lifecycle contributions), while having regard for the sufficiency of reserves, and the affordability impacts of recommended rate increases. The capital funding plan envisions reaching full lifecycle funding levels over a 10-year period.

Figure 5-1 summarizes the recommended capital costs broken down between non-growth and growth-related costs supporting the capital needs forecast. Figure 5-2 summarizes the funding sources for the 2026-2035 capital forecast. The costs are presented inclusive of 3% annual capital inflation. In addition, Tables 5-2 and 5-3 provide for the full capital expenditure and funding program by year for water and wastewater services, respectively.

Based on the detailed capital funding plan and the 2024 water and wastewater reserve closing balances in Section 5.5, the water and wastewater reserve continuity schedules are presented in Tables 5-4 and 5-5, respectively. Further, the water and wastewater D.C. reserve fund continuity schedules are provided in Tables 5-6 and 5-7, respectively

In aggregate $1.1 billion in capital expenditures are anticipated, of which $604.1 million is for the water system and $451.7 million for the wastewater system. The future capital needs are expected to be fully funded through a combination of grants, developer funding for local service share of projects, contributions from reserves, and growth-related and non-growth-related debentures. New debt, both growth and non-growth related, represents the largest share of the capital funding sources (i.e., $185.4 million for non-growth-related costs and $709.5 million for growth-related needs). $142.5 million will be funded by transfers from rate-supported reserves and development charge reserve funds, with the remainder of the costs being funded through grants ($2.8 million) and developer contributions ($15.6 million) for the local service share of the projects.

Due to the significant capital needs forecasted and the dependence on debt financing, it is anticipated that the rate-supported reserve funds and D.C. reserve funds will be largely exhausted over the forecast period. Based on the City's 2024 FIR, total net revenues are $207 million. With the forecast growth in rate revenue and a conservative 3% annual growth in taxation revenue, net revenues will increase to $285 million by

2035. The City's debt policy limits annual debt financing costs to 10% of the revenues (i.e., $28.5 million at 2035). Forecast debt financing costs at 2035 are forecast to be $23.3 million, inclusive of $13.3 million forecast rate-supported debt and $10.0 million existing tax-supported debt. As such, the forecast debt financing costs would represent 8% of the total revenues and be within the City's debt policy limits. When assessing the forecast debt financing costs against the provincial debt limits (i.e., 25% of net revenues), the forecast rate and tax-supported debt financing costs would represent 33% of the provincial limit when excluding forecast D.C. supported debt financing costs or 92% of the provincial limit when including D.C. supported debt financing costs.

Figure 5-1
2026-2035 Water and Wastewater Capital Costs (Inflated $)

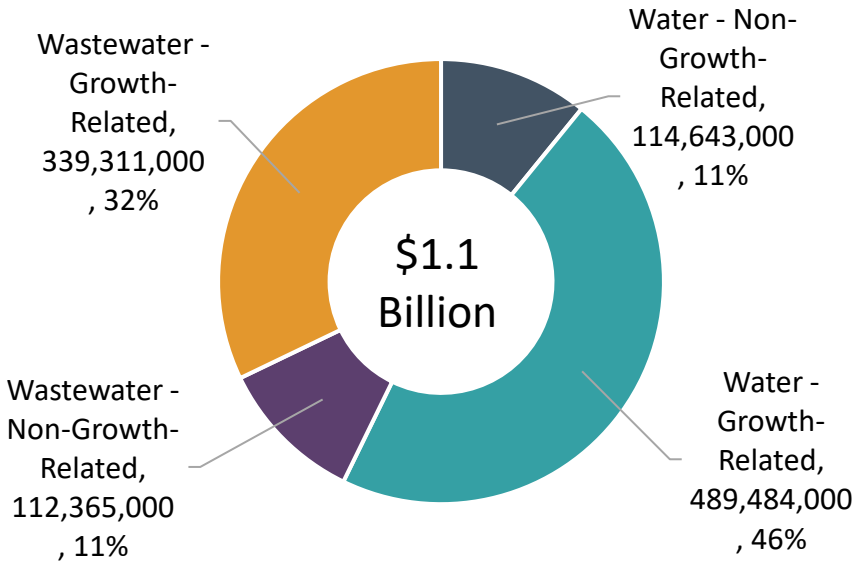


Figure 5-2
2025-2035 Water and Wastewater Capital Funding Sources (Inflated $)

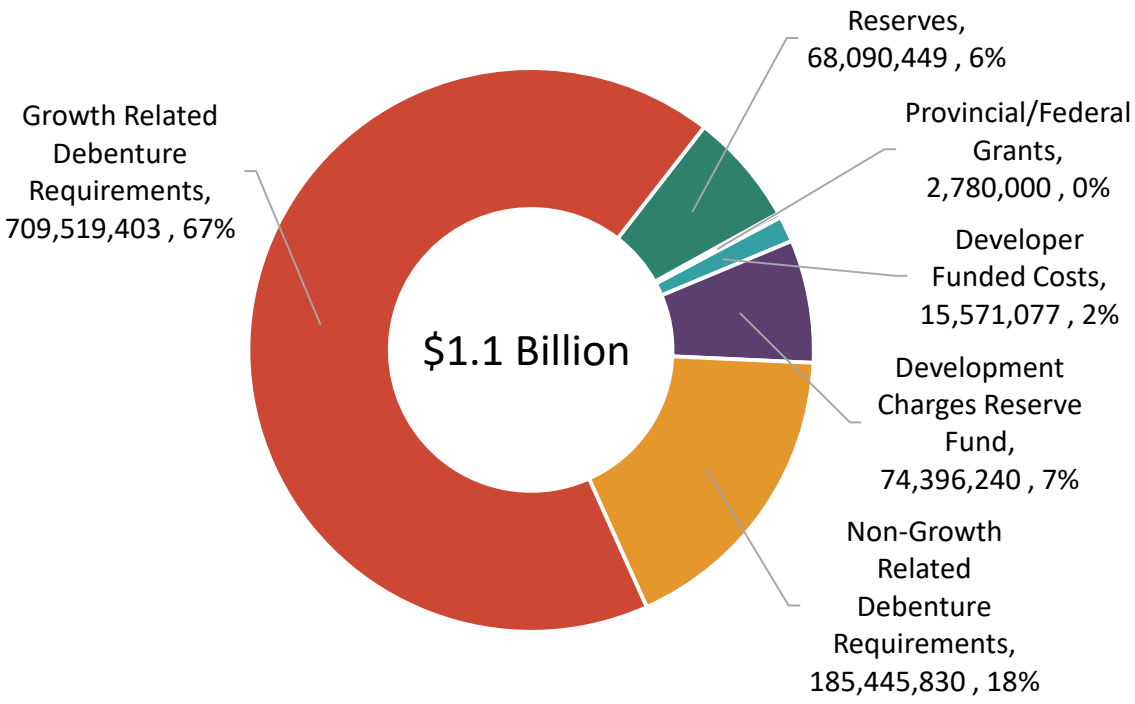


Table 5-2
Capital Budget Forecast and Recommended Capital Financing (Inflated $) – Water Services

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| Treatment | 20,286,000 | 3,583,000 | 2,218,000 | 983,000 | 840,000 | 1,918,000 | 2,030,000 | 2,091,000 | 2,154,000 | 2,218,000 | 2,251,000 |
| Vertical Distribution | 5,218,000 | 958,000 | 212,000 | 219,000 | 304,000 | 869,000 | 500,000 | 515,000 | 531,000 | 547,000 | 563,000 |
| Horizontal Distribution | 84,354,000 | 8,032,000 | 8,752,000 | 11,031,000 | 8,737,000 | 7,451,000 | 12,231,000 | 6,806,000 | 8,657,000 | 5,455,000 | 7,202,000 |
| Studies and Special Projects | 4,785,000 | 1,516,000 | 1,163,000 | 918,000 | 364,000 | 151,000 | 119,000 | 123,000 | 127,000 | 130,000 | 174,000 |
| **Growth Related:** | | | | | | | | | | | |
| Treatment | 410,464,000 | 1,030,000 | 5,900,000 | 6,623,000 | 7,437,000 | 61,613,000 | 84,966,000 | 87,515,000 | 90,141,000 | 65,239,000 | - |
| Vertical Distribution | 42,689,000 | 133,000 | 920,000 | 989,000 | 562,000 | 8,083,000 | 13,341,000 | 13,340,000 | 5,321,000 | - | - |
| Horizontal Distribution | 35,531,000 | 206,000 | - | 627,000 | 7,000,000 | 3,883,000 | 10,897,000 | - | 2,624,000 | - | 10,294,000 |
| Studies and Special Projects | 800,000 | 103,000 | - | - | - | - | - | - | 697,000 | - | - |
| **Total Capital Expenditures** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |
| **Capital Financing** | | | | | | | | | | | |
| Provincial/Federal Grants | 2,780,000 | 2,780,000 | | | | | | | | | |
| Developer Funded Costs | 5,839,077 | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | - |
| Development Charges Reserve Fund | 67,456,240 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Non-Growth Related Debenture Requirements | 65,754,298 | 6,003,644 | 2,818,442 | 8,890,341 | 6,569,587 | 5,643,080 | 11,239,421 | 4,540,134 | 7,052,092 | 4,434,827 | 8,562,731 |
| Growth Related Debenture Requirements | 410,620,346 | - | - | - | - | 33,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |
| Water Reserve | 51,677,038 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Total Capital Financing** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |

Table 5-3
Capital Budget Forecast and Recommended Capital Financing (Inflated $) – Wastewater Services

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| Treatment | 22,055,000 | 2,690,000 | 472,000 | 470,000 | 1,238,000 | 3,652,000 | 2,030,000 | 2,091,000 | 2,154,000 | 2,218,000 | 5,040,000 |
| Vertical Collection | 4,501,000 | 206,000 | 180,000 | 219,000 | 169,000 | 869,000 | 500,000 | 515,000 | 531,000 | 547,000 | 765,000 |
| Horizontal Collection | 80,194,000 | 6,404,000 | 11,405,000 | 10,003,000 | 8,942,000 | 7,301,000 | 7,396,000 | 5,859,000 | 7,029,000 | 8,653,000 | 7,202,000 |
| Studies and Special Projects | 5,615,000 | 1,589,000 | 1,415,000 | 1,328,000 | 459,000 | 151,000 | 119,000 | 123,000 | 127,000 | 130,000 | 174,000 |
| **Growth Related:** | | | | | | | | | | | |
| Treatment | 244,492,000 | 687,000 | 3,772,000 | 3,157,000 | 5,511,000 | 2,326,000 | 51,532,000 | 53,079,000 | 54,670,000 | 37,504,000 | 32,254,000 |
| Vertical Collection | 50,990,000 | 9,674,000 | 11,685,000 | 3,667,000 | 691,000 | 3,590,000 | 8,271,000 | 6,454,000 | 6,388,000 | 64,000 | 506,000 |
| Horizontal Collection | 42,242,000 | 2,422,000 | 1,186,000 | 1,530,000 | 7,226,000 | 3,925,000 | 10,734,000 | 2,422,000 | 4,459,000 | 8,338,000 | - |
| Studies and Special Projects | 1,587,000 | 412,000 | - | - | - | - | 478,000 | - | 697,000 | - | - |
| **Total Capital Expenditures** | **451,676,000** | **24,084,000** | **30,115,000** | **20,374,000** | **24,236,000** | **21,814,000** | **81,060,000** | **70,543,000** | **76,055,000** | **57,454,000** | **45,941,000** |
| **Capital Financing** | | | | | | | | | | | |
| Developer Funded Costs | 9,732,000 | - | 1,708,000 | - | - | - | 8,024,000 | - | - | - | - |
| Development Charges Reserve Fund | 6,940,000 | - | 6,940,000 | - | - | - | - | - | - | - | - |
| Non-Growth Related Debenture Requirements | 119,691,532 | 11,252,811 | 11,787,068 | 11,189,893 | 10,945,970 | 13,153,985 | 12,785,042 | 9,659,052 | 12,024,674 | 13,480,795 | 13,412,242 |
| Growth Related Debenture Requirements | 298,899,058 | 10,272,507 | 7,303,378 | 6,956,228 | 11,101,836 | 6,653,061 | 58,425,306 | 59,109,454 | 62,575,326 | 43,973,205 | 32,528,758 |
| Wastewater Reserve | 16,413,411 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,455,000 | - | - |
| **Total Capital Financing** | **451,676,000** | **24,084,000** | **30,115,000** | **20,374,000** | **24,236,000** | **21,814,000** | **81,060,000** | **70,543,000** | **76,055,000** | **57,454,000** | **45,941,000** |

Table 5-4
Water Reserve Continuity – Inflated $

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 8,565,542 | 7,359,737 | 5,725,339 | - | - | - | - | - | - | - | - |
| Transfer from Operating | 3,348,764 | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Capital | 4,698,877 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **7,215,428** | **5,613,077** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Interest | 144,309 | 112,262 | - | - | - | - | - | - | - | - | - |

Table 5-5
Wastewater Reserve Continuity – Inflated $

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 5,766,301 | - | - | - | - | - | - | - | - | 359,637 | 273,695 |
| Transfer from Operating | 2,190,735 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,807,586 | - | - |
| Transfer to Capital | 7,957,036 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,455,000 | | - |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | 91,309 | 273,065 |
| **Closing Balance** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **352,586** | **268,328** | **630** |
| Interest | - | - | - | - | - | - | - | - | 7,052 | 5,367 | 13 |

Table 5-6
Water Development Charges Reserve Fund Continuity – Inflated $

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 10,054,005 | 19,977,340 | 28,699,347 | 32,391,142 | 35,326,153 | 32,189,781 | 6,148,526 | 15,726,276 | 19,629,079 | 18,028,393 | 10,970,388 |
| Development Charge Proceeds | 9,678,052 | 9,968,319 | 10,267,466 | 10,575,495 | 10,892,749 | 11,219,657 | 11,556,249 | 11,902,985 | 12,260,178 | 12,627,975 | 13,006,687 |
| Transfer to Capital | - | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Transfer to Operating | 146,430 | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Closing Balance** | **19,585,627** | **28,136,615** | **31,756,021** | **34,633,483** | **31,558,609** | **6,027,967** | **15,417,918** | **19,244,195** | **17,674,895** | **10,755,283** | **306,320** |
| Interest | 391,713 | 562,732 | 635,120 | 692,670 | 631,172 | 120,559 | 308,358 | 384,884 | 353,498 | 215,106 | 6,126 |
| Required from Development Charges | 4,332,990 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 70,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |

Table 5-7
Wastewater Development Charge Reserve Fund Continuity – Inflated $

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | (6,682,114) | (1,551,781) | 3,208,757 | 605,037 | 4,827,514 | 8,962,271 | 12,768,674 | 16,509,116 | 17,134,548 | 14,550,513 | 8,495,044 |
| Development Charge Proceeds | 6,367,371 | 6,558,460 | 6,755,346 | 6,957,934 | 7,166,652 | 7,381,714 | 7,603,190 | 7,831,225 | 8,066,231 | 8,308,292 | 8,557,554 |
| Transfer to Capital | - | - | 6,940,000 | - | - | - | - | - | - | - | - |
| Transfer to Operating | 1,206,611 | 1,860,839 | 2,430,929 | 2,830,114 | 3,207,626 | 3,825,677 | 4,186,456 | 7,541,764 | 10,935,571 | 14,530,331 | 17,049,337 |
| **Closing Balance** | **(1,521,354)** | **3,145,840** | **593,174** | **4,732,857** | **8,786,540** | **12,518,308** | **16,185,408** | **16,798,577** | **14,265,209** | **8,328,474** | **3,261** |
| Interest | (30,427) | 62,917 | 11,863 | 94,657 | 175,731 | 250,366 | 323,708 | 335,972 | 285,304 | 166,569 | 65 |
| Required from Development Charges | 11,739,159 | 10,272,507 | 14,243,378 | 6,956,228 | 11,101,836 | 6,653,061 | 58,425,306 | 59,109,454 | 62,575,326 | 43,973,205 | 32,528,758 |

# Chapter 6
# Operating Expenditures and Revenues

# 6. Operating Expenditures and Revenues

## 6.1 Operating Expenditures

The City's 2025 Operating Budget was provided by City staff for use in this report. The operating budget forecast generally includes two components: the operating expenditures and capital-related expenditures. The operating expenditures have been reviewed with staff to establish inflationary adjustments for the City's projected annual spending for ongoing operations and maintenance, to project increases related to growth and development within the City, and to reflect specific one-time changes to the budget. The capital-related expenditures are based on the capital funding plan decisions (i.e., transfers to reserve funds, debt repayment, and capital fund transfers) presented earlier.

The budgeted operating expenditures for water and wastewater services are based on current operating costs and the estimated operating costs of assets coming into service over the 2026 to 2035 forecast period. The estimated incremental operating costs related to new development were provided by staff.

All water and wastewater operating costs have been inflated by 3% per year throughout the 10-year forecast period.

Capital-related annual expenditures in the forecast include existing annual debt repayments and interest, new annual debt repayments and interest, and contributions to reserves/reserve funds to support the forecast and future needs. Annual transfers to the capital reserve fund have been built into the operating expenditure forecasts so that the rate revenues are funding not only the operating costs of the systems but also providing funding to meet the long-term average annual costs of maintaining the infrastructure. This approach allows for the costs of infrastructure to be equitably funded across the lifecycle of the infrastructure from the parties that benefit from its use. Compared to the annual lifecycle contribution discussed in Section 4-2 of this report, the annual capital-related expenditures (excluding any growth related debt repayments and developer contributions) for water services will total $9.1 million in 2035, which is approximately equal to the calculated annual lifecycle contribution in 2035 values (i.e., inflated from the lifecycle costs identified in Table 4-1 plus lifecycle costs associated with additional infrastructure). Similarly, for wastewater services, capital-related expenditures (excluding any growth-related debt repayments) are projected to be $8.2

million in 2035, which is equal to the 2035 annual lifecycle contribution. The lifecycle costs for both water and wastewater services includes the incremental lifecycle costs related to new infrastructure.

Other operating costs for water services are forecast to increase from $9.6 million in 2026 to $14.8 million in 2035 (4.9% per year), resulting in gross operating expenditures for water services to increase from $16.5 million in 2026 to $23.9 million in 2035 (exclusive of D.C. debt payments). Similarly, for wastewater services, other operating expenditures are forecast to increase from $6.6 million in 2026 to $10.6 million in 2035 (5.4% increase per year), resulting in annual gross expenditures increasing from $11.8 million in 2026 to $19.1 million in 2035 (exclusive of D.C. debt payments).

## 6.2 Operating Revenue

The City has operating revenue sources such as bulk water sales, connection fees, Community wells, bulk sewage carriers, miscellaneous revenues, and D.C. reserve fund.

Bulk water revenues have been forecast to increase by 3.2% per year (average annual rate increase for water rates, and bulk sewage revenues have been forecast to increase at inflationary levels reflective of inflationary increases in associated fees. Internal charges have also been forecast to increase with inflation.

Base charge revenues have been designed to meet the long-term average annual capital needs of the systems, described in Section 4.2. The monthly base charges that would be required to generate the projected revenue have been calculated based on the underlying system growth assumptions provided in Section 2 of this report and are discussed further in Chapter 8 of this report. The net expenditures not funded through the above revenue sources would be funded through the variable water and wastewater rates, which are also discussed further in Chapter 8.

Tables 6-1 and 6-2 provide the operating expenditures and revenues for water and wastewater services, respectively. The tables also provide the net operating expenditures to be recovered for the volumetric rates.

Total annual operating revenues for water services (i.e., rate-based revenue and other sources excluding D.C. revenue and developer contributions) are forecast to increase from $6.9 million in 2026 to $9.9 million in 2035. Similarly, for wastewater services,

operating revenues (i.e., rate-based revenue and other revenue sources excluding D.C. revenue) are forecast to increase from $7.1 million in 2026 to $9.6 million in 2035.

Table 6-1
Operating Budget Forecast – Water (Inflated $)

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Operating Costs | | | | | | | | | | |
| 71110 - Wages | 585,600 | 603,200 | 621,300 | 639,900 | 659,100 | 678,900 | 699,300 | 720,300 | 741,900 | 764,200 |
| 71115 - Overtime | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 |
| 71305 - Employment Insurance | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 |
| 71310 - Canada Pension Plan | 28,300 | 29,100 | 30,000 | 30,900 | 31,800 | 32,800 | 33,800 | 34,800 | 35,800 | 36,900 |
| 71315 - Employer Health Tax | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 | 13,800 | 14,200 | 14,600 | 15,000 |
| 71320 - Omers Pension | 59,200 | 61,000 | 62,800 | 64,700 | 66,600 | 68,600 | 70,700 | 72,800 | 75,000 | 77,300 |
| 71325 - Group Benefits | 61,400 | 63,200 | 65,100 | 67,100 | 69,100 | 71,200 | 73,300 | 75,500 | 77,800 | 80,100 |
| 72710 - Chemical Supplies | 900,700 | 927,700 | 955,500 | 984,200 | 1,013,700 | 1,044,100 | 1,075,400 | 1,107,700 | 1,140,900 | 1,175,100 |
| 72730 - Janitorial Supplies | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| 72745 - Maintenance Supplies | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 |
| 73010 - Hydro | 383,200 | 394,700 | 406,500 | 418,700 | 431,300 | 444,200 | 457,500 | 471,200 | 485,300 | 499,900 |
| 73015 - Natural Gas | 26,800 | 27,600 | 28,400 | 29,300 | 30,200 | 31,100 | 32,000 | 33,000 | 34,000 | 35,000 |
| 73090 - Diesel - for Generator | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 | 7,500 | 7,700 | 7,900 | 8,100 |
| 73205 - Material Supplies | 108,200 | 111,400 | 114,700 | 118,100 | 121,600 | 125,200 | 129,000 | 132,900 | 136,900 | 141,000 |
| 74150 - Other Contracted Services | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 |
| 74305 - Contract Allocation | 752,100 | 774,700 | 797,900 | 821,800 | 846,500 | 871,900 | 898,100 | 925,000 | 952,800 | 981,400 |
| 74330 - Janitorial Cleaning | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 |
| 74331 - Contracted Mat Services | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| 74515 - Water Supply | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 |
| 74520 - SCADA Programming | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 | 3,000 |
| 74810 - Building Maintenance and Repai | 31,900 | 32,900 | 33,900 | 34,900 | 35,900 | 37,000 | 38,100 | 39,200 | 40,400 | 41,600 |
| 74920 - Grounds Maintenance | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 |
| 74945 - Contracted Snow Plowing | 110,700 | 114,000 | 117,400 | 120,900 | 124,500 | 128,200 | 132,000 | 136,000 | 140,100 | 144,300 |
| 78550 - City Property Tax | 68,800 | 70,900 | 73,000 | 75,200 | 77,500 | 79,800 | 82,200 | 84,700 | 87,200 | 89,800 |
| 72520 - Telecommunications | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 74510 - Contracted OCWA Costs | 3,706,800 | 3,818,000 | 3,932,500 | 4,050,500 | 4,172,000 | 4,297,200 | 4,426,100 | 4,558,900 | 4,695,700 | 4,836,600 |
| 74512 - OCWA Additional Charges | 248,400 | 255,900 | 263,600 | 271,500 | 279,600 | 288,000 | 296,600 | 305,500 | 314,700 | 324,100 |
| 74250 - Telecommunication Data Lines | 5,600 | 5,800 | 6,000 | 6,200 | 6,400 | 6,600 | 6,800 | 7,000 | 7,200 | 7,400 |
| Adjusted Water Administration Expenditures | 2,424,800 | 2,497,500 | 2,572,400 | 2,649,600 | 2,729,100 | 2,811,000 | 2,895,300 | 2,982,200 | 3,071,700 | 3,163,900 |
| Incremental Operating Costs Related to New Development | | | | | | | | | | |
| Bobcaygeon WTP | | | | | | | | | 1,243,500 | 1,280,800 |
| Northwest Lindsay Water Tower | | | | | | | | 147,800 | 152,200 | 156,800 |
| Thornhill Rd Reservoir | | | | | | | | 240,300 | 247,500 | 254,900 |
| Oakwood Reservoir | | | | | | | | 267,300 | 275,300 | 283,600 |
| Fenelon Falls Booster WPS | | | | | | | 221,800 | 228,500 | 235,400 | 242,500 |
| **Sub Total Operating** | **9,621,900** | **9,910,700** | **10,207,900** | **10,514,300** | **10,829,700** | **11,154,600** | **11,710,900** | **12,717,700** | **14,342,600** | **14,772,900** |

Table 6-1 (cont'd)
Operating Budget Forecast – Water (Inflated $)

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Capital-Related | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 |
| Existing Debt (Interest) - Growth Related | 37,403 | 34,295 | 31,276 | 28,081 | 24,974 | 21,866 | 18,813 | 15,654 | 12,545 | 9,437 |
| New Growth Related Debt (Principal) | 77,258 | 80,348 | 83,562 | 86,904 | 90,381 | 682,420 | 2,590,850 | 4,492,739 | 6,426,730 | 7,847,017 |
| New Growth Related Debt (Interest) | 173,320 | 170,229 | 167,015 | 163,673 | 160,197 | 1,476,651 | 5,669,484 | 9,600,050 | 13,355,891 | 15,708,382 |
| Existing Debt (Principal) - Non-Growth Related | 2,334,303 | 2,241,513 | 2,072,259 | 1,941,323 | 1,628,278 | 1,481,333 | 1,435,313 | 1,291,468 | 1,128,085 | 1,071,765 |
| Existing Debt (Interest) - Non-Growth Related | 890,246 | 864,824 | 844,497 | 774,073 | 709,460 | 641,171 | 585,090 | 525,698 | 468,801 | 416,334 |
| New Non-Growth Related Debt (Principal) | - | 107,046 | 161,580 | 326,559 | 456,758 | 575,645 | 799,071 | 911,985 | 1,074,204 | 1,196,245 |
| New Non-Growth Related Debt (Interest) | - | 240,146 | 348,602 | 697,752 | 947,473 | 1,154,926 | 1,581,477 | 1,731,120 | 1,976,724 | 2,111,149 |
| Transfer to Capital - Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Transfer to Capital Reserve | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Sub Total Capital Related** | **7,234,001** | **7,645,540** | **8,368,988** | **8,522,982** | **12,446,616** | **13,481,276** | **17,780,883** | **23,485,781** | **28,464,071** | **32,754,910** |
| **Total Expenditures** | **16,855,901** | **17,556,240** | **18,576,888** | **19,037,282** | **23,276,316** | **24,635,876** | **29,491,783** | **36,203,481** | **42,806,671** | **47,527,810** |
| **Revenues** | | | | | | | | | | |
| Base Charge | 6,291,113 | 6,558,470 | 6,835,810 | 7,123,481 | 7,421,842 | 7,731,265 | 8,052,134 | 8,384,845 | 8,729,808 | 9,087,446 |
| 44815 - Building/Property Rental | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 |
| 45830 - Water Connection Fee | 12,400 | 12,800 | 13,200 | 13,600 | 14,000 | 14,400 | 14,800 | 15,200 | 15,700 | 16,200 |
| 45860 - Bulk Water Sales | 271,600 | 279,700 | 288,100 | 296,700 | 305,600 | 314,800 | 324,200 | 333,900 | 343,900 | 354,200 |
| 45885 - Other Water User Charges | 36,100 | 37,200 | 38,300 | 39,400 | 40,600 | 41,800 | 43,100 | 44,400 | 45,700 | 47,100 |
| 48180 - Recoveries - Other | 8,200 | 8,400 | 8,700 | 9,000 | 9,300 | 9,600 | 9,900 | 10,200 | 10,500 | 10,800 |
| 76150 - Long Term Debt Interest | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| 77150 - Debt Principal Payments | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 |
| 78250 - Community Wells | 90,200 | 92,900 | 95,700 | 98,600 | 101,600 | 104,600 | 107,700 | 110,900 | 114,200 | 117,600 |
| Adjusted Water Administration Revenues | 153,100 | 157,700 | 162,400 | 167,300 | 172,300 | 177,500 | 182,800 | 188,300 | 193,900 | 199,700 |
| Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Contributions from Development Charges Reserve | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Total Operating Revenue** | **7,281,213** | **7,562,862** | **8,148,802** | **8,158,159** | **11,926,512** | **12,798,380** | **17,146,200** | **23,329,007** | **29,382,092** | **33,531,501** |
| **Water Billing Recovery - Operating** | **9,574,689** | **9,993,378** | **10,428,086** | **10,879,124** | **11,349,803** | **11,837,496** | **12,345,583** | **12,874,474** | **13,424,579** | **13,996,308** |

Table 6-2
Operating Budget Forecast – Wastewater (Inflated $)

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Operating Costs | | | | | | | | | | |
| 71110 - Wages | 28,100 | 28,900 | 29,800 | 30,700 | 31,600 | 32,500 | 33,500 | 34,500 | 35,500 | 36,600 |
| 71115 - Overtime | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| 71305 - Employment Insurance | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| 71310 - Canada Pension Plan | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| 71315 - Employer Health Tax | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| 71320 - Omers Pension | 2,800 | 2,900 | 3,000 | 3,100 | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 |
| 71325 - Group Benefits | 2,900 | 3,000 | 3,100 | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 | 3,800 |
| 72520 - Telecommunications | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 | 23,500 | 24,200 | 24,900 | 25,600 | 26,400 |
| 72730 - Janitorial Supplies | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| 73205 - Material Supplies | 4,400 | 4,500 | 4,600 | 4,700 | 4,800 | 4,900 | 5,000 | 5,200 | 5,400 | 5,600 |
| 74150 - Other Contracted Services | 803,800 | 827,900 | 852,700 | 878,300 | 904,600 | 931,700 | 959,700 | 988,500 | 1,018,200 | 1,048,700 |
| 74305 - Contract Allocation | 433,500 | 446,500 | 459,900 | 473,700 | 487,900 | 502,500 | 517,600 | 533,100 | 549,100 | 565,600 |
| 74330 - Janitorial Cleaning | 7,700 | 7,900 | 8,100 | 8,300 | 8,500 | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 |
| 74510 - Contracted OCWA Costs | 3,995,000 | 4,114,900 | 4,238,300 | 4,365,400 | 4,496,400 | 4,631,300 | 4,770,200 | 4,913,300 | 5,060,700 | 5,212,500 |
| 74512 - OCWA Additional Charges | 286,300 | 294,900 | 303,700 | 312,800 | 322,200 | 331,900 | 341,900 | 352,200 | 362,800 | 373,700 |
| 78550 - City Property Tax | 91,600 | 94,300 | 97,100 | 100,000 | 103,000 | 106,100 | 109,300 | 112,600 | 116,000 | 119,500 |
| Adjusted Wastewater Administration Expenditures | 808,300 | 832,500 | 857,500 | 883,200 | 909,700 | 937,000 | 965,100 | 994,100 | 1,023,900 | 1,054,600 |
| Incremental Operating Costs Related to New Development | | | | | | | | | | |
| Bobcaygeon WPCP | | | | | | | | | 1,777,700 | 1,831,000 |
| Omemee WPCP | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 | 100,900 |
| Ridout St SPS | | | 14,200 | 14,600 | 15,000 | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 |
| Mary St. SPS and Forcemain | | | | | | | | 3,800 | 3,900 | 4,000 |
| Front St. SPS | | | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 | 3,800 | 3,900 |
| Anne St. SPS and Forcemain | | | | 54,000 | 55,600 | 57,300 | 59,000 | 60,800 | 62,600 | 64,500 |
| Colborne St. SPS and Forcemain | | | | | | | | | 12,800 | 13,200 |
| Ellice St. SPS and Forcemain | | | | | | | | | 22,400 | 23,100 |
| Francis St. SPS | | | | | | | | | 21,100 | 21,700 |
| Highway #7 SPS and Forcemain | 51,500 | 53,000 | 54,600 | 56,200 | 57,900 | 59,600 | 61,400 | 63,200 | 65,100 | 67,100 |
| **Sub Total Operating** | **6,617,100** | **6,815,300** | **7,036,900** | **7,301,700** | **7,520,500** | **7,746,000** | **7,978,400** | **8,221,600** | **10,302,200** | **10,611,200** |

Table 6-2 (cont'd)
Operating Budget Forecast – Wastewater (Inflated $)

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Capital-Related | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 |
| Existing Debt (Interest) - Growth Related | 333,628 | 309,658 | 286,488 | 261,721 | 237,751 | 213,783 | 190,350 | 165,851 | 141,874 | 117,905 |
| New Growth Related Debt (Principal) | 209,310 | 400,843 | 547,096 | 693,010 | 918,678 | 1,074,049 | 2,158,740 | 3,299,017 | 4,546,702 | 5,512,617 |
| New Growth Related Debt (Interest) | 469,566 | 872,094 | 1,148,196 | 1,404,561 | 1,820,914 | 2,050,289 | 4,344,339 | 6,622,368 | 8,993,420 | 10,570,480 |
| Existing Debt (Principal) - Non-Growth Related | 1,782,499 | 1,879,291 | 1,848,070 | 1,843,230 | 1,867,838 | 1,818,692 | 1,684,139 | 1,650,142 | 1,618,884 | 1,597,843 |
| Existing Debt (Interest) - Non-Growth Related | 871,419 | 896,134 | 1,015,122 | 1,045,869 | 1,021,934 | 952,522 | 879,244 | 817,974 | 753,185 | 690,675 |
| New Non-Growth Related Debt (Principal) | 16,398 | 217,692 | 436,565 | 653,544 | 874,854 | 1,144,385 | 1,418,119 | 1,647,065 | 1,927,349 | 2,244,807 |
| New Non-Growth Related Debt (Interest) | 36,787 | 486,243 | 949,018 | 1,379,152 | 1,790,849 | 2,282,014 | 2,747,640 | 3,077,277 | 3,492,382 | 3,954,520 |
| Transfer to Capital Reserve | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,807,586 | | |
| **Sub Total Capital Related** | **7,126,624** | **8,286,844** | **9,306,769** | **10,317,614** | **11,388,105** | **12,209,722** | **16,045,400** | **19,935,615** | **22,322,131** | **25,537,182** |
| **Total Expenditures** | **13,743,724** | **15,102,144** | **16,343,669** | **17,619,314** | **18,908,605** | **19,955,722** | **24,023,800** | **28,157,215** | **32,624,331** | **36,148,382** |
| **Revenues** | | | | | | | | | | |
| Base Charge | 6,230,289 | 6,580,751 | 6,949,280 | 7,336,763 | 7,480,731 | 7,625,874 | 7,772,201 | 7,919,718 | 8,068,434 | 8,218,356 |
| 41660 - Waste Mngmt Collection Charges | 267,800 | 275,800 | 284,100 | 292,600 | 301,400 | 310,400 | 319,700 | 329,300 | 339,200 | 349,400 |
| 45930 - Sewer Connection | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 45985 - Other Wastewater User Charges | 334,800 | 344,800 | 355,100 | 365,800 | 376,800 | 388,100 | 399,700 | 411,700 | 424,100 | 436,800 |
| 43550 - Miscellaneous Revenue | 206,000 | 212,200 | 218,600 | 225,200 | 232,000 | 239,000 | 246,200 | 253,600 | 261,200 | 269,000 |
| Adjusted Wastewater Administration Revenues | 51,000 | 52,500 | 54,100 | 55,700 | 57,400 | 59,100 | 60,900 | 62,700 | 64,600 | 66,500 |
| Contributions from Development Charges Reserve Fund | 1,860,839 | 2,430,929 | 2,830,114 | 3,207,626 | 3,825,677 | 4,186,456 | 7,541,764 | 10,935,571 | 14,530,331 | 17,049,337 |
| Contributions from Reserves / Reserve Funds | - | - | - | - | - | - | - | - | 91,309 | 273,065 |
| **Total Operating Revenue** | **8,966,728** | **9,913,480** | **10,708,295** | **11,501,190** | **12,292,008** | **12,827,430** | **16,359,564** | **19,932,288** | **23,799,475** | **26,683,358** |
| **Wastewater Billing Recovery - Operating** | **4,776,996** | **5,188,665** | **5,635,375** | **6,118,125** | **6,616,597** | **7,128,292** | **7,664,235** | **8,224,927** | **8,824,857** | **9,465,024** |

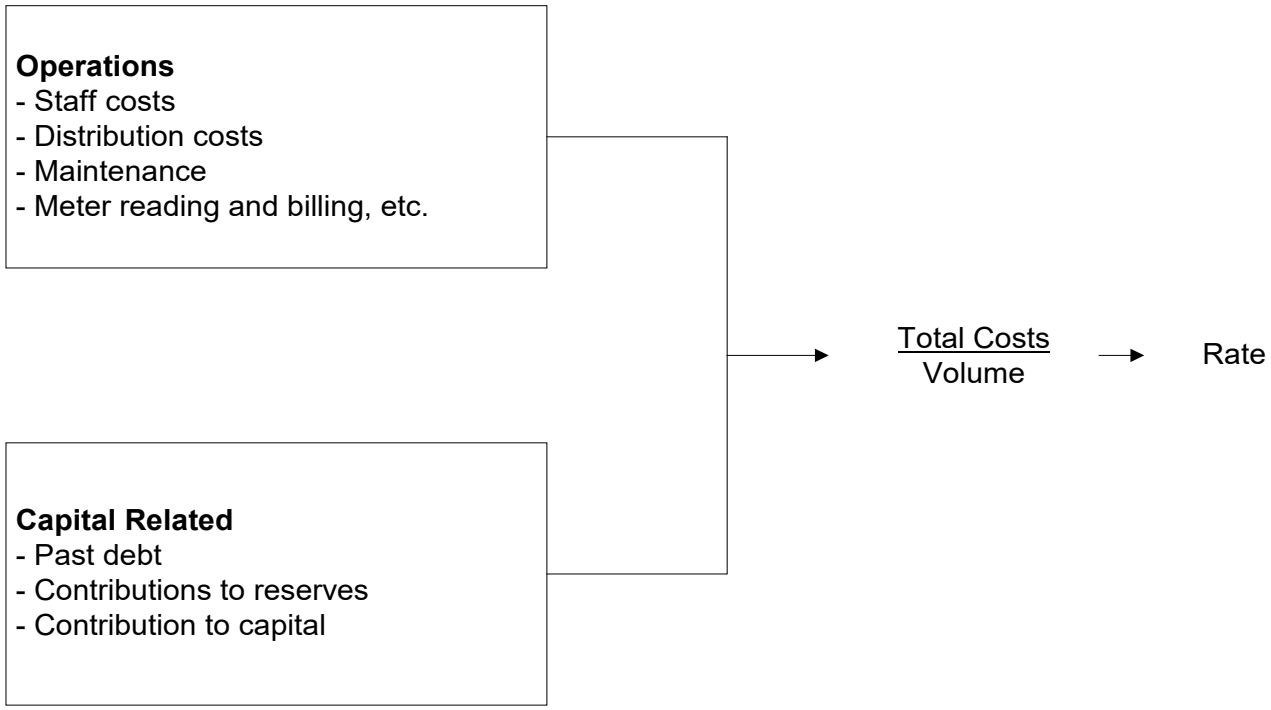
# Chapter 7
## Pricing Structures

# 7. Pricing Structures

## 7.1 Introduction

Rates, in their simplest form, can be defined as total costs to maintain the utility function divided by the total expected volume to be generated for the period. Total costs are usually a combination of operating costs (e.g., staff costs, distribution costs, maintenance, administration, etc.) and capital-related costs (e.g., past debt to finance capital projects, transfers to reserves to finance future expenditures, etc.). The schematic below provides a simplified illustration of the rate calculation for water.

**"Annual Costs"**




These operating and capital expenditures will vary over time. Examples of factors affecting expenditures over time are provided below.

Operations

- Inflation;
- Increased maintenance as the system ages; and

- Changes to provincial legislation.

Capital Related

- New capital will be built as areas expand;
- Replacement capital needed as system ages; and
- Financing of capital costs are a function of policy regarding reserves and direct financing from rates (pay as you go), debt, and user pay methods (development charges, *Municipal Act*).

## 7.2 Alternative Pricing Structures

Throughout Ontario, and as well, Canada, the use of pricing mechanisms varies between municipalities. The use of a particular form of pricing depends upon numerous factors, including Council preference, administrative structure, surplus/deficit system capacities, economic/demographic conditions, to name a few.

Municipalities within Ontario have two basic forms of collecting revenues for water purposes, those being through incorporation of the costs within the tax rate charged on property assessment and/or through the establishment of a specific water rate billed to the customer. Within the rate methods, there are five basic rate structures employed along with other variations:

- Flat Rate (non-metered customers);
- Constant Rate;
- Declining Block Rate;
- Increasing (or Inverted) Block Rate;
- Hump Back Block Rate; and
- Base Charges.

The definitions and general application of the various methods are as follows:

**Property Assessment:** This method incorporates the total costs of providing water into the general requisition or the assessment base of the municipality. This form of collection is a "wealth tax," as payment increases directly with the value of property owned and bears no necessary relationship to actual consumption. This form is easy to administer as the costs to be recovered are incorporated into the calculation for all general services, normally collected through property taxes.

**Flat Rate:** This rate is a constant charge applicable to all customers served. The charge is calculated by dividing the total number of user households and other entities (e.g., businesses) into the costs to be recovered. This method does not recognize differences in actual consumption but provides for a uniform spreading of costs across all users. Some municipalities define users into different classes of similar consumption patterns, that is, a commercial user, residential user, and industrial user, and charge a flat rate by class. Each user is then billed on a periodic basis. No water meters are required to facilitate this method, but an accurate estimate of the number of users is required. This method ensures set revenue for the collection period but is not sensitive to consumption, hence may cause a shortfall or surplus of revenues collected.

**Constant Rate:** This rate is a volume-based rate, in which the consumer pays the same price per unit consumed, regardless of the volume. The price per unit is calculated by dividing the total cost of the service by the total volume used by total consumers. The bill to the consumer climbs uniformly as consumption increases. This form of rate requires water meters to record the volume consumed by each user. This method closely aligns the revenue recovery with consumption. Revenue collected varies directly with consumption volume.

**Declining Block Rates:** This rate structure charges a successively lower price for set volumes, as consumption increases through a series of "blocks." That is to say that within set volume ranges, or blocks, the charge per unit is set at one rate. Within the next volume range, the charge per unit decreases to a lower rate, and so on. Typically, the first, or first and second blocks cover residential and light commercial uses. Subsequent blocks normally are used for heavier commercial and industrial uses. This rate structure requires water meters to record the volume consumed by each type of user. This method requires the collection and analysis of consumption patterns by user classification to establish rates at a level which does not over or under-collect revenue from rate payers.

**Increasing or Inverted Block Rates:** The increasing block rate works essentially the same way as the declining block rate, except that the price of water in successive blocks increases rather than declines. Under this method, the consumer's bill rises faster with higher volumes used. This rate structure also requires water meters to record the volume consumed by each user. This method requires, as with the declining block structure, the collection and analysis of consumption patterns by user

classification to establish rates at a level which does not over or under-collect from rate payers.

**The Hump Back Rate:** The hump back rate is a combination of an increasing block rate and the declining block rate. Under this method, the consumer's bill rises with higher volumes used up to a certain level and then begins to fall for volumes exceeding levels set for the increasing block rate.

# Chapter 8
# Forecast Water and Wastewater Rates

# 8. Forecast Water and Wastewater Rates

## 8.1 Introduction

To summarize the analysis undertaken thus far, Chapter 2 provided the growth and service demands for water and wastewater. Chapters 3 and 4 reviewed capital-related infrastructure needs and funding sources (of which transfers from reserves will be the predominant source) of the City, including addressing the provincial directives to maintain and upgrade infrastructure to required levels. Chapter 5 provided a review of capital financing options. Water and wastewater reserve contributions and future debentures will be the predominant methods for financing future capital replacement. Chapter 6 established the 10-year operating forecast of expenditures, including an annual capital reserve contribution. The following calculations will be based on the net operating expenditures provided in Chapter 6, divided by the customers and volumes forecast provided in Chapter 2.

The City's current rate structure comprising of a monthly base charge, differentiated by meter size and consumptive rate component is proposed to be maintained. Consistent with the prior rate study, revenue generated from the monthly base charges is intended to recover the costs associated with making the service capacity available (i.e. annual lifecycle costs). As mentioned earlier, recommended rate increases would allow the City to reach full lifecycle funding levels by 2035.

The forecast water and wastewater rates are discussed in Sections 8.3 and 8.4, with further analysis of the customer billing impacts in Section 8.5.

## 8.2 Development Charges

D.C.s are set through the D.C. background study process. These charges are indexed annually using the Non-Residential Construction Price Index. For the purposes of this forecast an inflation factor of 3% has been applied annually to D.C. rates. The City's D.C.s were used for the purpose of forecasting D.C. revenues utilized to fund the growth-related capital costs for water and wastewater services. Within this assessment of forecast D.C. revenues, the City's proposed D.C.s within their 2025 D.C. Background Study have been utilized and applied to the forecast growth within the Rate study. For

the purpose of calculating D.C. revenue, adjustments to account for multi-residential buildings with multiple units on one meter were made.

## 8.3 Water Rates

The recommended rate forecasts are provided to address the full costs of the City's water systems, including annual operating and capital expenditures from both a lifecycle and growth-related perspective.

To achieve full cost recovery, water base charge rates would need to increase by 2.8% annually throughout the forecast period and would be applied uniformly to all meter sizes. These increases would enable the City to secure a higher amount of guaranteed revenue, thereby increasing its annual capital funding levels to match the annual lifecycle contribution amount by the end of the forecast period.

Bulk water rates, that are meant to recover the total annual costs excluding the costs related to linear infrastructure, would need to increase by 3.2% annually through the forecast period.

To achieve full cost recovery as identified above and maintain historical average annual rate increases, the consumptive rate would be required to increase by approximately 3.2% per year throughout the forecast period.

The resultant rate forecast is presented in Table 8-1 below. The detailed financial forecast and rate calculations for water services are provided in Appendix A to this report.

Table 8-1
Forecasted Rates – Water Services

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charge:** | | | | | | | | | | | |
| 5/8" - 3/4" | $33.52 | $34.45 | $35.40 | $36.38 | $37.39 | $38.43 | $39.49 | $40.58 | $41.71 | $42.86 | $44.05 |
| 1" | $43.61 | $44.82 | $46.06 | $47.33 | $48.64 | $49.99 | $51.38 | $52.80 | $54.26 | $55.76 | $57.31 |
| 1 ½" | $56.07 | $57.62 | $59.22 | $60.86 | $62.54 | $64.28 | $66.06 | $67.88 | $69.76 | $71.70 | $73.68 |
| 2" | $90.32 | $92.82 | $95.39 | $98.03 | $100.75 | $103.54 | $106.40 | $109.35 | $112.38 | $115.49 | $118.69 |
| 3" | $342.62 | $352.11 | $361.86 | $371.88 | $382.18 | $392.76 | $403.64 | $414.81 | $426.30 | $438.11 | $450.24 |
| 4" | $436.05 | $448.13 | $460.53 | $473.29 | $486.39 | $499.86 | $513.71 | $527.93 | $542.55 | $557.57 | $573.02 |
| 6" | $654.05 | $672.16 | $690.78 | $709.90 | $729.56 | $749.77 | $770.53 | $791.87 | $813.79 | $836.33 | $859.49 |
| 8" | $903.20 | $928.21 | $953.92 | $980.33 | $1,007.48 | $1,035.38 | $1,064.05 | $1,093.52 | $1,123.80 | $1,154.92 | $1,186.90 |
| **Percentage Increase** | | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** |
| **Volumetric Charge:** | | | | | | | | | | | |
| Rate per m3 | $ 3.14 | $ 3.24 | $ 3.34 | $ 3.45 | $ 3.56 | $ 3.68 | $ 3.79 | $ 3.91 | $ 4.04 | $ 4.17 | $ 4.30 |
| **Percentage Increase** | | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** |

## 8.4 Wastewater Rates

The wastewater rate structure, similar to the water rates, has been designed to recover the full costs of the City's wastewater system. These costs encompass annual operating and capital expenditures.

The current wastewater base charges are set to increase annually by 4.0% from 2026 to 2029 and then by 0.5% for the rest of the forecast period to cover the annual lifecycle costs by 2035. Similar to the water rates, raising the monthly base charges helps the City secure more guaranteed funding for the wastewater system and funds the average annual capital needs of maintaining and rehabilitating the infrastructure.

To achieve full cost recovery as identified above, the consumptive rate would be required to increase by approximately 7.2% per year from 2026 to 2029, 6.8% in 2030, 6.4% in 2031, 6.2% in 2032, and then 6.0% for the remainder of the forecast period (i.e. 6.6% average annual increase).

Table 8-2 displays the forecasted base charges by meter size and the volumetric rate for wastewater services. Detailed calculations of the volumetric rates are provided in Appendix B.

Table 8-2
Forecasted Rates – Wastewater Services

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charge:** | | | | | | | | | | | |
| 5/8" - 3/4" | $35.58 | $37.00 | $38.48 | $40.02 | $41.62 | $41.82 | $42.01 | $42.20 | $42.40 | $42.60 | $42.79 |
| 1" | $47.19 | $49.08 | $51.04 | $53.08 | $55.21 | $55.46 | $55.72 | $55.98 | $56.23 | $56.49 | $56.76 |
| 1 ½" | $62.47 | $64.97 | $67.57 | $70.27 | $73.08 | $73.42 | $73.76 | $74.10 | $74.44 | $74.79 | $75.13 |
| 2" | $100.62 | $104.64 | $108.83 | $113.18 | $117.71 | $118.26 | $118.80 | $119.35 | $119.91 | $120.46 | $121.02 |
| 3" | $381.68 | $396.95 | $412.83 | $429.34 | $446.51 | $448.58 | $450.65 | $452.74 | $454.83 | $456.94 | $459.05 |
| 4" | $485.78 | $505.21 | $525.42 | $546.44 | $568.29 | $570.92 | $573.57 | $576.22 | $578.89 | $581.56 | $584.26 |
| 6" | $729.25 | $758.42 | $788.76 | $820.31 | $853.12 | $857.07 | $861.03 | $865.02 | $869.02 | $873.04 | $877.08 |
| 8" | $1,006.16 | $1,046.41 | $1,088.26 | $1,131.79 | $1,177.06 | $1,182.51 | $1,187.98 | $1,193.48 | $1,199.00 | $1,204.55 | $1,210.13 |
| **Percentage Increase** | | **4.0%** | **4.0%** | **4.0%** | **4.0%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** |
| **Volumetric Charge:** | | | | | | | | | | | |
| Rate per m3 | $ 1.76 | $ 1.89 | $ 2.02 | $ 2.17 | $ 2.33 | $ 2.48 | $ 2.64 | $ 2.81 | $ 2.98 | $ 3.15 | $ 3.34 |
| **Percentage Increase** | | **7.2%** | **7.2%** | **7.2%** | **7.2%** | **6.8%** | **6.4%** | **6.2%** | **6.0%** | **6.0%** | **6.0%** |

## 8.5 Forecast Water and Wastewater Bill Impacts

Table 8-3 display the impact that the recommended rates will have on a typical residential water and wastewater customer consuming 150 $m^3$ of water per year[1]. Based on 2025 rates, the annual water and wastewater bill for this sample customer would total approximately $1,578 (i.e., $887 for water and $691 for wastewater), which translates to $132 per month. With the proposed monthly base charges and volumetric rate increases, the 2026 annual bill would increase by $63 (+4.0%) to approximately $1,641 (i.e., $521 for water and $506 for wastewater), which translates to $137 per month or a $5.51 per month increase. This 4% increase is as approved by Council and the 4% increase is maintained until 2029 after which the total annual customer bill increases are 3% for the remainder of the forecast period. On average over the forecast period, customer bills will increase by $63 per year (+3.4% annually).

[1] Average annual water consumption for residential homes is 150 $m^3$

Table 8-3
Annual Residential Customer Water and Wastewater Bill – based on 5/8" Water Meter and 150 $m^3$ of Volume

**Annual Customer Water Bill - Based on 150 m³ of usage and ⅝" or ¾" meter**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Monthly Base Rate | $33.52 | $34.45 | $35.40 | $36.38 | $37.39 | $38.43 | $39.49 | $40.58 | $41.71 | $42.86 | $44.05 |
| Constant Rate | $3.23 | $3.33 | $3.44 | $3.55 | $3.66 | $3.78 | $3.90 | $4.02 | $4.15 | $4.28 | $4.41 |
| **Annual Base Rate Bill** | **$402.24** | **$413.38** | **$424.83** | **$436.59** | **$448.68** | **$461.11** | **$473.87** | **$487.00** | **$500.48** | **$514.34** | **$528.59** |
| Volume | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| **Annual Volume Bill** | **$484.94** | **$500.22** | **$516.10** | **$532.45** | **$549.25** | **$566.66** | **$584.53** | **$603.01** | **$622.09** | **$641.79** | **$662.09** |
| **Total Annual Bill** | **$887.18** | **$913.60** | **$940.93** | **$969.04** | **$997.93** | **$1,027.77** | **$1,058.40** | **$1,090.00** | **$1,122.58** | **$1,156.13** | **$1,190.68** |
| **% Increase - Base Rate** | | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% | 2.8% |
| **% Increase - Volume Rate** | | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| **% Increase - Total Annual Bill** | | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |

**Annual Customer Wastewater Bill - Based on 150 m³ of usage and ⅝" or ¾" meter**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Monthly Base Rate | $35.58 | $37.00 | $38.48 | $40.02 | $41.62 | $41.82 | $42.01 | $42.20 | $42.40 | $42.60 | $42.79 |
| Constant Rate | $1.76 | $1.89 | $2.02 | $2.17 | $2.33 | $2.48 | $2.64 | $2.81 | $2.98 | $3.15 | $3.34 |
| **Annual Base Rate Bill** | **$426.96** | **$444.04** | **$461.80** | **$480.27** | **$499.48** | **$501.79** | **$504.12** | **$506.45** | **$508.79** | **$511.15** | **$513.51** |
| Volume | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| **Annual Volume Bill** | **$264.00** | **$283.05** | **$303.45** | **$325.35** | **$348.75** | **$372.45** | **$396.30** | **$420.90** | **$446.25** | **$473.10** | **$501.45** |
| **Total Annual Bill** | **$690.96** | **$727.09** | **$765.25** | **$805.62** | **$848.23** | **$874.24** | **$900.42** | **$927.35** | **$955.04** | **$984.25** | **$1,014.96** |
| **% Increase - Base Rate** | | 4.0% | 4.0% | 4.0% | 4.0% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% | 0.5% |
| **% Increase - Volume Rate** | | 7.2% | 7.2% | 7.2% | 7.2% | 6.8% | 6.4% | 6.2% | 6.0% | 6.0% | 6.0% |
| **% Increase - Total Annual Bill** | | 5.2% | 5.2% | 5.3% | 5.3% | 3.1% | 3.0% | 3.0% | 3.0% | 3.1% | 3.1% |

**Annual Customer Water & Wastewater Bill - Based on 150 m³ of usage and ⅝" or ¾" meter**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Annual Water Bill | $887.18 | $913.60 | $940.93 | $969.04 | $997.93 | $1,027.77 | $1,058.40 | $1,090.00 | $1,122.58 | $1,156.13 | $1,190.68 |
| Annual Wastewater Bill | $690.96 | $727.09 | $765.25 | $805.62 | $848.23 | $874.24 | $900.42 | $927.35 | $955.04 | $984.25 | $1,014.96 |
| **Total Annual Bill** | **$1,578.14** | **$1,640.68** | **$1,706.18** | **$1,774.66** | **$1,846.16** | **$1,902.01** | **$1,958.82** | **$2,017.35** | **$2,077.62** | **$2,140.38** | **$2,205.64** |
| **Total Monthly Bill** | **$131.51** | **$136.72** | **$142.18** | **$147.89** | **$153.85** | **$158.50** | **$163.24** | **$168.11** | **$173.13** | **$178.36** | **$183.80** |
| **% Increase - Total Annual Bill** | | 4.0% | 4.0% | 4.0% | 4.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| **$ Increase - Total Annual Bill** | | $62.55 | $65.50 | $68.48 | $71.50 | $55.85 | $56.81 | $58.53 | $60.27 | $62.76 | $65.26 |
| **$ Increase - Monthly Bill** | | $5.21 | $5.46 | $5.71 | $5.96 | $4.65 | $4.73 | $4.88 | $5.02 | $5.23 | $5.44 |

# Chapter 9
# Recommendations

# 9. Recommendations

As presented within this report, capital and operating expenditures have been identified and projected over a 10-year forecast period for water and wastewater services. Updated rates have been calculated to fund the increased capital and operating expenditures. Based on the analysis in this report, the following recommendations are provided for Council's consideration:

1. That Council provide for the recovery of all water and wastewater service costs through full cost recovery rates and maintain reserve funds for water and wastewater services;

2. That Council considers the capital plans for water and wastewater services as provided in Tables A-1 and B-1 of the Appendix, and the recommended capital financing plan as set out in Tables 5-2 and 5-3.

3. That Council consider the 2026 to 2035 water and wastewater rates as shown in Chapter 8 for implementation; and

4. That Council approve the Rate Study and Water Financial Plan required under O. Reg. 453/07.

# Appendices

# Appendix A
## Detailed Water Rate Calculations

# Table A-1
# Capital Budget Forecast (Uninflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| **Treatment** | | | | | | | | | | | |
| Lindsay WTP Actiflo System | 194,000 | 194,000 | | | | | | | | | |
| Fenelon Falls WTP Process Piping and Values | 150,000 | 150,000 | | | | | | | | | |
| Kingsview Estates WTP | 388,000 | 388,000 | | | | | | | | | |
| Birch Point WTP Roof | 45,000 | 45,000 | | | | | | | | | |
| Birch Point WTP Flow Meters | 50,000 | 50,000 | | | | | | | | | |
| Mariposa Estates WTP Wells #1 and #2 | 250,000 | 250,000 | | | | | | | | | |
| King's Bay WTP High-Lift Pump | 90,000 | 90,000 | | | | | | | | | |
| Victoria Place WTP Interior Piping and Valves | 243,000 | 243,000 | | | | | | | | | |
| Lindsay WTP High-Lift Pumping Room HVAC System | 230,000 | 230,000 | | | | | | | | | |
| Canadiana Shores WTP Well #3 | 230,000 | 230,000 | | | | | | | | | |
| Lindsay WTP Filter Media | 500,000 | 500,000 | | | | | | | | | |
| Norland WTP and Kinmount WTP High-Lift Pumps | 97,000 | 97,000 | | | | | | | | | |
| Southview Estates WTP Blower | 39,000 | 39,000 | | | | | | | | | |
| Fenelon Falls WTP High-Lift Pumps | 291,000 | 291,000 | | | | | | | | | |
| Bobcaygeon WTP Filter Tank | 485,000 | 485,000 | | | | | | | | | |
| Kingsview Estates WTP SCADA System and PLC | 194,000 | 194,000 | | | | | | | | | |
| Southview Estates WTP Filter Media | 50,000 | | 50,000 | | | | | | | | |
| Pleasant Point WTP Ultraviolet Light System | 100,000 | | 100,000 | | | | | | | | |
| Lindsay WTP Actiflo System | 800,000 | | 800,000 | | | | | | | | |
| Western Trent WTP High-Lift Pumps | 120,000 | | 120,000 | | | | | | | | |
| Lindsay WTP Motor Control Centres #1 and #2 | 130,000 | | 130,000 | | | | | | | | |
| Janetville WTP Raw Water Piping | 200,000 | | 200,000 | | | | | | | | |
| Fenelon Falls WTP Membrane Tank | 220,000 | | 220,000 | | | | | | | | |
| Kingsview Estates WTP | 471,000 | | 471,000 | | | | | | | | |
| Lindsay WTP High-Lift Pump Piping and Coating | 50,000 | | | 50,000 | | | | | | | |
| Lindsay WTP Motor Control Centre #1 | 400,000 | | | 400,000 | | | | | | | |
| Fenelon Falls WTP Process Piping and Values | 350,000 | | | 350,000 | | | | | | | |
| Manorview WTP Ultraviolet Light System | 100,000 | | | 100,000 | | | | | | | |
| Sonya WTP High-Lift Pumps | 60,000 | | | | 60,000 | | | | | | |
| Manilla WTP High-Lift Pumps and VFDs | 100,000 | | | | 100,000 | | | | | | |
| Lindsay WTP Submersible Effluent Pumps | 70,000 | | | | 70,000 | | | | | | |
| Lindsay WTP High-Lift Pump Piping and Coating | 100,000 | | | | 100,000 | | | | | | |
| Lindsay WTP Interior and Exterior Coatings and Paint | 325,000 | | | | 325,000 | | | | | | |
| Lindsay WTP Low-Lift Pump #3 | 90,000 | | | | 90,000 | | | | | | |
| Mariposa Estates WTP Nitrate Removal System | 65,000 | | | | | 65,000 | | | | | |
| Lindsay WTP High-Lift Pump #1 | 90,000 | | | | | 90,000 | | | | | |
| Water Treatment Allowance | 1,500,000 | | | | | 1,500,000 | | | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | 1,700,000 | | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | 1,700,000 | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | | 1,700,000 | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | | | 1,700,000 | |
| Water Treatment Allowance | 1,675,000 | | | | | | | | | | 1,675,000 |
| **Vertical Distribution** | - | | | | | | | | | | |
| Lindsay Water Tower Climbing Structure and Railing | 80,000 | 80,000 | | | | | | | | | |
| Thornhill Reservoir Piping, Valves and Flow Meters | 325,000 | 325,000 | | | | | | | | | |
| Thornhill Reservoir HVAC System and Chemical Room | 525,000 | 525,000 | | | | | | | | | |
| Lindsay Water Tower Climbing Structure and Railing | 200,000 | | 200,000 | | | | | | | | |
| Vertical Distribution and Collection Allowance | 200,000 | | | 200,000 | | | | | | | |
| Thornhill Reservoir Booster Pumps #2 and #3 | 120,000 | | | | 120,000 | | | | | | |
| Vertical Distribution and Collection Allowance | 150,000 | | | | 150,000 | | | | | | |
| Vertical Distribution and Collection Allowance | 750,000 | | | | | 750,000 | | | | | |

# Table A-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | 418,500 | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | | 418,500 | | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | 419,000 | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | 419,000 | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | | 419,000 |
| **Horizontal Distribution** | - | | | | | | | | | | |
| Doble Dr. and Bruce St. Watermains | 100,000 | 100,000 | | | | | | | | | |
| Angeline St. Mains - Kent St. to Colborne St. | 62,500 | 62,500 | | | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 50,000 | 50,000 | | | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 62,500 | 62,500 | | | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 50,000 | 50,000 | | | | | | | | | |
| Lindsay St. Mains - Russell St. to Glenelg St. | 50,500 | 50,500 | | | | | | | | | |
| CKL Rd. 121 Mains - Helen St. to 240m South of West St. | 75,000 | 75,000 | | | | | | | | | |
| Bolton St. and Main St. Bridges Watermain Heat Tracers | 450,000 | 450,000 | | | | | | | | | |
| Riverview Rd. Mains - County Rd. 36 to Logie St. | 1,047,000 | 1,047,000 | | | | | | | | | |
| Huron St. Watermain - Russell St. to Durham St. | 970,000 | 970,000 | | | | | | | | | |
| St. George St. Mains - Queen St. to Colborne St. | 969,500 | 969,500 | | | | | | | | | |
| St. Patrick St. Mains - Queen St. to North End | 2,186,000 | 2,186,000 | | | | | | | | | |
| Murray St. Mains - Elliot St. to Green St. | 663,000 | 663,000 | | | | | | | | | |
| Elliot St. Watermain - Lindsay St. to Clifton St. | 1,061,000 | 1,061,000 | | | | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 50,000 | | 50,000 | | | | | | | | |
| John St. and Crandall St. Mains | 50,000 | | 50,000 | | | | | | | | |
| Durham St. Mains - Lindsay St. to Georgian St. | 62,500 | | 62,500 | | | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 87,500 | | 87,500 | | | | | | | | |
| Colborne St. Mains - Adelaide St. to Charles St. | 1,600,000 | | 1,600,000 | | | | | | | | |
| Lindsay St. Watermain - Russell St. to Glenelg St. | 300,000 | | 300,000 | | | | | | | | |
| Dunn St. Mains - CKL Rd. 49 to Balaclava St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| John St. Mains - Front St. to Prince St. | 600,000 | | 600,000 | | | | | | | | |
| Duke St. Mains - Main St. to North St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| Joseph St. Mains - Main St. to Duke St. | 900,000 | | 900,000 | | | | | | | | |
| Queen St. Mains - Joseph St. to West End | 700,000 | | 700,000 | | | | | | | | |
| Prince St. Mains - Main St. to Head St. | 1,000,000 | | 1,000,000 | | | | | | | | |
| Lindsay Water System Valve Chambers | 500,000 | | 500,000 | | | | | | | | |
| Adelaide St. Mains - Kent St. to Colborne St. | 62,500 | | | 62,500 | | | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 25,000 | | | 25,000 | | | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 25,000 | | | 25,000 | | | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 25,000 | | | 25,000 | | | | | | | |
| Duke St. Mains - Division St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| Wolfe St. Mains - Mary St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| William St. Mains - Peel St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Doble Dr. and Bruce St. Watermains | 1,553,000 | | | 1,553,000 | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 1,293,000 | | | 1,293,000 | | | | | | | |
| William St. Mains - Colborne St. to Olympia Ct. | 1,645,000 | | | 1,645,000 | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 1,191,000 | | | 1,191,000 | | | | | | | |
| Angeline St. Mains - Broad St. to Colborne St. | 1,710,000 | | | 1,710,000 | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 564,500 | | | 564,500 | | | | | | | |
| CKL Rd. 121 Watermain - Helen St. to 240m South of West St. | 1,800,000 | | | 1,800,000 | | | | | | | |
| Morrison St. Watermain - Highway 35 to End | 150,000 | | | | 150,000 | | | | | | |
| Glenelg St. Mains - Victoria Ave. to Adelaide St. | 62,500 | | | | 62,500 | | | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 75,000 | | | | 75,000 | | | | | | |
| Water St. Mains - Glenelg St. to North End | 25,000 | | | | 25,000 | | | | | | |
| St. David St. Watermain - Riverview Rd. to Colborne St. | 125,000 | | | | 125,000 | | | | | | |
| Armour Ct. Mains - St. David St. to West End | 25,000 | | | | 25,000 | | | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 50,000 | | | | 50,000 | | | | | | |

# Table A-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| King St. Mains - St. David St. to County Rd. 36 | 50,000 | | | | 50,000 | | | | | | |
| Albert St. and Fleming College Watermains - Mary St. to Angeline St. | 150,000 | | | | 150,000 | | | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 50,000 | | | | 50,000 | | | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 50,000 | | | | 50,000 | | | | | | |
| Grills Rd. and Helen Cres. Watermains (Canadiana Shores) | 150,000 | | | | 150,000 | | | | | | |
| Kent St. Watermain - Victoria Ave. to Angeline St. | 2,215,000 | | | | 2,215,000 | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 842,500 | | | | 842,500 | | | | | | |
| John St. and Crandall St. Mains | 759,500 | | | | 759,500 | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 1,635,000 | | | | 1,635,000 | | | | | | |
| Durham St. Watermain - Lindsay St. to Georgian St. | 1,350,000 | | | | 1,350,000 | | | | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 62,500 | | | | | 62,500 | | | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | 50,000 | | | | | |
| James St. Watermain - Mary St. to South End | 100,000 | | | | | 100,000 | | | | | |
| Eglington St. Mains - Lindsay St. to William St. | 50,000 | | | | | 50,000 | | | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 50,000 | | | | | 50,000 | | | | | |
| Adelaide St. Watermain - Kent St. to Colborne St. | 1,420,000 | | | | | 1,420,000 | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 263,000 | | | | | 263,000 | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 500,000 | | | | | 500,000 | | | | | |
| William St. Watermain - Peel St. to Colborne St. | 1,135,000 | | | | | 1,135,000 | | | | | |
| Duke St. Mains - Division St. to Durham St. | 608,000 | | | | | 608,000 | | | | | |
| Wolfe St. Watermain - Mary St. to Durham St. | 1,200,000 | | | | | 1,200,000 | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 225,500 | | | | | 225,500 | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 763,000 | | | | | 763,000 | | | | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 100,000 | | | | | | 100,000 | | | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Sunset Ct. Mains - Angeline St. to East End | 50,000 | | | | | | 50,000 | | | | |
| Sussex St. Mains - Durham St. to Kent St. | 75,000 | | | | | | 75,000 | | | | |
| Morrison St. Watermain - Highway 35 to End | 420,000 | | | | | | 420,000 | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 1,669,000 | | | | | | 1,669,000 | | | | |
| Water St. Mains - Glenelg St. to North End | 476,000 | | | | | | 476,000 | | | | |
| St. David St. Watermain - Queen St. to Colborne St. | 1,118,000 | | | | | | 1,118,000 | | | | |
| Armour Ct. Mains - St. David St. to West End | 156,500 | | | | | | 156,500 | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 754,500 | | | | | | 754,500 | | | | |
| Albert St. and Fleming College Watermains - Mary St. to Angeline St. | 2,010,000 | | | | | | 2,010,000 | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 763,500 | | | | | | 763,500 | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 600,000 | | | | | | 600,000 | | | | |
| Grills Rd. and Helen Cres. Watermains (Canadiana Shores) | 1,950,000 | | | | | | 1,950,000 | | | | |
| Henry St. Mains - Adelaide St. to Jane St. | 50,000 | | | | | | | 50,000 | | | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 50,000 | | | | | | | 50,000 | | | |
| Main Replacement Allowance | 244,000 | | | | | | | 244,000 | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 1,100,000 | | | | | | | 1,100,000 | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 575,500 | | | | | | | 575,500 | | | |
| James St. Watermain - Mary St. to South End | 402,000 | | | | | | | 402,000 | | | |
| Eglington St. Mains - Lindsay St. to William St. | 366,500 | | | | | | | 366,500 | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 774,000 | | | | | | | 774,000 | | | |
| King St. Mains - St. David St. to County Rd. 36 | 1,404,500 | | | | | | | 1,404,500 | | | |
| St. David St. Watermain - Riverview Rd. to Queen St. | 568,000 | | | | | | | 568,000 | | | |
| Main Replacement Allowance | 394,500 | | | | | | | | 394,500 | | |
| Sussex St. Watermain - Durham St. to Kent St. | 1,285,000 | | | | | | | | 1,285,000 | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 1,967,000 | | | | | | | | 1,967,000 | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 561,500 | | | | | | | | 561,500 | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 571,500 | | | | | | | | 571,500 | | |
| Sunset Ct. Mains - Angeline St. to East End | 403,000 | | | | | | | | 403,000 | | |
| Mary St. Mains - Lindsay St. to Albert St. | 1,650,500 | | | | | | | | 1,650,500 | | |

# Table A-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Main Replacement Allowance | 500,000 | | | | | | | | | 500,000 | |
| Henry St. Mains - Adelaide St. to Jane St. | 231,500 | | | | | | | | | 231,500 | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 700,000 | | | | | | | | | 700,000 | |
| Main Replacement Allowance | 2,750,000 | | | | | | | | | 2,750,000 | |
| Main Replacement Allowance | 409,500 | | | | | | | | | | 409,500 |
| Main Replacement Allowance | 4,950,000 | | | | | | | | | | 4,950,000 |
| **Studies and Special Projects** | - | | | | | | | | | | |
| SCADA Systems - Phase 5 of 8 | 821,520 | 821,520 | | | | | | | | | |
| Water Meters for All Water Systems - Phase 5 of 5 | 320,650 | 320,650 | | | | | | | | | |
| Lindsay WTP Interior and Exterior Coatings and Paint | 130,000 | | 130,000 | | | | | | | | |
| SCADA Systems - Phase 6 of 8 | 966,000 | | 966,000 | | | | | | | | |
| SCADA Systems - Phase 7 of 8 | 840,000 | | | 840,000 | | | | | | | |
| SCADA Systems - Phase 8 of 8 | 222,600 | | | | 222,600 | | | | | | |
| Fenelon Falls WTP Membrane Tank Assessment | 60,000 | 60,000 | | | | | | | | | |
| Lindsay Water System Valve Chambers Assessment | 200,000 | 200,000 | | | | | | | | | |
| Lindsay WTP Filter Coating and Drain Assessment | 70,000 | 70,000 | | | | | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | 100,000 | | | | | | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | 30,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | 100,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | 100,000 | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | 100,000 | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | 100,000 | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | 100,000 | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | | | | | | 30,000 |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | | 100,000 |
| **Growth Related:** | - | | | | | | | | | | |
| **Treatment** | - | | | | | | | | | | |
| Lindsay WTP | - | | | | | | | | | | |
| EA | 2,000,000 | 1,000,000 | 1,000,000 | | | | | | | | |
| Phase 1 Design | 13,000,000 | | 4,333,333 | 4,333,333 | 4,333,333 | | | | | | |
| Phase 1 Construction | 250,000,000 | | | | | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | |
| Bobcaygeon WTP | - | | | | | | | | | | |
| EA | 683,000 | | 227,667 | 227,667 | 227,667 | | | | | | |
| Design | 4,095,000 | | | | 2,047,500 | 2,047,500 | | | | | |
| Construction | 63,473,000 | | | | | | 21,157,667 | 21,157,667 | 21,157,667 | | |
| Omemee Water System Supply and Storage | 1,100,000 | | | | | 1,100,000 | | | | | |
| Janetville Water System Supply and Storage | 1,500,000 | | | 1,500,000 | | | | | | | |
| **Vertical Distribution** | - | | | | | | | | | | |
| Northwest Lindsay Water Tower | - | | | | | | | | | | |
| EA | 100,000 | 50,000 | 50,000 | | | | | | | | |
| Design | 900,000 | | 300,000 | 300,000 | 300,000 | | | | | | |
| Construction | 13,950,000 | | | | | 4,650,000 | 4,650,000 | 4,650,000 | | | |
| Thornhill Rd. Reservoir | - | | | | | | | | | | |
| EA | 90,667 | 45,333 | 45,333 | | | | | | | | |
| Design | 813,000 | | 406,500 | 406,500 | | | | | | | |
| Construction | 12,602,000 | | | | | | 4,200,667 | 4,200,667 | 4,200,667 | | |
| Oakwood Reservoir | - | | | | | | | | | | |
| EA | 10,667 | 5,333 | 5,333 | | | | | | | | |
| Design | 95,000 | | 31,667 | 31,667 | 31,667 | | | | | | |
| Construction | 1,479,000 | | | | | 493,000 | 493,000 | 493,000 | | | |

# Table A-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Fenelon Falls Booster WPS | - | | | | | | | | | | |
| EA | 7,000 | 3,500 | 3,500 | | | | | | | | |
| Design | 42,000 | | | 21,000 | 21,000 | | | | | | |
| Construction | 651,000 | | | | | 325,500 | 325,500 | | | | |
| Fenelon Falls Water Tower or Reservoir | - | | | | | | | | | | |
| EA | 49,000 | 24,500 | 24,500 | | | | | | | | |
| Design | 291,000 | | | 145,500 | 145,500 | | | | | | |
| Construction | 4,511,000 | | | | | 1,503,667 | 1,503,667 | 1,503,667 | | | |
| **Horizontal Distribution** | - | | | | | | | | | | |
| Thunderbridge Rd. and Angeline St. Watermains - Springdale Dr. to New Water Tower | 1,530,000 | | | | 1,530,000 | | | | | | |
| St. Joseph Rd. Watermain - Colborne St. to Kent St. | 625,000 | | | | 625,000 | | | | | | |
| Kent St. Watermain - St. Joseph Rd. to Commerce Rd. | 145,000 | | | | 145,000 | | | | | | |
| Commerce Rd. Watermain - Kent St. to 275m South of Kent St. | 370,000 | | | | | 370,000 | | | | | |
| Glenelg St./Victoria Ave. Intersection Watermain | 25,000 | | | | | | 25,000 | | | | |
| Glenelg St. Watermain - Victoria Ave. to Sussex St. | 200,000 | | | | | | 200,000 | | | | |
| Glenelg St. Watermain - Sussex St. to Albert St. | 280,000 | | | | | | 280,000 | | | | |
| Glenelg St. Watermain - Albert St. to Adelaide St. | 420,000 | | | | | | 420,000 | | | | |
| Mary St. Watermain - Lindsay St. to Albert St. | 2,224,000 | | | | 2,224,000 | | | | | | |
| Mary St. Watermain - Albert St. to Angeline St. | 1,696,000 | | | | 1,696,000 | | | | | | |
| Lindsay Heights Development Watermain | 2,570,000 | | | | | | 2,570,000 | | | | |
| Angeline St. Watermain - Mary St. to Kent St. | 7,660,000 | | | | | | | | | | 7,660,000 |
| Dobson St. Watermain - Brock St. to Verulam Rd. | 574,000 | | | 574,000 | | | | | | | |
| North Bobcaygeon Watermain - North St./St. Joseph St. to Balaclava St./Hillview Dr. | 1,240,000 | | | | | | 1,240,000 | | | | |
| Boyd St., Navigators Tr., and Olde Forest Ln. Watermain - East St. to Island Bay Dr. | 681,000 | | | | | | | | 681,000 | | |
| King St. and Kingsway Dr. Watermain - Need St. to East St. | 340,000 | | | | | | | | 340,000 | | |
| Trail Easement Watermain - Squires Row to 294m Northeast of Squires Row | 360,000 | | | | | | | | 360,000 | | |
| Main St. and Boyd Island Twin Watermain - Bobcaygeon WTP to Front St. | 400,000 | | | | | | | | 400,000 | | |
| Balaclava St. Watermain - Hillview Dr. to Dunn St. | 290,000 | | | | | | | | 290,000 | | |
| Fenelon Trails Development Watermains | 2,400,000 | | | | | 2,400,000 | | | | | |
| #551 County Rd. 121 Development Watermain - #563 County Rd. 121 to Veteran's Way | 580,000 | | | | | 580,000 | | | | | |
| Colborne St. Watermain - Highway 35 to Highway 7 | 4,013,000 | | | | | | 4,013,000 | | | | |
| Highway 7 Watermain - Elm Tree Rd. to Chase Pl. | 377,000 | | | | | | 377,000 | | | | |
| Colborne St. Watermain - William St. to Scugog River | 200,000 | 200,000 | | | | | | | | | |
| **Studies and Special Projects** | - | | | | | | | | | | |
| Omemee Water System Supply and Storage Assessment | 100,000 | 100,000 | | | | | | | | | |
| Water Master Plan | 550,000 | | | | | | | | 550,000 | | |
| **Total Capital Expenditures** | **499,952,603** | **15,103,837** | **18,064,833** | **19,573,667** | **22,428,767** | **72,431,667** | **103,916,500** | **89,758,000** | **87,031,333** | **56,400,500** | **15,243,500** |

## Table A-2
## Capital Budget Forecast and Recommended Capital Financing (Inflated $) – Water

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| Treatment | 20,286,000 | 3,583,000 | 2,218,000 | 983,000 | 840,000 | 1,918,000 | 2,030,000 | 2,091,000 | 2,154,000 | 2,218,000 | 2,251,000 |
| Vertical Distribution | 5,218,000 | 958,000 | 212,000 | 219,000 | 304,000 | 869,000 | 500,000 | 515,000 | 531,000 | 547,000 | 563,000 |
| Horizontal Distribution | 84,354,000 | 8,032,000 | 8,752,000 | 11,031,000 | 8,737,000 | 7,451,000 | 12,231,000 | 6,806,000 | 8,657,000 | 5,455,000 | 7,202,000 |
| Studies and Special Projects | 4,785,000 | 1,516,000 | 1,163,000 | 918,000 | 364,000 | 151,000 | 119,000 | 123,000 | 127,000 | 130,000 | 174,000 |
| **Growth Related:** | | | | | | | | | | | |
| Treatment | 410,464,000 | 1,030,000 | 5,900,000 | 6,623,000 | 7,437,000 | 61,613,000 | 84,966,000 | 87,515,000 | 90,141,000 | 65,239,000 | - |
| Vertical Distribution | 42,689,000 | 133,000 | 920,000 | 989,000 | 562,000 | 8,083,000 | 13,341,000 | 13,340,000 | 5,321,000 | - | - |
| Horizontal Distribution | 35,531,000 | 206,000 | - | 627,000 | 7,000,000 | 3,883,000 | 10,897,000 | - | 2,624,000 | - | 10,294,000 |
| Studies and Special Projects | 800,000 | 103,000 | - | - | - | - | - | - | 697,000 | - | - |
| **Total Capital Expenditures** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |
| **Capital Financing** | | | | | | | | | | | |
| Provincial/Federal Grants | 2,780,000 | 2,780,000 | | | | | | | | | |
| Developer Funded Costs | 5,839,077 | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | - |
| Development Charges Reserve Fund | 67,456,240 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Non-Growth Related Debenture Requirements | 65,754,298 | 6,003,644 | 2,818,442 | 8,890,341 | 6,569,587 | 5,643,080 | 11,239,421 | 4,540,134 | 7,052,092 | 4,434,827 | 8,562,731 |
| Growth Related Debenture Requirements | 410,620,346 | - | - | - | - | 33,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |
| Water Reserve | 51,677,038 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Total Capital Financing** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |

## Table A-3
## Schedule of Non-Growth-Related Debenture Repayments

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | - | - | - | - | - | - | - | - | - | - | - |
| 2026 | 6,003,644 | | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 |
| 2027 | 2,818,442 | | | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 |
| 2028 | 8,890,341 | | | | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 |
| 2029 | 6,569,587 | | | | | 379,920 | 379,920 | 379,920 | 379,920 | 379,920 | 379,920 |
| 2030 | 5,643,080 | | | | | | 326,340 | 326,340 | 326,340 | 326,340 | 326,340 |
| 2031 | 11,239,421 | | | | | | | 649,977 | 649,977 | 649,977 | 649,977 |
| 2032 | 4,540,134 | | | | | | | | 262,556 | 262,556 | 262,556 |
| 2033 | 7,052,092 | | | | | | | | | 407,823 | 407,823 |
| 2034 | 4,434,827 | | | | | | | | | | 256,466 |
| 2035 | 8,562,731 | | | | | | | | | | |
| **Total Annual Debt Charges** | **65,754,298** | **-** | **347,191** | **510,182** | **1,024,311** | **1,404,231** | **1,730,571** | **2,380,548** | **2,643,104** | **3,050,928** | **3,307,394** |

## Table A-4
## Schedule of Growth-Related Debenture Repayments

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | 4,332,990 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 |
| 2026 | - | | - | - | - | - | - | - | - | - | - |
| 2027 | - | | | - | - | - | - | - | - | - | - |
| 2028 | - | | | | - | - | - | - | - | - | - |
| 2029 | - | | | | | - | - | - | - | - | - |
| 2030 | 33,001,743 | | | | | | 1,908,494 | 1,908,494 | 1,908,494 | 1,908,494 | 1,908,494 |
| 2031 | 105,503,235 | | | | | | | 6,101,263 | 6,101,263 | 6,101,263 | 6,101,263 |
| 2032 | 100,855,000 | | | | | | | | 5,832,455 | 5,832,455 | 5,832,455 |
| 2033 | 98,388,760 | | | | | | | | | 5,689,832 | 5,689,832 |
| 2034 | 65,239,000 | | | | | | | | | | 3,772,778 |
| 2035 | 7,632,607 | | | | | | | | | | |
| **Total Annual Debt Charges** | **414,953,335** | **250,577** | **250,577** | **250,577** | **250,577** | **250,577** | **2,159,071** | **8,260,334** | **14,092,788** | **19,782,620** | **23,555,398** |

## Table A-5
## Water Reserve/Reserve Funds Continuity (Inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 8,565,542 | 7,359,737 | 5,725,339 | - | - | - | - | - | - | - | - |
| Transfer from Operating | 3,348,764 | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Capital | 4,698,877 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **7,215,428** | **5,613,077** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Interest | 144,309 | 112,262 | - | - | - | - | - | - | - | - | - |

## Table A-6
## Water Development Charges Reserve Fund Continuity (Inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 10,054,005 | 19,977,340 | 28,699,347 | 32,391,142 | 35,326,153 | 32,189,781 | 6,148,526 | 15,726,276 | 19,629,079 | 18,028,393 | 10,970,388 |
| Development Charge Proceeds | 9,678,052 | 9,968,319 | 10,267,466 | 10,575,495 | 10,892,749 | 11,219,657 | 11,556,249 | 11,902,985 | 12,260,178 | 12,627,975 | 13,006,687 |
| Transfer to Capital | - | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Transfer to Operating | 146,430 | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Closing Balance** | **19,585,627** | **28,136,615** | **31,756,021** | **34,633,483** | **31,558,609** | **6,027,967** | **15,417,918** | **19,244,195** | **17,674,895** | **10,755,283** | **306,320** |
| Interest | 391,713 | 562,732 | 635,120 | 692,670 | 631,172 | 120,559 | 308,358 | 384,884 | 353,498 | 215,106 | 6,126 |
| Required from Development Charges | 4,332,990 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 70,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |

Table A-7
Operating Budget Forecast (Inflated $) – Water

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Operating Costs | | | | | | | | | | |
| 71110 - Wages | 585,600 | 603,200 | 621,300 | 639,900 | 659,100 | 678,900 | 699,300 | 720,300 | 741,900 | 764,200 |
| 71115 - Overtime | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 |
| 71305 - Employment Insurance | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 |
| 71310 - Canada Pension Plan | 28,300 | 29,100 | 30,000 | 30,900 | 31,800 | 32,800 | 33,800 | 34,800 | 35,800 | 36,900 |
| 71315 - Employer Health Tax | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 | 13,800 | 14,200 | 14,600 | 15,000 |
| 71320 - Omers Pension | 59,200 | 61,000 | 62,800 | 64,700 | 66,600 | 68,600 | 70,700 | 72,800 | 75,000 | 77,300 |
| 71325 - Group Benefits | 61,400 | 63,200 | 65,100 | 67,100 | 69,100 | 71,200 | 73,300 | 75,500 | 77,800 | 80,100 |
| 72710 - Chemical Supplies | 900,700 | 927,700 | 955,500 | 984,200 | 1,013,700 | 1,044,100 | 1,075,400 | 1,107,700 | 1,140,900 | 1,175,100 |
| 72730 - Janitorial Supplies | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| 72745 - Maintenance Supplies | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 |
| 73010 - Hydro | 383,200 | 394,700 | 406,500 | 418,700 | 431,300 | 444,200 | 457,500 | 471,200 | 485,300 | 499,900 |
| 73015 - Natural Gas | 26,800 | 27,600 | 28,400 | 29,300 | 30,200 | 31,100 | 32,000 | 33,000 | 34,000 | 35,000 |
| 73090 - Diesel - for Generator | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 | 7,500 | 7,700 | 7,900 | 8,100 |
| 73205 - Material Supplies | 108,200 | 111,400 | 114,700 | 118,100 | 121,600 | 125,200 | 129,000 | 132,900 | 136,900 | 141,000 |
| 74150 - Other Contracted Services | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 |
| 74305 - Contract Allocation | 752,100 | 774,700 | 797,900 | 821,800 | 846,500 | 871,900 | 898,100 | 925,000 | 952,800 | 981,400 |
| 74330 - Janitorial Cleaning | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 |
| 74331 - Contracted Mat Services | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| 74515 - Water Supply | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 |
| 74520 - SCADA Programming | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 | 3,000 |
| 74810 - Building Maintenance and Repai | 31,900 | 32,900 | 33,900 | 34,900 | 35,900 | 37,000 | 38,100 | 39,200 | 40,400 | 41,600 |
| 74920 - Grounds Maintenance | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 |
| 74945 - Contracted Snow Plowing | 110,700 | 114,000 | 117,400 | 120,900 | 124,500 | 128,200 | 132,000 | 136,000 | 140,100 | 144,300 |
| 78550 - City Property Tax | 68,800 | 70,900 | 73,000 | 75,200 | 77,500 | 79,800 | 82,200 | 84,700 | 87,200 | 89,800 |
| 72520 - Telecommunications | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 74510 - Contracted OCWA Costs | 3,706,800 | 3,818,000 | 3,932,500 | 4,050,500 | 4,172,000 | 4,297,200 | 4,426,100 | 4,558,900 | 4,695,700 | 4,836,600 |
| 74512 - OCWA Additional Charges | 248,400 | 255,900 | 263,600 | 271,500 | 279,600 | 288,000 | 296,600 | 305,500 | 314,700 | 324,100 |
| 74250 - Telecommunication Data Lines | 5,600 | 5,800 | 6,000 | 6,200 | 6,400 | 6,600 | 6,800 | 7,000 | 7,200 | 7,400 |
| Adjusted Water Administration Expenditures | 2,424,800 | 2,497,500 | 2,572,400 | 2,649,600 | 2,729,100 | 2,811,000 | 2,895,300 | 2,982,200 | 3,071,700 | 3,163,900 |
| Incremental Operating Costs Related to New Development | | | | | | | | | | |
| Bobcaygeon WTP | | | | | | | | | 1,243,500 | 1,280,800 |
| Northwest Lindsay Water Tower | | | | | | | | 147,800 | 152,200 | 156,800 |
| Thornhill Rd Reservoir | | | | | | | | 240,300 | 247,500 | 254,900 |
| Oakwood Reservoir | | | | | | | | 267,300 | 275,300 | 283,600 |
| Fenelon Falls Booster WPS | | | | | | | 221,800 | 228,500 | 235,400 | 242,500 |
| **Sub Total Operating** | **9,621,900** | **9,910,700** | **10,207,900** | **10,514,300** | **10,829,700** | **11,154,600** | **11,710,900** | **12,717,700** | **14,342,600** | **14,772,900** |

Table A-7 (cont'd)
Operating Budget Forecast (Inflated $) – Water

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Capital-Related | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 |
| Existing Debt (Interest) - Growth Related | 37,403 | 34,295 | 31,276 | 28,081 | 24,974 | 21,866 | 18,813 | 15,654 | 12,545 | 9,437 |
| New Growth Related Debt (Principal) | 77,258 | 80,348 | 83,562 | 86,904 | 90,381 | 682,420 | 2,590,850 | 4,492,739 | 6,426,730 | 7,847,017 |
| New Growth Related Debt (Interest) | 173,320 | 170,229 | 167,015 | 163,673 | 160,197 | 1,476,651 | 5,669,484 | 9,600,050 | 13,355,891 | 15,708,382 |
| Existing Debt (Principal) - Non-Growth Related | 2,334,303 | 2,241,513 | 2,072,259 | 1,941,323 | 1,628,278 | 1,481,333 | 1,435,313 | 1,291,468 | 1,128,085 | 1,071,765 |
| Existing Debt (Interest) - Non-Growth Related | 890,246 | 864,824 | 844,497 | 774,073 | 709,460 | 641,171 | 585,090 | 525,698 | 468,801 | 416,334 |
| New Non-Growth Related Debt (Principal) | - | 107,046 | 161,580 | 326,559 | 456,758 | 575,645 | 799,071 | 911,985 | 1,074,204 | 1,196,245 |
| New Non-Growth Related Debt (Interest) | - | 240,146 | 348,602 | 697,752 | 947,473 | 1,154,926 | 1,581,477 | 1,731,120 | 1,976,724 | 2,111,149 |
| Transfer to Capital - Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Transfer to Capital Reserve | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Sub Total Capital Related** | **7,234,001** | **7,645,540** | **8,368,988** | **8,522,982** | **12,446,616** | **13,481,276** | **17,780,883** | **23,485,781** | **28,464,071** | **32,754,910** |
| **Total Expenditures** | **16,855,901** | **17,556,240** | **18,576,888** | **19,037,282** | **23,276,316** | **24,635,876** | **29,491,783** | **36,203,481** | **42,806,671** | **47,527,810** |
| **Revenues** | | | | | | | | | | |
| Base Charge | 6,291,113 | 6,558,470 | 6,835,810 | 7,123,481 | 7,421,842 | 7,731,265 | 8,052,134 | 8,384,845 | 8,729,808 | 9,087,446 |
| 44815 - Building/Property Rental | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 |
| 45830 - Water Connection Fee | 12,400 | 12,800 | 13,200 | 13,600 | 14,000 | 14,400 | 14,800 | 15,200 | 15,700 | 16,200 |
| 45860 - Bulk Water Sales | 271,600 | 279,700 | 288,100 | 296,700 | 305,600 | 314,800 | 324,200 | 333,900 | 343,900 | 354,200 |
| 45885 - Other Water User Charges | 36,100 | 37,200 | 38,300 | 39,400 | 40,600 | 41,800 | 43,100 | 44,400 | 45,700 | 47,100 |
| 48180 - Recoveries - Other | 8,200 | 8,400 | 8,700 | 9,000 | 9,300 | 9,600 | 9,900 | 10,200 | 10,500 | 10,800 |
| 76150 - Long Term Debt Interest | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| 77150 - Debt Principal Payments | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 |
| 78250 - Community Wells | 90,200 | 92,900 | 95,700 | 98,600 | 101,600 | 104,600 | 107,700 | 110,900 | 114,200 | 117,600 |
| Adjusted Water Administration Revenues | 153,100 | 157,700 | 162,400 | 167,300 | 172,300 | 177,500 | 182,800 | 188,300 | 193,900 | 199,700 |
| Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Contributions from Development Charges Reserve | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Total Operating Revenue** | **7,281,213** | **7,562,862** | **8,148,802** | **8,158,159** | **11,926,512** | **12,798,380** | **17,146,200** | **23,329,007** | **29,382,092** | **33,531,501** |
| **Water Billing Recovery - Operating** | **9,574,689** | **9,993,378** | **10,428,086** | **10,879,124** | **11,349,803** | **11,837,496** | **12,345,583** | **12,874,474** | **13,424,579** | **13,996,308** |

Table A-8
Water Rate Forecast

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charge:** | | | | | | | | | | | |
| 5/8" - 3/4" | $33.52 | $34.45 | $35.40 | $36.38 | $37.39 | $38.43 | $39.49 | $40.58 | $41.71 | $42.86 | $44.05 |
| 1" | $43.61 | $44.82 | $46.06 | $47.33 | $48.64 | $49.99 | $51.38 | $52.80 | $54.26 | $55.76 | $57.31 |
| 1 ½" | $56.07 | $57.62 | $59.22 | $60.86 | $62.54 | $64.28 | $66.06 | $67.88 | $69.76 | $71.70 | $73.68 |
| 2" | $90.32 | $92.82 | $95.39 | $98.03 | $100.75 | $103.54 | $106.40 | $109.35 | $112.38 | $115.49 | $118.69 |
| 3" | $342.62 | $352.11 | $361.86 | $371.88 | $382.18 | $392.76 | $403.64 | $414.81 | $426.30 | $438.11 | $450.24 |
| 4" | $436.05 | $448.13 | $460.53 | $473.29 | $486.39 | $499.86 | $513.71 | $527.93 | $542.55 | $557.57 | $573.02 |
| 6" | $654.05 | $672.16 | $690.78 | $709.90 | $729.56 | $749.77 | $770.53 | $791.87 | $813.79 | $836.33 | $859.49 |
| 8" | $903.20 | $928.21 | $953.92 | $980.33 | $1,007.48 | $1,035.38 | $1,064.05 | $1,093.52 | $1,123.80 | $1,154.92 | $1,186.90 |
| **Percentage Increase** | | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** |
| **Volumetric Charge:** | | | | | | | | | | | |
| Rate per m3 | $ 3.14 | $ 3.24 | $ 3.34 | $ 3.45 | $ 3.56 | $ 3.68 | $ 3.79 | $ 3.91 | $ 4.04 | $ 4.17 | $ 4.30 |
| **Percentage Increase** | | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** |

# Appendix B
## Detailed Wastewater Rate Calculations

# Table B-1
# Capital Budget Forecast (Uninflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | - | | | | | | | | | | |
| **Treatment** | - | | | | | | | | | | |
| Kingsview Estates WPCP | 243,000 | 243,000 | | | | | | | | | |
| Lindsay WPCP Actiflo Actuator | 40,000 | 40,000 | | | | | | | | | |
| Lindsay WPCP Scum Pump | 50,000 | 50,000 | | | | | | | | | |
| Lindsay WPCP Actiflo Mixer | 100,000 | 100,000 | | | | | | | | | |
| Lindsay WPCP Ultraviolet Light Modules | 1,000,000 | 1,000,000 | | | | | | | | | |
| King's Bay WPCP Influent and Effluent Pumps | 65,000 | 65,000 | | | | | | | | | |
| King's Bay WPCP Rotating Biological Contactor Covers | 140,000 | 140,000 | | | | | | | | | |
| Bobcaygeon WPCP Bar Screen | 500,000 | 500,000 | | | | | | | | | |
| Fenelon Falls WPCP Oxidation Rotor | 200,000 | 200,000 | | | | | | | | | |
| Fenelon Falls WPCP Entrance and Driveway | 80,000 | 80,000 | | | | | | | | | |
| Kingsview Estates WPCP SCADA System and PLC | 194,000 | 194,000 | | | | | | | | | |
| Omemee WPCP Lagoon Air Compressor | 50,000 | | 50,000 | | | | | | | | |
| King's Bay WPCP Influent and Effluent Pumps | 65,000 | | 65,000 | | | | | | | | |
| Kingsview Estates WPCP | 330,000 | | 330,000 | | | | | | | | |
| Lindsay WPCP Inlet and Grit Removal System | 160,000 | | | 160,000 | | | | | | | |
| Bobcaygeon WPCP Blowers #1, #2, #3 and #4 | 120,000 | | | 120,000 | | | | | | | |
| Omemee WPCP Lagoon Air Compressor | 150,000 | | | 150,000 | | | | | | | |
| Lindsay WPCP Inlet and Grit Removal System | 700,000 | | | | 700,000 | | | | | | |
| Bobcaygeon WPCP Motor Control Centre Transfer Switch | 400,000 | | | | 400,000 | | | | | | |
| Lindsay WPCP Lagoons #2 and #5 | 3,000,000 | | | | | 3,000,000 | | | | | |
| Lindsay WPCP Actiflo Pump | 150,000 | | | | | 150,000 | | | | | |
| Fenelon Falls WPCP Membranes | 1,000,000 | | | | | | 1,000,000 | | | | |
| Wastewater Treatment Allowance | 700,000 | | | | | | 700,000 | | | | |
| Wastewater Treatment Allowance | 1,700,000 | | | | | | | 1,700,000 | | | |
| Wastewater Treatment Allowance | 1,700,000 | | | | | | | | 1,700,000 | | |
| Wastewater Treatment Allowance | 1,700,000 | | | | | | | | | 1,700,000 | |
| Lindsay WPCP Lagoons #4 and #6 | 3,000,000 | | | | | | | | | | 3,000,000 |
| Coboconk WPCP Lagoon | 750,000 | | | | | | | | | | 750,000 |
| **Vertical Collection** | - | | | | | | | | | | |
| Coboconk SPS #2 | 200,000 | 200,000 | | | | | | | | | |
| Coboconk SPS #3 | 170,000 | | 170,000 | | | | | | | | |
| Vertical Distribution and Collection Allowance | 200,000 | | | 200,000 | | | | | | | |
| Vertical Distribution and Collection Allowance | 150,000 | | | | 150,000 | | | | | | |
| Vertical Distribution and Collection Allowance | 750,000 | | | | | 750,000 | | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | 418,500 | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | | 418,500 | | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | 419,000 | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | 419,000 | |
| Coboconk Lagoon Pumping Station Piping | 150,000 | | | | | | | | | | 150,000 |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | | 419,000 |
| **Horizontal Collection** | - | | | | | | | | | | |
| Angeline St. Mains - Kent St. to Colborne St. | 62,500 | 62,500 | | | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 50,000 | 50,000 | | | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 62,500 | 62,500 | | | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 50,000 | 50,000 | | | | | | | | | |
| Lindsay St. Mains - Russell St. to Glenelg St. | 50,500 | 50,500 | | | | | | | | | |
| CKL Rd. 121 Mains - Helen St. to 240m South of West St. | 75,000 | 75,000 | | | | | | | | | |
| Riverview Rd. Mains - County Rd. 36 to Logie St. | 1,047,000 | 1,047,000 | | | | | | | | | |
| Huron St. Sewer - Russell St. to Melbourne St. | 650,000 | 650,000 | | | | | | | | | |
| St. George St. Mains - Queen St. to Colborne St. | 969,500 | 969,500 | | | | | | | | | |
| St. Patrick St. Mains - Queen St. to North End | 2,186,000 | 2,186,000 | | | | | | | | | |

# Table B-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Colborne St. Sewer - MH105 to St. Paul St. | 350,000 | 350,000 | | | | | | | | | |
| Murray St. Mains - Elliot St. to Green St. | 663,000 | 663,000 | | | | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 50,000 | | 50,000 | | | | | | | | |
| John St. and Crandall St. Mains | 50,000 | | 50,000 | | | | | | | | |
| Durham St. Mains - Lindsay St. to Georgian St. | 62,500 | | 62,500 | | | | | | | | |
| Georgian St. Sewer - Durham St. to Ridout St. | 100,000 | | 100,000 | | | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 87,500 | | 87,500 | | | | | | | | |
| Adelaide St. Sewer - Mary St. to Auk Tr. | 100,000 | | 100,000 | | | | | | | | |
| Auk Trail Sewer - Adelaide St. to Angeline St. | 100,000 | | 100,000 | | | | | | | | |
| Colborne St. Mains - Adelaide St. to Charles St. | 1,600,000 | | 1,600,000 | | | | | | | | |
| Dunn St. Mains - CKL Rd. 49 to Balaclava St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| John St. Mains - Front St. to Prince St. | 600,000 | | 600,000 | | | | | | | | |
| Duke St. Mains - Main St. to North St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| Joseph St. Mains - Main St. to Duke St. | 900,000 | | 900,000 | | | | | | | | |
| Queen St. Mains - Joseph St. to West End | 700,000 | | 700,000 | | | | | | | | |
| Prince St. Mains - Main St. to Head St. | 1,000,000 | | 1,000,000 | | | | | | | | |
| Lindsay Gravity Sewers | 3,000,000 | | 3,000,000 | | | | | | | | |
| Adelaide St. Mains - Kent St. to Colborne St. | 62,500 | | | 62,500 | | | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 25,000 | | | 25,000 | | | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 25,000 | | | 25,000 | | | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 25,000 | | | 25,000 | | | | | | | |
| Division St. Sewer - Lindsay St. to East End | 100,000 | | | 100,000 | | | | | | | |
| Duke St. Mains - Division St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| Wolfe St. Mains - Mary St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| William St. Mains - Peel St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Francis St. Sewer - Colborne St. to Scugog River | 50,000 | | | 50,000 | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 1,293,000 | | | 1,293,000 | | | | | | | |
| William St. Sewer - Olympia Ct. to Orchard Park Rd. | 1,112,000 | | | 1,112,000 | | | | | | | |
| William St. Mains - Colborne St. to Olympia Ct. | 1,645,000 | | | 1,645,000 | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 1,191,000 | | | 1,191,000 | | | | | | | |
| Angeline St. Mains - Broad St. to Colborne St. | 1,710,000 | | | 1,710,000 | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 564,500 | | | 564,500 | | | | | | | |
| CKL Rd. 121 Sewer - Helen St. to Elliot St. | 150,000 | | | 150,000 | | | | | | | |
| CKL Rd. 121 Sewer - Victoria Rail Trail to 240m Wouth of West St. | 1,000,000 | | | 1,000,000 | | | | | | | |
| Glenelg St. Mains - Victoria Ave. to Adelaide St. | 62,500 | | | | 62,500 | | | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 75,000 | | | | 75,000 | | | | | | |
| Water St. Mains - Glenelg St. to North End | 25,000 | | | | 25,000 | | | | | | |
| Armour Ct. Mains - St. David St. to West End | 25,000 | | | | 25,000 | | | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 50,000 | | | | 50,000 | | | | | | |
| King St. Mains - St. David St. to County Rd. 36 | 50,000 | | | | 50,000 | | | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 50,000 | | | | 50,000 | | | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 50,000 | | | | 50,000 | | | | | | |
| Kent St. Sewer - Sussex St. to Angeline St. | 1,885,000 | | | | 1,885,000 | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 842,500 | | | | 842,500 | | | | | | |
| John St. and Crandall St. Mains | 759,500 | | | | 759,500 | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 1,635,000 | | | | 1,635,000 | | | | | | |
| Durham St. Sewer - Lindsay St. to Wolfe St. | 675,000 | | | | 675,000 | | | | | | |
| Durham St. Sewer - Huron St. to Georgian St. | 340,000 | | | | 340,000 | | | | | | |
| Georgian St. Sewer - Durham St. to Ridout St. | 1,422,000 | | | | 1,422,000 | | | | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 62,500 | | | | | 62,500 | | | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | 50,000 | | | | | |
| Eglington St. Mains - Lindsay St. to William St. | 50,000 | | | | | 50,000 | | | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 50,000 | | | | | 50,000 | | | | | |
| Adelaide St. Sewer - Kent St. to Chadwin Dr. | 1,200,000 | | | | | 1,200,000 | | | | | |

# Table B-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 263,000 | | | | | 263,000 | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 500,000 | | | | | 500,000 | | | | | |
| William St. Sewer - Peel St. to Bond St. | 568,000 | | | | | 568,000 | | | | | |
| William St. Sewer - Francis St. to Colborne St. | 284,000 | | | | | 284,000 | | | | | |
| Division St. Sewer - Lindsay St. to East End | 1,074,000 | | | | | 1,074,000 | | | | | |
| Duke St. Mains - Division St. to Durham St. | 608,000 | | | | | 608,000 | | | | | |
| Wolfe St. Sewer - Mary St. to George St. | 600,000 | | | | | 600,000 | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 225,500 | | | | | 225,500 | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 763,000 | | | | | 763,000 | | | | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 100,000 | | | | | | 100,000 | | | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Sunset Ct. Mains - Angeline St. to East End | 50,000 | | | | | | 50,000 | | | | |
| Sussex St. Mains - Durham St. to Kent St. | 75,000 | | | | | | 75,000 | | | | |
| Glenelg St. Sewer - Victoria Ave. to Adelaide St. | 1,449,000 | | | | | | 1,449,000 | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 1,669,000 | | | | | | 1,669,000 | | | | |
| Water St. Mains - Glenelg St. to North End | 476,000 | | | | | | 476,000 | | | | |
| Armour Ct. Mains - St. David St. to West End | 156,500 | | | | | | 156,500 | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 754,500 | | | | | | 754,500 | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 763,500 | | | | | | 763,500 | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 600,000 | | | | | | 600,000 | | | | |
| Henry St. Mains - Adelaide St. to Jane St. | 50,000 | | | | | | | 50,000 | | | |
| Durham St. Sewer - Lindsay St. to Cambridge St. | 100,000 | | | | | | | 100,000 | | | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 50,000 | | | | | | | 50,000 | | | |
| Sewer between Redwing St. and Orchard Park Rd. - Northlin Park Rd. to Victoria Ave. | 100,000 | | | | | | | 100,000 | | | |
| Main Replacement Allowance | 244,000 | | | | | | | 244,000 | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 1,100,000 | | | | | | | 1,100,000 | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 575,500 | | | | | | | 575,500 | | | |
| Eglington St. Mains - Lindsay St. to William St. | 366,500 | | | | | | | 366,500 | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 774,000 | | | | | | | 774,000 | | | |
| King St. Mains - St. David St. to County Rd. 36 | 1,404,500 | | | | | | | 1,404,500 | | | |
| Main Replacement Allowance | 394,500 | | | | | | | | 394,500 | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 1,967,000 | | | | | | | | 1,967,000 | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 561,500 | | | | | | | | 561,500 | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 571,500 | | | | | | | | 571,500 | | |
| Sunset Ct. Mains - Angeline St. to East End | 403,000 | | | | | | | | 403,000 | | |
| Mary St. Mains - Lindsay St. to Albert St. | 1,650,500 | | | | | | | | 1,650,500 | | |
| Main Replacement Allowance | 500,000 | | | | | | | | | 500,000 | |
| Henry St. Mains - Adelaide St. to Jane St. | 231,500 | | | | | | | | | 231,500 | |
| Durham St. Sewer - Lindsay St. to Cambridge St. | 851,000 | | | | | | | | | 851,000 | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 700,000 | | | | | | | | | 700,000 | |
| Sewer between Redwing St. and Orchard Park Rd. - Northlin Park Rd. to Victoria Ave. | 1,600,000 | | | | | | | | | 1,600,000 | |
| Main Replacement Allowance | 2,750,000 | | | | | | | | | 2,750,000 | |
| Main Replacement Allowance | 409,500 | | | | | | | | | | 409,500 |
| Main Replacement Allowance | 4,950,000 | | | | | | | | | | 4,950,000 |
| **Studies and Special Projects** | - | | | | | | | | | | |
| Omemee, Coboconk and King's Bay Gravity Sewers Extraneous Flows Assessment | 146,000 | 146,000 | | | | | | | | | |
| SCADA Systems - Phase 5 of 8 | 1,134,480 | 1,134,480 | | | | | | | | | |
| Water Meters for All Water Systems - Phase 5 of 5 | 262,350 | 262,350 | | | | | | | | | |
| SCADA Systems - Phase 6 of 8 | 1,334,000 | | 1,334,000 | | | | | | | | |
| Lindsay WPCP Lagoons Sludge Survey | 55,000 | | | 55,000 | | | | | | | |
| SCADA Systems - Phase 7 of 8 | 1,160,000 | | | 1,160,000 | | | | | | | |
| SCADA Systems - Phase 8 of 8 | 307,400 | | | | 307,400 | | | | | | |

# Table B-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | 100,000 | | | | | | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | 30,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | 100,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | 100,000 | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | 100,000 | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | 100,000 | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | 100,000 | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | | | | | | 30,000 |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | | 100,000 |
| **Growth Related:** | - | | | | | | | | | | |
| **Treatment** | - | | | | | | | | | | |
| Lindsay WPCP | - | | | | | | | | | | |
| EA | 1,333,333 | 666,667 | 666,667 | | | | | | | | |
| Phase 1 Design | 8,000,000 | | 2,666,667 | 2,666,667 | 2,666,667 | | | | | | |
| Phase 1 Construction | 120,000,000 | | | | | | 24,000,000 | 24,000,000 | 24,000,000 | 24,000,000 | 24,000,000 |
| Bobcaygeon WPCP | - | | | | | | | | | | |
| EA | 465,000 | | 155,000 | 155,000 | 155,000 | | | | | | |
| Design | 2,790,000 | | | | 1,395,000 | 1,395,000 | | | | | |
| Construction | 43,245,000 | | | | | | 14,415,000 | 14,415,000 | 14,415,000 | | |
| Fenelon Falls WPCP | - | | | | | | | | | | |
| EA | 204,000 | | 68,000 | 68,000 | 68,000 | | | | | | |
| Design | 1,224,000 | | | | 612,000 | 612,000 | | | | | |
| Construction | 18,972,000 | | | | | | 4,743,000 | 4,743,000 | 4,743,000 | 4,743,000 | |
| Omemee WPCP | - | | | | | | | | | | |
| **Vertical Collection** | - | | | | | | | | | | |
| Ridout St. SPS | - | | | | | | | | | | |
| EA | - | | | | | | | | | | |
| Design | - | | | | | | | | | | |
| Construction | 1,451,000 | 725,500 | 725,500 | | | | | | | | |
| Riverview (Barron Blvd.) SPS | - | | | | | | | | | | |
| EA | 5,000 | | | | 5,000 | | | | | | |
| Design | 28,000 | | | | | 28,000 | | | | | |
| Construction | 428,000 | | | | | | 214,000 | 214,000 | | | |
| Mary St. SPS and Forcemain | - | | | | | | | | | | |
| EA | 36,000 | | | 36,000 | | | | | | | |
| Design | 217,000 | | | | 217,000 | | | | | | |
| Construction | 3,357,000 | | | | | 1,678,500 | 1,678,500 | | | | |
| Logie St. SPS and Forcemain | - | | | | | | | | | | |
| EA | - | | | | | | | | | | |
| Design | - | | | | | | | | | | |
| Construction | 9,068,000 | 4,534,000 | 4,534,000 | | | | | | | | |
| Lindsay Fairgrounds SPS | - | | | | | | | | | | |
| EA | 8,000 | | | | | | | | 8,000 | | |
| Design | 49,000 | | | | | | | | | 49,000 | |
| Construction | 376,500 | | | | | | | | | | 376,500 |
| Front St. SPS | - | | | | | | | | | | |
| EA | - | | | | | | | | | | |
| Design | - | | | | | | | | | | |
| Construction | 1,646,000 | 823,000 | 823,000 | | | | | | | | |
| Anne St. SPS and Forcemain | - | | | | | | | | | | |
| EA | - | | | | | | | | | | |
| Design | - | | | | | | | | | | |
| Construction | 9,719,000 | 3,239,667 | 3,239,667 | 3,239,667 | | | | | | | |

# Table B-1 (cont'd)
# Capital Budget Forecast (Uninflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Colborne St. SPS and Forcemain | - | | | | | | | | | | |
| EA | 52,000 | | 26,000 | 26,000 | | | | | | | |
| Design | 313,000 | | | | 156,500 | 156,500 | | | | | |
| Construction | 4,845,000 | | | | | | 1,615,000 | 1,615,000 | 1,615,000 | | |
| Ellice St. SPS and Forcemain | - | | | | | | | | | | |
| EA | 96,000 | | 48,000 | 48,000 | | | | | | | |
| Design | 383,333 | | | | 191,667 | 191,667 | | | | | |
| Construction | 8,909,000 | | | | | | 2,969,667 | 2,969,667 | 2,969,667 | | |
| Francis St. SPS | - | | | | | | | | | | |
| EA | 15,000 | | 7,500 | 7,500 | | | | | | | |
| Design | 87,000 | | | | 43,500 | 43,500 | | | | | |
| Construction | 1,349,000 | | | | | | 449,667 | 449,667 | 449,667 | | |
| Lindsay St. North SPS Fencing | 70,000 | 70,000 | | | | | | | | | |
| Lindsay St. North SPS Pump #4 | 1,610,000 | | 1,610,000 | | | | | | | | |
| Rivera Park SPS Pumps #2 and #4 | 1,000,000 | | | | | 1,000,000 | | | | | |
| **Horizontal Collection** | - | | | | | | | | | | |
| Auk Trail Sewer - Angeline St. to Adelaide St. | 2,230,000 | | | | 2,230,000 | | | | | | |
| Adelaide St. Sewer - Auk Trail to Mary St. | 1,400,000 | | | | 1,400,000 | | | | | | |
| L.O.F. Dr. Sewer - #6 L.O.F. Dr. to Roundtree Rd. | 680,000 | | | | | | | | | 680,000 | |
| Lindsay St. Sewer - Russell St. to Glenelg St. | 1,118,000 | | 1,118,000 | | | | | | | | |
| Lindsay Heights Development Sewer | 6,720,000 | | | | | | 6,720,000 | | | | |
| Wolfe St. Sewer - George St. to Durham St. | 1,110,000 | | | | | 1,110,000 | | | | | |
| Durham St. Sewer - Wolfe St. to Huron St. | 860,000 | | | | 860,000 | | | | | | |
| Huron St. Sewer - Durham St. to Melbourne St. | 450,000 | 450,000 | | | | | | | | | |
| Albert St. Sewer - Mary St. to Durham St. | 2,784,000 | | | | | | | | | 2,784,000 | |
| Albert St./Durham St. Intersection Sewer | 186,000 | | | | | | | | | 186,000 | |
| Durham St. Sewer - Albert St. to Sussex St. | 1,370,000 | | | | | | | | | 1,370,000 | |
| Sussex St. Sewer - Durham St. to Glenelg St. | 1,930,000 | | | | | | | | 1,930,000 | | |
| Sussex St. Sewer - Glenelg St. to Kent St. | 1,590,000 | | | | | | | | 1,590,000 | | |
| Kent St. Sewer - Sussex St. to Victoria Ave. | 880,000 | | | | 880,000 | | | | | | |
| Victoria Ave. Sewer - Kent St. to Peel St. | 1,050,000 | | | | 1,050,000 | | | | | | |
| Victoria Ave. Sewer - Peel St. to Wellington St. | 1,050,000 | | | | | | | 1,050,000 | | | |
| Wellington St. Sewer - Victoria Ave. to Cambridge St. | 920,000 | | | | | | | 920,000 | | | |
| Cambridge St. Sewer - Wellington St. to Bond St. | 930,000 | | | | | | 930,000 | | | | |
| Bond St. Sewer - Cambridge St. to William St. | 1,340,000 | | | | | | 1,340,000 | | | | |
| William St. Sewer - Bond St. to Francis St. | 1,040,000 | | | | | 1,040,000 | | | | | |
| Francis St. Sewer - William St. to Scugog River | 600,000 | | | | | 600,000 | | | | | |
| Adelaide St. Sewer - Chadwin Dr. to Colborne St. | 635,000 | | | | | 635,000 | | | | | |
| Helen St. Sewer - Prince St. to #72 Helen St. | 600,000 | | | | | | | | | 600,000 | |
| Bond St. Sewer - Clifton St. to Kennedy Dr. | 770,000 | | | | | | | | | 770,000 | |
| Lindsay St. Sewer - Elliot St. to Victoria Rail Trail Easement | 1,400,000 | | | 1,400,000 | | | | | | | |
| Elliot St. Sewer - Lindsay St. to Clifton St. | 1,650,000 | 1,650,000 | | | | | | | | | |
| Carew Park Sewer - MH100A to MH103 | 250,000 | 250,000 | | | | | | | | | |
| **Studies and Special Projects** | - | | | | | | | | | | |
| Sewer Flow Monitoring Study | 400,000 | 400,000 | | | | | | | | | |
| Sewer Flow Monitoring Study | 400,000 | | | | | | 400,000 | | | | |
| Wastewater Master Plan | 550,000 | | | | | | | | 550,000 | | |
| **Total Capital Expenditures** | **374,265,897** | **23,379,663** | **28,387,000** | **18,644,833** | **21,534,233** | **18,818,167** | **67,886,833** | **57,359,333** | **60,037,333** | **44,033,500** | **34,185,000** |

## Table B-2
## Capital Budget Forecast and Recommended Capital Financing (Inflated $) – Wastewater

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| Treatment | 22,055,000 | 2,690,000 | 472,000 | 470,000 | 1,238,000 | 3,652,000 | 2,030,000 | 2,091,000 | 2,154,000 | 2,218,000 | 5,040,000 |
| Vertical Collection | 4,501,000 | 206,000 | 180,000 | 219,000 | 169,000 | 869,000 | 500,000 | 515,000 | 531,000 | 547,000 | 765,000 |
| Horizontal Collection | 80,194,000 | 6,404,000 | 11,405,000 | 10,003,000 | 8,942,000 | 7,301,000 | 7,396,000 | 5,859,000 | 7,029,000 | 8,653,000 | 7,202,000 |
| Studies and Special Projects | 5,615,000 | 1,589,000 | 1,415,000 | 1,328,000 | 459,000 | 151,000 | 119,000 | 123,000 | 127,000 | 130,000 | 174,000 |
| **Growth Related:** | | | | | | | | | | | |
| Treatment | 244,492,000 | 687,000 | 3,772,000 | 3,157,000 | 5,511,000 | 2,326,000 | 51,532,000 | 53,079,000 | 54,670,000 | 37,504,000 | 32,254,000 |
| Vertical Collection | 50,990,000 | 9,674,000 | 11,685,000 | 3,667,000 | 691,000 | 3,590,000 | 8,271,000 | 6,454,000 | 6,388,000 | 64,000 | 506,000 |
| Horizontal Collection | 42,242,000 | 2,422,000 | 1,186,000 | 1,530,000 | 7,226,000 | 3,925,000 | 10,734,000 | 2,422,000 | 4,459,000 | 8,338,000 | - |
| Studies and Special Projects | 1,587,000 | 412,000 | - | - | - | - | 478,000 | - | 697,000 | - | - |
| **Total Capital Expenditures** | **451,676,000** | **24,084,000** | **30,115,000** | **20,374,000** | **24,236,000** | **21,814,000** | **81,060,000** | **70,543,000** | **76,055,000** | **57,454,000** | **45,941,000** |
| **Capital Financing** | | | | | | | | | | | |
| Developer Funded Costs | 9,732,000 | - | 1,708,000 | - | - | - | 8,024,000 | - | - | - | - |
| Development Charges Reserve Fund | 6,940,000 | - | 6,940,000 | - | - | - | - | - | - | - | - |
| Non-Growth Related Debenture Requirements | 119,691,532 | 11,252,811 | 11,787,068 | 11,189,893 | 10,945,970 | 13,153,985 | 12,785,042 | 9,659,052 | 12,024,674 | 13,480,795 | 13,412,242 |
| Growth Related Debenture Requirements | 298,899,058 | 10,272,507 | 7,303,378 | 6,956,228 | 11,101,836 | 6,653,061 | 58,425,306 | 59,109,454 | 62,575,326 | 43,973,205 | 32,528,758 |
| Wastewater Reserve | 16,413,411 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,455,000 | - | - |
| **Total Capital Financing** | **451,676,000** | **24,084,000** | **30,115,000** | **20,374,000** | **24,236,000** | **21,814,000** | **81,060,000** | **70,543,000** | **76,055,000** | **57,454,000** | **45,941,000** |

## Table B-3
## Schedule of Non Growth-Related Debenture Repayments (Inflated $)

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | 919,672 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 | 53,185 |
| 2026 | 11,252,811 | | 650,751 | 650,751 | 650,751 | 650,751 | 650,751 | 650,751 | 650,751 | 650,751 | 650,751 |
| 2027 | 11,787,068 | | | 681,647 | 681,647 | 681,647 | 681,647 | 681,647 | 681,647 | 681,647 | 681,647 |
| 2028 | 11,189,893 | | | | 647,113 | 647,113 | 647,113 | 647,113 | 647,113 | 647,113 | 647,113 |
| 2029 | 10,945,970 | | | | | 633,007 | 633,007 | 633,007 | 633,007 | 633,007 | 633,007 |
| 2030 | 13,153,985 | | | | | | 760,696 | 760,696 | 760,696 | 760,696 | 760,696 |
| 2031 | 12,785,042 | | | | | | | 739,360 | 739,360 | 739,360 | 739,360 |
| 2032 | 9,659,052 | | | | | | | | 558,584 | 558,584 | 558,584 |
| 2033 | 12,024,674 | | | | | | | | | 695,388 | 695,388 |
| 2034 | 13,480,795 | | | | | | | | | | 779,596 |
| 2035 | 13,412,242 | | | | | | | | | | |
| **Total Annual Debt Charges** | **120,611,204** | 53,185 | 703,936 | 1,385,583 | 2,032,696 | 2,665,702 | 3,426,399 | 4,165,759 | 4,724,343 | 5,419,731 | 6,199,327 |

## Table B-4
## Schedule of Growth-Related Debenture Repayments (Inflated $)

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | 11,739,159 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 | 678,877 |
| 2026 | 10,272,507 | | 594,060 | 594,060 | 594,060 | 594,060 | 594,060 | 594,060 | 594,060 | 594,060 | 594,060 |
| 2027 | 7,303,378 | | | 422,355 | 422,355 | 422,355 | 422,355 | 422,355 | 422,355 | 422,355 | 422,355 |
| 2028 | 6,956,228 | | | | 402,279 | 402,279 | 402,279 | 402,279 | 402,279 | 402,279 | 402,279 |
| 2029 | 11,101,836 | | | | | 642,020 | 642,020 | 642,020 | 642,020 | 642,020 | 642,020 |
| 2030 | 6,653,061 | | | | | | 384,747 | 384,747 | 384,747 | 384,747 | 384,747 |
| 2031 | 58,425,306 | | | | | | | 3,378,741 | 3,378,741 | 3,378,741 | 3,378,741 |
| 2032 | 59,109,454 | | | | | | | | 3,418,306 | 3,418,306 | 3,418,306 |
| 2033 | 62,575,326 | | | | | | | | | 3,618,737 | 3,618,737 |
| 2034 | 43,973,205 | | | | | | | | | | 2,542,975 |
| 2035 | 32,528,758 | | | | | | | | | | |
| **Total Annual Debt Charges** | **310,638,216** | 678,877 | 1,272,937 | 1,695,292 | 2,097,571 | 2,739,591 | 3,124,339 | 6,503,080 | 9,921,385 | 13,540,123 | 16,083,098 |

## Table B-3
## Wastewater Reserve/Reserve Fund Continuity (Inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 5,766,301 | - | - | - | - | - | - | - | - | 359,637 | 273,695 |
| Transfer from Operating | 2,190,735 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,807,586 | - | - |
| Transfer to Capital | 7,957,036 | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,455,000 | | - |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | 91,309 | 273,065 |
| **Closing Balance** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **352,586** | **268,328** | **630** |
| Interest | - | - | - | - | - | - | - | - | 7,052 | 5,367 | 13 |

## Table B-4
## Wastewater Development Charges Reserve Fund Continuity (Inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | (6,682,114) | (1,551,781) | 3,208,757 | 605,037 | 4,827,514 | 8,962,271 | 12,768,674 | 16,509,116 | 17,134,548 | 14,550,513 | 8,495,044 |
| Development Charge Proceeds | 6,367,371 | 6,558,460 | 6,755,346 | 6,957,934 | 7,166,652 | 7,381,714 | 7,603,190 | 7,831,225 | 8,066,231 | 8,308,292 | 8,557,554 |
| Transfer to Capital | - | - | 6,940,000 | - | - | - | - | - | - | - | - |
| Transfer to Operating | 1,206,611 | 1,860,839 | 2,430,929 | 2,830,114 | 3,207,626 | 3,825,677 | 4,186,456 | 7,541,764 | 10,935,571 | 14,530,331 | 17,049,337 |
| **Closing Balance** | **(1,521,354)** | **3,145,840** | **593,174** | **4,732,857** | **8,786,540** | **12,518,308** | **16,185,408** | **16,798,577** | **14,265,209** | **8,328,474** | **3,261** |
| Interest | (30,427) | 62,917 | 11,863 | 94,657 | 175,731 | 250,366 | 323,708 | 335,972 | 285,304 | 166,569 | 65 |
| Required from Development Charges | 11,739,159 | 10,272,507 | 14,243,378 | 6,956,228 | 11,101,836 | 6,653,061 | 58,425,306 | 59,109,454 | 62,575,326 | 43,973,205 | 32,528,758 |

# Table B-5
# Operating Budget Forecast (Inflated $) – Wastewater

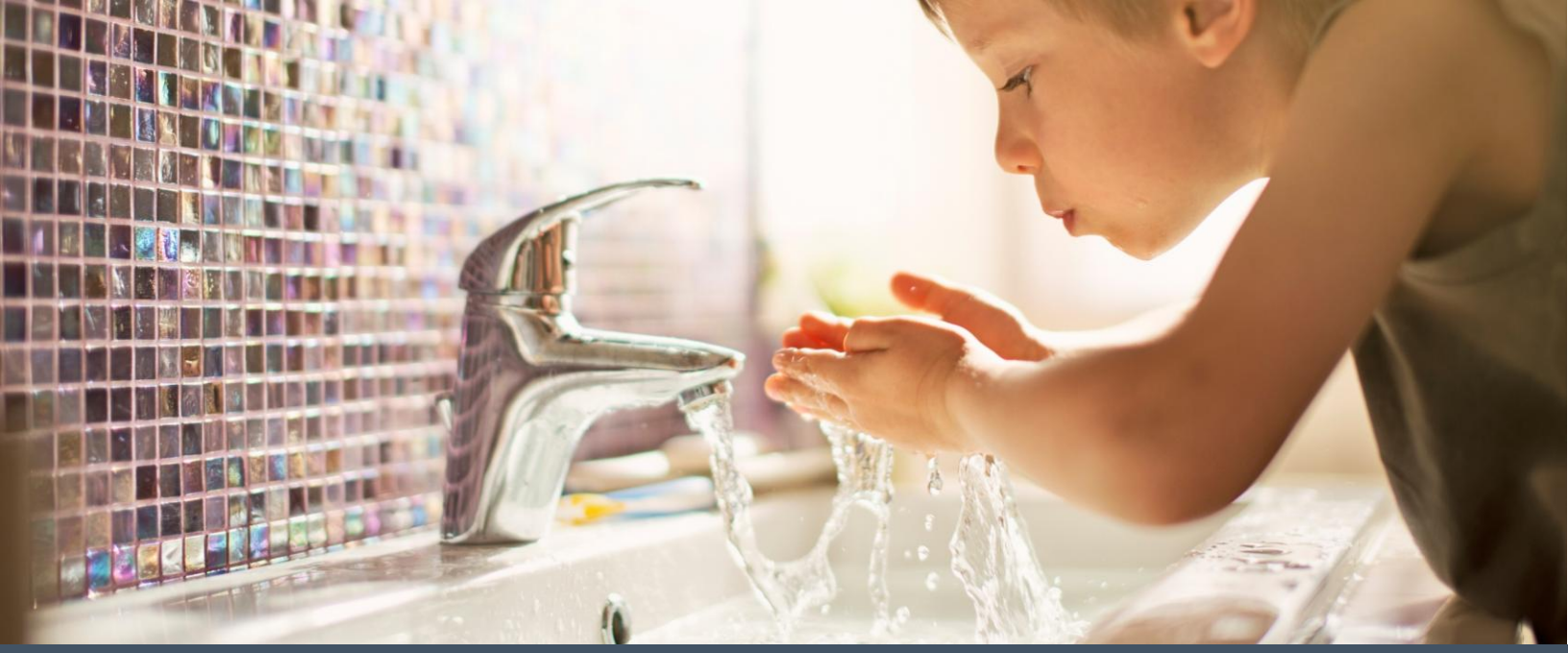
| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Operating Costs | | | | | | | | | | |
| 71110 - Wages | 28,100 | 28,900 | 29,800 | 30,700 | 31,600 | 32,500 | 33,500 | 34,500 | 35,500 | 36,600 |
| 71115 - Overtime | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 | 800 |
| 71305 - Employment Insurance | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| 71310 - Canada Pension Plan | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 | 1,400 |
| 71315 - Employer Health Tax | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| 71320 - Omers Pension | 2,800 | 2,900 | 3,000 | 3,100 | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 |
| 71325 - Group Benefits | 2,900 | 3,000 | 3,100 | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 | 3,800 |
| 72520 - Telecommunications | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 | 23,500 | 24,200 | 24,900 | 25,600 | 26,400 |
| 72730 - Janitorial Supplies | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| 73205 - Material Supplies | 4,400 | 4,500 | 4,600 | 4,700 | 4,800 | 4,900 | 5,000 | 5,200 | 5,400 | 5,600 |
| 74150 - Other Contracted Services | 803,800 | 827,900 | 852,700 | 878,300 | 904,600 | 931,700 | 959,700 | 988,500 | 1,018,200 | 1,048,700 |
| 74305 - Contract Allocation | 433,500 | 446,500 | 459,900 | 473,700 | 487,900 | 502,500 | 517,600 | 533,100 | 549,100 | 565,600 |
| 74330 - Janitorial Cleaning | 7,700 | 7,900 | 8,100 | 8,300 | 8,500 | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 |
| 74510 - Contracted OCWA Costs | 3,995,000 | 4,114,900 | 4,238,300 | 4,365,400 | 4,496,400 | 4,631,300 | 4,770,200 | 4,913,300 | 5,060,700 | 5,212,500 |
| 74512 - OCWA Additional Charges | 286,300 | 294,900 | 303,700 | 312,800 | 322,200 | 331,900 | 341,900 | 352,200 | 362,800 | 373,700 |
| 78550 - City Property Tax | 91,600 | 94,300 | 97,100 | 100,000 | 103,000 | 106,100 | 109,300 | 112,600 | 116,000 | 119,500 |
| Adjusted Wastewater Administration Expenditures | 808,300 | 832,500 | 857,500 | 883,200 | 909,700 | 937,000 | 965,100 | 994,100 | 1,023,900 | 1,054,600 |
| Incremental Operating Costs Related to New Development | | | | | | | | | | |
| Bobcaygeon WPCP | | | | | | | | | 1,777,700 | 1,831,000 |
| Omemee WPCP | 77,300 | 79,600 | 82,000 | 84,500 | 87,000 | 89,600 | 92,300 | 95,100 | 98,000 | 100,900 |
| Ridout St SPS | | | 14,200 | 14,600 | 15,000 | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 |
| Mary St. SPS and Forcemain | | | | | | | | 3,800 | 3,900 | 4,000 |
| Front St. SPS | | | 3,200 | 3,300 | 3,400 | 3,500 | 3,600 | 3,700 | 3,800 | 3,900 |
| Anne St. SPS and Forcemain | | | | 54,000 | 55,600 | 57,300 | 59,000 | 60,800 | 62,600 | 64,500 |
| Colborne St. SPS and Forcemain | | | | | | | | | 12,800 | 13,200 |
| Ellice St. SPS and Forcemain | | | | | | | | | 22,400 | 23,100 |
| Francis St. SPS | | | | | | | | | 21,100 | 21,700 |
| Highway #7 SPS and Forcemain | 51,500 | 53,000 | 54,600 | 56,200 | 57,900 | 59,600 | 61,400 | 63,200 | 65,100 | 67,100 |
| **Sub Total Operating** | **6,617,100** | **6,815,300** | **7,036,900** | **7,301,700** | **7,520,500** | **7,746,000** | **7,978,400** | **8,221,600** | **10,302,200** | **10,611,200** |

Table B-5 (cont'd)
Operating Budget Forecast (Inflated $) – Wastewater

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Capital-Related | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 | 848,334 |
| Existing Debt (Interest) - Growth Related | 333,628 | 309,658 | 286,488 | 261,721 | 237,751 | 213,783 | 190,350 | 165,851 | 141,874 | 117,905 |
| New Growth Related Debt (Principal) | 209,310 | 400,843 | 547,096 | 693,010 | 918,678 | 1,074,049 | 2,158,740 | 3,299,017 | 4,546,702 | 5,512,617 |
| New Growth Related Debt (Interest) | 469,566 | 872,094 | 1,148,196 | 1,404,561 | 1,820,914 | 2,050,289 | 4,344,339 | 6,622,368 | 8,993,420 | 10,570,480 |
| Existing Debt (Principal) - Non-Growth Related | 1,782,499 | 1,879,291 | 1,848,070 | 1,843,230 | 1,867,838 | 1,818,692 | 1,684,139 | 1,650,142 | 1,618,884 | 1,597,843 |
| Existing Debt (Interest) - Non-Growth Related | 871,419 | 896,134 | 1,015,122 | 1,045,869 | 1,021,934 | 952,522 | 879,244 | 817,974 | 753,185 | 690,675 |
| New Non-Growth Related Debt (Principal) | 16,398 | 217,692 | 436,565 | 653,544 | 874,854 | 1,144,385 | 1,418,119 | 1,647,065 | 1,927,349 | 2,244,807 |
| New Non-Growth Related Debt (Interest) | 36,787 | 486,243 | 949,018 | 1,379,152 | 1,790,849 | 2,282,014 | 2,747,640 | 3,077,277 | 3,492,382 | 3,954,520 |
| Transfer to Capital Reserve | 2,558,683 | 2,376,555 | 2,227,879 | 2,188,193 | 2,006,954 | 1,825,653 | 1,774,494 | 1,807,586 | | |
| **Sub Total Capital Related** | **7,126,624** | **8,286,844** | **9,306,769** | **10,317,614** | **11,388,105** | **12,209,722** | **16,045,400** | **19,935,615** | **22,322,131** | **25,537,182** |
| **Total Expenditures** | **13,743,724** | **15,102,144** | **16,343,669** | **17,619,314** | **18,908,605** | **19,955,722** | **24,023,800** | **28,157,215** | **32,624,331** | **36,148,382** |
| **Revenues** | | | | | | | | | | |
| Base Charge | 6,230,289 | 6,580,751 | 6,949,280 | 7,336,763 | 7,480,731 | 7,625,874 | 7,772,201 | 7,919,718 | 8,068,434 | 8,218,356 |
| 41660 - Waste Mngmt Collection Charges | 267,800 | 275,800 | 284,100 | 292,600 | 301,400 | 310,400 | 319,700 | 329,300 | 339,200 | 349,400 |
| 45930 - Sewer Connection | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 45985 - Other Wastewater User Charges | 334,800 | 344,800 | 355,100 | 365,800 | 376,800 | 388,100 | 399,700 | 411,700 | 424,100 | 436,800 |
| 43550 - Miscellaneous Revenue | 206,000 | 212,200 | 218,600 | 225,200 | 232,000 | 239,000 | 246,200 | 253,600 | 261,200 | 269,000 |
| Adjusted Wastewater Administration Revenues | 51,000 | 52,500 | 54,100 | 55,700 | 57,400 | 59,100 | 60,900 | 62,700 | 64,600 | 66,500 |
| Contributions from Development Charges Reserve Fund | 1,860,839 | 2,430,929 | 2,830,114 | 3,207,626 | 3,825,677 | 4,186,456 | 7,541,764 | 10,935,571 | 14,530,331 | 17,049,337 |
| Contributions from Reserves / Reserve Funds | - | - | - | - | - | - | - | - | 91,309 | 273,065 |
| **Total Operating Revenue** | **8,966,728** | **9,913,480** | **10,708,295** | **11,501,190** | **12,292,008** | **12,827,430** | **16,359,564** | **19,932,288** | **23,799,475** | **26,683,358** |
| **Wastewater Billing Recovery - Operating** | **4,776,996** | **5,188,665** | **5,635,375** | **6,118,125** | **6,616,597** | **7,128,292** | **7,664,235** | **8,224,927** | **8,824,857** | **9,465,024** |

Table B-6
Wastewater Rate Forecast

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charge:** | | | | | | | | | | | |
| 5/8" - 3/4" | $35.58 | $37.00 | $38.48 | $40.02 | $41.62 | $41.82 | $42.01 | $42.20 | $42.40 | $42.60 | $42.79 |
| 1" | $47.19 | $49.08 | $51.04 | $53.08 | $55.21 | $55.46 | $55.72 | $55.98 | $56.23 | $56.49 | $56.76 |
| 1 ½" | $62.47 | $64.97 | $67.57 | $70.27 | $73.08 | $73.42 | $73.76 | $74.10 | $74.44 | $74.79 | $75.13 |
| 2" | $100.62 | $104.64 | $108.83 | $113.18 | $117.71 | $118.26 | $118.80 | $119.35 | $119.91 | $120.46 | $121.02 |
| 3" | $381.68 | $396.95 | $412.83 | $429.34 | $446.51 | $448.58 | $450.65 | $452.74 | $454.83 | $456.94 | $459.05 |
| 4" | $485.78 | $505.21 | $525.42 | $546.44 | $568.29 | $570.92 | $573.57 | $576.22 | $578.89 | $581.56 | $584.26 |
| 6" | $729.25 | $758.42 | $788.76 | $820.31 | $853.12 | $857.07 | $861.03 | $865.02 | $869.02 | $873.04 | $877.08 |
| 8" | $1,006.16 | $1,046.41 | $1,088.26 | $1,131.79 | $1,177.06 | $1,182.51 | $1,187.98 | $1,193.48 | $1,199.00 | $1,204.55 | $1,210.13 |
| **Percentage Increase** | | **4.0%** | **4.0%** | **4.0%** | **4.0%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** | **0.5%** |
| **Volumetric Charge:** | | | | | | | | | | | |
| Rate per m3 | $ 1.76 | $ 1.89 | $ 2.02 | $ 2.17 | $ 2.33 | $ 2.48 | $ 2.64 | $ 2.81 | $ 2.98 | $ 3.15 | $ 3.34 |
| **Percentage Increase** | | **7.2%** | **7.2%** | **7.2%** | **7.2%** | **6.8%** | **6.4%** | **6.2%** | **6.0%** | **6.0%** | **6.0%** |



# Water and Wastewater Ontario Regulation 453/07 Financial Plans

City of Kawartha Lakes

Financial Plan #141-301A

**November 12, 2025**

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# List of Acronyms and Abbreviations

| Acronym | Full Description of Acronym |
|---|---|
| D.C. | Development Charge |
| F.I.R. | Financial Information Return |
| MECP | Ministry of the Environment, Conservation and Parks |
| MMAH | Ministry of Municipal Affairs and Housing |
| O. Reg. | Ontario Regulation |
| P.S.A.B. | Public Sector Accounting Board |
| S.D.W.A. | *Safe Drinking Water Act, 2002* |
| W.O.A. | *Water Opportunities Act, 2010* |

# Report

# Chapter 1
## Introduction

# 1. Introduction

## 1.1 Study Purpose

The City of Kawartha Lakes (City) retained Watson & Associates Economists Ltd. (Watson) to prepare a water and wastewater financial plan as part of the five submission requirements for the purposes of obtaining a municipal drinking water licence as per the *Safe Drinking Water Act, 2002*. In general, a financial plan requires an in-depth analysis of capital and operating needs, a review of current and future demand versus supply, and consideration of available funding sources. This detailed financial planning and forecasting regarding the City's water and wastewater systems has already been completed and documented in the "2025 Water and Wastewater Rate Study City of Kawartha Lakes" dated November 5, 2025 (2025 Rate Study).

The objective of the report provided herein is to convert the findings of the 2025 Rate Study into the prescribed reporting requirements for a financial plan as defined by Ontario Regulation 453/07 (O. Reg. 453/07) and project the financial position over a ten-year forecast period.

## 1.2 Background

The *Safe Drinking Water Act, 2022* (S.D.W.A.) was passed in December 2002 in order to address some of the recommendations made by the Walkerton Inquiry Part II report. One of the main requirements of the Act is the mandatory licensing of municipal water providers. Section 31 (1) specifically states,

"No person shall,

a) establish a new municipal drinking water system or replace or carry out an alteration to a municipal drinking water system except under the authority of and in accordance with an approval under this Part or a drinking water works permit; or

b) use or operate a municipal drinking water system that was established before or after this section comes into force except under the authority of and in accordance with an approval under this Part or municipal drinking water licence."

In order to become licensed, a municipality must satisfy five key requirements as per section 44 (1):

1. Obtain a drinking water works permit.
2. Acceptance of the operational plan for the system based on the Drinking Water Quality Management Standard.
3. Accreditation of the Operating Authority.
4. Prepare and provide a financial plan.
5. Obtain permit to take water.

The preparation of a financial plan is a key requirement for licensing and as such, must be undertaken by all water providers.

### *1.2.1 Financial Plan Defined*

Subsection 30 of the S.D.W.A. provides the following definition of financial plans:

> "financial plans" means financial plans that satisfy the requirements prescribed by the Minister. 2017, c. 2, Sched. 11, s. 6 (3)

These requirements are outlined in O. Reg. 453/07 and will be examined in detail below.

### *1.2.2 Financial Plan Requirements – Existing System*

O. Reg. 453/07 also provides details with regard to s.30 (1) part b of the S.D.W.A. for existing water systems. The requirements for existing systems are summarized as follows:

- Financial plans must be approved by Council resolution (or governing body);
- Financial plans must include a statement that the financial impacts have been considered and apply for a minimum six-year period, commencing in the year of licence expiry (i.e., 2026 for the City);
- Financial plans must include detail regarding proposed or projected financial operations itemized by total revenues, total expenses, annual surplus/deficit and accumulated surplus/deficit (i.e. the components of a “Statement of Operations”

as per the Public Section Accounting Board (P.S.A.B.)) for each year in which the financial plans apply;

- Financial plans must present financial position itemized by total financial assets, total liabilities, net debt, non-financial assets, and tangible capital assets (i.e. the components of a "Statement of Financial Position" as per P.S.A.B.) for each year in which the financial plans apply;
- Gross cash receipts/payments itemized by operating transactions, capital transactions, investing transactions and financial transactions (i.e. the components of a "Statement of Cash Flow" as per P.S.A.B.) for each year in which the financial plans apply;
- Financial plans applicable to two or more solely owned drinking water systems can be prepared as if they are for one drinking water system;
- Financial plans are to be made available to the public upon request and at no charge;
- If a website is maintained, financial plans are to be made available to the public through publication on the Internet at no charge;
- Notice of the availability of the financial plans is to be given to the public; and
- Financial plan is to be submitted to the Ministry of Municipal Affairs and Housing.

### *1.2.3 Financial Plan Requirements – General*

Given that the requirement for a financial plan is legislated under the Act, a financial plan is mandatory for water systems. The financial plans shall be for a forecast period of at least six years but longer planning horizons are encouraged. The 2026 to 2035 forecast included in this financial plan meets that requirement. The financial plan is to be completed and approved by resolution of Council or the governing body in accordance with subsection 3 (1) 1 of O. Reg. 453/07. Confirmation of approval of the financial plan must be submitted at the time of municipal drinking water licence renewal (i.e., six months prior to licence expiry).

A copy of the financial plan must be submitted to the Ministry of Municipal Affairs and Housing (MMAH). The financial plan does not need to be submitted to the Ministry of the Environment, Conservation, and Parks (MECP); however, the MECP may request it in the course of review of the licence renewal. Financial plans may be amended and additional information beyond what is prescribed can be included if deemed necessary. The financial plan must contain on the front page, the appropriate financial plan number as set out in Schedule A of the Municipal Drinking Water Licence.

### *1.2.4 Public Sector Accounting Board (P.S.A.B.) Requirements*

The components of the financial plans indicated by the regulation are consistent with the requirements for financial statement presentation as set out in section PS 1201 of the Canadian Institute of Chartered Accountants Public Sector Accounting Handbook:

> "Financial statements should include a Statement of Financial Position, a Statement of Operations, a Statement of Change in Net Debt, and a Statement of Cash Flow."

The format required is to conform to the requirements of PS 1201 and PS 3150. The financial statements are to be reported on a full accrual accounting basis. The accrual accounting method recognizes revenues and expenses in the same period as the activities that give rise to them regardless of when they are actually paid for. Since an exchange of cash is not necessary to report a financial transaction, the accrual method is meant to provide a more accurate picture of financial position.

The accounting treatment of tangible capital assets is prescribed under section PS 3150. Tangible capital assets are to be capitalized to ensure an inventory of the assets owned is recorded and to account for their ability to provide future benefits.

The Statement of Cash Flow and the Statement of Change in Net Financial Assets/Debt are required statements. The Statement of Change in Net Financial Assets/Debt reports on whether enough revenue was generated in a period to cover the expenses in the period and whether sufficient resources have been generated to support current and future activities. The Statement of Cash Flow reports on how activities were financed for a given period providing a measure of the changes in cash for that period.

# Chapter 2
## Sustainable Financial Planning

# 2. Sustainable Financial Planning

## 2.1 Introduction

In general, sustainability refers to the ability to maintain a certain position over time. While the S.D.W.A. requires a declaration of the financial plan's sustainability, it does not give a clear definition of what would be considered sustainable. Instead, the MECP released a guideline ("Towards Financially Sustainable Drinking-Water and Wastewater Systems") that provides possible approaches to achieving sustainability. The Province's Principles of Financially Sustainable Water Services are provided below:

Principle #1: Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system to which they relate.

Principle #2: An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.

Principle #3: Revenues collected for the provision of water services should ultimately be used to meet the needs of those services.

Principle #4: Lifecycle planning with mid-course corrections is preferable to planning over the short-term or not planning at all.

Principle #5: An asset management plan is a key input to the development of a financial plan.

Principle #6: A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.

Principle #7: Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.

Principle #8: Financial plans are "living" documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.

Principle #9: Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal council.

## 2.2 Water Opportunities Act, 2010

Since the passage of the S.D.W.A., changes and refinements to the legislation have been introduced, including the *Water Opportunities Act, 2010* (W.O.A). The W.O.A. was introduced into legislation on May 18, 2010, and received Royal Assent on November 29, 2010.

The purposes of the W.O.A. are to foster innovative water, wastewater and storm water technologies, services, and practices; create opportunities for economic development and clean-technology jobs; and conserve and sustain water resources. To achieve this, the W.O.A. provides for the creation of performance targets (financial, operational and maintenance related), which will vary by service type and location and the required submission of conservation and sustainability plans for water, wastewater, and stormwater.

The sustainability plan in the W.O.A. expands on interim legislation for financial plans included in O. Reg. 453/07, to include the following:

- an asset management plan for the physical infrastructure;
- financial plan;
- water conservation plan (for water service only);
- a risk assessment;
- a strategy for maintaining and improving the services; and
- additional information considered advisable.

Where a Board has jurisdiction over a service, the plan (and any plan amendments) must be approved by the municipality in which the municipal service is provided before submission to the Minister. The Minister may also direct preparation of joint or partially joint plans.

Regulations (still forthcoming) will prescribe details in regard to any time periods or time limits, contents of the plans, identifying which portions of the plan will require

certification, the public consultation process (if required), limitations updates and refinements.

## 2.3 Infrastructure for Jobs and Prosperity Act (I.J.P.A.), 2015

On June 4, 2015, the Province passed the *Infrastructure for Jobs and Prosperity Act, 2015* (I.J.P.A.) which, over time, will require municipalities to undertake and implement asset management plans for all the infrastructure they own. On December 27, 2017, the Province of Ontario released O. Reg. 588/17 under I.J.P.A. which has three phases that municipalities must meet. The timelines associated with the three phases were later extended by O. Reg. 193/21 which was filed on March 15, 2021.

Every municipality in Ontario will have to prepare a strategic asset management policy by July 1, 2019. Municipalities will be required to review their strategic asset management policies at least every five years and make updates, as necessary. The subsequent phases are as follows:

- Phase 1 – Asset Management Plan (by July 1, 2022):
    - For core assets – Municipalities must have the following:
        - Inventory of assets;
        - Current levels of service, including some prescribed measures; and
        - Lifecycle management strategies and associated costs to maintain current levels of service.
- Phase 2 – Asset Management Plan (by July 1, 2024):
    - Same steps as Phase 1 but for all assets.
- Phase 3 – Asset Management Plan (by July 1, 2025):
    - Builds on Phase 1 and 2 by adding:
        - Proposed levels of service; and
        - Financial strategy that supports achieving proposed levels of service.

In relation to water (which is considered a core asset), municipalities will need to have an asset management plan that addresses the related infrastructure by July 1, 2022 (Phase 1). O. Reg. 588/17 specifies that the City's asset management plan must include the following for each asset category:

- the current levels of service being provided;

    - determined in accordance with the following qualitative descriptions and technical metrics and based on data from at most the two calendar years prior to the year in which all information required under this section is included in the asset management plan.
- the current performance of each asset category;
- a summary of the assets in the category;
- the replacement cost of the assets in the category;
- the average age of the assets in the category, determined by assessing the average age of the components of the assets;
- the information available on the condition of the assets in the category;
- a description of the City's approach to assessing the condition of the assets in the category, based on recognized and generally accepted good engineering practices where appropriate; and
- the lifecycle activities that need to be undertaken to maintain the current levels of service.

The City completed an Asset Management Plan (A.M.P.) for its core assets, including water and wastewater infrastructure, in 2022. The City is currently preparing an update to the A.M.P. The City will need to consider the impacts of funding the lifecycle requirements identified in the A.M.P. during the annual budget and forecast periods.

## 2.4 Water and Wastewater Forecast

The City has already completed their financial planning through its 2025 Rate Study. The rate study process is designed to address "full cost" principles and reflect the guiding principles toward sustainable financial planning.

As a result of employing this process, the ten-year forecasts contained in the 2025 Rate Study provide the basis for the financial plans for the City's water systems by including:

- An analysis of operating costs in order to determine how they will be impacted by evolving infrastructure needs and system growth;
- An analysis of required water and wastewater rates that ensure revenues are equitable and sufficient to meet system needs; and
- A public process that involves consultation with the main stakeholders including the City's staff, Council, the general public (specifically the users of the system)

and others, with the aim of gaining input and collaboration on the sustainability of the financial plans.

The details of the water financial plan arising from the 2025 Rate Study are contained in Appendix A.

# Chapter 3
## Approach

# 3. Approach

## 3.1 Overview

The 2025 Rate Study, along with additional detailed information provided by City Staff, has been used as a starting point to prepare the water and wastewater financial plans. The water and wastewater forecasts are prepared on a modified cash basis; therefore, a conversion is required in order to present a full accrual financial plan for the purposes of this report. The conversion process used will help to establish the structure of the financial plans along with the opening balances that will underpin the forecasts. This chapter outlines the conversion process utilized and summarizes the adjustments made to prepare the financial plans. It is noted that financial plans have been prepared for both water and wastewater; however, the focus of the remaining chapters will be on water only, for submission as part of the licence renewal process. The complete financial plan for wastewater is provided in Appendix B.

## 3.2 Conversion Process

The conversion from the existing modified cash basis financial plan to the full accrual reporting format required under O. Reg. 453/07 can be summarized in the following steps:

1. Calculate Tangible Capital Asset Balances
2. Convert Statement of Operations
3. Convert Statement of Financial Position
4. Convert Statement of Cash Flow and Net Assets/Debt
5. Verification and Note Preparation

### *3.2.1 Calculate Tangible Capital Asset Balances*

In calculating tangible capital asset balances, existing and future purchased, developed, and/or contributed assets will need to be considered. For existing water and wastewater assets, an inventory has already been compiled and summarized by the City as part of their annual PS 3150 compliance processes. As required, for PS 3150

reporting purposes, the asset inventory listing included historical cost (which is the original cost to purchase, develop, or construct each asset) along with an estimated useful life for each asset and any anticipated salvage value is recorded. The following calculations are made to determine net book value:

- Accumulated amortization up to the year prior to the first forecast year.
- Amortization expense on existing assets for each year of the forecast period.
- Acquisition of new assets for each year of the forecast period.
- Disposals and related gains or losses for each year of the forecast period.

Future water capital needs have also been determined and summarized by City staff. However, these estimates only represent future assets that the City anticipates purchasing or constructing. At present, the City does not anticipate any assets will be contributed by developers and other parties (at no or partial cost to the City). If, over the forecast period, additional capital needs arise or contributed assets are anticipated, the financial plan may need to be adjusted to properly account for these transactions. Once the sequence and total asset acquisition has been determined for the forecast period, annual amortization of these assets for each year is calculated in a similar manner as that used for existing assets.

Once the historical cost, accumulated amortization, and amortization expenses are calculated as described above, the total net book value of the tangible capital assets can be determined and recorded on the Statement of Financial Position.

### *3.2.2 Convert Statement of Operations*

A wide range of adjustments will be considered, dependent on the size and complexity of the system, in order to convert from the cash to full accrual basis. For example, debt repayment costs relating to the principal payment portion only need to be removed under the accrual basis, as they no longer qualify as an expense for reporting purposes. Principal payments are reported as a decrease in debt liability on the Statement of Financial Position. Transfers to and from reserves are removed as these transactions are represented by changes in cash and accumulated surplus. Finally, expenses relating to tangible capital assets, such as amortization, write-offs, and (gain)/loss on disposal of assets are reported on the Statement of Operations in order to capture the allocation of the cost of these assets to operating activities over their useful lives and therefore are added in under the accrual basis.

Table 3-1
Conversion Adjustments
Statement of Operations (Water)

| Modified Cash Basis | Budget 2026 | Adjustments Debit | Adjustments Credit | Full Accrual Budget 2026 | Accrual Basis |
|---|---|---|---|---|---|
| **Revenues** | | | | | **Revenues** |
| Base Charge Revenue | 6,291,113 | | | 6,291,113 | Base Charge Revenue |
| Rate Based Revenue | 9,574,689 | | | 9,574,689 | Rate Based Revenue |
| Transfers from Reserves | 393,899 | 393,899 | | | |
| | | | 1,809,043 | 1,809,043 | Earned Development Charges, Gas Tax and Canada Community Building Fund Revenue |
| Other Revenue | 596,200 | | 2,892,262 | 3,488,463 | Other Revenue |
| **Total Revenues** | **16,855,901** | | | **21,163,308** | **Total Revenues** |
| **Expenditures** | | | | | **Expenses** |
| Operating | 9,621,900 | 1,606,000 | | 11,227,900 | Operating Expenses |
| Capital | | | | | |
| Transfers to Reserves | 3,615,552 | | 3,615,552 | | |
| Debt Repayment (Principal & Interest) | 3,618,449 | | 2,517,481 | 1,100,969 | Interest on Debt |
| | | 2,620,103 | | 2,620,103 | Amortization |
| | | - | | - | Loss on Disposal of Tangible Capital Assets |
| **Total Expenditures** | **16,855,901** | | | **14,948,972** | **Total Expenses** |
| | | | | | |
| **Net Expenditures** | **-** | | | **6,214,336** | **Annual Surplus/(Deficit)** |
| Increase (decrease) in amounts to be recovered | - | | | 45,128,900 | Accumulated Surplus/(Deficit), beginning of year |
| **Change in Fund Balances** | **-** | **6,214,336** | **-** | **51,343,236** | **Accumulated Surplus/(Deficit), end of year** |

| | | |
|---|---|---|
| **TOTAL ADJUSTMENTS** | **10,834,338** | **10,834,338** |

**Note:** The combined adjustments above should be balanced and net to $0 (i.e. Total Debit = Total Credit)

### 3.2.3 Convert Statement

### 3.2.4 of Financial Position

Once the Statement of Operations has been converted and the net book value of tangible capital assets has been recorded, balances for the remaining items on the Statement of Financial Position are determined and recorded (see Table 3-2). The opening/actual balances for the remaining accounts such as accounts receivable, inventory, accounts payable, outstanding debt (principal only), are recorded and classified according to the structure of the Statement of Financial Position as outlined in PS 1201.

It is acknowledged that some of the balances required on the Statement of Financial Position will be consolidated across the Municipality and as such, will be difficult to isolate the information that is relevant to water. An example of this is accounts receivable, which may be administered centrally by the Finance Department. Ontario Regulation 453/07 allows for the exclusion of these numbers if they are not known at the time of preparing the financial plan. Please refer to the Financial Plan Notes in Chapter 4 for more details.

### 3.2.5 Convert Statement of Cash Flow and Net Financial Assets/Debt

The Statement of Cash Flow summarizes how the Municipality financed its activities or in other words, how the costs of providing services were recovered. The statement is derived using comparative Statement of Financial Position, the current Statement of Operations and other available transaction data.

The Statement of Change in Net Financial Assets/Debt is a statement which reconciles the difference between the surplus or deficit from current operations and the change in net financial assets/debt for the year. This is significant, as net debt provides an indication of future revenue requirements. In order to complete the Statement of Net Financial Assets/Debt, information regarding any gains/losses on disposals of assets, asset write-downs, acquisition/use of supplies inventory, and the acquisition use of prepaid expenses is necessary, (if applicable). Although the Statement of Change in Net Financial Assets/Debt is not required under O. Reg. 453/07, it has been included in this report as a further indicator of financial viability.

Table 3-2
Conversion Adjustments
Statements of Financial Position (Water)

| Modified Cash Basis | Budget 2026 | Adjustments Debit | Adjustments Credit | Full Accrual Budget 2026 | Accrual Basis |
|---|---|---|---|---|---|
| **ASSETS** | | | | | **ASSETS** |
| **Financial Assets** | | | | | **Financial Assets** |
| Cash | 32,190,196 | | | 32,025,073 | Cash |
| Accounts Receivable | 3,517,734 | | | 3,721,377 | Accounts Receivable |
| **Total Financial Assets** | **35,707,930** | | | **35,746,450** | **Total Financial Assets** |
| **LIABILITIES** | | | | | **Liabilities** |
| Accounts Payable & Accrued Liabilities | 1,283,244 | | | 1,321,764 | Accounts Payable & Accrued Liabilities |
| Gross Long-term Liabilities | 30,622,888 | | | 30,622,888 | Debt (Principal only) |
| Deferred Revenue | 28,699,347 | | | 28,699,347 | Deferred Revenue |
| **Total Liabilities** | **60,605,479** | | | **60,643,999** | **Total Liabilities** |
| | | | | | |
| **Net Assets/(Debt)** | **(24,897,549)** | | | **(24,897,549)** | **Net Financial Assets/(Debt)** |
| | | 77,846,785 | 1,606,000 | 76,240,785 | **Non-Financial Assets** Tangible Capital Assets |
| | | | | **76,240,785** | **Total Non-Financial Assets** |
| **Municipal Position** | | | | | |
| Water Reserves | 5,725,339 | 5,725,339 | - | | |
| Development Charge Reserve Fund | 28,699,347 | 28,699,347 | - | | |
| Amounts to be Recovered | (59,322,235) | - | 59,322,235 | | |
| **Total Municipal Position** | **(24,897,549)** | | 51,343,236 | **51,343,236** | **Accumulated Surplus/(Deficit), end of year** |
| **TOTAL ADJUSTMENTS** | | **112,271,471** | **112,271,471** | | |

**Note:** The combined adjustments above should be balanced and net to $0 (i.e. Total Debit = Total Credit)

### 3.2.6 Verification and Note Preparation

The final step in the conversion process is to ensure that all the statements created by the previous steps are in balance. The Statement of Financial Position summarizes the resources and obligations of the City at a set point in time. The Statement of Operations summarizes how these resources and obligations changed over the reporting period. To this end, the accumulated surplus/deficit reported on the Statement of Financial Position should equal the accumulated surplus/deficit reported on the Statement of Operations.

The Statement of Change in Net Financial Assets/Debt and the Statement of Financial Position are also linked in terms of reporting on net financial assets/debt. On the Statement of Financial Position, net financial assets/debt is equal to the difference between financial assets and liabilities and should equal net financial assets/debt as calculated on the Statement of Net Financial Assets/Debt.

While not part of the financial plan, the accompanying notes are important to summarize the assumptions and estimates made in preparing the financial plan. Some of the significant assumptions that need to be addressed within the financial plan are as follows:

a) Opening Cash Balances – Opening cash balances are necessary to complete the Statement of Cash Flows and balance the Statement of Financial Position. Preferably, opening cash balances should be derived from actual information contained within the City's ledgers. It may not, however, be possible to extract this information from the ledgers for water alone; therefore, a reasonable proxy will be needed. One approach is to assume that opening cash balances equal ending reserve and reserve fund balances from the previous year adjusted for accrual-based transactions reflected by accounts receivable/payable balances. The following equation outlines this approach:

   Ending Reserve/Reserve Fund Balance
   Plus: Ending Accounts Payable Balance
   Less: Ending Accounts Receivable Balance
   Equals: Approximate Ending Cash Balance

b) Amortization Expense – The method and timing of amortization should be based on the City's amortization policy.

c) Accumulated Amortization – Will be based on the culmination of accumulated amortization expenses throughout the life of each asset however derived, along with information on construction/acquisition date and useful life obtained from the capital asset listing provided.

d) Contributed Assets – As noted earlier, contributed assets could represent a significant part of the City's infrastructure acquisitions. As such, a reasonable estimate of value and timing of acquisition/donation may be required in order to adequately capture these assets. In the case where contributed assets are deemed to be insignificant or unknown, an assumption of "no contributed assets within the forecast period" will be made.

e) Accumulated Surplus – The magnitude of the surplus in this area may precipitate the need for additional explanation especially in the first year of reporting. This Accumulated Surplus captures the historical infrastructure investment which has not been reported in the past but has accumulated to significant levels. It also includes all water reserve and reserve fund balances.

f) Other Revenues – Will represent the recognition of minor miscellaneous revenues.

# Chapter 4
## Financial Plan

# 4. Financial Plan

## 4.1 Introduction

The following tables provide the complete financial plan for the City's water system. A brief description and analysis of each table is provided below. It is important to note that the financial plan that follows is a forward look at the financial position of the City's water system. It is not an audited document[1] and contains various estimates as detailed in the "Notes to the Financial Plan" section below.

Similar tables and analysis for the City's wastewater financial plan are included in Appendix B.

## 4.2 Water Financial Plan

### *4.2.1 Statement of Financial Position (Table 4-1)*

The Statement of Financial Position provides information that describes the assets, liabilities, and accumulated surplus of the City's water system. The first important indicator is net financial assets/(debt), which is defined as the difference between financial assets and liabilities. This indicator provides an indication of the system's "future revenue requirement." A net financial asset position is where financial assets are greater than liabilities and implies that the system has the resources to finance future operations. Conversely, a net debt position implies that the future revenues generated by the system will be needed to finance past transactions, as well as future operations. Table 4-1 indicates that in 2026, the City's water system will be in a net financial debt position of approximately $24.9 million. The financial plan forecasts the City's water system would be in a net debt position for the remainder of the forecast period due to the depletion of reserves and anticipated issuance of new debt to fund the capital program.

Another important indicator in the Statement of Financial Position is the tangible capital asset balance. As noted earlier, providing this information is a requirement for

[1] O. Reg. 453/07 does not require an audited financial plan.

municipalities as part of PS 3150 compliance and is significant from a financial planning perspective for the following reasons:

- Tangible capital assets such as water mains and treatment plants are imperative to water service delivery.
- These assets represent significant economic resources in terms of their historical and replacement costs. Therefore, ongoing capital asset management is essential to managing significant replacements and repairs.
- The annual maintenance required by these assets has an enduring impact on water operational budgets.

In general terms, an increase in the tangible capital asset balance indicates that assets may have been acquired either through purchase by the City or donation/contribution by a third party. A decrease in the tangible capital asset balance can indicate a disposal, write down, or use of assets. The use of assets is usually represented by an increase in accumulated amortization due to annual amortization expenses arising as a result of allocating the cost of the asset to operations over the asset's useful life. Table 4-1 indicates that the City's tangible capital assets are expected to increase by approximately $506.82 million over the forecast period. This indicates that the City plans to invest in tangible capital assets in excess of the anticipated use of existing assets over the forecast period.

### *4.2.2 Statement of Operations (Table 4-2)*

The Statement of Operations summarizes the revenues and expenses generated by the water system for a given period. The annual surplus/deficit measures whether the revenues generated were sufficient to cover the expenses incurred and in turn, whether net financial assets have been maintained or depleted. Table 4-2 illustrates the ratio of expenses to revenues at 71% in 2026, fluctuating over the forecast between 31% and 97%, before ending at 96% by 2035. As a result, annual surpluses ranging from approximately $1.47 million to approximately $41.3 million are anticipated over the forecast with the annual surplus projects at $1.90 million by 2035.

Deficits indicate that the City is not currently contributing to water reserves at amounts equaling or exceeding amortization expense each year. Amortization, which is a non-cash expense from a full accrual reporting standpoint, is included in operating expenses as shown in Table 4-2. It is important to note that an annual surplus is beneficial to

ensure funding is available to non-expense costs such as tangible capital asset acquisitions, reserve/reserve fund transfers and debt principal payments in the future.

Another important indicator on this statement is accumulated surplus/deficit. An accumulated surplus indicates that the available net resources are sufficient to provide future water services. An accumulated deficit indicates that resources are insufficient to provide future services and that borrowing or rate increases are required to finance annual deficits. From Table 4-2, the financial plan proposes to add approximately $80.17 million to a 2026 accumulated surplus (at the beginning of the year) of approximately $12.13 million over the forecast period. This accumulated surplus, as indicated in Table 4-2, is predominantly made up of investments in tangible capital assets.

### *4.2.3 Statement of Change in Net Financial Assets/Debt (Table 4-3)*

The Statement of Change in Net Financial Assets/Debt indicates whether revenue generated was sufficient to cover operating and non-financial asset costs (i.e., inventory supplies, prepaid expenses, tangible capital assets, etc.) and in so doing, explains the difference between the annual surplus/deficit and the change in net financial assets/debt for the period.

Table 4-3 indicates that in the years 2026 to 2035, forecasted tangible capital asset acquisitions exceed the forecasted annual surplus, resulting in decreases in the net financial assets balance. This is due to the significant capital assets anticipated to be constructed over the forecast. This is further evidenced by the ratio of cumulative annual surplus before amortization to cumulative tangible capital asset acquisitions initially fluctuating between 0.59 and 0.63 over the first five years of the forecast, before decreasing to 0.24 by 2035 (note: a desirable ratio is 1:1 or better).

### *4.2.4 Statement of Cash Flow (Table 4-4)*

The Statement of Cash Flow summarizes how the City's water system is expected to generate and use cash resources during the forecast period. The transactions that provide/use cash are classified as operating, capital, investing, and financing activities as shown in Table 4-4. This statement focuses on the cash aspect of these transactions and thus is the link between cash-based and accrual-based reporting. Table 4-4 indicates that cash from operations will be used to fund capital transactions (i.e., tangible capital asset acquisitions) and build internal reserves and reserve funds

over the forecast period. The financial plan projects the cash position of the City's water system to decrease from approximately $25.10 million at the beginning of 2026 to a deficit balance of approximately $8.15 million by the end of 2035. For further discussion on projected cash balances please refer to the Notes to the Financial Plan.

Table 4-1
Statement of Financial Position: Water Services
UNAUDITED: For Financial Planning Purposes Only
2026-2035

| | Notes | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Financial Assets** | | | | | | | | | | | |
| Cash | 1 | 32,025,073 | 29,876,584 | 32,627,087 | 29,431,162 | 2,497,357 | 11,819,580 | 14,726,735 | 11,782,573 | 3,489,957 | - |
| Accounts Receivable | 1 | 3,721,377 | 3,875,994 | 4,101,329 | 4,202,973 | 5,138,849 | 5,439,008 | 6,511,075 | 7,992,856 | 9,450,681 | 10,492,995 |
| **Total Financial Assets** | | **35,746,450** | **33,752,578** | **36,728,416** | **33,634,135** | **7,636,206** | **17,258,588** | **21,237,810** | **19,775,429** | **12,940,638** | **10,492,995** |
| **Liabilities** | | | | | | | | | | | |
| Bank Indebtedness | | - | - | - | - | - | - | - | - | - | 8,151,190 |
| Accounts Payable & Accrued Liabilities | 1 | 1,321,764 | 1,361,437 | 1,402,263 | 1,444,354 | 1,487,680 | 1,532,312 | 1,608,731 | 1,747,036 | 1,970,249 | 2,029,359 |
| Debt (Principal only) | 2 | 30,622,888 | 30,906,504 | 37,373,524 | 41,482,405 | 77,845,892 | 191,743,231 | 292,207,211 | 390,845,952 | 451,784,841 | 457,759,233 |
| Deferred Revenue | 3 | 28,699,347 | 32,391,141 | 35,326,153 | 32,189,781 | 6,148,526 | 15,726,276 | 19,629,079 | 18,028,393 | 10,970,389 | 312,446 |
| **Total Liabilities** | | **60,643,999** | **64,659,082** | **74,101,940** | **75,116,540** | **85,482,098** | **209,001,819** | **313,445,021** | **410,621,381** | **464,725,479** | **468,252,228** |
| **Net Financial Assets/(Debt)** | | **(24,897,549)** | **(30,906,504)** | **(37,373,524)** | **(41,482,405)** | **(77,845,892)** | **(191,743,231)** | **(292,207,211)** | **(390,845,952)** | **(451,784,841)** | **(457,759,233)** |
| **Non-Financial Assets** | | | | | | | | | | | |
| Tangible Capital Assets | 4 | 76,240,785 | 85,600,361 | 97,768,020 | 111,495,911 | 189,589,387 | 308,895,720 | 412,315,227 | 512,781,061 | 575,187,562 | 583,058,546 |
| **Total Non-Financial Assets** | | **76,240,785** | **85,600,361** | **97,768,020** | **111,495,911** | **189,589,387** | **308,895,720** | **412,315,227** | **512,781,061** | **575,187,562** | **583,058,546** |
| **Accumulated Surplus/(Deficit)** | 5 | **51,343,236** | **54,693,857** | **60,394,496** | **70,013,506** | **111,743,495** | **117,152,489** | **120,108,016** | **121,935,109** | **123,402,721** | **125,299,313** |

| Financial Indicators | Total Change | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1) Increase/(Decrease) in Net Financial Assets | (437,982,245) | (5,120,561) | (6,008,955) | (6,467,020) | (4,108,881) | (36,363,487) | (113,897,339) | (100,463,980) | (98,638,741) | (60,938,889) | (5,974,392) |
| 2) Increase/(Decrease) in Tangible Capital Assets | 518,152,658 | 11,334,897 | 9,359,576 | 12,167,659 | 13,727,891 | 78,093,476 | 119,306,333 | 103,419,507 | 100,465,834 | 62,406,501 | 7,870,984 |
| 3) Increase/(Decrease) in Accumulated Surplus | 80,170,413 | 6,214,336 | 3,350,621 | 5,700,639 | 9,619,010 | 41,729,989 | 5,408,994 | 2,955,527 | 1,827,093 | 1,467,612 | 1,896,592 |

# Table 4-2
# Statement of Operations: Water Services
# UNAUDITED: For Financial Planning Purposes Only
# 2026-2035

| | Notes | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Water Revenue** | | | | | | | | | | | |
| Base Charge Revenue | | 6,291,113 | 6,558,470 | 6,835,810 | 7,123,481 | 7,421,842 | 7,731,265 | 8,052,134 | 8,384,845 | 8,729,808 | 9,087,446 |
| Rate Based Revenue | | 9,574,689 | 9,993,378 | 10,428,086 | 10,879,124 | 11,349,803 | 11,837,496 | 12,345,583 | 12,874,474 | 13,424,579 | 13,996,308 |
| Earned Development Charges Revenue | 3 | 1,809,043 | 7,210,792 | 8,333,153 | 14,660,294 | 37,381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| Other Revenue | 6 | 3,488,463 | 613,599 | 925,220 | 650,099 | 4,123,200 | 2,780,258 | 709,001 | 729,800 | 751,200 | 773,300 |
| **Total Revenues** | | **21,163,308** | **24,376,239** | **26,522,269** | **33,312,998** | **60,276,316** | **24,635,876** | **29,491,784** | **36,203,481** | **42,806,671** | **47,527,809** |
| **Water Expenses** | | | | | | | | | | | |
| Operating Expenses | Sch. 4-1 | 11,227,900 | 16,730,700 | 16,180,900 | 18,626,300 | 13,354,700 | 11,273,600 | 11,833,900 | 13,541,700 | 14,472,600 | 14,946,900 |
| Interest on Debt | 2 | 1,100,969 | 1,309,494 | 1,391,389 | 1,663,579 | 1,842,103 | 3,294,615 | 7,854,864 | 11,872,522 | 15,813,960 | 18,245,301 |
| Amortization | 4 | 2,620,103 | 2,985,424 | 3,249,341 | 3,404,109 | 3,349,524 | 4,658,667 | 6,847,493 | 8,962,166 | 11,052,499 | 12,439,016 |
| **Total Expenses** | | **14,948,972** | **21,025,618** | **20,821,630** | **23,693,988** | **18,546,327** | **19,226,882** | **26,536,257** | **34,376,388** | **41,339,059** | **45,631,217** |
| **Annual Surplus/(Deficit)** | | **6,214,336** | **3,350,621** | **5,700,639** | **9,619,010** | **41,729,989** | **5,408,994** | **2,955,527** | **1,827,093** | **1,467,612** | **1,896,592** |
| Accumulated Surplus/(Deficit), beginning of year | 5 | 45,128,900 | 51,343,236 | 54,693,857 | 60,394,496 | 70,013,506 | 111,743,495 | 117,152,489 | 120,108,016 | 121,935,109 | 123,402,721 |
| Accumulated Surplus/(Deficit), end of year | | 51,343,236 | 54,693,857 | 60,394,496 | 70,013,506 | 111,743,495 | 117,152,489 | 120,108,016 | 121,935,109 | 123,402,721 | 125,299,313 |
| **Note 5:** | | | | | | | | | | | |
| **Accumulated Surplus/(Deficit) Reconciliation:** | | **2026** | **2027** | **2028** | **2029** | **2030** | **2031** | **2032** | **2033** | **2034** | **2035** |
| **Reserve Balances** | | | | | | | | | | | |
| Reserves: Development Charges | | 28,699,347 | 32,391,141 | 35,326,153 | 32,189,781 | 6,148,526 | 15,726,276 | 19,629,079 | 18,028,393 | 10,970,389 | 312,446 |
| Reserves: Capital/Other | | 5,725,339 | - | - | - | - | - | - | - | - | - |
| **Total Reserves Balance** | | **34,424,686** | **32,391,141** | **35,326,153** | **32,189,781** | **6,148,526** | **15,726,276** | **19,629,079** | **18,028,393** | **10,970,389** | **312,446** |
| Less: Debt Obligations and Deferred Revenue | | (59,322,235) | (63,297,645) | (72,699,677) | (73,672,186) | (83,994,418) | (207,469,507) | (311,836,290) | (408,874,345) | (462,755,230) | (458,071,679) |
| Add: Tangible Capital Assets | 4 | 76,240,785 | 85,600,361 | 97,768,020 | 111,495,911 | 189,589,387 | 308,895,720 | 412,315,227 | 512,781,061 | 575,187,562 | 583,058,546 |
| **Total Ending Balance** | | **51,343,236** | **54,693,857** | **60,394,496** | **70,013,506** | **111,743,495** | **117,152,489** | **120,108,016** | **121,935,109** | **123,402,721** | **125,299,313** |

| Financial Indicators | Total Change | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1) Expense to Revenue Ratio | | 71% | 86% | 79% | 71% | 31% | 78% | 90% | 95% | 97% | 96% |
| 2) Increase/(Decrease) in Accumulated Surplus | 80,170,413 | 6,214,336 | 3,350,621 | 5,700,639 | 9,619,010 | 41,729,989 | 5,408,994 | 2,955,527 | 1,827,093 | 1,467,612 | 1,896,592 |

# Schedule 4-1
# Statement of Operating Expenses: Water Services
# UNAUDITED: For Financial Planning Purposes Only
# 2026-2035

| | Notes | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Operating Expenses** | | | | | | | | | | | |
| 71110 - Wages | | 585,600 | 603,200 | 621,300 | 639,900 | 659,100 | 678,900 | 699,300 | 720,300 | 741,900 | 764,200 |
| 71115 - Overtime | | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 |
| 71305 - Employment Insurance | | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 |
| 71310 - Canada Pension Plan | | 28,300 | 29,100 | 30,000 | 30,900 | 31,800 | 32,800 | 33,800 | 34,800 | 35,800 | 36,900 |
| 71315 - Employer Health Tax | | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 | 13,800 | 14,200 | 14,600 | 15,000 |
| 71320 - Omers Pension | | 59,200 | 61,000 | 62,800 | 64,700 | 66,600 | 68,600 | 70,700 | 72,800 | 75,000 | 77,300 |
| 71325 - Group Benefits | | 61,400 | 63,200 | 65,100 | 67,100 | 69,100 | 71,200 | 73,300 | 75,500 | 77,800 | 80,100 |
| 72710 - Chemical Supplies | | 900,700 | 927,700 | 955,500 | 984,200 | 1,013,700 | 1,044,100 | 1,075,400 | 1,107,700 | 1,140,900 | 1,175,100 |
| 72730 - Janitorial Supplies | | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| 72745 - Maintenance Supplies | | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 |
| 73010 - Hydro | | 383,200 | 394,700 | 406,500 | 418,700 | 431,300 | 444,200 | 457,500 | 471,200 | 485,300 | 499,900 |
| 73015 - Natural Gas | | 26,800 | 27,600 | 28,400 | 29,300 | 30,200 | 31,100 | 32,000 | 33,000 | 34,000 | 35,000 |
| 73090 - Diesel - for Generator | | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 | 7,500 | 7,700 | 7,900 | 8,100 |
| 73205 - Material Supplies | | 108,200 | 111,400 | 114,700 | 118,100 | 121,600 | 125,200 | 129,000 | 132,900 | 136,900 | 141,000 |
| 74150 - Other Contracted Services | | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 |
| 74305 - Contract Allocation | | 752,100 | 774,700 | 797,900 | 821,800 | 846,500 | 871,900 | 898,100 | 925,000 | 952,800 | 981,400 |
| 74330 - Janitorial Cleaning | | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 |
| 74331 - Contracted Mat Services | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| 74515 - Water Supply | | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 |
| 74520 - SCADA Programming | | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 | 3,000 |
| 74810 - Building Maintenance and Repai | | 31,900 | 32,900 | 33,900 | 34,900 | 35,900 | 37,000 | 38,100 | 39,200 | 40,400 | 41,600 |
| 74920 - Grounds Maintenance | | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 |
| 74945 - Contracted Snow Plowing | | 110,700 | 114,000 | 117,400 | 120,900 | 124,500 | 128,200 | 132,000 | 136,000 | 140,100 | 144,300 |
| 78550 - City Property Tax | | 68,800 | 70,900 | 73,000 | 75,200 | 77,500 | 79,800 | 82,200 | 84,700 | 87,200 | 89,800 |
| 72520 - Telecommunications | | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 74510 - Contracted OCWA Costs | | 3,706,800 | 3,818,000 | 3,932,500 | 4,050,500 | 4,172,000 | 4,297,200 | 4,426,100 | 4,558,900 | 4,695,700 | 4,836,600 |
| 74512 - OCWA Additional Charges | | 248,400 | 255,900 | 263,600 | 271,500 | 279,600 | 288,000 | 296,600 | 305,500 | 314,700 | 324,100 |
| 74250 - Telecommunication Data Lines | | 5,600 | 5,800 | 6,000 | 6,200 | 6,400 | 6,600 | 6,800 | 7,000 | 7,200 | 7,400 |
| Adjusted Water Administration Expenditures | | 2,424,800 | 2,497,500 | 2,572,400 | 2,649,600 | 2,729,100 | 2,811,000 | 2,895,300 | 2,982,200 | 3,071,700 | 3,163,900 |
| Incremental Operating Costs Related to New Development | | - | - | - | - | - | - | - | - | - | - |
| Bobcaygeon WTP | | - | - | - | - | - | - | - | - | 1,243,500 | 1,280,800 |
| Northwest Lindsay Water Tower | | - | - | - | - | - | - | - | 147,800 | 152,200 | 156,800 |
| Thornhill Rd Reservoir | | - | - | - | - | - | - | - | 240,300 | 247,500 | 254,900 |
| Oakwood Reservoir | | - | - | - | - | - | - | - | 267,300 | 275,300 | 283,600 |
| Fenelon Falls Booster WPS | | - | - | - | - | - | - | 221,800 | 228,500 | 235,400 | 242,500 |
| Non TCA - Expenses from Capital Budget | 7 | 1,606,000 | 6,820,000 | 5,973,000 | 8,112,000 | 2,525,000 | 119,000 | 123,000 | 824,000 | 130,000 | 174,000 |
| **TOTAL OPERATING EXPENSES** | | **11,227,900** | **16,730,700** | **16,180,900** | **18,626,300** | **13,354,700** | **11,273,600** | **11,833,900** | **13,541,700** | **14,472,600** | **14,946,900** |

## Table 4-3
## Statement of Changes in Net Financial Assets/Debt: Water Services
## UNAUDITED: For Financial Planning Purposes Only
## 2026-2035

| | Notes | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| Annual Surplus/(Deficit) | | 6,214,336 | 3,350,621 | 5,700,639 | 9,619,010 | 41,729,989 | 5,408,994 | 2,955,527 | 1,827,093 | 1,467,612 | 1,896,592 |
| Less: Acquisition of Tangible Capital Assets | 4 | (13,955,000) | (12,345,000) | (15,417,000) | (17,132,000) | (81,443,000) | (123,965,000) | (110,267,000) | (109,428,000) | (73,459,000) | (20,310,000) |
| Add: Amortization of Tangible Capital Assets | 4 | 2,620,103 | 2,985,424 | 3,249,341 | 3,404,109 | 3,349,524 | 4,658,667 | 6,847,493 | 8,962,166 | 11,052,499 | 12,439,016 |
| Sub-Total | | (11,334,897) | (9,359,576) | (12,167,659) | (13,727,891) | (78,093,476) | (119,306,333) | (103,419,507) | (100,465,834) | (62,406,501) | (7,870,984) |
| **Increase/(Decrease) in Net Financial Assets/(Net Debt)** | | **(5,120,561)** | **(6,008,955)** | **(6,467,020)** | **(4,108,881)** | **(36,363,487)** | **(113,897,339)** | **(100,463,980)** | **(98,638,741)** | **(60,938,889)** | **(5,974,392)** |
| Net Financial Assets/(Net Debt), beginning of year | | (19,776,988) | (24,897,549) | (30,906,504) | (37,373,524) | (41,482,405) | (77,845,892) | (191,743,231) | (292,207,211) | (390,845,952) | (451,784,841) |
| **Net Financial Assets/(Net Debt), end of year** | | **(24,897,549)** | **(30,906,504)** | **(37,373,524)** | **(41,482,405)** | **(77,845,892)** | **(191,743,231)** | **(292,207,211)** | **(390,845,952)** | **(451,784,841)** | **(457,759,233)** |

| **Financial Indicators** | | **2026** | **2027** | **2028** | **2029** | **2030** | **2031** | **2032** | **2033** | **2034** | **2035** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1) Acquisition of Tangible Capital Assets (Cumulative) | | 13,955,000 | 26,300,000 | 41,717,000 | 58,849,000 | 140,292,000 | 264,257,000 | 374,524,000 | 483,952,000 | 557,411,000 | 577,721,000 |
| 2) Annual Surplus/Deficit before Amortization (Cumulative) | | 8,834,439 | 15,170,484 | 24,120,464 | 37,143,583 | 82,223,096 | 92,290,757 | 102,093,777 | 112,883,036 | 125,403,147 | 139,738,755 |
| 3) Ratio of Annual Surplus before Amortization to Acquisition of TCA's (Cumulative) | | 0.63 | 0.58 | 0.58 | 0.63 | 0.59 | 0.35 | 0.27 | 0.23 | 0.22 | 0.24 |

## Table 4-4
## Statement of Cash Flow – Indirect Method: Water Services
## UNAUDITED: For Financial Planning Purposes Only
## 2026-2035

| | Notes | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Operating Transactions** | | | | | | | | | | | |
| Annual Surplus/Deficit | | 6,214,336 | 3,350,621 | 5,700,639 | 9,619,010 | 41,729,989 | 5,408,994 | 2,955,527 | 1,827,093 | 1,467,612 | 1,896,592 |
| Add: Amortization of TCA's | 4 | 2,620,103 | 2,985,424 | 3,249,341 | 3,404,109 | 3,349,524 | 4,658,667 | 6,847,493 | 8,962,166 | 11,052,499 | 12,439,016 |
| Less: Earned Deferred Revenue | 3 | (1,809,043) | (7,210,792) | (8,333,153) | (14,660,294) | (37,381,471) | (2,286,857) | (8,385,066) | (14,214,362) | (19,901,084) | (23,670,755) |
| Add: Deferred Revenue Proceeds | | 10,531,051 | 10,902,586 | 11,268,165 | 11,523,921 | 11,340,216 | 11,864,607 | 12,287,869 | 12,613,676 | 12,843,080 | 13,012,812 |
| Change in A/R (Increase)/Decrease | | (203,644) | (154,617) | (225,335) | (101,643) | (935,876) | (300,158) | (1,072,067) | (1,481,781) | (1,457,825) | (1,042,314) |
| Change in A/P Increase/(Decrease) | | 38,520 | 39,673 | 40,826 | 42,091 | 43,326 | 44,632 | 76,419 | 138,305 | 223,213 | 59,110 |
| Less: Interest Proceeds | | (112,262) | - | - | - | - | - | - | - | - | - |
| **Cash Provided by Operating Transactions** | | **17,279,061** | **9,912,895** | **11,700,483** | **9,827,194** | **18,145,708** | **19,389,885** | **12,710,175** | **7,845,097** | **4,227,495** | **2,694,461** |
| **Capital Transactions** | | | | | | | | | | | |
| Less: Cash Used to acquire Tangible Capital Assets | 4 | (13,955,000) | (12,345,000) | (15,417,000) | (17,132,000) | (81,443,000) | (123,965,000) | (110,267,000) | (109,428,000) | (73,459,000) | (20,310,000) |
| **Cash Applied to Capital Transactions** | | **(13,955,000)** | **(12,345,000)** | **(15,417,000)** | **(17,132,000)** | **(81,443,000)** | **(123,965,000)** | **(110,267,000)** | **(109,428,000)** | **(73,459,000)** | **(20,310,000)** |
| **Investing Transactions** | | | | | | | | | | | |
| Proceeds from Investments | | 112,262 | - | - | - | - | - | - | - | - | - |
| **Cash Provided by (applied to) Investing Transactions** | | **112,262** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Financing Transactions** | | | | | | | | | | | |
| Proceeds from Debt Issue | 2 | 6,003,644 | 2,818,442 | 8,890,341 | 6,569,587 | 38,644,823 | 116,742,656 | 105,395,134 | 105,440,852 | 69,673,827 | 16,195,338 |
| Less: Debt Repayment (Principal only) | 2 | (2,517,481) | (2,534,826) | (2,423,321) | (2,460,706) | (2,281,336) | (2,845,318) | (4,931,154) | (6,802,111) | (8,734,938) | (10,220,946) |
| **Cash Applied to Financing Transactions** | | **3,486,163** | **283,616** | **6,467,020** | **4,108,881** | **36,363,487** | **113,897,338** | **100,463,980** | **98,638,741** | **60,938,889** | **5,974,392** |
| Increase in Cash and Cash Equivalents | | 6,922,486 | (2,148,489) | 2,750,503 | (3,195,925) | (26,933,805) | 9,322,223 | 2,907,155 | (2,944,162) | (8,292,616) | (11,641,147) |
| Cash and Cash Equivalents, beginning of year | 1 | 25,102,587 | 32,025,073 | 29,876,584 | 32,627,087 | 29,431,162 | 2,497,357 | 11,819,580 | 14,726,735 | 11,782,573 | 3,489,957 |
| **Cash and Cash Equivalents, end of year** | 1 | **32,025,073** | **29,876,584** | **32,627,087** | **29,431,162** | **2,497,357** | **11,819,580** | **14,726,735** | **11,782,573** | **3,489,957** | **(8,151,190)** |

# Water

# Notes to Financial Plan

The financial plan format as outlined in Chapter 4 closely approximates the full accrual format used by municipalities (2009 onward) on their audited financial statements. However, the financial plan is not an audited document and contains various estimates. In this regard, Section 3 (2) of O. Reg. 453/07 states the following:

> "Each of the following sub-subparagraphs applies only if the information referred to in the sub-subparagraph is known to the owner at the time the financial plans are prepared:
>
> 1. Sub-subparagraphs 4 i A, B and C of subsection (1)
>
> 2. Sub-subparagraphs 4 iii A, C, E and F of subsection (1)."

The information referred to in sub-subparagraphs 4 if A, B and C of subsection (1) includes:

A. Total financial assets (i.e., cash and receivables);
B. Total liabilities (i.e., payables, debt, and deferred revenue);
C. Net debt (i.e., the difference between A and B above).

The information referred to in sub-subparagraphs 4 iii A, C, E and F of subsection (1) includes:

A. Operating transactions are cash received from revenues, cash paid for operating expenses and finance charges.
B. Investing transactions that are acquisitions and disposal of investments.
C. Changes in cash and cash equivalents during the year.
D. Cash and cash equivalents at the beginning and end of the year.

In order to show a balanced financial plan in a full accrual format for the City, some of the items listed above have been estimated given that the City does not maintain all financial asset and liability data separately for water. Usually, this type of data is combined with the financial assets and liabilities of other departments and services given that there is not a current obligation to disclose this data separately (as there is with revenue and expenses).

The assumptions used have been documented below:

1. **Cash, Receivables and Payables**

   It is assumed that the opening cash balances required to complete the financial plan are equal to:

   Ending Reserve/Reserve Fund Balance
   *Plus*: Ending Accounts Payable Balance
   *Less*: Ending Accounts Receivable Balance
   *Equals: Approximate Ending Cash Balance*

   For the City, receivable and payable balances were estimated for each year of the forecast based on the following factors:

   a) Receivables: Based on historical levels of water and wastewater receivables (provided by City staff) as a percentage of annual water and wastewater revenue earned (as per the 2022 to 2024 Financial Information Returns (F.I.R.s)); and

   b) Payables: Based on historical levels of City-wide payables as a percentage of annual expenses incurred by the City (as per the 2022 to 2024 F.I.R.s).

2. **Debt**

   Outstanding water related debt anticipated at the beginning of 2026, is forecasted to be approximately $22.8 million with additional debt proceeds anticipated throughout the forecast period.

Estimated principal repayments over the forecast period are scheduled as follows:

| Year | Principal Payments |
|---|---|
| 2026 | 2,517,481 |
| 2027 | 2,534,826 |
| 2028 | 2,423,321 |
| 2029 | 2,460,706 |
| 2030 | 2,281,336 |
| 2031 | 2,845,318 |
| 2032 | 4,931,154 |
| 2033 | 6,802,111 |
| 2034 | 8,734,938 |
| 2035 | 10,220,946 |
| **Total** | **$45,752,137** |

For financial reporting purposes, debt principal payments represent a decrease in debt liability, and the interest payments represent a current year operating expense.

### 3. Deferred Revenue

Deferred revenue is typically made up of water development charge (D.C.) fund balances which are considered to be a liability for financial reporting purposes until the funds are used to emplace the works for which they have been collected. The City collects water D.C.s and uses the funding towards growth-related water infrastructure.

### 4. Tangible Capital Assets

- Opening net book value of tangible capital assets includes water related assets in the following categories:
  i. Land
  ii. Processing Equipment;
  iii. Mechanical Assets;
  iv. Yard Piping;
  v. Vertical Assets;
  vi. Miscellaneous Metals;
  vii. Site Works;

viii. Hydrants;
ix. Watermains; and
x. Facility Assets

- Amortization is calculated based on the straight-line approach with half year amortization applied in the year of acquisition or construction and in the last year of the asset's useful life.
- Write-offs are assumed to equal $0 for each year in the forecast period.
- Tangible capital assets are shown on a net basis. It is assumed that disposals occur when the asset is being replaced. To calculate the value of each asset disposal, the replacement value (of each new asset that has been identified as a "replacement") has been deflated (by weighted average useful life for all assets on hand in the respective asset category) to an estimated historical cost. This figure was used to calculate disposals only. Future assets are disposed of when fully amortized.
- Gains/losses on disposal for all assets except vehicles are assumed to be $0 (it is assumed that historical cost is equal to accumulated amortization for all disposals). For vehicles, gains/losses on disposal have been estimated based on the anticipated trade-in values in the year of disposal.
- Residual value is assumed to be $0 for all assets contained within the forecast period.
- Contributed Assets, as described in Section 3.2.1, are deemed to be insignificant or unknown during the forecast period and are therefore assumed to be $0.
- The City is not aware of any lead service piping in the municipal water system.

The balance of tangible capital assets is summarized as follows:

| Asset Historical Cost | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|
| Opening Tangible Capital Asset Balance | 114,116,172 | 124,600,566 | 134,307,088 | 147,684,477 | 164,216,853 | 244,827,967 | 367,558,926 | 476,808,132 | 585,063,689 | 657,499,527 |
| Acquisitions | 13,955,000 | 12,345,000 | 15,417,000 | 17,132,000 | 81,443,000 | 123,965,000 | 110,267,000 | 109,428,000 | 73,459,000 | 20,310,000 |
| Disposals | 3,470,606 | 2,638,478 | 2,039,611 | 599,624 | 831,886 | 1,234,041 | 1,017,794 | 1,172,443 | 1,023,162 | 1,175,075 |
| **Closing Tangible Capital Asset Balance** | **124,600,566** | **134,307,088** | **147,684,477** | **164,216,853** | **244,827,967** | **367,558,926** | **476,808,132** | **585,063,689** | **657,499,527** | **676,634,452** |
| Opening Accumulated Amortization | 49,210,284 | 48,359,781 | 48,706,727 | 49,916,457 | 52,720,942 | 55,238,580 | 58,663,206 | 64,492,905 | 72,282,628 | 82,311,965 |
| Amortization Expense | 2,620,103 | 2,985,424 | 3,249,341 | 3,404,109 | 3,349,524 | 4,658,667 | 6,847,493 | 8,962,166 | 11,052,499 | 12,439,016 |
| Amortization on Disposal | 3,470,606 | 2,638,478 | 2,039,611 | 599,624 | 831,886 | 1,234,041 | 1,017,794 | 1,172,443 | 1,023,162 | 1,175,075 |
| **Ending Accumulated Amortization** | **48,359,781** | **48,706,727** | **49,916,457** | **52,720,942** | **55,238,580** | **58,663,206** | **64,492,905** | **72,282,628** | **82,311,965** | **93,575,906** |
| **Net Book Value** | **76,240,785** | **85,600,361** | **97,768,020** | **111,495,911** | **189,589,387** | **308,895,720** | **412,315,227** | **512,781,061** | **575,187,562** | **583,058,546** |

## 5. Accumulated Surplus

Opening accumulated surplus for the forecast period is reconciled as follows:

| Water | 2026 Opening Accumulated Surplus |
|---|---|
| **Reserve Balances** | |
| Reserves: Development Charges | 19,977,340 |
| Reserves: Capital/Other | 7,359,737 |
| **Total Reserves Balance** | **$27,337,077** |
| Less: Debt Obligations and Deferred Revenue | (47,114,065) |
| Add: Tangible Capital Assets | 64,905,888 |
| **Total Opening Balance** | **$45,128,900** |

The accumulated surplus reconciliation for all years within the forecast period is contained in Table 4-2.

## 6. Other Revenue

Other revenue consists of miscellaneous revenues including building/property rentals, water connection fees, bulk water sales, other miscellaneous water user charges, recoveries, interest earning, municipal loan recoveries, community wells, adjusted water administrative revenues, and developer funded costs.

## 7. Operating Expenses

Capital expenditures for items not meeting the definition of tangible capital assets have been reclassified as operating expenses and have been expensed in the year in which they occur.

# Chapter 5
# Process for Financial Plan Approval and Submission to the Province

# 5. Process for Financial Plan Approval and Submission to the Province

As mentioned in section 1.2, preparation and approval of a financial plan for water assets that meets the requirements of the Act is mandatory for municipal water providers. Proof of the plan preparation and approval is a key submission requirement for municipal drinking water licensing and, upon completion, must be submitted to the MECP. The process established for plan approval, public circulation and filing is set out in O. Reg. 453/07 and can be summarized as follows:

1. The financial plan must be approved by resolution of Council of the municipality who owns the drinking water system or the governing body of the owner. (O. Reg. 453/07, section 3 (1) 1).

2. The owner of the drinking water system must provide notice advertising the availability of the financial plan. The plans will be made available to the public upon request and without charge. The plans must also be made available to the public on the municipality's website. (O. Reg. 453/07, section 3 (1) 5).

3. The owner of the drinking water system must provide a copy of the financial plan to the Director of Policy Branch, Ministry of Municipal Affairs and Housing. (O. Reg. 453/07, section 3 (1) 6).

4. The owner of the drinking water system must provide proof satisfactory to the Director that the financial plans for the system satisfy the requirements under the *Safe Drinking Water Act*. (S.D.W.A. section 32 (5) 2. ii.).

# Chapter 6
## Recommendations

# 6. Recommendations

This report presents the water and wastewater financial plans for the City of Kawartha Lakes in accordance with the mandatory reporting formats for water systems as detailed in O. Reg. 453/07. It is important to note that while mandatory for water, the financial plan is provided for Council's interest and approval however, for decision making purposes, it may be more informative to rely on the information contained within the City's 2025 Rate Study. Nevertheless, Council is required to pass certain resolutions with regard to this plan and regulations, and it is recommended that:

1. The City of Kawartha Lakes Water Financial Plan prepared by Watson & Associates Economists Ltd. dated November 12, 2025, be approved.

2. Notice of availability of the Financial Plan be advertised.

3. The Financial Plan dated November 12, 2025, be submitted to the Ministry of Municipal Affairs and Housing. (O. Reg. 453/07, Section 3 (1) 6)

4. The Council Resolution approving the Financial Plan be submitted to the Ministry of the Environment, Conservation and Parks satisfying the requirements under the *Safe Drinking Water Act*. (S.D.W.A. Section 32 (5) 2 ii)).

# Appendix A
## Water and Wastewater 2025 Rate Study Summary Tables

# Table A-1
# City of Kawartha Lakes
# Water Capital Budget Forecast (uninflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| **Treatment** | | | | | | | | | | | |
| Lindsay WTP Actiflo System | 194,000 | 194,000 | | | | | | | | | |
| Fenelon Falls WTP Process Piping and Values | 150,000 | 150,000 | | | | | | | | | |
| Kingsview Estates WTP | 388,000 | 388,000 | | | | | | | | | |
| Birch Point WTP Roof | 45,000 | 45,000 | | | | | | | | | |
| Birch Point WTP Flow Meters | 50,000 | 50,000 | | | | | | | | | |
| Mariposa Estates WTP Wells #1 and #2 | 250,000 | 250,000 | | | | | | | | | |
| King's Bay WTP High-Lift Pump | 90,000 | 90,000 | | | | | | | | | |
| Victoria Place WTP Interior Piping and Valves | 243,000 | 243,000 | | | | | | | | | |
| Lindsay WTP High-Lift Pumping Room HVAC System | 230,000 | 230,000 | | | | | | | | | |
| Canadiana Shores WTP Well #3 | 230,000 | 230,000 | | | | | | | | | |
| Lindsay WTP Filter Media | 500,000 | 500,000 | | | | | | | | | |
| Norland WTP and Kinmount WTP High-Lift Pumps | 97,000 | 97,000 | | | | | | | | | |
| Southview Estates WTP Blower | 39,000 | 39,000 | | | | | | | | | |
| Fenelon Falls WTP High-Lift Pumps | 291,000 | 291,000 | | | | | | | | | |
| Bobcaygeon WTP Filter Tank | 485,000 | 485,000 | | | | | | | | | |
| Kingsview Estates WTP SCADA System and PLC | 194,000 | 194,000 | | | | | | | | | |
| Southview Estates WTP Filter Media | 50,000 | | 50,000 | | | | | | | | |
| Pleasant Point WTP Ultraviolet Light System | 100,000 | | 100,000 | | | | | | | | |
| Lindsay WTP Actiflo System | 800,000 | | 800,000 | | | | | | | | |
| Western Trent WTP High-Lift Pumps | 120,000 | | 120,000 | | | | | | | | |
| Lindsay WTP Motor Control Centres #1 and #2 | 130,000 | | 130,000 | | | | | | | | |
| Janetville WTP Raw Water Piping | 200,000 | | 200,000 | | | | | | | | |
| Fenelon Falls WTP Membrane Tank | 220,000 | | 220,000 | | | | | | | | |
| Kingsview Estates WTP | 471,000 | | 471,000 | | | | | | | | |
| Lindsay WTP High-Lift Pump Piping and Coating | 50,000 | | | 50,000 | | | | | | | |
| Lindsay WTP Motor Control Centre #1 | 400,000 | | | 400,000 | | | | | | | |
| Fenelon Falls WTP Process Piping and Values | 350,000 | | | 350,000 | | | | | | | |
| Manorview WTP Ultraviolet Light System | 100,000 | | | 100,000 | | | | | | | |
| Sonya WTP High-Lift Pumps | 60,000 | | | | 60,000 | | | | | | |
| Manilla WTP High-Lift Pumps and VFDs | 100,000 | | | | 100,000 | | | | | | |
| Lindsay WTP Submersible Effluent Pumps | 70,000 | | | | 70,000 | | | | | | |
| Lindsay WTP High-Lift Pump Piping and Coating | 100,000 | | | | 100,000 | | | | | | |
| Lindsay WTP Interior and Exterior Coatings and Paint | 325,000 | | | | 325,000 | | | | | | |
| Lindsay WTP Low-Lift Pump #3 | 90,000 | | | | 90,000 | | | | | | |
| Mariposa Estates WTP Nitrate Removal System | 65,000 | | | | | 65,000 | | | | | |
| Lindsay WTP High-Lift Pump #1 | 90,000 | | | | | 90,000 | | | | | |
| Water Treatment Allowance | 1,500,000 | | | | | 1,500,000 | | | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | 1,700,000 | | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | 1,700,000 | | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | | 1,700,000 | | |
| Water Treatment Allowance | 1,700,000 | | | | | | | | | 1,700,000 | |
| Water Treatment Allowance | 1,675,000 | | | | | | | | | | 1,675,000 |
| **Vertical Distribution** | - | | | | | | | | | | |
| Lindsay Water Tower Climbing Structure and Railing | 80,000 | 80,000 | | | | | | | | | |
| Thornhill Reservoir Piping, Valves and Flow Meters | 325,000 | 325,000 | | | | | | | | | |
| Thornhill Reservoir HVAC System and Chemical Room | 525,000 | 525,000 | | | | | | | | | |
| Lindsay Water Tower Climbing Structure and Railing | 200,000 | | 200,000 | | | | | | | | |
| Vertical Distribution and Collection Allowance | 200,000 | | | 200,000 | | | | | | | |
| Thornhill Reservoir Booster Pumps #2 and #3 | 120,000 | | | | 120,000 | | | | | | |
| Vertical Distribution and Collection Allowance | 150,000 | | | | 150,000 | | | | | | |
| Vertical Distribution and Collection Allowance | 750,000 | | | | | 750,000 | | | | | |

# Table A-1 (continued)
# City of Kawartha Lakes
# Water Capital Budget Forecast (uninflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | 418,500 | | | | |
| Vertical Distribution and Collection Allowance | 418,500 | | | | | | | 418,500 | | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | 419,000 | | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | 419,000 | |
| Vertical Distribution and Collection Allowance | 419,000 | | | | | | | | | | 419,000 |
| **Horizontal Distribution** | - | | | | | | | | | | |
| Doble Dr. and Bruce St. Watermains | 100,000 | 100,000 | | | | | | | | | |
| Angeline St. Mains - Kent St. to Colborne St. | 62,500 | 62,500 | | | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 50,000 | 50,000 | | | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 62,500 | 62,500 | | | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 50,000 | 50,000 | | | | | | | | | |
| Lindsay St. Mains - Russell St. to Glenelg St. | 50,500 | 50,500 | | | | | | | | | |
| CKL Rd. 121 Mains - Helen St. to 240m South of West St. | 75,000 | 75,000 | | | | | | | | | |
| Bolton St. and Main St. Bridges Watermain Heat Tracers | 450,000 | 450,000 | | | | | | | | | |
| Riverview Rd. Mains - County Rd. 36 to Logie St. | 1,047,000 | 1,047,000 | | | | | | | | | |
| Huron St. Watermain - Russell St. to Durham St. | 970,000 | 970,000 | | | | | | | | | |
| St. George St. Mains - Queen St. to Colborne St. | 969,500 | 969,500 | | | | | | | | | |
| St. Patrick St. Mains - Queen St. to North End | 2,186,000 | 2,186,000 | | | | | | | | | |
| Murray St. Mains - Elliot St. to Green St. | 663,000 | 663,000 | | | | | | | | | |
| Elliot St. Watermain - Lindsay St. to Clifton St. | 1,061,000 | 1,061,000 | | | | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 50,000 | | 50,000 | | | | | | | | |
| John St. and Crandall St. Mains | 50,000 | | 50,000 | | | | | | | | |
| Durham St. Mains - Lindsay St. to Georgian St. | 62,500 | | 62,500 | | | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 87,500 | | 87,500 | | | | | | | | |
| Colborne St. Mains - Adelaide St. to Charles St. | 1,600,000 | | 1,600,000 | | | | | | | | |
| Lindsay St. Watermain - Russell St. to Glenelg St. | 300,000 | | 300,000 | | | | | | | | |
| Dunn St. Mains - CKL Rd. 49 to Balaclava St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| John St. Mains - Front St. to Prince St. | 600,000 | | 600,000 | | | | | | | | |
| Duke St. Mains - Main St. to North St. | 1,200,000 | | 1,200,000 | | | | | | | | |
| Joseph St. Mains - Main St. to Duke St. | 900,000 | | 900,000 | | | | | | | | |
| Queen St. Mains - Joseph St. to West End | 700,000 | | 700,000 | | | | | | | | |
| Prince St. Mains - Main St. to Head St. | 1,000,000 | | 1,000,000 | | | | | | | | |
| Lindsay Water System Valve Chambers | 500,000 | | 500,000 | | | | | | | | |
| Adelaide St. Mains - Kent St. to Colborne St. | 62,500 | | | 62,500 | | | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 25,000 | | | 25,000 | | | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 25,000 | | | 25,000 | | | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 25,000 | | | 25,000 | | | | | | | |
| Duke St. Mains - Division St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| Wolfe St. Mains - Mary St. to Durham St. | 50,000 | | | 50,000 | | | | | | | |
| William St. Mains - Peel St. to Colborne St. | 50,000 | | | 50,000 | | | | | | | |
| Doble Dr. and Bruce St. Watermains | 1,553,000 | | | 1,553,000 | | | | | | | |
| Mill St. Mains - Durham St. to Ridout St. | 1,293,000 | | | 1,293,000 | | | | | | | |
| William St. Mains - Colborne St. to Olympia Ct. | 1,645,000 | | | 1,645,000 | | | | | | | |
| Lindsay St. Mains - Queen St. to Colborne St. | 1,191,000 | | | 1,191,000 | | | | | | | |
| Angeline St. Mains - Broad St. to Colborne St. | 1,710,000 | | | 1,710,000 | | | | | | | |
| Cambridge St. Mains - Russell St. to Melbourne St. | 564,500 | | | 564,500 | | | | | | | |
| CKL Rd. 121 Watermain - Helen St. to 240m South of West St. | 1,800,000 | | | 1,800,000 | | | | | | | |
| Morrison St. Watermain - Highway 35 to End | 150,000 | | | | 150,000 | | | | | | |
| Glenelg St. Mains - Victoria Ave. to Adelaide St. | 62,500 | | | | 62,500 | | | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 75,000 | | | | 75,000 | | | | | | |
| Water St. Mains - Glenelg St. to North End | 25,000 | | | | 25,000 | | | | | | |
| St. David St. Watermain - Riverview Rd. to Colborne St. | 125,000 | | | | 125,000 | | | | | | |
| Armour Ct. Mains - St. David St. to West End | 25,000 | | | | 25,000 | | | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 50,000 | | | | 50,000 | | | | | | |

# Table A-1 (continued)
# City of Kawartha Lakes
# Water Capital Budget Forecast (uninflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| King St. Mains - St. David St. to County Rd. 36 | 50,000 | | | | 50,000 | | | | | | |
| Albert St. and Fleming College Watermains - Mary St. to Angeline St. | 150,000 | | | | 150,000 | | | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 50,000 | | | | 50,000 | | | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 50,000 | | | | 50,000 | | | | | | |
| Grills Rd. and Helen Cres. Watermains (Canadiana Shores) | 150,000 | | | | 150,000 | | | | | | |
| Kent St. Watermain - Victoria Ave. to Angeline St. | 2,215,000 | | | | 2,215,000 | | | | | | |
| St. Paul St. Mains - Queen St. to Colborne St. | 842,500 | | | | 842,500 | | | | | | |
| John St. and Crandall St. Mains | 759,500 | | | | 759,500 | | | | | | |
| Melbourne St. Mains - Lindsay St. to Albert St. | 1,635,000 | | | | 1,635,000 | | | | | | |
| Durham St. Watermain - Lindsay St. to Georgian St. | 1,350,000 | | | | 1,350,000 | | | | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 62,500 | | | | | 62,500 | | | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | 50,000 | | | | | |
| James St. Watermain - Mary St. to South End | 100,000 | | | | | 100,000 | | | | | |
| Eglington St. Mains - Lindsay St. to William St. | 50,000 | | | | | 50,000 | | | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 50,000 | | | | | 50,000 | | | | | |
| Adelaide St. Watermain - Kent St. to Colborne St. | 1,420,000 | | | | | 1,420,000 | | | | | |
| Fairview Ct. Mains - Adelaide St. to East End | 263,000 | | | | | 263,000 | | | | | |
| Henry St. and Jane St. Mains - Adelaide St. to Angeline St. | 500,000 | | | | | 500,000 | | | | | |
| William St. Watermain - Peel St. to Colborne St. | 1,135,000 | | | | | 1,135,000 | | | | | |
| Duke St. Mains - Division St. to Durham St. | 608,000 | | | | | 608,000 | | | | | |
| Wolfe St. Watermain - Mary St. to Durham St. | 1,200,000 | | | | | 1,200,000 | | | | | |
| Bertie St. Mains - St. Peter St. to St. Patrick St. | 225,500 | | | | | 225,500 | | | | | |
| St. Peter St. Mains - Queen St. to Colborne St. | 763,000 | | | | | 763,000 | | | | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 100,000 | | | | | | 100,000 | | | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 50,000 | | | | | | 50,000 | | | | |
| Sunset Ct. Mains - Angeline St. to East End | 50,000 | | | | | | 50,000 | | | | |
| Sussex St. Mains - Durham St. to Kent St. | 75,000 | | | | | | 75,000 | | | | |
| Morrison St. Watermain - Highway 35 to End | 420,000 | | | | | | 420,000 | | | | |
| Russell St. Mains - Lindsay St. to Water St. | 1,669,000 | | | | | | 1,669,000 | | | | |
| Water St. Mains - Glenelg St. to North End | 476,000 | | | | | | 476,000 | | | | |
| St. David St. Watermain - Queen St. to Colborne St. | 1,118,000 | | | | | | 1,118,000 | | | | |
| Armour Ct. Mains - St. David St. to West End | 156,500 | | | | | | 156,500 | | | | |
| Short Ave. Mains - St. Peter St. to St. George St. | 754,500 | | | | | | 754,500 | | | | |
| Albert St. and Fleming College Watermains - Mary St. to Angeline St. | 2,010,000 | | | | | | 2,010,000 | | | | |
| Cambridge St. Mains - Wellington St. to Colborne St. | 763,500 | | | | | | 763,500 | | | | |
| Bond St. Mains - Victoria Ave. to William St. | 600,000 | | | | | | 600,000 | | | | |
| Grills Rd. and Helen Cres. Watermains (Canadiana Shores) | 1,950,000 | | | | | | 1,950,000 | | | | |
| Henry St. Mains - Adelaide St. to Jane St. | 50,000 | | | | | | | 50,000 | | | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 50,000 | | | | | | | 50,000 | | | |
| Main Replacement Allowance | 244,000 | | | | | | | 244,000 | | | |
| Simcoe St. Mains - Durham St. to Ridout St. | 1,100,000 | | | | | | | 1,100,000 | | | |
| Durham St. Mains - Angeline St. to Adelaide St. | 575,500 | | | | | | | 575,500 | | | |
| James St. Watermain - Mary St. to South End | 402,000 | | | | | | | 402,000 | | | |
| Eglington St. Mains - Lindsay St. to William St. | 366,500 | | | | | | | 366,500 | | | |
| Albert St. Mains - Regent St. to Lindway Pl. (South Intersection) | 774,000 | | | | | | | 774,000 | | | |
| King St. Mains - St. David St. to County Rd. 36 | 1,404,500 | | | | | | | 1,404,500 | | | |
| St. David St. Watermain - Riverview Rd. to Queen St. | 568,000 | | | | | | | 568,000 | | | |
| Main Replacement Allowance | 394,500 | | | | | | | | 394,500 | | |
| Sussex St. Watermain - Durham St. to Kent St. | 1,285,000 | | | | | | | | 1,285,000 | | |
| Angeline St. Mains - Colborne St. to Northlin Park Rd. | 1,967,000 | | | | | | | | 1,967,000 | | |
| Ardmore Ave. Mains - Albert St. to Adelaide St. | 561,500 | | | | | | | | 561,500 | | |
| Roosevelt St. Mains - Angeline St. to Adelaide St. | 571,500 | | | | | | | | 571,500 | | |
| Sunset Ct. Mains - Angeline St. to East End | 403,000 | | | | | | | | 403,000 | | |
| Mary St. Mains - Lindsay St. to Albert St. | 1,650,500 | | | | | | | | 1,650,500 | | |

# Table A-1 (continued)
# City of Kawartha Lakes
# Water Capital Budget Forecast (uninflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Main Replacement Allowance | 500,000 | | | | | | | | | 500,000 | |
| Henry St. Mains - Adelaide St. to Jane St. | 231,500 | | | | | | | | | 231,500 | |
| Maryknoll Ave. Sewer - Logie St. to Riverview Rd. | 700,000 | | | | | | | | | 700,000 | |
| Main Replacement Allowance | 2,750,000 | | | | | | | | | 2,750,000 | |
| Main Replacement Allowance | 409,500 | | | | | | | | | | 409,500 |
| Main Replacement Allowance | 4,950,000 | | | | | | | | | | 4,950,000 |
| **Studies and Special Projects** | - | | | | | | | | | | |
| SCADA Systems - Phase 5 of 8 | 821,520 | 821,520 | | | | | | | | | |
| Water Meters for All Water Systems - Phase 5 of 5 | 320,650 | 320,650 | | | | | | | | | |
| Lindsay WTP Interior and Exterior Coatings and Paint | 130,000 | | 130,000 | | | | | | | | |
| SCADA Systems - Phase 6 of 8 | 966,000 | | 966,000 | | | | | | | | |
| SCADA Systems - Phase 7 of 8 | 840,000 | | | 840,000 | | | | | | | |
| SCADA Systems - Phase 8 of 8 | 222,600 | | | | 222,600 | | | | | | |
| Fenelon Falls WTP Membrane Tank Assessment | 60,000 | 60,000 | | | | | | | | | |
| Lindsay Water System Valve Chambers Assessment | 200,000 | 200,000 | | | | | | | | | |
| Lindsay WTP Filter Coating and Drain Assessment | 70,000 | 70,000 | | | | | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | 100,000 | | | | | | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | 30,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | 100,000 | | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | 100,000 | | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | 100,000 | | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | 100,000 | | |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | 100,000 | |
| Water-Wastewater Rate Study and Financial Plan | 30,000 | | | | | | | | | | 30,000 |
| Studies and Special Projects Allowance | 100,000 | | | | | | | | | | 100,000 |
| **Growth Related:** | - | | | | | | | | | | |
| **Treatment** | - | | | | | | | | | | |
| Lindsay WTP | - | | | | | | | | | | |
| EA | 2,000,000 | 1,000,000 | 1,000,000 | | | | | | | | |
| Phase 1 Design | 13,000,000 | | 4,333,333 | 4,333,333 | 4,333,333 | | | | | | |
| Phase 1 Construction | 250,000,000 | | | | | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 | |
| Bobcaygeon WTP | - | | | | | | | | | | |
| EA | 683,000 | | 227,667 | 227,667 | 227,667 | | | | | | |
| Design | 4,095,000 | | | | 2,047,500 | 2,047,500 | | | | | |
| Construction | 63,473,000 | | | | | | 21,157,667 | 21,157,667 | 21,157,667 | | |
| Omemee Water System Supply and Storage | 1,100,000 | | | | | 1,100,000 | | | | | |
| Janetville Water System Supply and Storage | 1,500,000 | | | 1,500,000 | | | | | | | |
| **Vertical Distribution** | - | | | | | | | | | | |
| Northwest Lindsay Water Tower | - | | | | | | | | | | |
| EA | 100,000 | 50,000 | 50,000 | | | | | | | | |
| Design | 900,000 | | 300,000 | 300,000 | 300,000 | | | | | | |
| Construction | 13,950,000 | | | | | 4,650,000 | 4,650,000 | 4,650,000 | | | |
| Thornhill Rd. Reservoir | - | | | | | | | | | | |
| EA | 90,667 | 45,333 | 45,333 | | | | | | | | |
| Design | 813,000 | | 406,500 | 406,500 | | | | | | | |
| Construction | 12,602,000 | | | | | | 4,200,667 | 4,200,667 | 4,200,667 | | |
| Oakwood Reservoir | - | | | | | | | | | | |
| EA | 10,667 | 5,333 | 5,333 | | | | | | | | |
| Design | 95,000 | | 31,667 | 31,667 | 31,667 | | | | | | |
| Construction | 1,479,000 | | | | | 493,000 | 493,000 | 493,000 | | | |

Table A-1 (continued)
City of Kawartha Lakes
Water Capital Budget Forecast (uninflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| Fenelon Falls Booster WPS | - | | | | | | | | | | |
| EA | 7,000 | 3,500 | 3,500 | | | | | | | | |
| Design | 42,000 | | | 21,000 | 21,000 | | | | | | |
| Construction | 651,000 | | | | | 325,500 | 325,500 | | | | |
| Fenelon Falls Water Tower or Reservoir | - | | | | | | | | | | |
| EA | 49,000 | 24,500 | 24,500 | | | | | | | | |
| Design | 291,000 | | | 145,500 | 145,500 | | | | | | |
| Construction | 4,511,000 | | | | | 1,503,667 | 1,503,667 | 1,503,667 | | | |
| **Horizontal Distribution** | - | | | | | | | | | | |
| Thunderbridge Rd. and Angeline St. Watermains - Springdale Dr. to New Water Tower | 1,530,000 | | | | 1,530,000 | | | | | | |
| St. Joseph Rd. Watermain - Colborne St. to Kent St. | 625,000 | | | | 625,000 | | | | | | |
| Kent St. Watermain - St. Joseph Rd. to Commerce Rd. | 145,000 | | | | 145,000 | | | | | | |
| Commerce Rd. Watermain - Kent St. to 275m South of Kent St. | 370,000 | | | | | 370,000 | | | | | |
| Glenelg St./Victoria Ave. Intersection Watermain | 25,000 | | | | | | 25,000 | | | | |
| Glenelg St. Watermain - Victoria Ave. to Sussex St. | 200,000 | | | | | | 200,000 | | | | |
| Glenelg St. Watermain - Sussex St. to Albert St. | 280,000 | | | | | | 280,000 | | | | |
| Glenelg St. Watermain - Albert St. to Adelaide St. | 420,000 | | | | | | 420,000 | | | | |
| Mary St. Watermain - Lindsay St. to Albert St. | 2,224,000 | | | | 2,224,000 | | | | | | |
| Mary St. Watermain - Albert St. to Angeline St. | 1,696,000 | | | | 1,696,000 | | | | | | |
| Lindsay Heights Development Watermain | 2,570,000 | | | | | | 2,570,000 | | | | |
| Angeline St. Watermain - Mary St. to Kent St. | 7,660,000 | | | | | | | | | | 7,660,000 |
| Dobson St. Watermain - Brock St. to Verulam Rd. | 574,000 | | | 574,000 | | | | | | | |
| North Bobcaygeon Watermain - North St./St. Joseph St. to Balaclava St./Hillview Dr. | 1,240,000 | | | | | | 1,240,000 | | | | |
| Boyd St., Navigators Tr., and Olde Forest Ln. Watermain - East St. to Island Bay Dr. | 681,000 | | | | | | | | 681,000 | | |
| King St. and Kingsway Dr. Watermain - Need St. to East St. | 340,000 | | | | | | | | 340,000 | | |
| Trail Easement Watermain - Squires Row to 294m Northeast of Squires Row | 360,000 | | | | | | | | 360,000 | | |
| Main St. and Boyd Island Twin Watermain - Bobcaygeon WTP to Front St. | 400,000 | | | | | | | | 400,000 | | |
| Balaclava St. Watermain - Hillview Dr. to Dunn St. | 290,000 | | | | | | | | 290,000 | | |
| Fenelon Trails Development Watermains | 2,400,000 | | | | | 2,400,000 | | | | | |
| #551 County Rd. 121 Development Watermain - #563 County Rd. 121 to Veteran's Way | 580,000 | | | | | 580,000 | | | | | |
| Colborne St. Watermain - Highway 35 to Highway 7 | 4,013,000 | | | | | | 4,013,000 | | | | |
| Highway 7 Watermain - Elm Tree Rd. to Chase Pl. | 377,000 | | | | | | 377,000 | | | | |
| Colborne St. Watermain - William St. to Scugog River | 200,000 | 200,000 | | | | | | | | | |
| **Studies and Special Projects** | - | | | | | | | | | | |
| Omemee Water System Supply and Storage Assessment | 100,000 | 100,000 | | | | | | | | | |
| Water Master Plan | 550,000 | | | | | | | | 550,000 | | |
| **Total Capital Expenditures** | **499,952,603** | **15,103,837** | **18,064,833** | **19,573,667** | **22,428,767** | **72,431,667** | **103,916,500** | **89,758,000** | **87,031,333** | **56,400,500** | **15,243,500** |

Table A-2
City of Kawartha Lakes
Water Capital Budget Forecast and Recommended Capital Financing (inflated $)

| Description | Total | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Capital Expenditures** | | | | | | | | | | | |
| **Non-Growth Related:** | | | | | | | | | | | |
| Treatment | 20,286,000 | 3,583,000 | 2,218,000 | 983,000 | 840,000 | 1,918,000 | 2,030,000 | 2,091,000 | 2,154,000 | 2,218,000 | 2,251,000 |
| Vertical Distribution | 5,218,000 | 958,000 | 212,000 | 219,000 | 304,000 | 869,000 | 500,000 | 515,000 | 531,000 | 547,000 | 563,000 |
| Horizontal Distribution | 84,354,000 | 8,032,000 | 8,752,000 | 11,031,000 | 8,737,000 | 7,451,000 | 12,231,000 | 6,806,000 | 8,657,000 | 5,455,000 | 7,202,000 |
| Studies and Special Projects | 4,785,000 | 1,516,000 | 1,163,000 | 918,000 | 364,000 | 151,000 | 119,000 | 123,000 | 127,000 | 130,000 | 174,000 |
| **Growth Related:** | | | | | | | | | | | |
| Treatment | 410,464,000 | 1,030,000 | 5,900,000 | 6,623,000 | 7,437,000 | 61,613,000 | 84,966,000 | 87,515,000 | 90,141,000 | 65,239,000 | - |
| Vertical Distribution | 42,689,000 | 133,000 | 920,000 | 989,000 | 562,000 | 8,083,000 | 13,341,000 | 13,340,000 | 5,321,000 | - | - |
| Horizontal Distribution | 35,531,000 | 206,000 | - | 627,000 | 7,000,000 | 3,883,000 | 10,897,000 | - | 2,624,000 | - | 10,294,000 |
| Studies and Special Projects | 800,000 | 103,000 | - | - | - | - | - | - | 697,000 | - | - |
| **Total Capital Expenditures** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |
| **Capital Financing** | | | | | | | | | | | |
| Provincial/Federal Grants | 2,780,000 | 2,780,000 | | | | | | | | | |
| Developer Funded Costs | 5,839,077 | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | - |
| Development Charges Reserve Fund | 67,456,240 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Non-Growth Related Debenture Requirements | 65,754,298 | 6,003,644 | 2,818,442 | 8,890,341 | 6,569,587 | 5,643,080 | 11,239,421 | 4,540,134 | 7,052,092 | 4,434,827 | 8,562,731 |
| Growth Related Debenture Requirements | 410,620,346 | - | - | - | - | 33,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |
| Water Reserve | 51,677,038 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Total Capital Financing** | **604,127,000** | **15,561,000** | **19,165,000** | **21,390,000** | **25,244,000** | **83,968,000** | **124,084,000** | **110,390,000** | **110,252,000** | **73,589,000** | **20,484,000** |

Table A-3
City of Kawartha Lakes
Water - Schedule of Non-Growth-Related Debenture Repayments (inflated $)

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | - | - | - | - | - | - | - | - | - | - | - |
| 2026 | 6,003,644 | | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 | 347,191 |
| 2027 | 2,818,442 | | | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 | 162,991 |
| 2028 | 8,890,341 | | | | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 | 514,129 |
| 2029 | 6,569,587 | | | | | 379,920 | 379,920 | 379,920 | 379,920 | 379,920 | 379,920 |
| 2030 | 5,643,080 | | | | | | 326,340 | 326,340 | 326,340 | 326,340 | 326,340 |
| 2031 | 11,239,421 | | | | | | | 649,977 | 649,977 | 649,977 | 649,977 |
| 2032 | 4,540,134 | | | | | | | | 262,556 | 262,556 | 262,556 |
| 2033 | 7,052,092 | | | | | | | | | 407,823 | 407,823 |
| 2034 | 4,434,827 | | | | | | | | | | 256,466 |
| 2035 | 8,562,731 | | | | | | | | | | |
| **Total Annual Debt Charges** | **65,754,298** | **-** | **347,191** | **510,182** | **1,024,311** | **1,404,231** | **1,730,571** | **2,380,548** | **2,643,104** | **3,050,928** | **3,307,394** |

Table A-4
City of Kawartha Lakes
Water - Schedule of Growth-Related Debenture Repayments (inflated $)

| Debenture Year | Principal (Inflated) | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| 2025 | 4,332,990 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 | 250,577 |
| 2026 | - | | - | - | - | - | - | - | - | - | - |
| 2027 | - | | | - | - | - | - | - | - | - | - |
| 2028 | - | | | | - | - | - | - | - | - | - |
| 2029 | - | | | | | - | - | - | - | - | - |
| 2030 | 33,001,743 | | | | | | 1,908,494 | 1,908,494 | 1,908,494 | 1,908,494 | 1,908,494 |
| 2031 | 105,503,235 | | | | | | | 6,101,263 | 6,101,263 | 6,101,263 | 6,101,263 |
| 2032 | 100,855,000 | | | | | | | | 5,832,455 | 5,832,455 | 5,832,455 |
| 2033 | 98,388,760 | | | | | | | | | 5,689,832 | 5,689,832 |
| 2034 | 65,239,000 | | | | | | | | | | 3,772,778 |
| 2035 | 7,632,607 | | | | | | | | | | |
| **Total Annual Debt Charges** | **414,953,335** | **250,577** | **250,577** | **250,577** | **250,577** | **250,577** | **2,159,071** | **8,260,334** | **14,092,788** | **19,782,620** | **23,555,398** |

Table A-5
City of Kawartha Lakes
Water Reserve/Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 8,565,542 | 7,359,737 | 5,725,339 | - | - | - | - | - | - | - | - |
| Transfer from Operating | 3,348,764 | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Capital | 4,698,877 | 5,362,212 | 9,526,558 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **7,215,428** | **5,613,077** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Interest | 144,309 | 112,262 | - | - | - | - | - | - | - | - | - |

Table A-6
City of Kawartha Lakes
Water Development Charges Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 10,054,005 | 19,977,340 | 28,699,347 | 32,391,142 | 35,326,153 | 32,189,781 | 6,148,526 | 15,726,276 | 19,629,079 | 18,028,393 | 10,970,388 |
| Development Charge Proceeds | 9,678,052 | 9,968,319 | 10,267,466 | 10,575,495 | 10,892,749 | 11,219,657 | 11,556,249 | 11,902,985 | 12,260,178 | 12,627,975 | 13,006,687 |
| Transfer to Capital | - | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 37,000,000 | - | - | - | - | - |
| Transfer to Operating | 146,430 | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Closing Balance** | **19,585,627** | **28,136,615** | **31,756,021** | **34,633,483** | **31,558,609** | **6,027,967** | **15,417,918** | **19,244,195** | **17,674,895** | **10,755,283** | **306,320** |
| Interest | 391,713 | 562,732 | 635,120 | 692,670 | 631,172 | 120,559 | 308,358 | 384,884 | 353,498 | 215,106 | 6,126 |
| Required from Development Charges | 4,332,990 | 1,415,144 | 6,820,000 | 7,945,380 | 14,275,716 | 70,001,743 | 105,503,235 | 100,855,000 | 98,388,760 | 65,239,000 | 7,632,607 |

Table A-7
City of Kawartha Lakes
Operating Budget Forecast – Water (inflated $)

| Description | Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
| **Expenditures** | | | | | | | | | | |
| Operating Costs | | | | | | | | | | |
| 71110 - Wages | 585,600 | 603,200 | 621,300 | 639,900 | 659,100 | 678,900 | 699,300 | 720,300 | 741,900 | 764,200 |
| 71115 - Overtime | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 |
| 71305 - Employment Insurance | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 |
| 71310 - Canada Pension Plan | 28,300 | 29,100 | 30,000 | 30,900 | 31,800 | 32,800 | 33,800 | 34,800 | 35,800 | 36,900 |
| 71315 - Employer Health Tax | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 | 13,800 | 14,200 | 14,600 | 15,000 |
| 71320 - Omers Pension | 59,200 | 61,000 | 62,800 | 64,700 | 66,600 | 68,600 | 70,700 | 72,800 | 75,000 | 77,300 |
| 71325 - Group Benefits | 61,400 | 63,200 | 65,100 | 67,100 | 69,100 | 71,200 | 73,300 | 75,500 | 77,800 | 80,100 |
| 72710 - Chemical Supplies | 900,700 | 927,700 | 955,500 | 984,200 | 1,013,700 | 1,044,100 | 1,075,400 | 1,107,700 | 1,140,900 | 1,175,100 |
| 72730 - Janitorial Supplies | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| 72745 - Maintenance Supplies | 15,500 | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 |
| 73010 - Hydro | 383,200 | 394,700 | 406,500 | 418,700 | 431,300 | 444,200 | 457,500 | 471,200 | 485,300 | 499,900 |
| 73015 - Natural Gas | 26,800 | 27,600 | 28,400 | 29,300 | 30,200 | 31,100 | 32,000 | 33,000 | 34,000 | 35,000 |
| 73090 - Diesel - for Generator | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 | 7,500 | 7,700 | 7,900 | 8,100 |
| 73205 - Material Supplies | 108,200 | 111,400 | 114,700 | 118,100 | 121,600 | 125,200 | 129,000 | 132,900 | 136,900 | 141,000 |
| 74150 - Other Contracted Services | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 | 21,500 | 22,100 | 22,800 |
| 74305 - Contract Allocation | 752,100 | 774,700 | 797,900 | 821,800 | 846,500 | 871,900 | 898,100 | 925,000 | 952,800 | 981,400 |
| 74330 - Janitorial Cleaning | 8,800 | 9,100 | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 |
| 74331 - Contracted Mat Services | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| 74515 - Water Supply | 5,500 | 5,700 | 5,900 | 6,100 | 6,300 | 6,500 | 6,700 | 6,900 | 7,100 | 7,300 |
| 74520 - SCADA Programming | 2,100 | 2,200 | 2,300 | 2,400 | 2,500 | 2,600 | 2,700 | 2,800 | 2,900 | 3,000 |
| 74810 - Building Maintenance and Repai | 31,900 | 32,900 | 33,900 | 34,900 | 35,900 | 37,000 | 38,100 | 39,200 | 40,400 | 41,600 |
| 74920 - Grounds Maintenance | 9,400 | 9,700 | 10,000 | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 |
| 74945 - Contracted Snow Plowing | 110,700 | 114,000 | 117,400 | 120,900 | 124,500 | 128,200 | 132,000 | 136,000 | 140,100 | 144,300 |
| 78550 - City Property Tax | 68,800 | 70,900 | 73,000 | 75,200 | 77,500 | 79,800 | 82,200 | 84,700 | 87,200 | 89,800 |
| 72520 - Telecommunications | 16,000 | 16,500 | 17,000 | 17,500 | 18,000 | 18,500 | 19,100 | 19,700 | 20,300 | 20,900 |
| 74510 - Contracted OCWA Costs | 3,706,800 | 3,818,000 | 3,932,500 | 4,050,500 | 4,172,000 | 4,297,200 | 4,426,100 | 4,558,900 | 4,695,700 | 4,836,600 |
| 74512 - OCWA Additional Charges | 248,400 | 255,900 | 263,600 | 271,500 | 279,600 | 288,000 | 296,600 | 305,500 | 314,700 | 324,100 |
| 74250 - Telecommunication Data Lines | 5,600 | 5,800 | 6,000 | 6,200 | 6,400 | 6,600 | 6,800 | 7,000 | 7,200 | 7,400 |
| Adjusted Water Administration Expenditures | 2,424,800 | 2,497,500 | 2,572,400 | 2,649,600 | 2,729,100 | 2,811,000 | 2,895,300 | 2,982,200 | 3,071,700 | 3,163,900 |
| Incremental Operating Costs Related to New Development | | | | | | | | | | |
| Bobcaygeon WTP | | | | | | | | | 1,243,500 | 1,280,800 |
| Northwest Lindsay Water Tower | | | | | | | | 147,800 | 152,200 | 156,800 |
| Thornhill Rd Reservoir | | | | | | | | 240,300 | 247,500 | 254,900 |
| Oakwood Reservoir | | | | | | | | 267,300 | 275,300 | 283,600 |
| Fenelon Falls Booster WPS | | | | | | | 221,800 | 228,500 | 235,400 | 242,500 |
| **Sub Total Operating** | **9,621,900** | **9,910,700** | **10,207,900** | **10,514,300** | **10,829,700** | **11,154,600** | **11,710,900** | **12,717,700** | **14,342,600** | **14,772,900** |

Table A-7 (continued)
City of Kawartha Lakes
Operating Budget Forecast – Water (inflated $)

| Description | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | |
| Capital-Related | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 | 105,920 |
| Existing Debt (Interest) - Growth Related | 37,403 | 34,295 | 31,276 | 28,081 | 24,974 | 21,866 | 18,813 | 15,654 | 12,545 | 9,437 |
| New Growth Related Debt (Principal) | 77,258 | 80,348 | 83,562 | 86,904 | 90,381 | 682,420 | 2,590,850 | 4,492,739 | 6,426,730 | 7,847,017 |
| New Growth Related Debt (Interest) | 173,320 | 170,229 | 167,015 | 163,673 | 160,197 | 1,476,651 | 5,669,484 | 9,600,050 | 13,355,891 | 15,708,382 |
| Existing Debt (Principal) - Non-Growth Related | 2,334,303 | 2,241,513 | 2,072,259 | 1,941,323 | 1,628,278 | 1,481,333 | 1,435,313 | 1,291,468 | 1,128,085 | 1,071,765 |
| Existing Debt (Interest) - Non-Growth Related | 890,246 | 864,824 | 844,497 | 774,073 | 709,460 | 641,171 | 585,090 | 525,698 | 468,801 | 416,334 |
| New Non-Growth Related Debt (Principal) | - | 107,046 | 161,580 | 326,559 | 456,758 | 575,645 | 799,071 | 911,985 | 1,074,204 | 1,196,245 |
| New Non-Growth Related Debt (Interest) | - | 240,146 | 348,602 | 697,752 | 947,473 | 1,154,926 | 1,581,477 | 1,731,120 | 1,976,724 | 2,111,149 |
| Transfer to Capital - Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Transfer to Capital Reserve | 3,615,552 | 3,801,220 | 4,260,659 | 4,398,697 | 4,869,177 | 5,249,886 | 4,994,866 | 4,811,148 | 3,915,173 | 4,288,662 |
| **Sub Total Capital Related** | **7,234,001** | **7,645,540** | **8,368,988** | **8,522,982** | **12,446,616** | **13,481,276** | **17,780,883** | **23,485,781** | **28,464,071** | **32,754,910** |
| **Total Expenditures** | **16,855,901** | **17,556,240** | **18,576,888** | **19,037,282** | **23,276,316** | **24,635,876** | **29,491,783** | **36,203,481** | **42,806,671** | **47,527,810** |
| **Revenues** | | | | | | | | | | |
| Base Charge | 6,291,113 | 6,558,470 | 6,835,810 | 7,123,481 | 7,421,842 | 7,731,265 | 8,052,134 | 8,384,845 | 8,729,808 | 9,087,446 |
| 44815 - Building/Property Rental | 10,300 | 10,600 | 10,900 | 11,200 | 11,500 | 11,800 | 12,200 | 12,600 | 13,000 | 13,400 |
| 45830 - Water Connection Fee | 12,400 | 12,800 | 13,200 | 13,600 | 14,000 | 14,400 | 14,800 | 15,200 | 15,700 | 16,200 |
| 45860 - Bulk Water Sales | 271,600 | 279,700 | 288,100 | 296,700 | 305,600 | 314,800 | 324,200 | 333,900 | 343,900 | 354,200 |
| 45885 - Other Water User Charges | 36,100 | 37,200 | 38,300 | 39,400 | 40,600 | 41,800 | 43,100 | 44,400 | 45,700 | 47,100 |
| 48180 - Recoveries - Other | 8,200 | 8,400 | 8,700 | 9,000 | 9,300 | 9,600 | 9,900 | 10,200 | 10,500 | 10,800 |
| 76150 - Long Term Debt Interest | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| 77150 - Debt Principal Payments | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 | 12,100 |
| 78250 - Community Wells | 90,200 | 92,900 | 95,700 | 98,600 | 101,600 | 104,600 | 107,700 | 110,900 | 114,200 | 117,600 |
| Adjusted Water Administration Revenues | 153,100 | 157,700 | 162,400 | 167,300 | 172,300 | 177,500 | 182,800 | 188,300 | 193,900 | 199,700 |
| Developer Funded Costs | - | - | 293,620 | - | 3,454,000 | 2,091,458 | - | - | - | |
| Contributions from Development Charges Reserve | 393,899 | 390,792 | 387,773 | 384,578 | 381,471 | 2,286,857 | 8,385,066 | 14,214,362 | 19,901,084 | 23,670,755 |
| **Total Operating Revenue** | **7,281,213** | **7,562,862** | **8,148,802** | **8,158,159** | **11,926,512** | **12,798,380** | **17,146,200** | **23,329,007** | **29,382,092** | **33,531,501** |
| **Water Billing Recovery - Operating** | **9,574,689** | **9,993,378** | **10,428,086** | **10,879,124** | **11,349,803** | **11,837,496** | **12,345,583** | **12,874,474** | **13,424,579** | **13,996,308** |

Table A-8
City of Kawartha Lakes
Water Rate Forecast Summary

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charge:** | | | | | | | | | | | |
| 5/8" - 3/4" | $33.52 | $34.45 | $35.40 | $36.38 | $37.39 | $38.43 | $39.49 | $40.58 | $41.71 | $42.86 | $44.05 |
| 1" | $43.61 | $44.82 | $46.06 | $47.33 | $48.64 | $49.99 | $51.38 | $52.80 | $54.26 | $55.76 | $57.31 |
| 1 ½" | $56.07 | $57.62 | $59.22 | $60.86 | $62.54 | $64.28 | $66.06 | $67.88 | $69.76 | $71.70 | $73.68 |
| 2" | $90.32 | $92.82 | $95.39 | $98.03 | $100.75 | $103.54 | $106.40 | $109.35 | $112.38 | $115.49 | $118.69 |
| 3" | $342.62 | $352.11 | $361.86 | $371.88 | $382.18 | $392.76 | $403.64 | $414.81 | $426.30 | $438.11 | $450.24 |
| 4" | $436.05 | $448.13 | $460.53 | $473.29 | $486.39 | $499.86 | $513.71 | $527.93 | $542.55 | $557.57 | $573.02 |
| 6" | $654.05 | $672.16 | $690.78 | $709.90 | $729.56 | $749.77 | $770.53 | $791.87 | $813.79 | $836.33 | $859.49 |
| 8" | $903.20 | $928.21 | $953.92 | $980.33 | $1,007.48 | $1,035.38 | $1,064.05 | $1,093.52 | $1,123.80 | $1,154.92 | $1,186.90 |
| **Percentage Increase** | | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** | **2.8%** |
| **Volumetric Charge:** | | | | | | | | | | | |
| Rate per m3 | $ 3.14 | $ 3.24 | $ 3.34 | $ 3.45 | $ 3.56 | $ 3.68 | $ 3.79 | $ 3.91 | $ 4.04 | $ 4.17 | $ 4.30 |
| **Percentage Increase** | | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** | **3.2%** |