

# 2025 Rate Budget

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Budget Committee of the Whole: November 20, 2024



**PORT COLBORNE**

# 2025 Rate Budget

In preparing the **2025 Rate Budget**, certain assumptions and estimates are necessary.

They are based on information available to staff at the time.

**Actual results will vary** although, as regulated through the Municipal Act, **a balanced budget is required.**



# Agenda

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- 1 2025 Budget Summary
- 2 City Fundamentals
- 3 Budget Details
- 4 Looking Forward
- 5 Thank You

# Agenda

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- 1 2024 Budget Summary
  - 2 City Fundamentals
  - 3 Budget Details
  - 4 Looking Forward
  - 5 Thank You
- Recommendation
  - Vision, Mission & Corporate Values
  - Budget Drivers
  - Alignment with the Strategic Plan
  - Budget highlights
  - Process
  - Rate impacts
  - Tax and rate comparisons
  - Risks to the budget



# Recommendation

That the Corporate Services  
Department, Financial Services  
Division, Report No. 2024-215  
Subject: 2025 Rate Budget, **BE  
RECEIVED**; And

That the 2025 Rate Budget and debt  
substitution as outlined in Report  
2024-215, **BE APPROVED**.



# Vision, Mission & Corporate Values

## Vision Statement:

A healthy and vibrant waterfront community embracing growth for future generations.

## Mission Statement:

To provide an exceptional small-town experience in a big way.

## Corporate Values

- **Integrity** – We interact with others ethically and honourably
- **Respect** – We treat each other with empathy and understanding
- **Inclusion** – We welcome everyone
- **Responsibility** – We make tomorrow better
- **Collaboration** – We are better together





# Alignment with the Strategic Plan



**Environment  
& Climate  
Change**



**Welcoming,  
Livable &  
Healthy  
Community**



**Economic  
Prosperity**



**Increased  
Housing  
Options**



**Sustainable  
& Resilient  
Infrastructure**

**PEOPLE**  **SIMPLE**  **VALUE**  **CUSTOMER**

# Budget Drivers

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## Niagara Region

The cost of the Niagara Region cleaning the water and wastewater

- 12.27% increase (Niagara Region Report CSD 48-2024)
- The Niagara Region allocates their variable and fixed costs based on volumes.
- Water and Wastewater Rate Methodology Review (Niagara Region Report CSD 59-2024) identifies the Niagara Region's rate budget includes funding to review the current rate methodology.

## Infrastructure

The cost to repair, replace and in the case of storm sewers, building infrastructure

# Sustainable & Resilient Infrastructure



## Goal:

To sustainably renew and improve infrastructure.

## Measures:

- All stormwater assets to have a remaining asset life of 20% or greater by 2030. Currently 89.5%^
- All wastewater assets to have a remaining asset life of 20% or greater by 2030. Currently 80.3%^
- All water assets to have a remaining asset life of 20% or greater by 2040. Currently 61.8%^

^ Updated through Asset Management Plan

## Investment required in the current system:

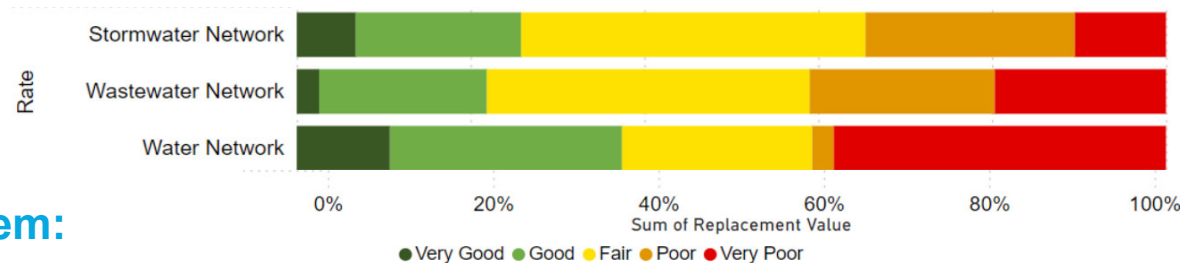
Current 2025 base funding = \$3.9 million + \$1.9 million in debt payments

In 2025 1 km of linear infrastructure is estimated to cost \$2.9 million

Required 2025 average annual investment = \$18.7 million



Asset	Very Poor	Poor	Fair	Good	Very Good	Total
<b>Rate Funded</b>						
Stormwater Network	\$17,418,450	\$40,112,317	\$65,918,700	\$31,622,273	\$11,338,506	<b>\$166,410,246</b>
Wastewater Network	\$51,777,809	\$56,034,016	\$97,688,318	\$50,728,029	\$6,799,021	<b>\$263,027,193</b>
Water Network	\$95,477,946	\$6,228,746	\$54,671,356	\$66,735,010	\$26,812,475	<b>\$249,925,533</b>
<b>Total</b>	<b>\$164,674,205</b>	<b>\$102,375,079</b>	<b>\$218,278,374</b>	<b>\$149,085,312</b>	<b>\$44,950,002</b>	<b>\$679,362,972</b>



## Plus:

- Approx 65% - 70% of all wastewater treated is resulting from inflow and infiltration and only 1/3 of the urban area has a designed storm sewer system
- The City needs a storm sewer system

# Sustainable & Resilient Infrastructure

## Goal:

To implement capital projects required for the sustainability of the water, wastewater, and storm water rate systems.



## Measures:

- Reduce the wastewater to water billed ratio to 1 by 2040. Currently 2.3
- Reduce the water loss rate to 15% by 2040. Currently 44.6%

## Approach:

- Our infrastructure investments
- Our data analysis and geographic information system
- Our People (Supervisor of Asset Management, Environmental Compliance Supervisor, Senior Project Manager and Manager of Customer Services)





# Budget Highlights

**Wastewater**  
Lateral and maintenance hole  
rehabilitation (three-year project)



\$4.7M



**Wastewater**  
Lateral launch  
(three-year project)



\$670K



\$1.6M



## Storm Sewer

Replacements at Olga and Clarence



\$9.4M

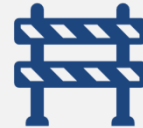


## Watermain Replacements

North/South Crescent, Ash, Jefferson plus  
Davis, West, Homewood, Berkley



\$10M



## Wastewater Lateral Lining

1/3 of the City's infrastructure (three-  
year project)



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# Rate Impacts



## Rate Impacts

For average residential water usage of 188m3

Storm:	↑ 40.0%	\$78.40	\$6.54
Wastewater:	↑ 12.0%	\$134.76	\$11.23
Water:	↑ 12.0%	\$90.84	\$7.57
		<b>\$304.00</b>	<b>\$25.34</b>
		Yearly	Monthly

- Drivers of increase:
- Capital infrastructure
  - Treatment costs (Niagara Region)
    - 12.27% increase (CSD 48-2024)

# Process

Developed through a process that obtained input from both Council and Staff

Current Value Assessment	Capital & Levy	Rate
<b>Submissions to Finance</b>	June 28, 2024	September 27, 2024
<b>Staff Review</b>	September 25, 2024	October 30, 2024
<b>Budget Committee Package</b>	October 2, 2024	<del>November 6, 2024</del> November 14, 2024
<b>Budget Committee of the Whole</b>	October 16, 2024	November 20, 2024
<b>Council Approval</b>	October 22, 2024	November 26, 2024

# Comparison: Property Taxes

	CVA	Niagara Region	City	Education	Total	
City of Port Colborne (ALL)	\$214,435	\$2,385	\$2,314	\$328	\$4,371	+ Storm \$195.66
<b>Average</b>						
City of Port Colborne (Standard)	\$200,914	\$1,619	\$2,169	\$307	\$4,095	+ Storm \$195.66
Weight Average Local Area Municipality (LAMs)	\$333,666	\$2,572	\$1,962	\$511	\$5,045	
<b>Median</b>						
City of Port Colborne (Standard)	\$180,000	\$1,450	\$1,943	\$275	\$3,668	+ Storm \$195.66
Weight Average Local Area Municipality (LAMs)	\$308,333	\$2,376	\$1,814	\$472	\$4,662	

Driven by assessment

Full-time fire department vs. volunteer; and Focus on capital (20% of levy in 2024)

# Comparison: Water and Wastewater Rates

**Equals 1 cent per litre for water**  
(if allocating no cost to wastewater)

	Avg. Usage	Water	Wastewater	Total
City of Port Colborne (ALL)	188 m3	\$757	\$1,123	\$1,880
Next Closest LAMs	188 m3	\$669	\$1,038	\$1,707
Average LAMs	188 m3	\$596	\$786	\$1,382
Median LAM	188 m3	\$587	\$714	\$1,301

A blue arrow points from the 'Total' column header to the \$1,880 value.  
 A red box highlights the Wastewater column values (\$1,123, \$1,038, \$786, \$714).  
 A blue arrow points from the text 'Wastewater differential is driven by inflow and infiltration' to the \$714 value.  
 Brackets on the right indicate differences: \$173 between City of Port Colborne and Next Closest LAMs, and \$498 between City of Port Colborne and Median LAM.

**Wastewater differential is driven by inflow and infiltration**

# Comparison: Total Cost

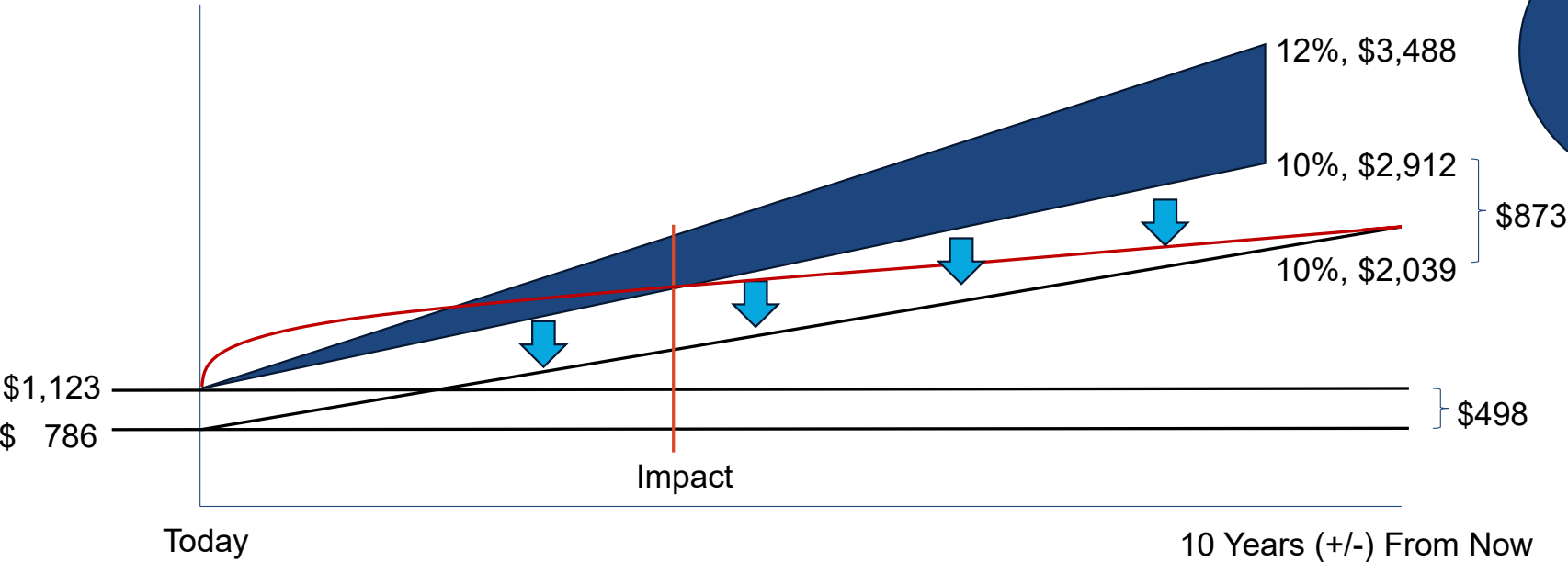
CVA	Port Colborne	Local Area Municipalities	Delta
Property Tax	4,095	5,045	(950)
Storm Sewer	196	Included in above	196
	4,291	5,045	(754)
Water and Wastewater	1,880	1,382	498
Total	6,171	6,427	(256)

**Net “all-in” average household cost is below Niagara average**



# Impact of Doing Nothing

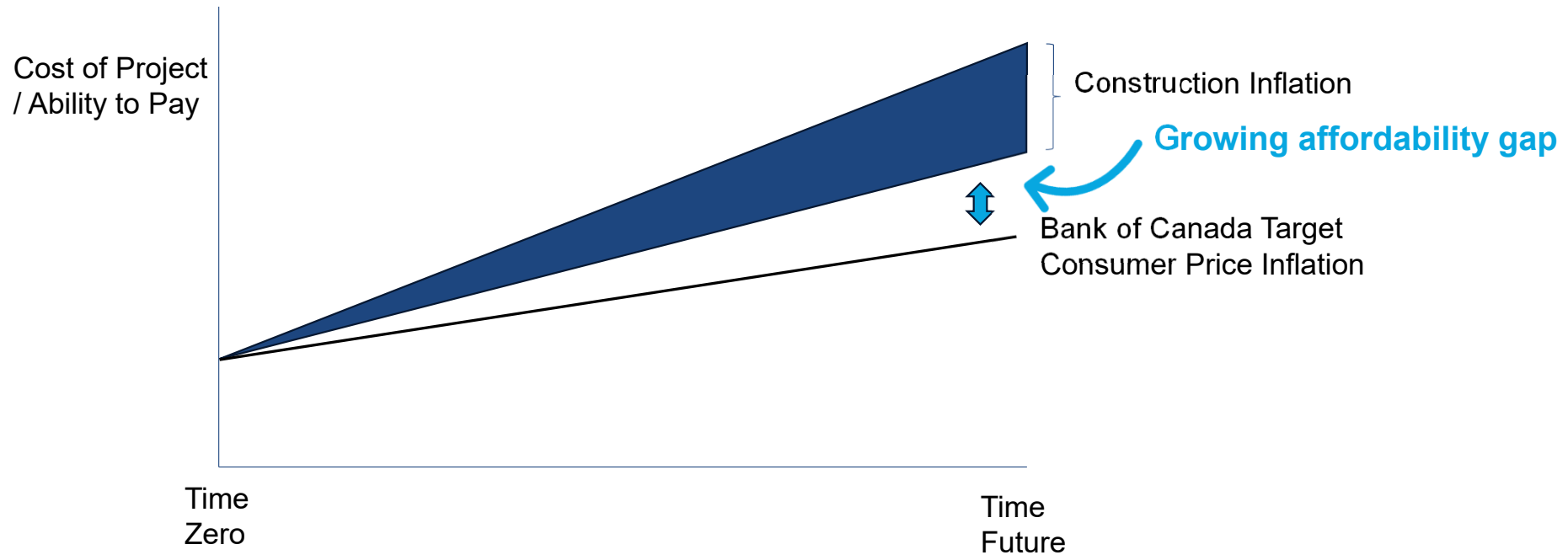
Illustration - Annual Wastewater Payment per Average Residential Property



Combined effort – Address the 2/3 of the city without working storm sewers and replace and/or reline wastewater pipes

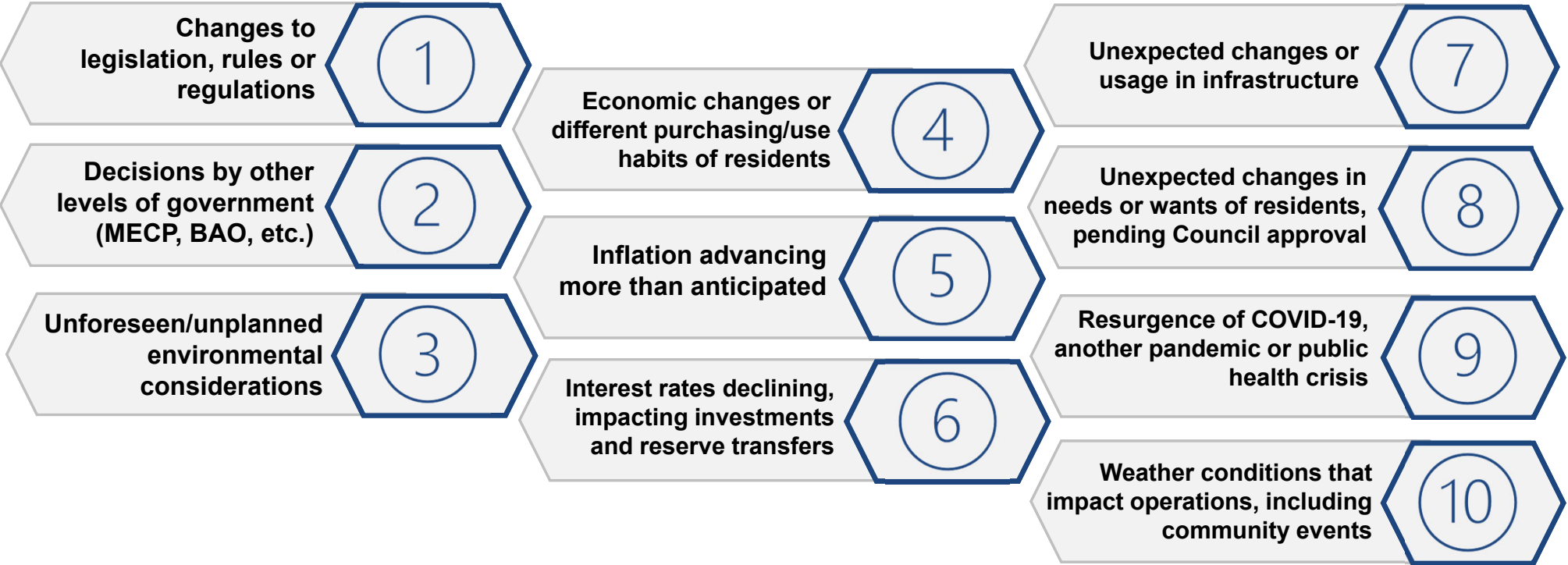
# Impact of Doing Nothing

## Illustration – Timing of Construction Projections



# Risks to the Budget

Actual events and results can be substantially different from what is expected or implied as a result of risk, uncertainties, and other factors, many of which are beyond our control, including, but not limited to:



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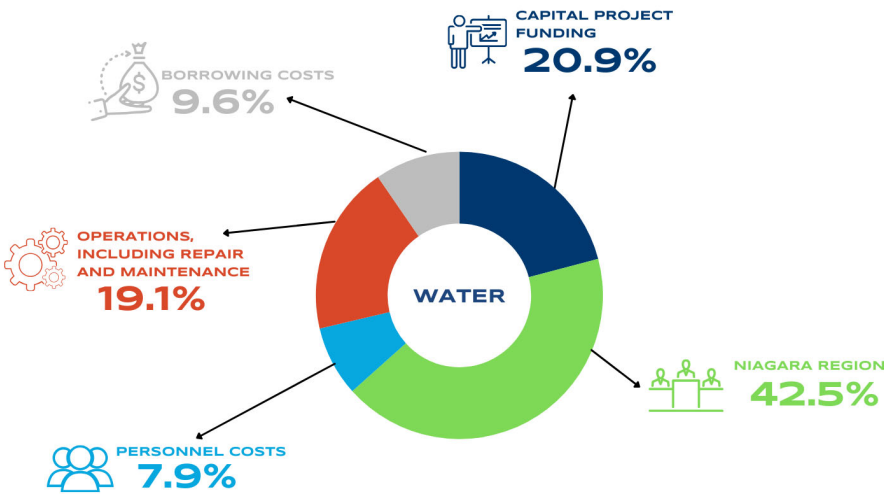
5 Thank You

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- What rate dollars support ...
  - 2024 forecast
  - Debt outlook
  - Reserves
  - In-Year rate operating activity
  - Water and wastewater volumes
  - Completed projects

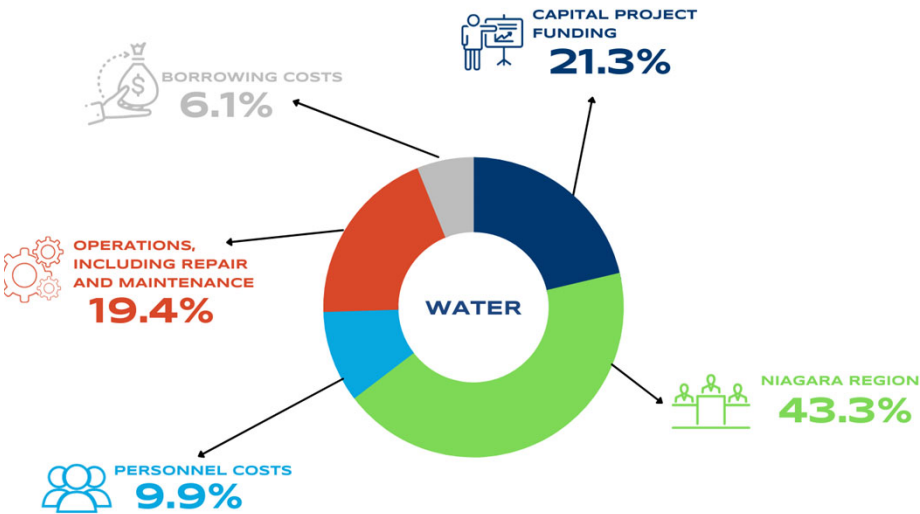


# What water dollars support ...

2025



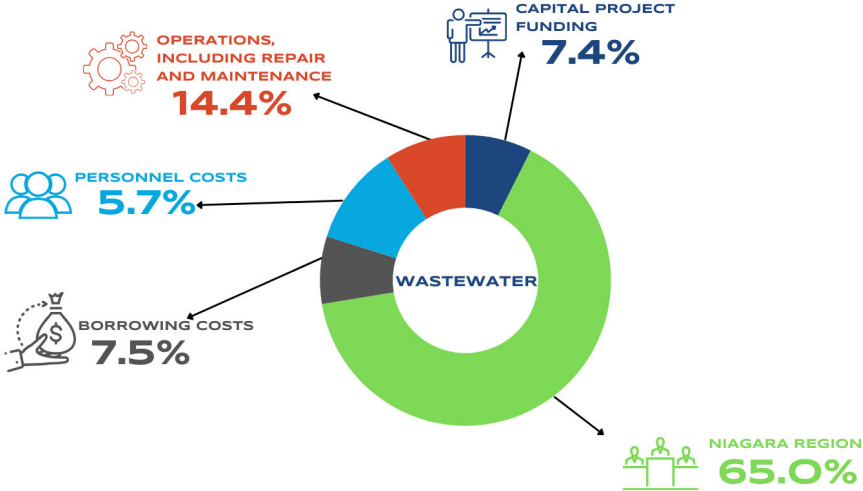
2024



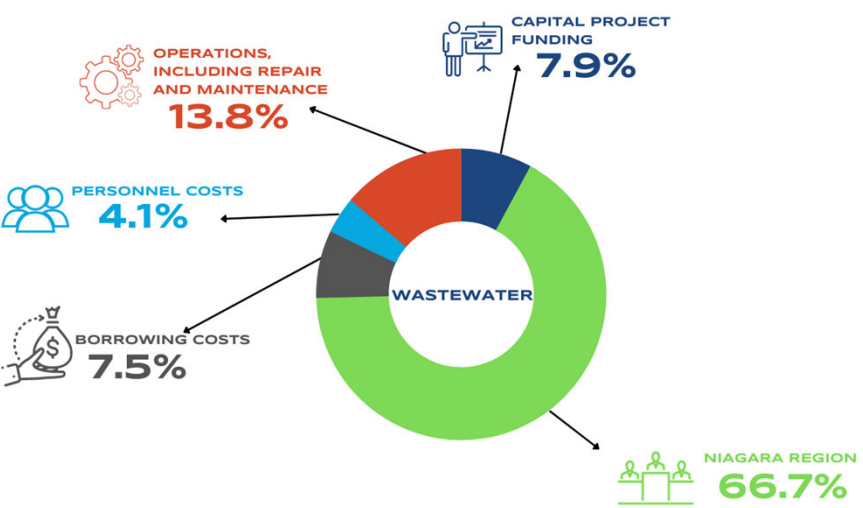
2025 Combined borrowing and capital projects = 30.5% (27.4% - 2024)  
Personnel costs are up as individuals previously working through the levy were moved directly to the rates budget

# What wastewater dollars support ...

2025



2024

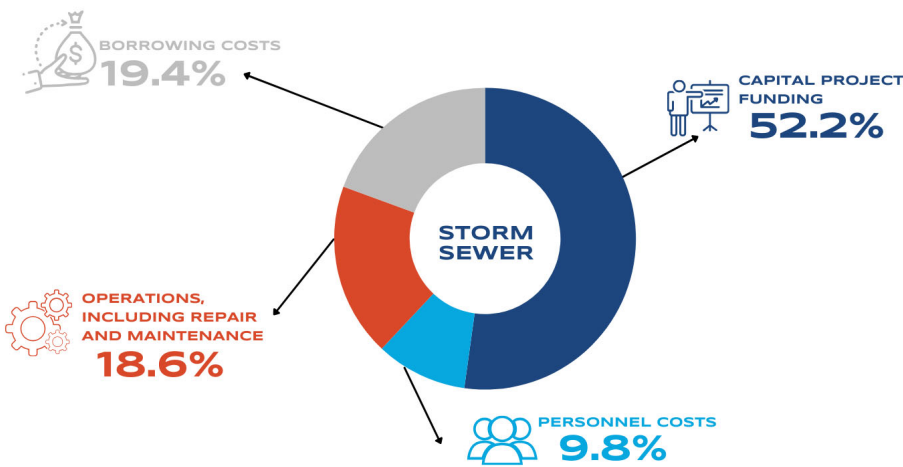


2025 Combined borrowing and capital projects = 14.9% (15.4% - 2024)  
Personnel costs are up as individuals previously working through the levy were moved directly to the rates budget

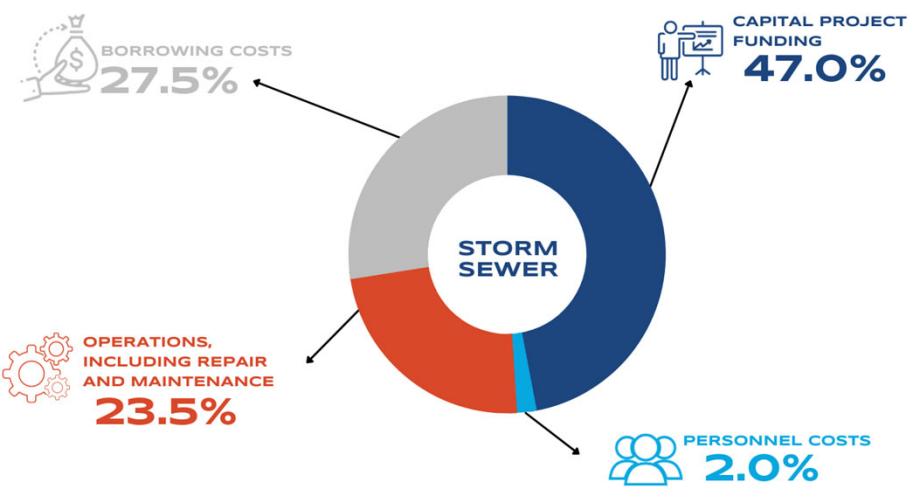


# What storm water dollars support ...

2025



2024



2025 Combined borrowing and capital projects = 71.6% (74.5% - 2024)  
Personnel costs are up as individuals previously working through the levy were moved directly to the rates budget

# 2025 Budget and 2024 Forecast

	2021	2021	2022	2022	2023	2023	2024	2024	2025	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	

Penalties and other fees	182,676	72,998	153,816	111,000	192,791	94,200	65,400	60,100	69,400	9,300	15.5%
Variable	3,163,050	4,336,213	2,774,850	2,743,067	2,722,662	3,016,000	3,185,100	3,303,393	3,567,400	264,007	8.0%
Fixed	8,885,353	7,946,615	10,199,398	10,247,000	10,729,296	10,550,900	13,198,700	13,196,120	15,330,700	2,134,580	16.2%
<b>Total Revenue</b>	<b>12,231,079</b>	<b>12,355,826</b>	<b>13,128,065</b>	<b>13,101,067</b>	<b>13,644,749</b>	<b>13,661,100</b>	<b>16,449,200</b>	<b>16,559,613</b>	<b>18,967,500</b>	<b>2,407,887</b>	<b>14.54%</b>

<b>Fixed vs. Variable</b>	<b>74%</b>	<b>65%</b>	<b>79%</b>	<b>79%</b>	<b>80%</b>	<b>78%</b>	<b>81%</b>	<b>80%</b>	<b>81%</b>		
Niagara Region	6,279,293	7,017,840	6,381,607	6,961,745	7,257,787	7,319,079	8,178,700	8,370,179	9,016,560	646,381	7.7%
Personnel costs	1,018,257	1,122,700	1,082,704	1,248,700	1,025,813	1,190,900	917,400	983,800	1,343,300	359,500	36.5%
Operations	1,699,945	1,777,180	1,612,962	2,088,910	2,066,787	2,423,929	2,893,471	2,801,634	3,166,468	364,834	13.0%
Capital	623,724	623,724	1,602,373	701,597	2,596,700	2,311,700	4,661,700	896,700	3,902,700	3,006,000	335.2%
Borrowing costs	895,548	900,119	895,785	895,785	895,481	895,481	896,000	1,546,000	1,893,900	347,900	22.5%
Reserve transfers	1,714,313	914,263	1,552,633	1,204,330	(197,819)	(479,989)	(1,803,700)	1,961,300	(355,428)	(2,316,728)	(118.1%)
<b>Total Expenses</b>	<b>12,231,079</b>	<b>12,355,826</b>	<b>13,128,065</b>	<b>13,101,067</b>	<b>13,644,749</b>	<b>13,661,100</b>	<b>15,743,571</b>	<b>16,559,613</b>	<b>18,967,500</b>	<b>2,407,887</b>	<b>14.54%</b>

<b>Surplus / (Deficit)</b>	-	-	-	-	-	-	705,629	-	-	-	-
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Debt Substitution	-	-	-	-	-	-	(650,000)	-	-	-	-
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<b>Surplus / (Deficit)</b>	-	-	-	-	-	-	55,629	-	-	-	-
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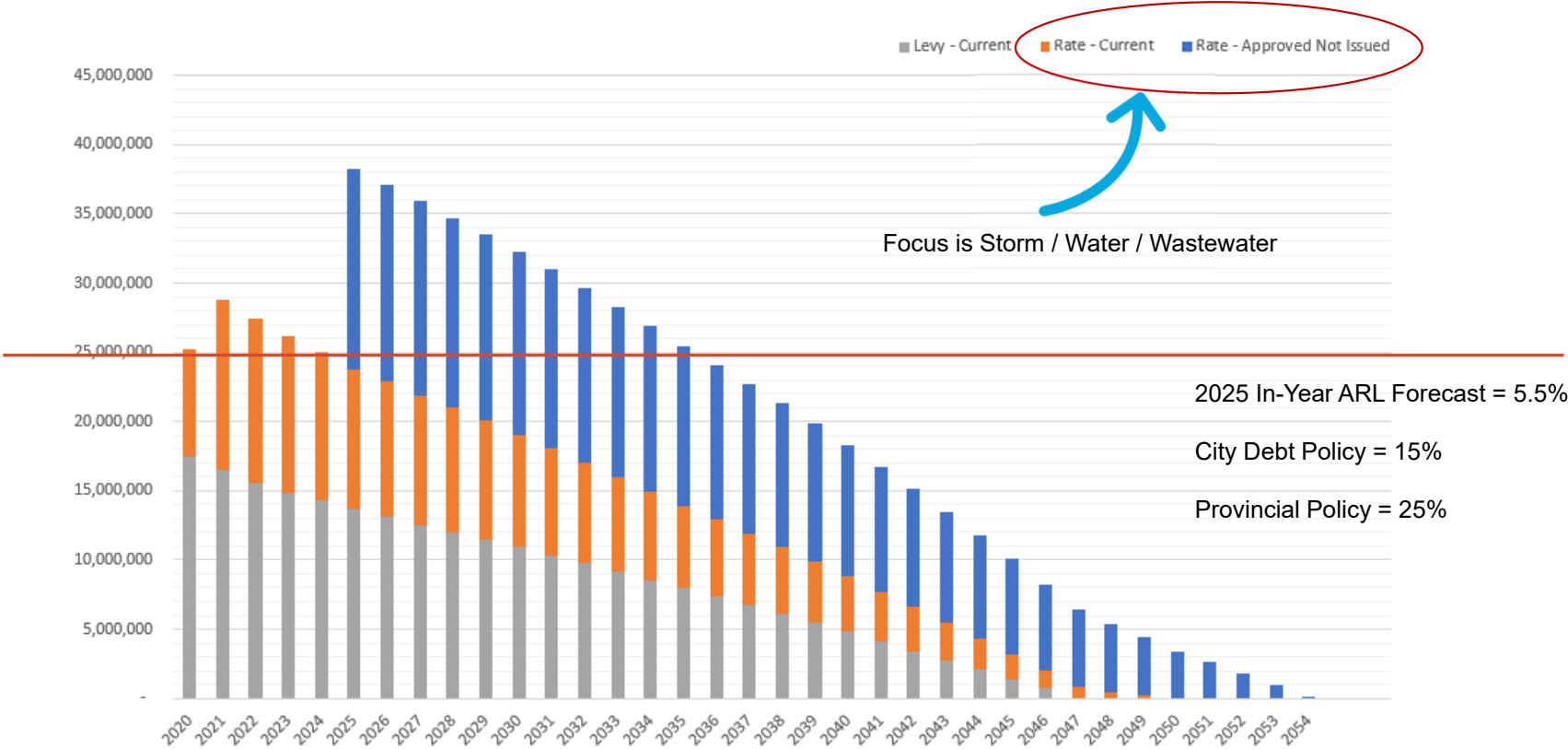
Lower wastewater flows to the Niagara Region wastewater plant than originally budgeted

# 2025 Budget and 2024 Forecast

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- A – Function of proposed rate increases.
- B – Impact of moving employees from the levy to fully focus on water and wastewater with Public Works organization changes that occurred this past summer.
- C – Impacted by similar costs and shared costs within the levy, including insurance. The largest impact came from the 2024 Infrastructure Needs Study (INS) and the need for on-going flow monitoring to identify areas of greatest needs to address and monitor the impact of investments
- D – As approved in the Capital and Related Project Budgets and 2024 Infrastructure Needs Study presentation
- E – Borrowing costs align with the approved Capital and Related Project Budgets, the 2024 forecasted borrowing cost is less than budget as a result of the timing of borrowing. Staff propose a debt substitution of \$650,000 to reduce the previously approved \$10 million of debt to relining 1/3 of the City's wastewater linear infrastructure. The approved debt for this report would be reduced to \$9.35 million.
- F – Net reduction of reserves is a direct reflection of the significant capital investment being made to the water, wastewater and storm systems.

# Debt Position and Outlook



Some Future Need: East Side Service Lands, Wastewater Canal Crossing, Childcare and recreation centre, Marina Dredging

# Reserves

	2023 Year-End Reserve Balance	2024 Forecasted Year-End Reserve Balance	2025 Budgeted and Anticipated Reserve Transfer	2025 Forecasted Reserve Balance
<b>Storm Sewer Reserve</b>	61,317	240,523	135,285	375,808
<b>Wastewater Reserve</b>	3,029,733	2,372,936	(1,418,799)	954,137
<b>Water Reserve</b>	812,848	780,775	(347,219)	433,484
	<b>3,903,898</b>	<b>3,394,234</b>	<b>(1,630,733)</b>	<b>1,763,429</b>

## Target Funding Levels \*

Storm target reserve funding level = \$3,214,000 = 11.7%  
Wastewater target reserve funding level = \$3,884,000 = 24.6%  
Water target reserve funding level = \$3,618,000 = 12.0%

\* Estimated cost of 1 KM of linear asset plus 10% of budget

# In-Year Operating Activity\*

Water	2023	2024*	Trend
Watermain breaks	5	20	↑
Complaints	14	1	↓
Chlorine samples	2,353	4,211	↑
Microbiological samples	416	352	↓
Hydrant inspections	1,871	2,027	↑
Valves turned	676	368	↓
Water services installed	7	14	↑
Curb boxes repaired	34	31	↓
Dead end flushing	527	595	↑
New subdivision flushing	60	60	→

Waste/Storm Water	2023	2024*	Trend
Maintenance holes inspected	2,095	447	↓
Sewer lateral backups	16	13	↓
Wastewater lateral installations	2	4	↑
Clean out repairs	29	59	↑
Catch basin/manhole repairs	44	10	↓
Water meter repairs or replacements	96	8	↓
Final Meter Reads	351	304	↓
Fire Flow Testing	230	205	↓
Acoustic Leak Detection Locations & Leaks Found	1,360 locations 4 Leaks	1,321 locations 5 Leaks	↓
CCTV inspections	12.6 km	101.9 km	↑

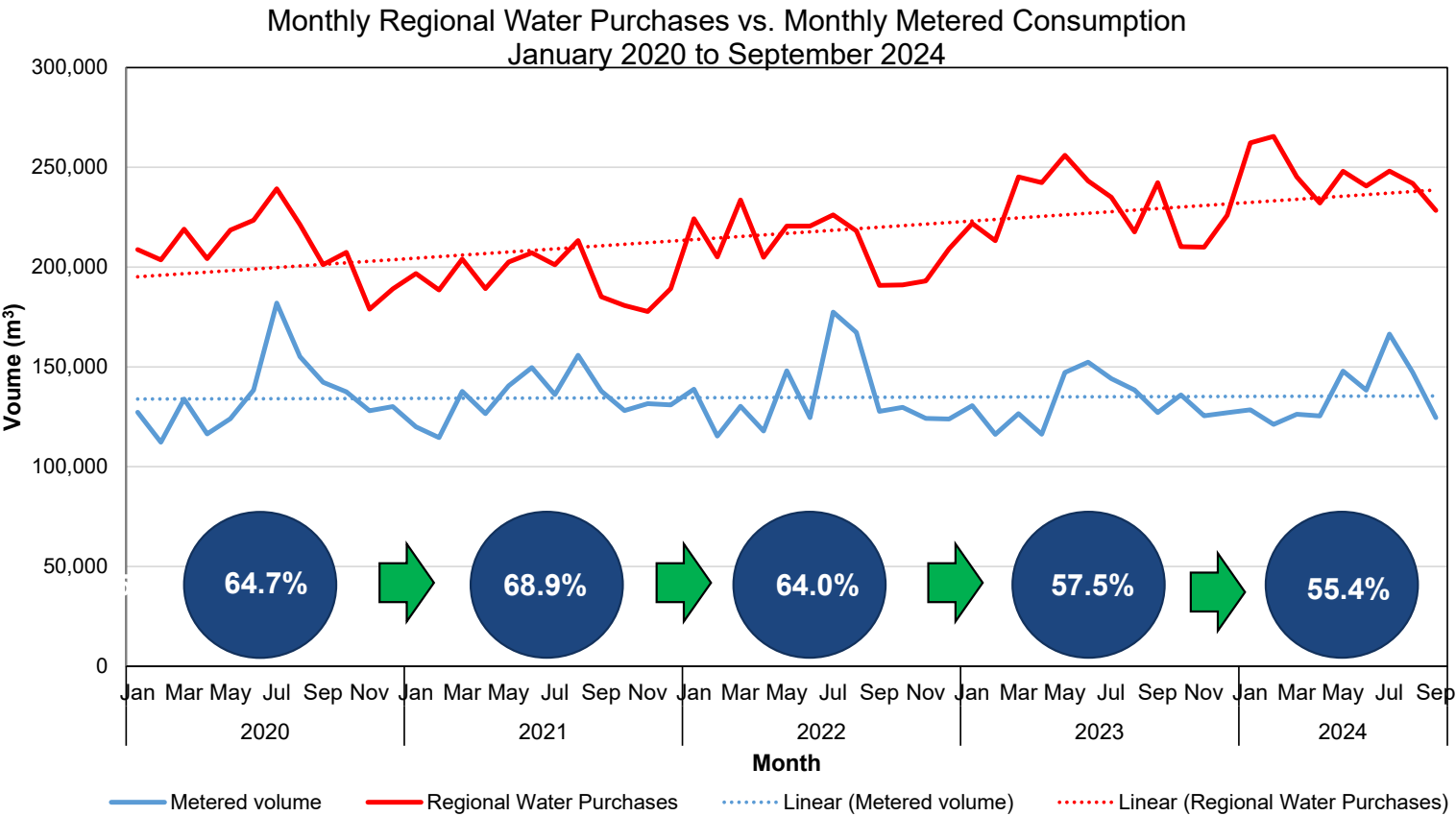


**PORT COLBORNE**

\* January – November 2024



# Water Purchased vs. Water Billed



## Actions

- Review meter account activity
- Installing AI on fire hydrants to detect leaks which will augment our current testing
- Will be asking for industrial, commercial and large multi-residential cooperation in 2025 to have meters tested
- Staff have identified a property with a water bypass
- Staff reviewing measures to measure construction water usage

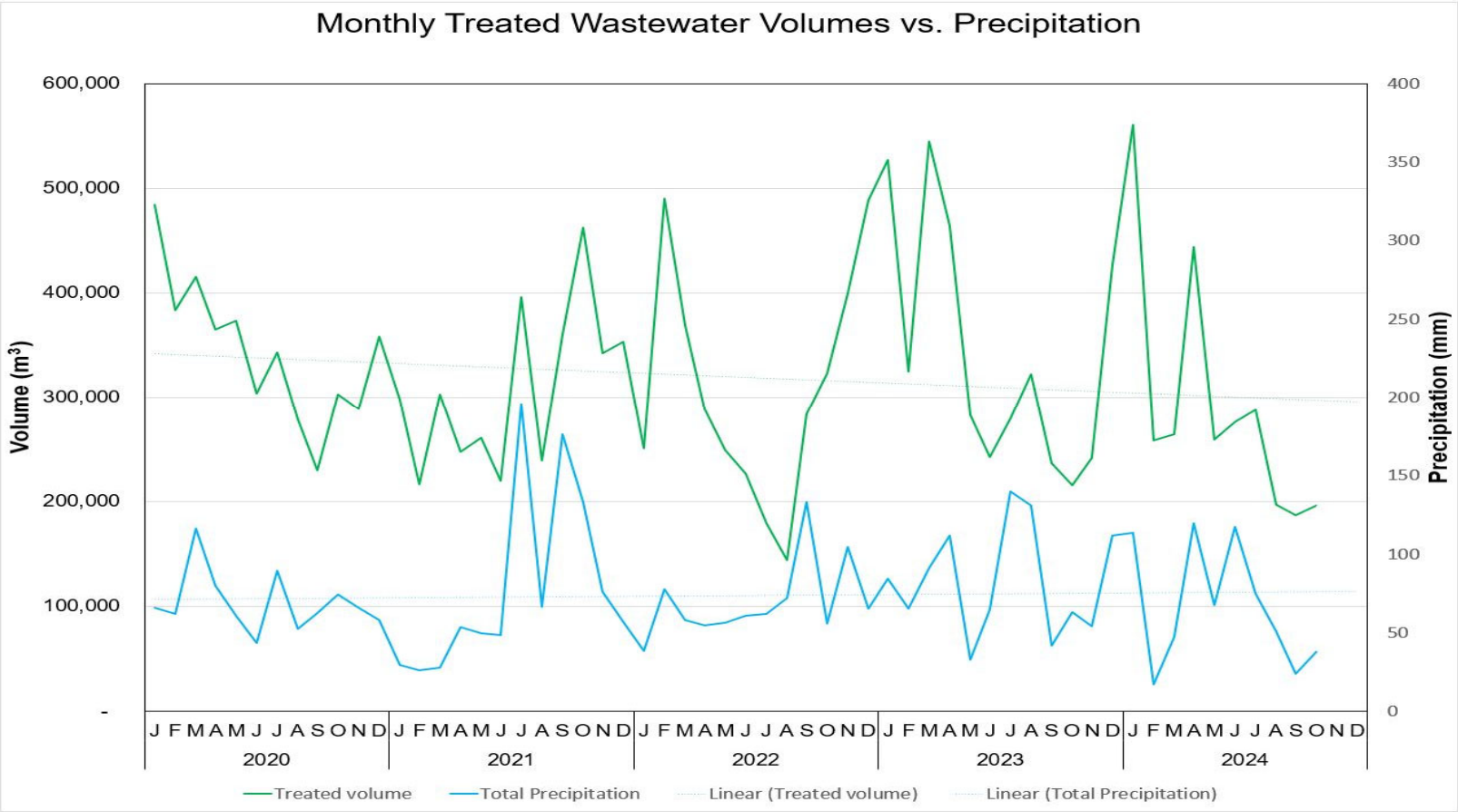
# Water Volumes (m<sup>3</sup>)

Port Colborne  
is 4.1% of the  
Niagara  
Region  
Population  
(2021 Census)

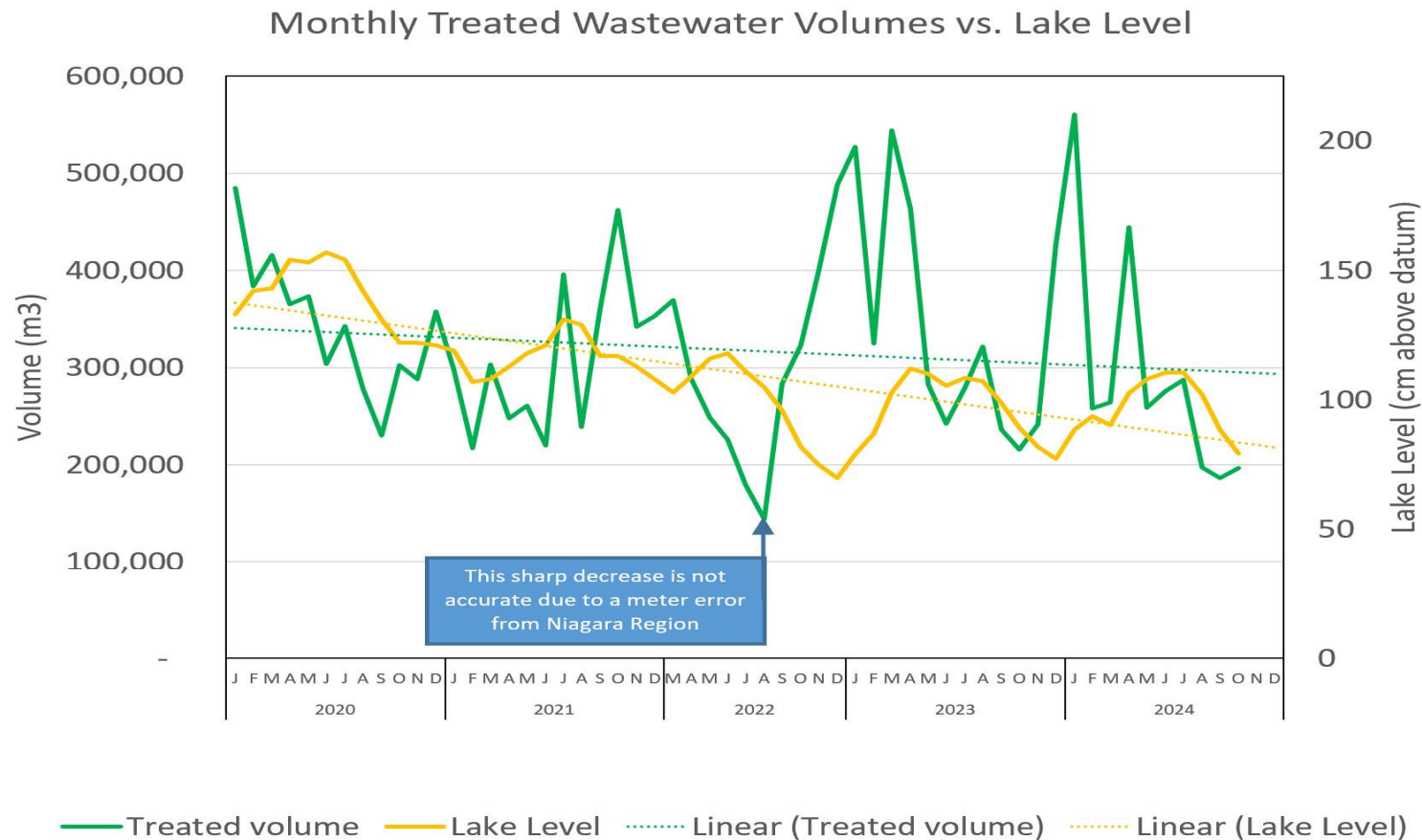


**PORT COLBORNE**

# Wastewater Treated Volumes vs. Precipitation



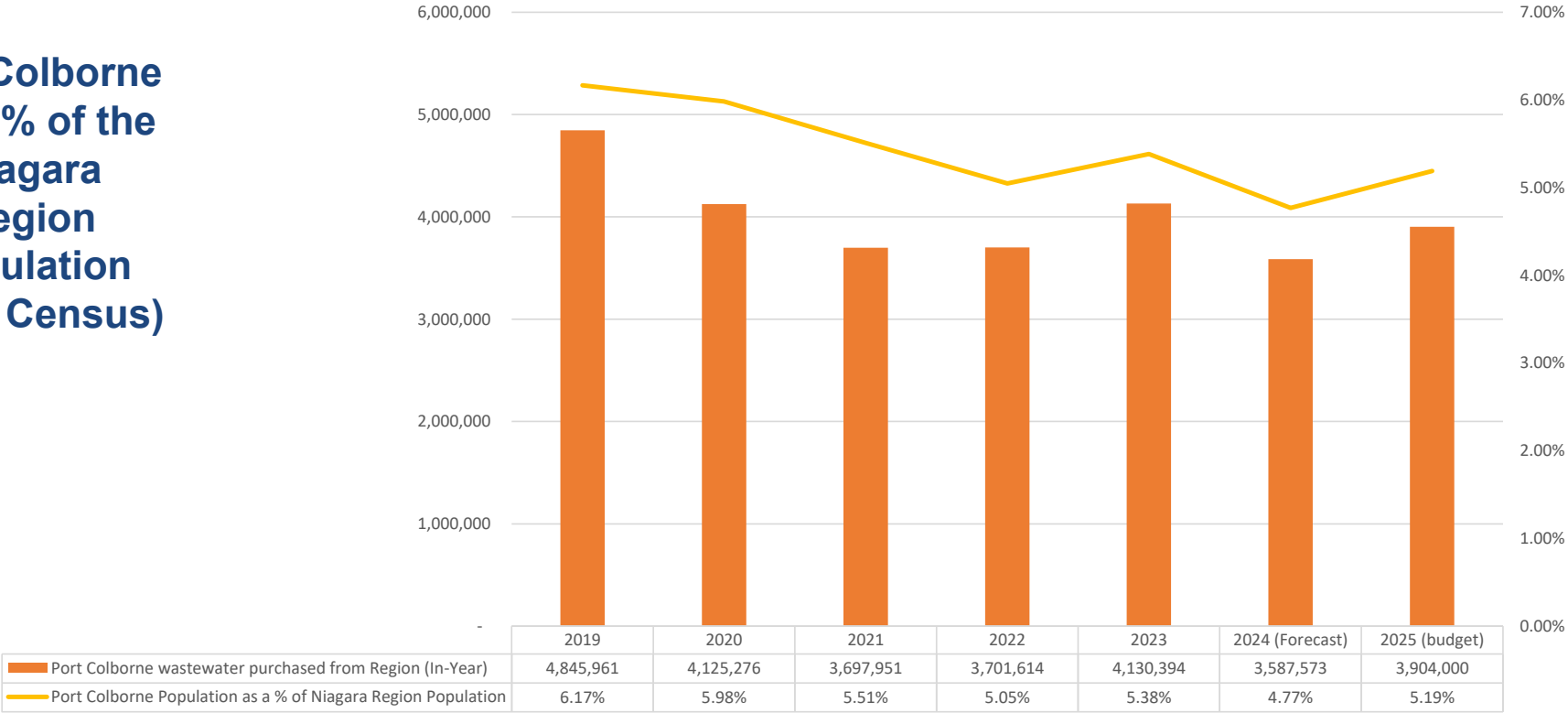
# Wastewater Treated Volumes vs. Lake Level



# Wastewater Volumes (m<sup>3</sup>)

In 2024 YTD  
1 litre of water metered = 2.3  
litres sent to the Niagara  
Region wastewater plant

Port Colborne  
is 4.1% of the  
Niagara  
Region  
Population  
(2021 Census)



# Water Projects



## 2024 Watermain Replacement Program

(1,740 meters to be replaced)

- Davis Street (660 meters)
- Homewood Avenue (600 meters)
- Berkley Avenue (400 meters)
- West Street (100 meters)



## 2025 Watermain Replacement Program

(Investigating Trenchless Construction Methods)

- North Crescent (245 meters)
- South Crescent (235 meters)
- Jefferson Street (165 meters)
- Ash Street (95 meters)

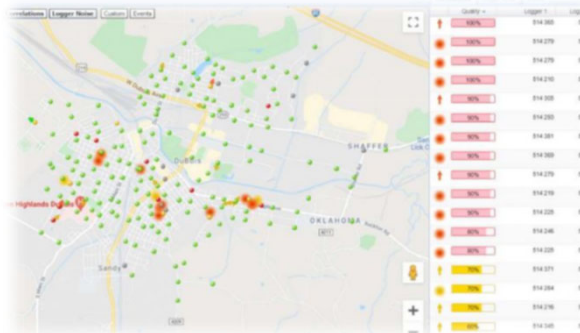




# Water Projects

## Water Loss Program

- AI Hydrants
  - o Ordered; set to be installed through December
- Satellite Imagery
  - o Project Awarded; Completion May 2025
- Water Meter Analysis
  - o Data gathering and review completed
  - o Site investigations into abnormal consumption starting December 2024
  - o Large meter surveys to begin December 2024
  - o Large meter calibrations Q1-Q2 2025
- \*New\* Data Logger Analysis
  - o Manual leak detection has been completed
  - o Data loggers have been ordered; set to arrive January 2025
  - o Loggers will listen to the water system 24/7 in specific areas for abnormalities to detect leaks
- Digitizing the Water/Wastewater Compliance System
  - o Completion December 2024





# Wastewater Projects

## Wet Weather Management



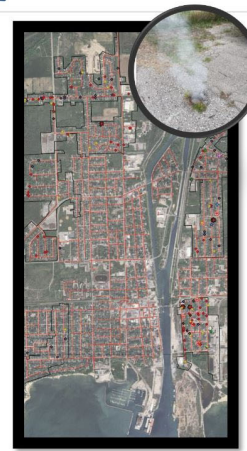
83 Cleanouts to be Repaired



Wet Weather  
Management Program



Flow Monitoring  
Program



Smoke Testing  
Program



Priority Lining  
Program



Prioritized Lateral  
Inspection Program

Appendix A – 2025 Rate Budget

# Wastewater Projects

## Mainline Rehabilitation Program

### Inspection

- Citywide CCTV surveys complete

### Analysis

- Flow monitoring completed in all areas which identified priorities
- Flow monitoring will continue to measure results of actions on the system

### Rehabilitation Program

- 1,800 meters of trenchless rehabilitation completed in 2023
- 8,300 meters of trenchless rehabilitation completed in 2024 along with 10 spot repairs
- 9,000 meters of trenchless rehabilitation planned for 2025





# Wastewater Projects

## Lateral Rehabilitation Program

### Inspection

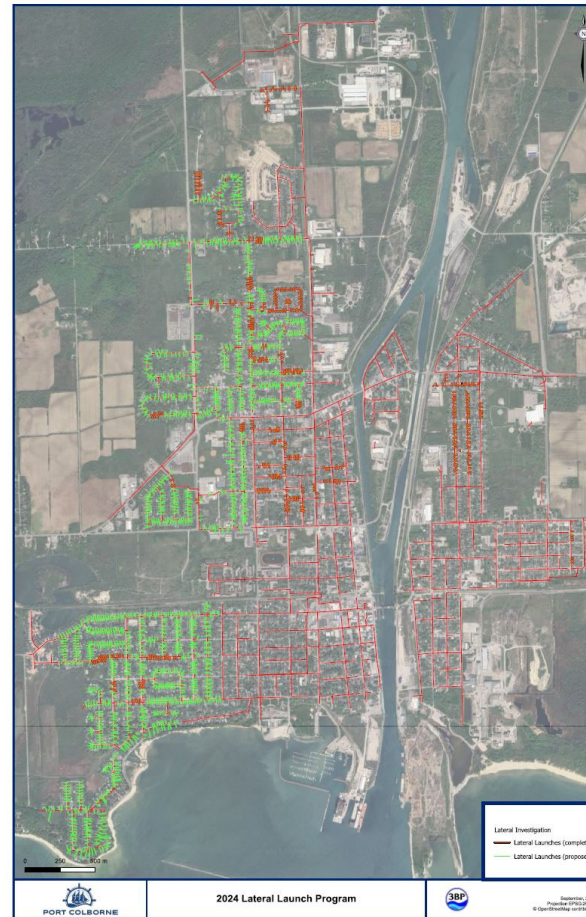
- 300 sanitary laterals inspected to date; approximately 1/3 require rehabilitation
- 600 total planned to be completed by the end of 2024
- 2,000 inspections planned in priority areas to be completed by June 2025

### Analysis

- Lateral inspections will be reviewed as completed to develop a rehabilitation program

### Rehabilitation Program

- Rehabilitations will start May 2025 and take place throughout the next 3 years



# Wastewater Projects

## Maintenance Hole Rehabilitation Program

### Inspection

- 1,158 wastewater maintenance holes have been inspected

### Analysis

- 60% of data obtained has been reviewed
- Rehabilitation program will be finalized in January 2025

### Rehabilitation Program

- Maintenance hole rehabilitation program will begin April 2025





# Storm Sewer Projects

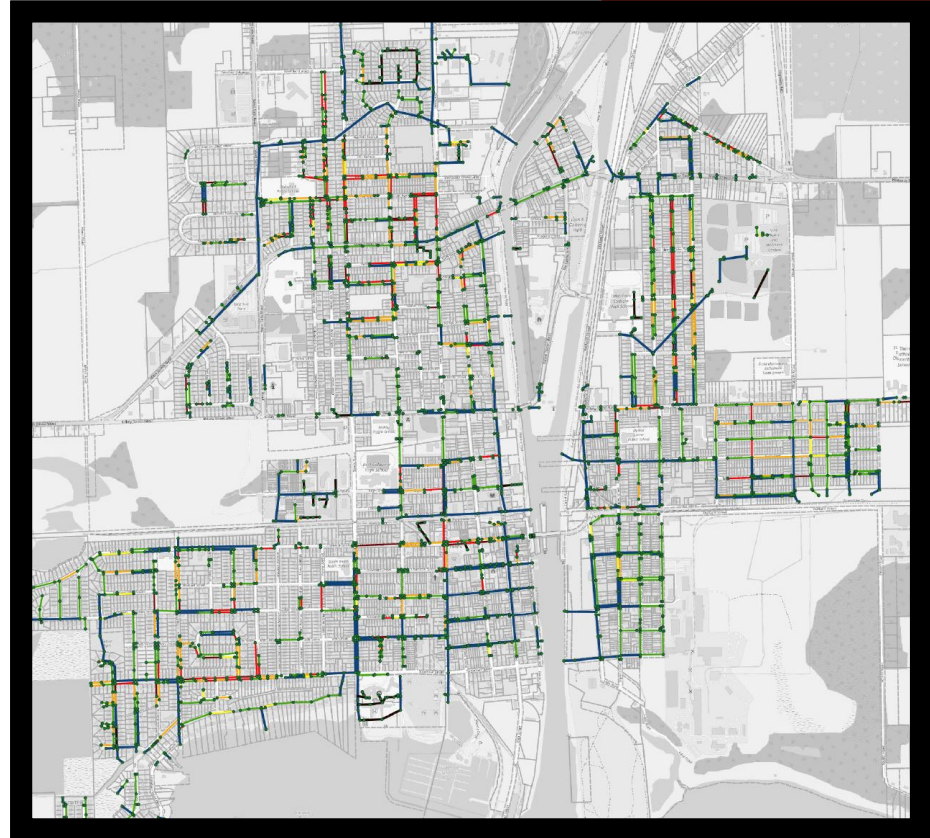
## Storm Sewer Condition Assessment

### Data Collection & Studies

- Storm Sewer Inventory, Cleaning and Condition Assessment has been completed;
  - Plan to inspect blocked or surcharged pipes underway
- Storm Outfall Backflow Control; Initial phase complete
  - In depth investigations to start in December 2024
- 1,750 storm sewer manholes and 1,650 catch basins inspected

### Capital Program

- Clarence Street (West to King)
  - Project awarded, completion May 2025
- Olga Street (Leena to Stanley)
  - December RFP, completion May 2025



# Storm Sewer Projects

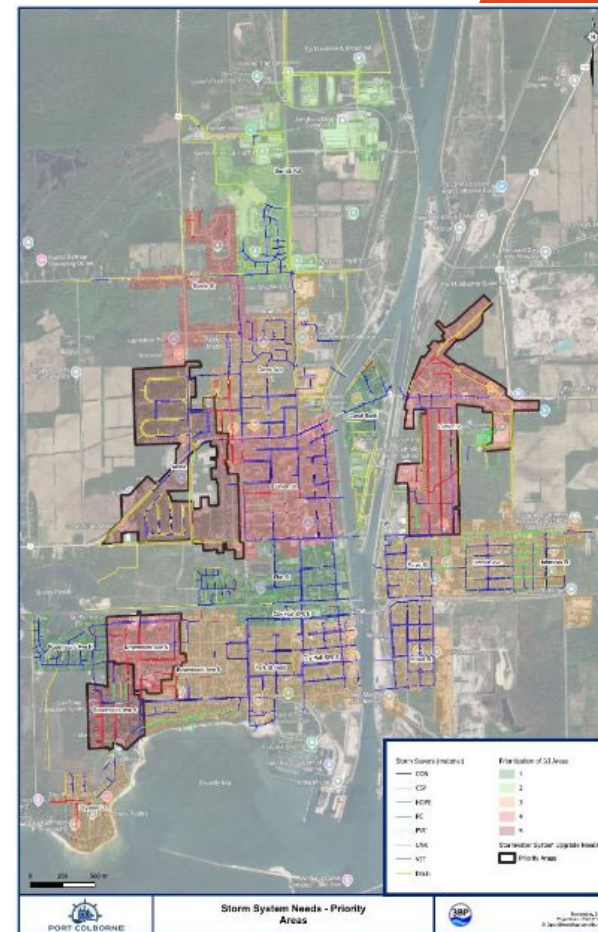
## Next Steps...

Stormwater Master Plan is underway to define future capital programs

- Project awarded; completion November 2025.
- System Flow Monitoring
- System Updates to Reflect New Data
- Creation of an All-Pipe Model

Based on existing inflow & infiltration data, flow monitoring, and condition assessments the Clarke Area, Arena Area, and Rosemount Area have been identified as priority areas.

Stormwater Financial Plan to be completed in 2025 as the Stormwater Master Plan concludes.



Appendix A – 2025 Rate Budget

# Agenda

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1 2024 Budget Summary

2 City Fundamentals

3 Budget Details

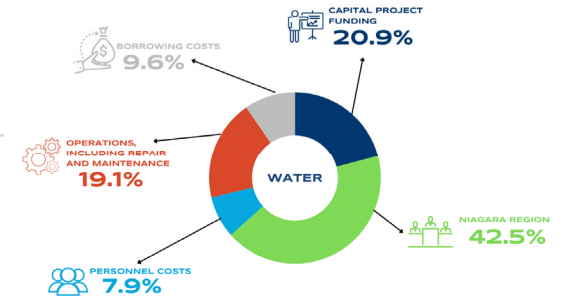
4 Looking Forward

5 Thank You

- 
- Water
  - Wastewater
  - Storm Water



# Water



	2021 Actual	2021 Budget	2022 Actual	2022 Budget	2023 Actual	2023 Budget	2024 Forecast	2024 Budget	2025 Budget	\$ Y/Y Budget Change	%
Penalties and other fees	118,714	39,998	71,587	97,000	101,315	63,100	32,300	28,700	33,300	4,600	16.0%
Variable	2,140,479	2,128,931	2,142,479	2,120,000	2,253,659	2,376,000	2,604,600	2,604,993	2,917,200	312,207	12.0%
Fixed	2,568,152	2,572,569	2,547,531	2,540,000	2,776,318	2,743,200	3,422,500	3,305,420	3,833,200	527,780	16.0%
<b>Total Revenue</b>	<b>4,827,345</b>	<b>4,741,498</b>	<b>4,761,596</b>	<b>4,757,000</b>	<b>5,131,292</b>	<b>5,182,300</b>	<b>6,059,400</b>	<b>5,939,113</b>	<b>6,783,700</b>	<b>844,587</b>	<b>14.22%</b>

**Fixed vs. Variable**                      **55%**        **55%**            **54%**            **55%**            **55%**            **54%**            **57%**            **56%**            **57%**

Niagara Region	2,013,547	2,212,840	2,172,540	2,040,866	2,417,834	2,398,200	2,701,100	2,572,900	2,881,660	308,760	12.0%
Personnel costs	610,954	561,350	649,478	749,300	615,488	714,540	523,500	589,900	537,320	(52,580)	(8.9%)
Operations	774,080	739,260	845,712	935,310	1,085,475	1,003,970	1,192,580	1,149,513	1,294,876	145,363	12.6%
Capital	200,000	250,000	266,700	266,700	706,700	621,700	1,758,700	568,700	1,445,500	876,800	154.2%
Borrowing costs	364,392	364,300	364,629	364,629	364,326	364,326	364,800	364,800	650,300	285,500	78.3%
Reserve transfers	864,372	613,748	462,537	400,195	(58,531)	79,564	(496,700)	693,300	(25,956)	(719,256)	(103.7%)
<b>Total Expenses</b>	<b>4,827,345</b>	<b>4,741,498</b>	<b>4,761,596</b>	<b>4,757,000</b>	<b>5,131,292</b>	<b>5,182,300</b>	<b>6,043,980</b>	<b>5,939,113</b>	<b>6,783,700</b>	<b>844,587</b>	<b>14.22%</b>

<b>Surplus / (Deficit)</b>	-	-	-	-	-	-	15,420	-	-	-	-
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**PORT COLBORNE**

# Proposed Projects: Water

**\$6,116,400**

\$1,155,000 excluding  
pre-committed projects



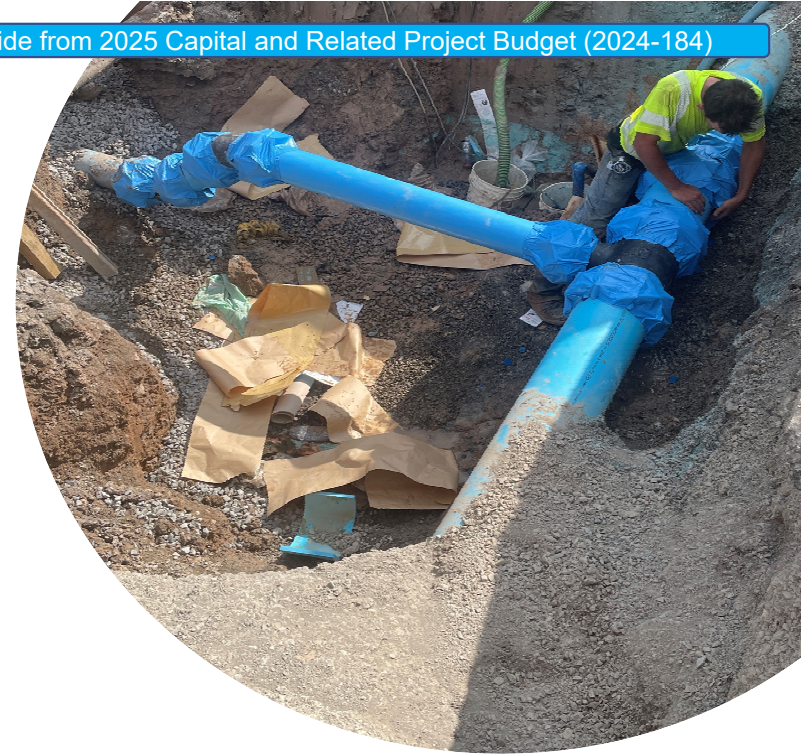
**PORT COLBORNE**

- K.1 Watermain construction (North/South Crescent, Ash, Jefferson)
- Debt substitution (Report 2024-146, Davis, West, Homewood, Berkley)
- Pre-committed (Davis, West, Homewood, Berkley, year 4 of 5)

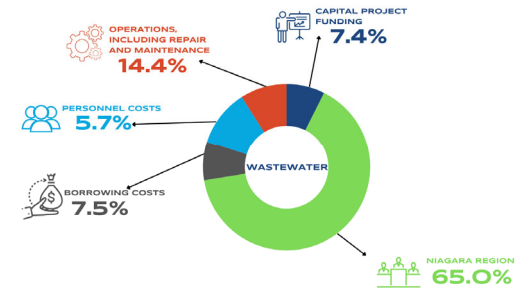
## Funding

2025 Rates	\$ 1,248,400
New Debt	\$ 4,230,200
Reserves	\$ 371,100
Future Capital Budgets	\$ 266,700
	<hr/>
	\$ 6,116,400

Funding substitution  
from reserves noted  
in Report 2024-146  
to debt.



# Wastewater



	2021 Actual	2021 Budget	2022 Actual	2022 Budget	2023 Actual	2023 Budget	2024 Forecast	2024 Budget	2025 Budget	\$ Y/Y Budget Change	%
Penalties and other fees	63,962	33,000	82,109	14,000	90,586	31,100	33,100	31,400	36,100	4,700	15.0%
Variable	1,022,571	2,207,282	632,371	623,067	469,003	640,000	580,500	698,400	650,200	(48,200)	(6.9%)
Fixed	5,624,115	4,519,326	6,345,888	6,300,000	6,574,340	6,370,000	7,818,100	7,955,900	8,756,200	800,300	10.1%
<b>Total Revenue</b>	<b>6,710,648</b>	<b>6,759,608</b>	<b>7,060,368</b>	<b>6,937,067</b>	<b>7,133,929</b>	<b>7,041,100</b>	<b>8,431,700</b>	<b>8,685,700</b>	<b>9,442,500</b>	<b>756,800</b>	<b>8.71%</b>

<b>Fixed vs. Variable</b>	<b>85%</b>	<b>67%</b>	<b>91%</b>	<b>91%</b>	<b>93%</b>	<b>91%</b>	<b>93%</b>	<b>92%</b>	<b>93%</b>		
Niagara Region	4,265,746	4,805,000	4,209,067	4,920,879	4,839,953	4,920,879	5,477,600	5,797,279	6,134,900	337,621	5.8%
Personnel costs	305,477	561,350	324,739	374,600	307,744	357,270	356,025	356,025	537,320	181,295	50.9%
Operations	768,917	785,050	638,672	903,500	787,912	1,067,997	1,234,672	1,196,396	1,360,354	163,958	13.7%
Capital	400,000	350,000	1,124,797	324,897	840,000	840,000	2,152,000	302,000	836,700	534,700	177.1%
Borrowing costs	-	-	-	-	-	-	-	650,000	712,400	62,400	9.6%
Reserve transfers	970,508	258,208	763,093	413,191	358,320	(145,046)	(1,466,000)	384,000	(139,174)	(523,174)	(136.2%)
<b>Total Expenses</b>	<b>6,710,648</b>	<b>6,759,608</b>	<b>7,060,368</b>	<b>6,937,067</b>	<b>7,133,929</b>	<b>7,041,100</b>	<b>7,754,297</b>	<b>8,685,700</b>	<b>9,442,500</b>	<b>756,800</b>	<b>8.71%</b>

<b>Surplus / (Deficit)</b>	-	-	-	-	-	-	677,403	-	-	-	-
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# Proposed Projects: Wastewater

**\$5,403,700**

- J.1 Wastewater Lateral Rehabilitation
- J.2 Wastewater Maintenance Hole Rehabilitation
- J.3 Wastewater Lateral Launch

## Funding

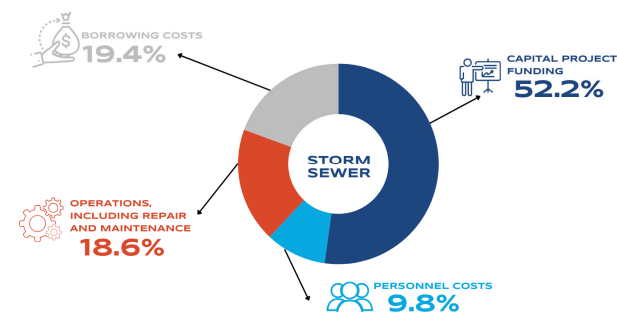
2025 Rates	\$ 639,600
New Debenture	\$ 1,059,000
Reserves	\$ 834,063
Future Capital Budgets	\$ 2,871,037
	<u>\$5,403,700</u>

Budgeting over multiple years as projects will occur over three years with potential for part to be debt financed. A recommendation on debt financing will accompany the 10-year wastewater financial plan scheduled for 2025.

Slide from 2025 Capital and Related Project Budget (2024-184)



# Storm Water



	2021	2021	2022	2022	2023	2023	2024	2024	2025	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Installation service fee	-	-	120	-	890	-	-	-	-	-	-
Rate fees	693,086	854,720	1,305,980	1,407,000	1,378,638	1,437,700	1,958,100	1,934,800	2,741,300	806,500	41.68%
<b>Total Revenue</b>	<b>693,086</b>	<b>854,720</b>	<b>1,306,100</b>	<b>1,407,000</b>	<b>1,379,528</b>	<b>1,437,700</b>	<b>1,958,100</b>	<b>1,934,800</b>	<b>2,741,300</b>	<b>806,500</b>	<b>41.68%</b>
Personnel costs	101,826	-	108,487	124,800	102,581	119,090	37,875	37,875	268,660	230,785	609.33%
Operations	156,948	252,870	128,578	250,100	193,400	351,962	466,219	455,725	511,238	55,513	12.18%
Capital	23,724	23,724	210,876	110,000	1,050,000	850,000	751,000	26,000	1,620,500	1,594,500	6132.69%
Borrowing costs	531,156	535,819	531,156	531,156	531,155	531,155	531,200	531,200	531,200	-	0.0%
Reserve transfers	(120,567)	42,307	327,003	390,944	(497,608)	(414,507)	159,000	884,000	(190,298)	(1,074,298)	(121.53%)
<b>Total Expenses</b>	<b>693,086</b>	<b>854,720</b>	<b>1,306,100</b>	<b>1,407,000</b>	<b>1,379,528</b>	<b>1,437,700</b>	<b>1,945,294</b>	<b>1,934,800</b>	<b>2,741,300</b>	<b>806,500</b>	<b>41.68%</b>
<b>Surplus / (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,806</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**PORT COLBORNE**



# Proposed Projects: Storm Sewers

**\$1,573,200**



**PORT COLBORNE**

- I.1 Storm Sewer Replacement (Olga)
- I.2 Storm Sewer Replacement (Clarence)
- Reserve Transfer \$123,200

## Funding

2025 Rates

\$ 1,573,200

Slide from 2025 Capital and Related Project Budget (2024-184)



# Agenda

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- 1 2024 Budget Summary
- 2 City Fundamentals
- 3 Budget Details
- 4 Looking Forward
- 5 Thank You



# Multi-Year Operating Budget Forecast

	Forecast 2024	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Budget 2028	Budget 2029
Penalties and other fees	65,400	60,100	69,400	75,900	82,900	90,600	99,100
Variable	3,185,100	3,303,393	3,567,400	3,995,500	4,427,700	4,906,700	5,437,600
Fixed	13,198,700	13,196,120	15,330,700	17,088,100	18,809,900	20,706,000	22,794,000
<b>Total Revenue</b>	<b>16,449,200</b>	<b>16,559,613</b>	<b>18,967,500</b>	<b>21,159,500</b>	<b>23,320,500</b>	<b>25,703,300</b>	<b>28,330,700</b>
<b>Fixed vs. Variable</b>	<b>81%</b>	<b>80%</b>	<b>81%</b>	<b>81%</b>	<b>81%</b>	<b>81%</b>	<b>81%</b>
Niagara Region	8,178,700	8,370,179	9,016,560	9,660,600	10,354,200	11,101,200	11,905,900
Personnel costs	917,400	983,800	1,343,300	1,916,230	1,982,674	2,315,448	2,405,740
Operations	2,893,471	2,801,634	3,166,468	2,774,553	2,899,261	2,767,795	2,888,239
Capital	4,661,700	896,700	3,902,700	5,105,847	6,409,118	7,890,305	9,390,961
Borrowing costs	896,000	1,546,000	1,893,900	1,690,400	1,690,400	1,672,800	1,655,200
Reserve transfers	(1,803,700)	1,961,300	(355,428)	11,870	(15,153)	(44,248)	84,660
<b>Total Expenses</b>	<b>15,743,571</b>	<b>16,559,613</b>	<b>18,967,500</b>	<b>21,159,500</b>	<b>23,320,500</b>	<b>25,703,300</b>	<b>28,330,700</b>
<b>Surplus / (Deficit)</b>	<b>705,629</b>	-	-	-	-	-	-
Debt Substitution	(650,000)	-	-	-	-	-	-
<b>Surplus / (Deficit)</b>	<b>55,629</b>	-	-	-	-	-	-

Note assumptions on the next slide

# Multi-Year Operating Budget Forecast

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## Core Assumptions

Water and wastewater charges are modelled at 12% reducing to 10% (this follows Councils approve 10-year water financial plan). Storm sewer charge are modelled at 10%.

New water and wastewater users have not been modelled, increases in users has the potential to reduce the increase.

Changes in water or wastewater flows will change Niagara Region costs based on the current water and wastewater cost allocation methodology. Flows were kept constant at 2025 budget levels.

Changes in the water and wastewater cost allocation methodology from the Niagara Region has not been modelled, any change could change these figures.

Niagara Region distribution charges are based on Niagara Region Council approved water and wastewater financial models. Model at 4.3% water and 8.5% wastewater.

Personnel expenses are modelled based on collective agreements, past collective agreement experience, benefit experience and actuarial forecasts, no change in staffing levels are forecasted at the time of this forecast

Operating expenses are modelled between zero to 10% (highest rate increases for utilities and insurance)

Capital is based on the Asset Management Plan (AMP)

# Multi-Year Capital Budget Forecast

## Capital Growth Forecast

	Budget 2024	Forecast 2024	Forecast 2025	Budget Forecast			
				2026	2027	2028	2029
Levy Only Capital	5,272,181	7,373,453	6,293,400	7,498,928	8,708,694	10,136,583	11,738,261
Levy Only Capital \$ Change			1,021,219	1,205,528	1,209,766	1,427,889	1,601,678
Levy Only Capital % Change			14%	19%	16%	16%	16%
Rate Only Capital~	2,858,000	4,661,700	3,902,700	5,105,847	6,409,118	7,890,305	9,390,961
Rate Only Capital \$ Change			1,044,700	1,203,147	1,303,271	1,481,187	1,500,656
Rate Only Capital % Change			22%	31%	26%	23%	19%
<b>Combined Capital</b>	<b>8,130,181*</b>	<b>12,035,153</b>	<b>10,196,100</b>	<b>12,604,775</b>	<b>15,117,812</b>	<b>18,026,888</b>	<b>21,129,222</b>
Combined Capital \$ Change			2,065,919	2,408,675	2,513,037	2,909,076	3,102,334
<b>Combined Capital % Change</b>			<b>17.2%</b>	<b>23.6%</b>	<b>19.9%</b>	<b>19.2%</b>	<b>17.2%</b>

A portion of the above forecasted capital balances are anticipated to transition to support debt payments to support various future capital and related projects to be presented in future budgets.

\* Includes reserve transfers in 2024

AMP identifies the average annual investment should be \$18.7 million annual as of 2025

~ Represents the low end of capital and related project budget growth required per the Asset Management Plan (AMP).



**PORT COLBORNE**

# Looking Forward

- Review wastewater fixed charges on multi-residential not-for-profit housing at the request of a constituent
- Continue with water, wastewater and storm projects identified
- Continue reviewing fees
- Explore land development opportunities
- Complete wastewater and storm sewer 10-year master plans
- Introduce a multi-year capital budget
- Continue to work towards Key Performance Indicators (KPIs) and related benchmarks, where applicable
- Enhancing geographic information systems (GIS) to visualize the asset management program
- Review storm sewer boundary bylaw to incorporate provisions for it to adjust as new subdivisions are developed



# Agenda

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- 1 2024 Budget Summary
- 2 City Fundamentals
- 3 Budget Details
- 4 Billing Change
- 5 Thank You





# Thank You

# Recommendation

That the Corporate Services  
Department Report 2024-215,  
Subject: 2025 Rate Budget, **BE  
RECEIVED**; And

That the 2025 Rate Budget and  
debt substitution as outlined in  
Report 2024-215, **BE  
APPROVED**.

