
# 2025 Water and Wastewater Rate Study

## Town of Minto

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# List of Acronyms and Abbreviations

| Acronym | Full Description of Acronym |
|---|---|
| A.M.P. | Asset Management Plan |
| A.R.L. | Annual Repayment Limit |
| C.C.B.F. | Canada Community-Building Fund |
| D.C.A. | *Development Charges Act, 1997* |
| D.C. | Development Charges |
| 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 |
| P.S.A.B. | Public Sector Accounting Board |
| S.W.S.S.A. | *Sustainable Water and Sewage Systems Act, 2002* |

# Executive Summary

# Executive Summary

The Town of Minto (Town) retained Watson & Associates Economists Ltd. (Watson) to undertake a water and wastewater rate study. This study provides an analysis of the Town's water and wastewater rates based on forecast demands and costs of the services. This includes an assessment of capital and operating expenditure forecasts, costing for lifecycle replacement requirements, current and projected water volumes, and customer demands. The results of this analysis provide updated water and wastewater rates for the Town, comprising base charges and volumetric rates for water consumption. The rate analysis contained herein continues to provide fiscally responsible practices that are in line with current provincial legislation.

The Town provides water services to 3,148 customers and wastewater services to 3,088 customers. The number of customers within the Town is expected to increase to 3,840 for water and 3,777 for wastewater by 2036.

The analysis presented herein provides the following:

- The capital spending programs were developed based on the Town's Draft 2026 Capital Budget and Forecast, Draft 2025 Development Charges (D.C.) Background Study, Water and Sanitary Systems Servicing Strategy, and discussions with Town staff and the Town's engineer, Triton Engineering.
- The 2026 to 2036 capital spending program for water totals approximately $36.99 million (inflated$). This includes capital expenditures for infrastructure replacement/lifecycle requirements, and future development within the Town.
- The 2026 to 2036 capital spending program for wastewater totals approximately $72.72 million (inflated$) and includes similar infrastructure needs as for Town water services.
- Grants, reserve/reserve fund balances, and debt financing have been identified to fund the capital program. Debt for growth-related projects will be funded through D.C.s while debt for non-growth-related projects will be funded through user rates.
- The net operating expenditure forecast for 2026 is based on the Town's Draft 2026 Operating Budget. The forecast for 2027 to 2036 was derived by applying the following inflationary adjustments:
    - 7.5% annually for chemicals and water sampling/testing;
    - 5% annually for utilities, insurance, and taxes; and

- All other expenditures are assumed to increase at a rate of 2.0% annually.
- Operating expenditures, excluding capital-related expenditures, based on the 2025 approved budget, are projected to increase from $1.28 million in 2025 to $1.78 million in 2036 for water services and $1.46 million in 2025 to $2.19 million in 2036 for wastewater services.
- Capital-related operating expenditures which consist of transfers to reserves/reserve funds and debt repayments are projected to increase from $1.21 million in 2025 to $3.19 million in 2036 for water services and from $1.31 million in 2025 to $2.91 million in 2036 for wastewater services.

The Town imposes fees to recover the costs of water and wastewater services. Metered customers pay a monthly base charge based on meter size, plus a volumetric charge for water and wastewater. Currently, the Town uses a declining block rate structure, where the volumetric per-unit cost decreases as volume usage increases within defined thresholds per bi-monthly billing cycle. Unmetered customers are billed a flat monthly rate. Properties with multiple units sharing a meter are subject to an additional per-unit charge. Billing occurs on a bi-monthly basis.

The analysis undertaken through this study indicates that the Town's water and wastewater systems will require increased investment over the forecast period to sustainably fund the services. To ensure adequate funding, it is recommended that the Town maintain a rate structure consisting of a base charge and a volumetric charge for all metered customers. Three rate structure options were developed for the Town's consideration:

- Scenario 1: Maintain the existing structure with declining block volumetric rates and graduated monthly base charges.
- Scenario 2: Retain graduated base charges and implement a uniform volumetric rate (Recommended option).
- Scenario 3: Retain graduated base charges and implement an increasing block volumetric rate.

It is recommended that the Town transition to a constant volumetric rate from the current declining block rate for the consumptive portion of the bill. This approach promotes water conservation, helping preserve system capacity which could potentially defer future expansion projects. Furthermore, the declining block rate structure provides

a partial subsidy to high volume users. Adopting a uniform/constant rate structure removes this subsidy and ensures that the customers pay the same rate regardless of consumption levels.

For multi-unit properties with a shared meter, it is recommended that the Town maintain its current practice of applying per-unit charges to ensure equitable cost recovery. Installing individual meters for each unit could be considered as an alternative, however, this option would require further study to assess feasibility and cost-effectiveness.

Tables ES-1 to ES-3 provide the 2026-2036 forecast water and wastewater rates based on analysis of service needs and full cost recovery. The rate increases for each scenario are summarized below and will allow the Town to reduce the amount of debt incurred to finance capital and transition to financing the required annual lifecycle contribution amount by the end of the forecast.

- Scenario 1 – Maintain Existing Rate Structure:
    - Water base charges would need to increase by 5% annually over the forecast period. In addition, the water volumetric rates would need to increase by 4% annually for 2026-2030, 3% annually 2031-2033, and 2% annually for the remainder of the forecast period.
    - Wastewater base charges would need to increase by 3% annually over the forecast period with no changes to the volumetric rates.
    - The bulk water rate would continue to be set at twice the Block 1 rate, consistent with Town's current practice.
    - For unmetered customers, the flat water rate would need to increase by 4% annually from 2026 to 2033, and by 3% annually for the remainder of the forecast period. For wastewater services, the flat rate would increase by 5% in 2026 and by 1% annually thereafter.
- Scenario 2 – Uniform/Constant Volumetric Rate (Recommended):
    - Water base charges would need to increase by 4% annually over the forecast period. In addition, the water volumetric rate would set equal to the 2025 Block 1 rate for 2026, then increased by 3% annually for 2027-2036.
    - Wastewater base charges would need to increase by 2% annually over the forecast period. Similarly, the constant volumetric rate would be set equal to the 2025 Block 1 rate for 2026 with no increases projected over the forecast period.

    - The bulk water rate would continue to be set at twice the volumetric rate, consistent with Town's current practice.
    - For unmetered water customers, the flat rate would need to increase by between 3% and 4% annually over the forecast period. For wastewater services, the flat rate would increase by 1% annually over the forecast period.
- Scenario 3 – Increasing Block Rate Structure:
    - Water base charges would need to increase by 5% annually over the forecast period. The water volumetric rate would initially decrease during the transition to a different rate structure, after which the rates for all blocks would need to increase by 3% annually for 2027-2036.
    - Wastewater base charges would need to increase by 3% annually over the forecast period. No changes to the volumetric rates would be needed over the forecast period once the rate structure is implemented.
    - The bulk water rate would continue to be set at twice the Block 1 rate, consistent with Town's current practice.
    - The flat rate for unmetered water customers, would initially decrease with the transition from one rate structure to another. Following the transition, the flat rate for water would need to increase by 4% annually over the forecast period. For wastewater services, the flat rate would increase by 1% annually over the forecast period.

# Table ES-1
# Town of Minto
# Scenario 1 - Water and Wastewater Rate Forecast (Existing Rate Structure)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.95 | $29.35 | $30.82 | $32.36 | $33.97 | $35.67 | $37.46 | $39.33 | $41.30 | $43.36 | $45.53 |
| 1" meter size | $37.27 | $39.13 | $41.09 | $43.14 | $45.30 | $47.57 | $49.95 | $52.44 | $55.06 | $57.82 | $60.71 | $63.74 |
| 1 ½" meter size | $47.92 | $50.32 | $52.83 | $55.47 | $58.25 | $61.16 | $64.22 | $67.43 | $70.80 | $74.34 | $78.06 | $81.96 |
| 2" meter size | $77.20 | $81.06 | $85.11 | $89.37 | $93.84 | $98.53 | $103.46 | $108.63 | $114.06 | $119.76 | $125.75 | $132.04 |
| 3" meter size | $292.84 | $307.48 | $322.86 | $339.00 | $355.95 | $373.75 | $392.43 | $412.06 | $432.66 | $454.29 | $477.01 | $500.86 |
| 4"+ meter size | $372.71 | $391.35 | $410.91 | $431.46 | $453.03 | $475.68 | $499.47 | $524.44 | $550.66 | $578.20 | $607.11 | $637.46 |
| Per Unit Charge | $9.08 | $9.53 | $10.01 | $10.51 | $11.04 | $11.59 | $12.17 | $12.78 | $13.42 | $14.09 | $14.79 | $15.53 |
| **Annual Percentage Change** | | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** |

| **Volume Charge - Declinging Block Rate ($/m$^3$)** | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $2.53 | $2.63 | $2.74 | $2.85 | $2.96 | $3.08 | $3.17 | $3.27 | $3.36 | $3.43 | $3.50 | $3.57 |
| Block 2 (251 - 500 m3) | $1.82 | $1.89 | $1.97 | $2.05 | $2.13 | $2.21 | $2.28 | $2.35 | $2.42 | $2.47 | $2.52 | $2.57 |
| Block 3 (501 - 3,000 m3) | $1.55 | $1.61 | $1.68 | $1.74 | $1.81 | $1.89 | $1.94 | $2.00 | $2.06 | $2.10 | $2.14 | $2.19 |
| Block 4 (3,001+ m3) | $1.55 | $1.61 | $1.68 | $1.74 | $1.81 | $1.89 | $1.94 | $2.00 | $2.06 | $2.10 | $2.14 | $2.19 |
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** | **2%** | **2%** | **2%** |

| **Bulk Water Rate ($/m$^3$)** | **$5.06** | **$5.26** | **$5.47** | **$5.69** | **$5.92** | **$6.16** | **$6.34** | **$6.53** | **$6.73** | **$6.86** | **$7.00** | **$7.14** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** | **2%** | **2%** | **2%** |

| **Unmetered/Flat Rate (per month)** | **$65.87** | **$68.77** | **$71.80** | **$74.97** | **$78.27** | **$81.73** | **$84.86** | **$88.12** | **$91.51** | **$94.52** | **$97.65** | **$100.90** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.46 | $34.47 | $35.50 | $36.57 | $37.66 | $38.79 | $39.96 | $41.16 | $42.39 | $43.66 | $44.97 |
| 1" meter size | $45.48 | $46.84 | $48.25 | $49.70 | $51.19 | $52.72 | $54.31 | $55.93 | $57.61 | $59.34 | $61.12 | $62.95 |
| 1 ½" meter size | $58.48 | $60.23 | $62.04 | $63.90 | $65.82 | $67.79 | $69.83 | $71.92 | $74.08 | $76.30 | $78.59 | $80.95 |
| 2" meter size | $94.21 | $97.04 | $99.95 | $102.95 | $106.03 | $109.22 | $112.49 | $115.87 | $119.34 | $122.92 | $126.61 | $130.41 |
| 3" meter size | $357.35 | $368.07 | $379.11 | $390.49 | $402.20 | $414.27 | $426.69 | $439.50 | $452.68 | $466.26 | $480.25 | $494.66 |
| 4"+ meter size | $454.81 | $468.45 | $482.51 | $496.98 | $511.89 | $527.25 | $543.07 | $559.36 | $576.14 | $593.42 | $611.23 | $629.56 |
| Per Unit Charge | $11.08 | $11.41 | $11.75 | $12.11 | $12.47 | $12.84 | $13.23 | $13.63 | $14.04 | $14.46 | $14.89 | $15.34 |
| **Annual Percentage Change** | | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| **Volume Charge - Declinging Block Rate ($/m3)** | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 2 (251 - 500 m3) | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 |
| Block 3 (501 - 3,000 m3) | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 |
| Block 4 (3,001+ m3) | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 |
| **Annual Percentage Change** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |

| **Unmetered/Flat Rate (per month)** | **$79.06** | **$82.95** | **$83.96** | **$84.99** | **$86.06** | **$87.15** | **$88.28** | **$89.45** | **$90.65** | **$91.88** | **$93.15** | **$94.46** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **5%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** |

# Table ES-2
# Town of Minto
# Scenario 2 - Water and Wastewater Rate Forecast (Uniform Rate - Recommended)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.68 | $28.79 | $29.94 | $31.14 | $32.39 | $33.68 | $35.03 | $36.43 | $37.89 | $39.40 | $40.98 |
| 1" meter size | $37.27 | $38.76 | $40.31 | $41.92 | $43.60 | $45.34 | $47.16 | $49.04 | $51.01 | $53.05 | $55.17 | $57.38 |
| 1 ½" meter size | $47.92 | $49.84 | $51.83 | $53.90 | $56.06 | $58.30 | $60.63 | $63.06 | $65.58 | $68.21 | $70.93 | $73.77 |
| 2" meter size | $77.20 | $80.29 | $83.50 | $86.84 | $90.31 | $93.93 | $97.68 | $101.59 | $105.65 | $109.88 | $114.27 | $118.85 |
| 3" meter size | $292.84 | $304.55 | $316.74 | $329.41 | $342.58 | $356.28 | $370.54 | $385.36 | $400.77 | $416.80 | $433.47 | $450.81 |
| 4"+ meter size | $372.71 | $387.62 | $403.12 | $419.25 | $436.02 | $453.46 | $471.60 | $490.46 | $510.08 | $530.48 | $551.70 | $573.77 |
| Per Unit Charge | $9.08 | $9.44 | $9.82 | $10.21 | $10.62 | $11.05 | $11.49 | $11.95 | $12.43 | $12.92 | $13.44 | $13.98 |
| **Increase to Block Rate (%)** | | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** |

| Charge - Constant Rate ($/m$^3$) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $2.53 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 2 (251 - 500 m3) | $1.82 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 3 (501 - 3,000 m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 4 (3,001+ m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Bulk Water Rate ($/m3)** | **$5.06** | **$5.06** | **$5.22** | **$5.38** | **$5.56** | **$5.74** | **$5.92** | **$6.10** | **$6.30** | **$6.50** | **$6.70** | **$6.92** |
| **Annual Percentage Change** | | **0%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Unmetered/Flat Rate (per month)** | **$65.87** | **$66.93** | **$69.28** | **$71.68** | **$74.27** | **$76.91** | **$79.60** | **$82.35** | **$85.30** | **$88.31** | **$91.38** | **$94.66** |
| **Annual Percentage Change** | | **n/a** | **4%** | **3%** | **4%** | **4%** | **3%** | **3%** | **4%** | **4%** | **3%** | **4%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.14 | $33.80 | $34.48 | $35.17 | $35.87 | $36.59 | $37.32 | $38.07 | $38.83 | $39.61 | $40.40 |
| 1" meter size | $45.48 | $46.39 | $47.32 | $48.26 | $49.23 | $50.21 | $51.22 | $52.24 | $53.29 | $54.35 | $55.44 | $56.55 |
| 1 ½" meter size | $58.48 | $59.65 | $60.84 | $62.06 | $63.30 | $64.57 | $65.86 | $67.18 | $68.52 | $69.89 | $71.29 | $72.71 |
| 2" meter size | $94.21 | $96.09 | $98.02 | $99.98 | $101.98 | $104.02 | $106.10 | $108.22 | $110.38 | $112.59 | $114.84 | $117.14 |
| 3" meter size | $357.35 | $364.50 | $371.79 | $379.22 | $386.81 | $394.54 | $402.43 | $410.48 | $418.69 | $427.07 | $435.61 | $444.32 |
| 4"+ meter size | $454.81 | $463.91 | $473.18 | $482.65 | $492.30 | $502.15 | $512.19 | $522.43 | $532.88 | $543.54 | $554.41 | $565.50 |
| Per Unit Charge | $11.08 | $11.30 | $11.53 | $11.76 | $11.99 | $12.23 | $12.48 | $12.73 | $12.98 | $13.24 | $13.51 | $13.78 |
| **Increase to Block Rate (%)** | | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** |

| Volume Charge - Constant Rate ($/m3) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 2 (251 - 500 m3) | $2.33 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 3 (501 - 3,000 m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 4 (3,001+ m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Unmetered/Flat Rate (per month)** | **$79.06** | **$82.63** | **$83.29** | **$83.97** | **$84.66** | **$85.36** | **$86.08** | **$86.81** | **$87.56** | **$88.32** | **$89.09** | **$89.89** |
| **Annual Percentage Change** | | **n/a** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** |

Table ES-3
Town of Minto
Scenario 3 - Water and Wastewater Rate Forecast (Increasing Block Rate)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.95 | $29.35 | $30.82 | $32.36 | $33.97 | $35.67 | $37.46 | $39.33 | $41.30 | $43.36 | $45.53 |
| 1" meter size | $37.27 | $39.13 | $41.09 | $43.14 | $45.30 | $47.57 | $49.95 | $52.44 | $55.06 | $57.82 | $60.71 | $63.74 |
| 1 ½" meter size | $47.92 | $50.32 | $52.83 | $55.47 | $58.25 | $61.16 | $64.22 | $67.43 | $70.80 | $74.34 | $78.06 | $81.96 |
| 2" meter size | $77.20 | $81.06 | $85.11 | $89.37 | $93.84 | $98.53 | $103.46 | $108.63 | $114.06 | $119.76 | $125.75 | $132.04 |
| 3" meter size | $292.84 | $307.48 | $322.86 | $339.00 | $355.95 | $373.75 | $392.43 | $412.06 | $432.66 | $454.29 | $477.01 | $500.86 |
| 4"+ meter size | $372.71 | $391.35 | $410.91 | $431.46 | $453.03 | $475.68 | $499.47 | $524.44 | $550.66 | $578.20 | $607.11 | $637.46 |
| Per Unit Charge | $9.08 | $9.53 | $10.01 | $10.51 | $11.04 | $11.59 | $12.17 | $12.78 | $13.42 | $14.09 | $14.79 | $15.53 |
| **Annual Percentage Change** | | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** |
| | | | | | | | | | | | | |
| **Volume Charge - Increasing Block Rate ($/m3)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $2.53 | $2.20 | $2.27 | $2.34 | $2.41 | $2.48 | $2.56 | $2.63 | $2.71 | $2.79 | $2.88 | $2.96 |
| Block 2 (251 - 500 m3) | $1.82 | $2.64 | $2.72 | $2.81 | $2.89 | $2.98 | $3.07 | $3.16 | $3.25 | $3.35 | $3.45 | $3.55 |
| Block 3 (501 - 3,000 m3) | $1.55 | $3.09 | $3.18 | $3.27 | $3.37 | $3.47 | $3.58 | $3.68 | $3.79 | $3.91 | $4.03 | $4.15 |
| Block 4 (3,001+ m3) | $1.55 | $3.09 | $3.18 | $3.27 | $3.37 | $3.47 | $3.58 | $3.68 | $3.79 | $3.91 | $4.03 | $4.15 |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Bulk Water Rate ($/m3)** | **$5.06** | **$4.41** | **$4.54** | **$4.68** | **$4.82** | **$4.96** | **$5.11** | **$5.26** | **$5.42** | **$5.58** | **$5.75** | **$5.92** |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$65.87** | **$62.14** | **$64.57** | **$67.09** | **$69.72** | **$72.46** | **$75.31** | **$78.28** | **$81.38** | **$84.61** | **$87.97** | **$91.48** |
| **Annual Percentage Change** | | **n/a** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.46 | $34.47 | $35.50 | $36.57 | $37.66 | $38.79 | $39.96 | $41.16 | $42.39 | $43.66 | $44.97 |
| 1" meter size | $45.48 | $46.84 | $48.25 | $49.70 | $51.19 | $52.72 | $54.31 | $55.93 | $57.61 | $59.34 | $61.12 | $62.95 |
| 1 ½" meter size | $58.48 | $60.23 | $62.04 | $63.90 | $65.82 | $67.79 | $69.83 | $71.92 | $74.08 | $76.30 | $78.59 | $80.95 |
| 2" meter size | $94.21 | $97.04 | $99.95 | $102.95 | $106.03 | $109.22 | $112.49 | $115.87 | $119.34 | $122.92 | $126.61 | $130.41 |
| 3" meter size | $357.35 | $368.07 | $379.11 | $390.49 | $402.20 | $414.27 | $426.69 | $439.50 | $452.68 | $466.26 | $480.25 | $494.66 |
| 4"+ meter size | $454.81 | $468.45 | $482.51 | $496.98 | $511.89 | $527.25 | $543.07 | $559.36 | $576.14 | $593.42 | $611.23 | $629.56 |
| Per Unit Charge | $11.08 | $11.41 | $11.75 | $12.11 | $12.47 | $12.84 | $13.23 | $13.63 | $14.04 | $14.46 | $14.89 | $15.34 |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Volume Charge - Increasing Block Rate ($/m3)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $3.19 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 |
| Block 2 (251 - 500 m3) | $2.33 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 |
| Block 3 (501 - 3,000 m3) | $1.97 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 |
| Block 4 (3,001+ m3) | $1.97 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 |
| **Annual Percentage Change** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$79.06** | **$74.51** | **$75.52** | **$76.55** | **$77.62** | **$78.71** | **$79.84** | **$81.01** | **$82.20** | **$83.44** | **$84.71** | **$86.02** |
| **Annual Percentage Change** | | **n/a** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **2%** | **2%** | **2%** |

Tables ES-4 and ES-5 summarize the annual billing impacts for representative customers. These tables are intended to provide context for the potential increases only. Actual billing impacts will vary by customer based on actual water consumption.

Table ES-4 shows annual bill impacts for a typical residential customer with a ¾ or ⅝ inch water meter and using 140 m³ per year. Based on 2025 rates, the annual bill is approximately $1,510 ($674 water, $836 wastewater), or about $4.24/day. Projected 2026 changes under the three scenarios are:

- Scenario 1: an increase of $3.49/month ($42/year)

- Scenario 2: an increase of $2.04/month ($24/year)
- Scenario 3: a decrease of $7.85/month ($94/year)

Over the remainder of the forecast period, average annual increases are projected to range from $3.24/month ($38.90/year) under Scenario 2 to $3.64/month ($43.67/year) under Scenario 1.

Table ES-5 shows similar analysis for a high-volume user (3-inch meter, 5,340 m³/year). Based on 2025 rates, the annual bill is approximately $30,844 ($13,666 water, $17,178 wastewater), or approximately $2,570/month. Projected 2026 increases under the three scenarios are as follows:

- Scenario 1: increase by $59.20/month ($710/year)
- Scenario 2: increase by $644.11/month ($7,729/year)
- Scenario 3: increase by $762.94/month ($9,155/year)

Average annual increases range from $57.61/month ($691/year) under Scenario 1 to $66.85/month ($802/year) under Scenario 3 for the remainder forecast period.

Table ES-4
Town of Minto
Annual Residential Customer Water and Wastewater Bill – Based on ⅝" or ¾" water meter and 140 $m^3$ of Volume

| Description | Current Rates | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Scenario 1 - Existing Rate Structure | $1,510 | $1,552 | $1,596 | $1,641 | $1,688 | $1,737 | $1,784 | $1,833 | $1,883 | $1,931 | $1,981 | $2,032 |
| Scenario 2 - Constant/Uniform Rate (Recommended) | $1,510 | $1,535 | $1,571 | $1,609 | $1,648 | $1,689 | $1,731 | $1,773 | $1,819 | $1,865 | $1,912 | $1,962 |
| Scenario 3 - Increasing Block Rate | $1,510 | $1,416 | $1,454 | $1,494 | $1,535 | $1,577 | $1,622 | $1,668 | $1,716 | $1,766 | $1,817 | $1,871 |
| **Average Increase ($)/year** | | | | | | | | | | | | |
| Scenario 1 | | $42 | $44 | $45 | $47 | $49 | $47 | $49 | $51 | $48 | $50 | $52 |
| Scenario 2 (Recommended) | | $24 | $37 | $37 | $40 | $41 | $42 | $43 | $45 | $46 | $47 | $50 |
| Scenario 3 | | ($94) | $38 | $40 | $41 | $43 | $44 | $46 | $48 | $50 | $52 | $54 |
| **Average Increase ($)/month** | | | | | | | | | | | | |
| Scenario 1 | | $3.49 | $3.63 | $3.78 | $3.93 | $4.10 | $3.91 | $4.06 | $4.21 | $3.99 | $4.14 | $4.29 |
| Scenario 2 (Recommended) | | $2.04 | $3.04 | $3.12 | $3.31 | $3.39 | $3.48 | $3.56 | $3.77 | $3.86 | $3.95 | $4.17 |
| Scenario 3 | | ($7.85) | $3.17 | $3.30 | $3.42 | $3.56 | $3.70 | $3.84 | $3.99 | $4.15 | $4.31 | $4.48 |

Table ES-5
Town of Minto
Annual Residential Customer Water and Wastewater Bill – Based on 3" water meter and 5,340 $m^3$ of Volume

| Description | Current Rates | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Scenario 1 - Existing Rate Structure | $30,844 | $31,555 | $32,294 | $33,063 | $33,864 | $34,697 | $35,441 | $36,212 | $37,011 | $37,703 | $38,419 | $39,159 |
| Scenario 2 - Constant/Uniform Rate (Recommended | $30,844 | $38,573 | $39,234 | $39,903 | $40,632 | $41,370 | $42,117 | $42,872 | $43,689 | $44,516 | $45,353 | $46,253 |
| Scenario 3 - Increasing Block Rate | $30,844 | $39,999 | $40,751 | $41,529 | $42,334 | $43,168 | $44,031 | $44,924 | $45,848 | $46,806 | $47,797 | $48,823 |
| **Average Increase ($)/year** | | | | | | | | | | | | |
| Scenario 1 | | $710 | $739 | $769 | $801 | $833 | $744 | $771 | $799 | $692 | $716 | $740 |
| Scenario 2 (Recommended) | | $7,729 | $661 | $668 | $730 | $738 | $746 | $755 | $817 | $827 | $837 | $900 |
| Scenario 3 | | $9,155 | $752 | $778 | $805 | $833 | $863 | $893 | $925 | $957 | $991 | $1,026 |
| **Average Increase ($)/month** | | | | | | | | | | | | |
| Scenario 1 | | $59.20 | $61.61 | $64.12 | $66.73 | $69.45 | $61.99 | $64.23 | $66.55 | $57.71 | $59.65 | $61.66 |
| Scenario 2 (Recommended) | | $644.11 | $55.07 | $55.71 | $60.81 | $61.49 | $62.19 | $62.92 | $68.12 | $68.90 | $69.71 | $75.00 |
| Scenario 3 | | $762.94 | $62.65 | $64.84 | $67.10 | $69.46 | $71.90 | $74.43 | $77.05 | $79.78 | $82.60 | $85.53 |

# Report

# Chapter 1
## Introduction

# 1. Introduction

## 1.1 Background

The Town of Minto (Town) has a current population of approximately 9,950 people and approximately 3,540 jobs. There are approximately 3,150 water customers and 3,090 wastewater customers[1] using the Town's municipal systems.

Metered customers are charged a monthly base charge that varies based on the meter size, as well as a consumptive rate for both water and wastewater. The Town imposes a decreasing block rate structure (i.e. a volumetric rate that decreases with consumption within defined thresholds per bi-monthly billing cycle) for volumes utilized. For unmetered customers, the Town imposes a flat rate monthly. Furthermore, an additional charge is imposed on a per-unit basis for properties with multiple units that share a meter. Billing is on a bi-monthly basis. The water and wastewater rates currently imposed are summarized below in Table 1-1.

[1] Reflects the number of customers who pay a monthly base charge i.e. metered, unmetered (flat rate), and multiple unit properties.

Table 1-1
Town of Minto
2025 Water and Wastewater Rates

| 2025 - Water Billing Rates | |
|---|---|
| **Base Charge (per month)** | |
| ¾" | $26.62 |
| 1" | $37.27 |
| 1 ½" | $47.92 |
| 2" | $77.20 |
| 3" | $292.84 |
| 4"+ | $372.71 |
| **Volume Charge (per $m^3$) Blocks (per billing cycle)** | |
| 0 - 250 $m^3$ | $2.53 |
| 251 - 500 $m^3$ | $1.82 |
| 501 - 3,000 $m^3$ | $1.55 |
| 3,001+ $m^3$ | $1.55 |
| **Unmetered Customers (per month)** | |
| Unmetered/Flat Rate | $65.87 |
| **Multiple Units (per unit, per month)** | |
| Multiple Units | $9.08 |
| **Bulk Water Purchases (per $m^3$)** | |
| Multiple Units | $5.06 |

| 2025 - Wastewater Billing Rates | |
|---|---|
| **Base Charge (per month)** | |
| ¾" | $32.49 |
| 1" | $45.48 |
| 1 ½" | $58.48 |
| 2" | $94.21 |
| 3" | $357.35 |
| 4"+ | $454.81 |
| **Volume Charge (per $m^3$) Blocks (per billing cycle)** | |
| 0 - 250 $m^3$ | $3.19 |
| 251 - 500 $m^3$ | $2.33 |
| 501 - 3,000 $m^3$ | $1.97 |
| 3,001+ $m^3$ | $1.97 |
| **Unmetered Customers (per month)** | |
| Unmetered/Flat Rate | $79.06 |
| **Multiple Units (per unit, per month)** | |
| Multiple Units | $11.08 |

## 1.2 Study Process

The Town retained Watson & Associates Economists Ltd. (Watson) to undertake a water and wastewater rate study and prepare a Water Financial Plan in accordance with Ontario Regulation (O.Reg.) 453/07. This current study is an update to the Town's 2021 Water and Wastewater Rate Study, dated March 12, 2021 (2021 Rate Study). Municipalities periodically undertake water and wastewater studies to ensure rates are reflective of the costs being incurred.

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 demand assumptions to forecast growth identified in the Town's draft 2025 Development Charges (D.C.) Background Study report and adjusted to reflect the actual historical growth experienced in recent years;
- Identify all current and future water and wastewater system capital needs to assess the immediate and longer-term implications;
- Build a capital program that blends lifecycle needs and specific needs identified by staff;
- Identify potential methods of cost recovery for 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; 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 Options
- Chapter 6 – Operating Expenditure and Revenue Forecast
- Chapter 7 – Forecast Water and Wastewater Rates
- Chapter 8 – Pricing Structures
- Chapter 9 – Recommendations

## 1.3 Legislative Context

Significant regulatory changes have been enacted 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 and repealed as of January 1, 2013; however, it had not been implemented pending the approval of its regulations. 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 Town 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, under the *Safe Drinking Water Act*, 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 municipality 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 municipality'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 has provided the basis to undertake the required water financial plan (under separate cover).

### *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.

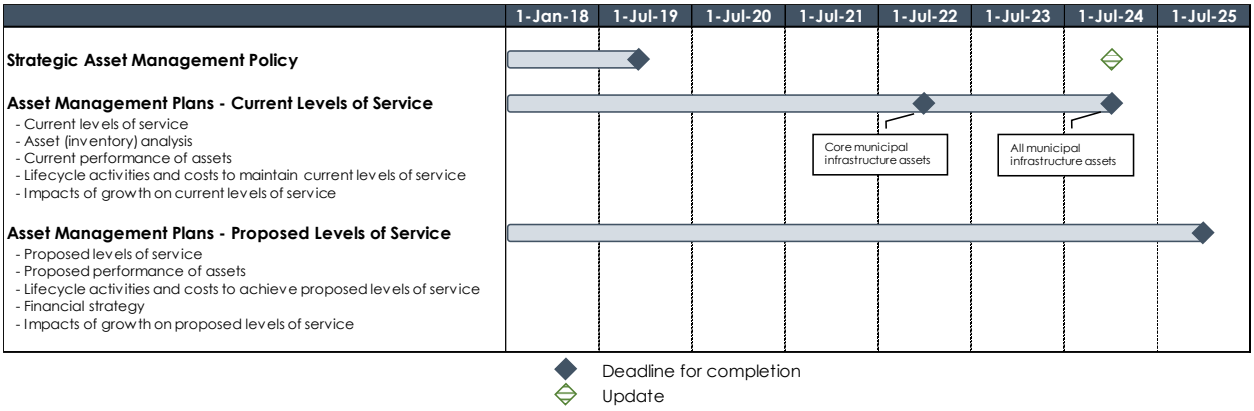
As noted earlier, it is expected that this Act will implement the principles of the S.W.S.S.A. once all regulations are put in place.

### *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 Ontario Regulation (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 Town's asset management plan must include the following for each asset category:

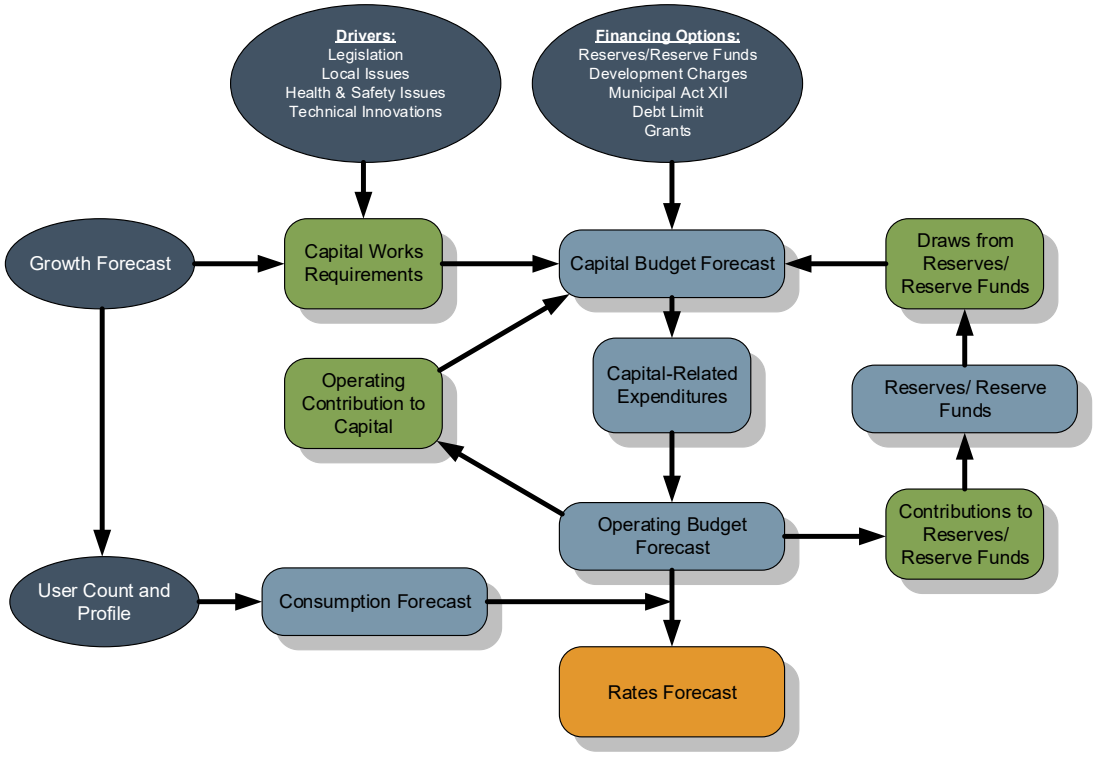
- The current levels of service being provided, determined in accordance with the following qualitative descriptions and technical metrics and based on data from at most the two calendar years prior to the year in which all information required under this section is included in the asset management plan;
- 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 Municipality recently approved its Asset Management Plan (A.M.P.), which identified water and wastewater infrastructure in June 2025 to meet the requirements outlined above (2025 A.M.P.). The 2025 A.M.P. identified the annual capital reinvestment rates, also referred to as annual lifecycle contributions, and noted that the findings of this rate study, if approved by the Council, would be incorporated into future plans.

### *1.3.5 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 Town employs a rate structure consisting of a monthly base charge and a consumptive rate. The base charge is imposed based on meter size with higher charges imposed for larger meters, generally reflective of higher average consumption and greater capital infrastructure demands. The consumptive rate is imposed at a decreasing block rate based on consumption.

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 Town'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 Town's 2025 A.M.P., Water and Sanitary Systems Servicing Strategy (dated January 26, 2022), lifecycle analysis of tangible capital assets, and specific needs identified by Town staff provided the base capital forecast. The capital forecast includes the growth-related needs forecast based on the Town's draft 2025 D.C. background study, which is currently underway. 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. 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

water meter fees, rental fees, revenue expected from other municipalities that buy services from the municipality (where applicable), and other miscellaneous revenues.

## 5. Rate Forecast and Structure

The rate forecast and rate structure components of the analysis consider 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, 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 impacts on water and wastewater bills.

# Chapter 2
# Forecast Growth and Servicing Requirements

# 2. Forecast Growth and Servicing Requirements

As previously mentioned, the Town provides water services to 3,148 customers, comprising 3,145 metered customers and 3 unmetered customers, as well as 577 units that are subject to the multiple-unit charge. There is a total of 3,088 wastewater customers, comprising 3,085 metered customers and 3 unmetered customers. Table 2-1 provides a breakdown of customers by service and meter size, as well as the number of unmetered customers.

Table 2-1
Town of Minto
Existing Customer Profile

| Description | Water | Wastewater |
|---|---|---|
| **Metered** | | |
| ¾" | 1,582 | 1,543 |
| 5/8" | 767 | 756 |
| 1" | 183 | 174 |
| 1 ½" | 9 | 8 |
| 2" | 26 | 26 |
| 3" | 1 | 1 |
| 4"+ | - | - |
| **Total Metered** | **2,568** | **2,508** |
| **Non-Metered** | | |
| **Flat Rate Customers** | **3** | **3** |
| **Multiple Units** | | |
| **Number of Units** | **577** | **577** |
| **Total Customers** | **3,148** | **3,088** |

Water and wastewater customer growth for the 2025-2036 period is based on the Town's draft 2025 D.C. Background Study, which is currently underway. It is assumed all new customers will be fully serviced, (i.e., will receive both water and wastewater services) from the Town. The number of water and wastewater customers is expected to increase by approximately 750 new residential customers over the period 2036.

The Town's draft 2025 D.C. Background Study also provides a forecast of non-residential gross floor area (G.F.A.). It is challenging to accurately determine the annual water and wastewater usage of new non-residential buildings based solely on the amount of building space they occupy. Two different users with the same amount of

building space can use different amounts of water and wastewater. Therefore, to be conservative, the growth in the non-residential sector has not been included in the forecast of new customers or additional anticipated volumes. Where non-residential customers are added to the system, a surplus would be generated from the rates. This surplus would be used to mitigate other fluctuations in costs and/or to help build reserves for future asset management needs.

The Town provided Watson with water consumption records for 2020 to 2024 and the first five billing cycles of 2025. This data was analyzed to develop a forecast of water demand for the period 2026-2036. Based on a review of the data, it was determined that average consumption levels for 2022-2024 were reflective of the anticipated consumption of new customers connecting to the systems. Average annual consumption was 140 cubic metres ($m^3$) for residential customers, excluding apartments, and 90 $m^3$ for multiple-unit customers. Based on the data and the increased efficiency of new appliances, all new consumption was estimated to fall into the first block volume rate. These average annual consumption levels by customer type were applied to the Town's growth projections as discussed above to forecast future service demands.

Overall, billable water consumption is expected to increase by approximately 102,000 $m^3$ from approximately 581,400 $m^3$ to approximately 683,400 $m^3$ in 2036. Similarly, billable wastewater flows, which are based on water consumption by customers with wastewater servicing, are forecasted to increase by approximately 102,000 $m^3$ from approximately 565,600 $m^3$ to approximately 667,900 $m^3$ over the forecast period.

Tables 2-1 and 2-2 provide the customer forecasts along with the detailed water consumption and wastewater flows forecasts, by volume block, for the period to 2036.

Table 2-1
Town of Minto
Water System Forecast

| Water Customer Forecast | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Metered and Flat Rate) | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 | 3,148 |
| New - Growth - Full Rate | 14 | 42 | 70 | 98 | 133 | 175 | 228 | 308 | 403 | 499 | 595 | 692 |
| New - Growth - Multi-Unit Rate | 1 | 3 | 6 | 9 | 13 | 18 | 23 | 29 | 36 | 43 | 50 | 57 |
| **Total** | **3,162** | **3,190** | **3,218** | **3,246** | **3,281** | **3,323** | **3,376** | **3,456** | **3,551** | **3,647** | **3,743** | **3,840** |

| Water Volume Forecast ($m^3$) | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Block 1** | | | | | | | | | | | | |
| Existing | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 | 411,421 |
| New | 2,050 | 6,150 | 10,340 | 14,530 | 19,790 | 26,120 | 33,990 | 45,730 | 59,660 | 73,730 | 87,800 | 102,010 |
| **Subtotal Block 1** | **413,471** | **417,571** | **421,761** | **425,951** | **431,211** | **437,541** | **445,411** | **457,151** | **471,081** | **485,151** | **499,221** | **513,431** |
| **Block 2** | | | | | | | | | | | | |
| Existing | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 |
| **Subtotal Block 2** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** |
| **Block 3** | | | | | | | | | | | | |
| Existing | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 | 62,113 |
| **Subtotal Block 3** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** | **62,113** |
| **Block 4** | | | | | | | | | | | | |
| Existing | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 |
| **Subtotal Block 4** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** |
| **Total** | **583,451** | **587,551** | **591,741** | **595,931** | **601,191** | **607,521** | **615,391** | **627,131** | **641,061** | **655,131** | **669,201** | **683,411** |

# Table 2-2
# Town of Minto
# Wastewater Customer Forecast

| Wastewater Customer Forecast | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Existing (Metered and Flat Rate) | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 | 3,085 |
| New - Growth - Full Rate | 14 | 42 | 70 | 98 | 133 | 175 | 228 | 308 | 403 | 499 | 595 | 692 |
| New - Growth - Multi-Unit Rate | 1 | 3 | 6 | 9 | 13 | 18 | 23 | 29 | 36 | 43 | 50 | 57 |
| **Total** | **3,099** | **3,127** | **3,155** | **3,183** | **3,218** | **3,260** | **3,313** | **3,393** | **3,488** | **3,584** | **3,680** | **3,777** |

| Wastewater Flows Forecast ($m^3$) | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Block 1** | | | | | | | | | | | | |
| Existing | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 | 398,400 |
| New | 2,050 | 6,150 | 10,340 | 14,530 | 19,790 | 26,120 | 33,990 | 45,730 | 59,660 | 73,730 | 87,800 | 102,010 |
| **Subtotal Block 1** | **400,450** | **404,550** | **408,740** | **412,930** | **418,190** | **424,520** | **432,390** | **444,130** | **458,060** | **472,130** | **486,200** | **500,410** |
| **Block 2** | | | | | | | | | | | | |
| Existing | 23,785 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 | 24,035 |
| **Subtotal Block 2** | **23,785** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** | **24,035** |
| **Block 3** | | | | | | | | | | | | |
| Existing | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 | 59,613 |
| **Subtotal Block 3** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** | **59,613** |
| **Block 4** | | | | | | | | | | | | |
| Existing | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 | 83,833 |
| **Subtotal Block 4** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** | **83,833** |
| **Total** | **567,680** | **572,030** | **576,220** | **580,410** | **585,670** | **592,000** | **599,870** | **611,610** | **625,540** | **639,610** | **653,680** | **667,890** |

Note: Above flows are water flows on which the wastewater billing will be calculated

# Chapter 3
# Capital Infrastructure Needs

# 3. Capital Infrastructure Needs

Capital forecasts have been provided for the water and wastewater systems. These forecasts are presented in Table 3-1 and Tables 3-2, respectively. The capital forecasts are based on the Town's Draft 2026 Capital Budget and Forecast, Water and Sanitary Systems Servicing Strategy, draft 2025 D.C. Background Study, and discussions with Town staff and the Town's engineer, Triton Engineering. These forecasts include lifecycle capital needs, major maintenance, and level of service/capacity improvements.

A summary of the capital works related to the water and wastewater services is provided in Tables 3-1 and 3-2. The total capital forecast for 2026 to 2036 includes approximately $30.66 million in capital needs for water and $52.31 million in capital needs for wastewater services, in current (uninflated) dollars. The capital forecast includes lifecycle renewal/replacement needs, major maintenance, level of service/capacity improvements, and growth-related capital works.

Table 3-1
Town of Minto
Water Services – 2025 Capital Budget and 2026 to 2036
Capital Forecast Summary (Uninflated $)

| Description | Budget 2025 | Total 2026-2036 | Timing 2026-2036 |
|---|---|---|---|
| **Capital Expenditures** | | | |
| King Street | - | 18,400 | 2026 |
| Tower Inspection - Clifford - Repairs, Interior Paint | - | 275,000 | 2026 |
| Tower Inspection - Palmerston - Repairs, Interior Paint | - | 15,000 | 2026 |
| Tower - Palmerston - Climbing Apparatus | - | 15,000 | 2026 |
| Chlorine Board | - | 10,000 | 2026 |
| Well Exploration - complete EA- Palmerston | - | 50,000 | 2026 |
| Well Construction - Harriston | - | 380,000 | 2026 |
| Webb St - Elizabeth St to Raglan St (285m) | - | 500,000 | 2026 |
| Palmerston Main Street | - | 110,700 | 2026 |
| SCADA | - | 110,000 | 2026 |
| Water Meters | - | 20,000 | 2026 |
| Pumps/ Valves | - | 15,000 | 2026 |
| Arthur St W | - | 100,000 | 2026 |
| Palmerston Well Inspections-Wells 3 & 4 | - | 60,000 | 2026, 2033 |
| Data Loggers | - | 4,000 | 2026 |
| King St Harriston Design | - | 50,000 | 2027 |
| Chlorine Board | - | 10,000 | 2027 |
| SCADA | - | 60,000 | 2027 |
| Water Meters | - | 20,000 | 2027 |
| Pumps/Valves | - | 15,000 | 2027 |
| Pick-up Truck (#12) | - | 75,000 | 2027 |
| Harriston Watertower painting Design | - | 350,000 | 2027 |
| Boulton Street Engineering and Tender | - | 50,000 | 2028 |
| Service Truck | - | 75,000 | 2028 |
| Vac Truck | - | 150,000 | 2028 |
| Palmerston Well Construction | - | 500,000 | 2028 |
| Harriston King St S Construction | - | 520,000 | 2028 |
| 2016 Ford F550 (#19) | - | 75,000 | 2029 |
| 2019 Ford F150 (#12) | - | 75,000 | 2034 |
| 2021 Chevy Silverado (#9) | - | 150,000 | 2028, 2035 |
| 2023 Ford F150 (#21) | - | 75,000 | 2030 |
| 2024 Ford F150 (#22) | - | 75,000 | 2031 |
| ***Clifford*** | | | |
| Chlorine Analyser | 10,000 | - | 2025 |
| Well Inspections | - | 90,000 | 2027, 2034 |
| Ann St N - Watermain Extension (155m) | - | 272,800 | 2031 |
| ***Harriston*** | | | |
| King Street North Development | 18,400 | - | 2025 |
| Tower Inspection & Repairs | 35,000 | 25,000 | 2025, 2032 |
| Water Tower Interior Touch Up | 35,000 | - | 2025 |
| Chlorine Board | 4,000 | - | 2025 |
| Well Exploration | 107,500 | - | 2025 |
| Well Inspections | - | 75,000 | 2028, 2030, 2035 |

Table 3-1 (continued)
Town of Minto
Water Services – 2025 Capital Budget and 2025 to 2036
Capital Forecast Summary (Uninflated $)

| Description | Budget 2025 | Total 2026-2036 | Timing 2026-2036 |
|---|---|---|---|
| **Capital Expenditures** | | | |
| Well 4 - Increase Source Capacity | - | 4,800,000 | 2027-2028 |
| Arthur St W - 40m S of Wilson St to 140m S of Wilson St (100m) | - | 216,000 | 2026-2027 |
| King St S - Pellister St E to Jessie St (430m) | - | 928,800 | 2032 |
| Queen St S - Lorne St E to Jessie St (210m) | - | 453,600 | 2031 |
| Queen St S - Yonge St E to Pellister St E (240m) | - | 518,400 | 2031 |
| Lorne St E - King St S to dead end at ROW (90m) | - | 194,400 | 2032 |
| King St S - Arthur St E to Maitland St (140m) | - | 302,400 | 2033 |
| Jessie St - Queen St S to King St S (90m) | - | 194,400 | 2034 |
| Queen St S and Queen St N - Dead End to Maitland St (550m) | - | 1,188,000 | 2035 |
| King St S - Maitland St to Young St E (290m) | - | 626,400 | 2032 |
| John St N - Adelaide St to John St Wellhouse (200m) | - | 450,000 | 2034 |
| ***Palmerston*** | | | |
| Main Street | 100,000 | - | 2025 |
| Water Tower Inspection | - | 25,000 | 2030 |
| Well Inspections | - | 60,000 | 2028- 2029, 2035, 2036 |
| Well Exploration | 207,500 | - | 2025 |
| Main St W (210m) | - | 369,600 | 2026 |
| Main St W | - | 1,514,500 | 2026 |
| Mary St Extension to Dead End (185m) | - | 312,650 | 2028 |
| Well 5 - Increase Source Capacity | - | 5,200,000 | 2030 |
| King St - Main St W to King St. Hotel (95m) | - | 205,200 | 2026 |
| Boulton St - Norman St to Whites Rd (380m) | - | 820,800 | 2030 |
| Queen St S - 250m S of Walker St to 35m N of Victoria St (680m) | - | 1,468,800 | 2033 |
| William St - Queen St S to Main St W (310m) | - | 669,600 | 2033 |
| Daly St - Norman St to Whites Rd (380m) | - | 820,800 | 2034 |
| Cumberland St - Queen St to Main St E (170m) | - | 367,200 | 2036 |
| Norman St - Main St E to Nelson St (440m) | - | 977,400 | 2035 |
| Dufferin St - Norman St to Whites Rd (360m) | - | 777,600 | 2036 |
| ***Rural*** | | | |
| Minto Pines Well Infrastructure Inspection | - | 20,000 | 2030 |
| ***General*** | | | |
| Engineering | - | 120,000 | 2029-2036 |
| Consulting | 20,000 | - | 2025 |
| Servicing Strategy | - | 12,000 | 2029-2030, 2032-2035 |
| SCADA - Water | 10,000 | 90,000 | 2028-2036 |
| Water Meters | 20,000 | 2,121,000 | 2028-2036 |
| Pumps / Valves | 15,000 | 120,000 | 2029-2036 |
| ***Studies:*** | | | |
| Water Rate Study and Financial Plan | 21,257 | 42,513 | 2030, 2035 |
| Servicing Strategy Updates | - | 45,000 | 2026, 2031, 2036 |
| Servicing Standards Update | - | 22,500 | 2026, 2031, 2036 |
| Allocations By-Law Study | - | 10,000 | 2027 |
| Minto Water Systems Class EA | - | 100,000 | 2034 |
| Water Model/Sewer Model | - | 22,000 | 2026-2036 |
| **Total Capital Expenditures** | **$603,657** | **$30,657,463** | |

Table 3-2
Town of Minto
Wastewater Services – 2025 Capital Budget and 2026 to 2036
Capital Forecast Summary (Uninflated $)

| Description | Budget 2025 | Total 2026-2036 | Timing 2026-2036 |
|---|---|---|---|
| **Capital Expenditures** | | | |
| Ultra-Rib Inspection/Lining | - | 50,000 | 2026 |
| Clifford Pump | - | 18,000 | 2026 |
| King Street | - | 20,000 | 2026 |
| Harriston Pumping Station upgrade & pump | - | 30,000 | 2026 |
| Palmerston Main Street | - | 118,950 | 2026 |
| Palmerston Plant upgrades, expansion | - | 100,000 | 2026 |
| Assimilated Capacity | - | 30,000 | 2026 |
| Servicing Strategy | - | 2,500 | 2026 |
| Equipment | - | 10,000 | 2026 |
| SCADA | - | 60,000 | 2026 |
| Pumps/Valves | - | 35,000 | 2026 |
| Chemical Pump | - | 12,000 | 2026 |
| CLI ECA Sanitary | - | 12,000 | 2026 |
| Arthur St W | - | 125,000 | 2026 |
| Computer Hardware & Software | - | 4,000 | 2026 |
| Inflow & Infiltration Studies | - | 62,000 | 2026 |
| Safety Equipment | - | 20,000 | 2026 |
| Jane & Norman Easement-town sh-$180, Developer-$30k; | - | 210,000 | 2026 |
| Raglan St/Webb St | - | 520,000 | 2026 |
| Inflow and Infiltration Studies (H&P) | - | 60,000 | 2027 |
| Ultra-Rib Inspection/Lining | - | 24,000 | 2027 |
| Assimlative Capacity | - | 50,000 | 2027 |
| SCADA | - | 10,000 | 2027 |
| Pumps/Valves | - | 35,000 | 2027 |
| Chemical Pump | - | 5,000 | 2027 |
| CLI ECA Sanitary | - | 10,000 | 2027 |
| Computer Hardware & Software | - | 4,000 | 2027 |
| King St Harriston Design | - | 50,000 | 2027 |
| Norman St | - | 100,000 | 2027 |
| Boulton Street Engineering and Tender | - | 50,000 | 2028 |
| Vac Truck | - | 150,000 | 2028 |
| Harriston - King St S Construction | - | 500,000 | 2028 |
| 2016 Ford F550 (#19) | - | 75,000 | 2029 |
| 2021 Chevy Silverado (#3) | - | 150,000 | 2028, 2035 |
| 2023 Ford F250 (#2) | - | 100,000 | 2030 |
| 2023 Ford F150 (#8) | - | 150,000 | 2028, 2035 |
| Ultra-Rib Inspection / Lining | 23,000 | 249,000 | 2025, 2029-2036 |
| Clifford Pump | 12,000 | - | 2025 |
| Lagoon Rehabilitation | 45,000 | - | 2025 |
| King Street North Development | 20,000 | - | 2025 |
| Wastewater Inflow and Infiltration (study and work) | - | 297,000 | 2029-2036 |
| Pumping Station Upgrade & Pump | 20,000 | - | 2025 |
| Lagoon - WSER Effluent Quality Upgrade | - | 1,430,000 | 2030 |
| Bank Stabilization | 60,000 | - | 2025 |
| Sludge Removal (Mapping) | 5,000 | - | 2025 |

Table 3-2 (continued)
Town of Minto
Wastewater Services – 2025 Capital Budget and 2026 to 2036
Capital Forecast Summary (Uninflated $)

| Description | Budget 2025 | Total 2026-2036 | Timing 2026-2036 |
|---|---|---|---|
| **Capital Expenditures** | | | |
| Webb St - 20m E of Raglan St W to Pellister St W (100m) | - | 220,000 | 2026 |
| King St S - Arthur St E to 70m E of Arthur St E (70m) | - | 159,600 | 2033 |
| King St S - Marklane St to Young St E (200m) | - | 470,000 | 2032 |
| King St S - Raglan St E to Jessie St (550m) | - | 1,210,000 | 2032 |
| Queen St S - Young St E to Jessie St (670m) | - | 1,474,000 | 2031 |
| Louise St - Elora St N to 120m S of John St N (310m) | - | 682,000 | 2034 |
| John St N - Adelaide St to William St W (380m) | - | 836,000 | 2034 |
| Queen St N - 70m W of William St E to William St E (70m) | - | 154,000 | 2035 |
| Queen St N - 20m E of William St E to 30m E of Union St E (130m) | - | 286,000 | 2035 |
| Queen St N - 30m E of Union St E to Arthur St E (140m) | - | 308,000 | 2035 |
| ***Palmerston*** | | - | |
| Main Street | 81,000 | - | 2025 |
| Henry Lane Loop Development Phase 2 | - | - | |
| Wastewater Inflow and Infiltration (Study and Work) | - | 302,000 | 2029-2036 |
| Plant Upgrades, Expansion & Clarifier | 60,000 | - | 2025 |
| Main St W (381m) | - | 781,050 | 2026 |
| SANMH P112A to P112C (150m) | - | 307,500 | 2027 |
| Queen Street South (215m) | - | 440,750 | 2035 |
| Increase Treatment Capacity | - | 36,876,500 | 2035, 2036 |
| Queen St S - 30m N of King St to Victoria St (80m) | - | 176,000 | 2033 |
| Queen St S - William St to 50m N of William St (50m) | - | 110,000 | 2033 |
| Daly St - 90m E of Whites Rd to 20m E of Whites Rd (70m) | - | 154,000 | 2034 |
| Norman St - 50m N of Main St W to 30m S of Boulton St (130m) | - | 286,000 | 2035 |
| Cumberland St - Main St E to 50m S of Main St E (50m) | - | 110,000 | 2036 |
| King St - Main St W to King St. Hotel (95m) | - | 209,000 | 2026 |
| Boulton St - Norman St to Whites Rd (380m) | - | 836,000 | 2030 |
| ***General*** | | - | |
| Engineering | - | 200,000 | 2029-2036 |
| Consulting | 20,000 | 100,000 | 2025, 2030, 2035 |
| Servicing Strategy | 2,000 | 12,000 | 2025, 2029-2030, 2032-2035 |
| 2024 - Harriston Webb Street Extension | 52,000 | - | 2025 |
| Equipment | 10,000 | 56,000 | 2025, 2029-2036 |
| Computer Hardware/Software | - | 40,000 | 2029-2036 |
| SCADA - Sewer | 10,000 | 80,000 | 2025, 2029-2036 |
| Pumps / Valves | 90,000 | 280,000 | 2025, 2029-2036 |
| Chemical Pumps | 30,000 | 15,000 | 2025, 2029, 2032, 2035 |
| CLI ECA - Sanitary | 10,000 | 80,000 | 2025, 2029-2036 |
| Wastewater Rate Study | 12,717 | 25,433 | 2025, 2030, 2035 |
| Servicing Strategy Updates | - | 45,000 | 2026, 2031, 2036 |
| Servicing Standards Update | - | 22,500 | 2026, 2031, 2036 |
| Allocations By-Law Study | - | 10,000 | 2027 |
| Water Model/Sewer Model | - | 22,000 | 2026-2036 |
| **Total Capital Expenditures** | **$562,717** | **$52,314,783** | |

# 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.

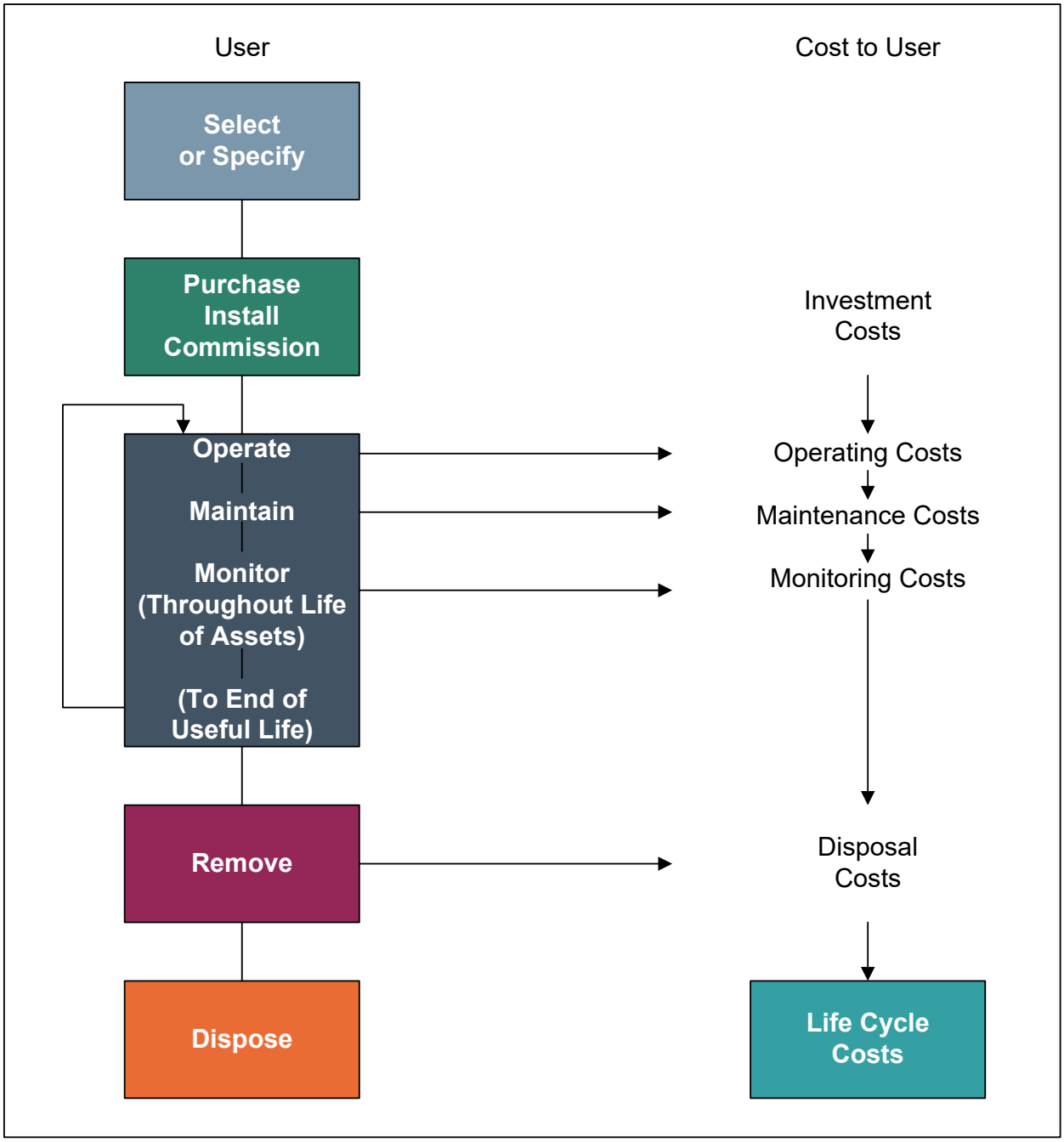
### *4.1.2 Financing Costs*

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 Town. Over the past few decades, new financing techniques such as D.C.s 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 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 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.

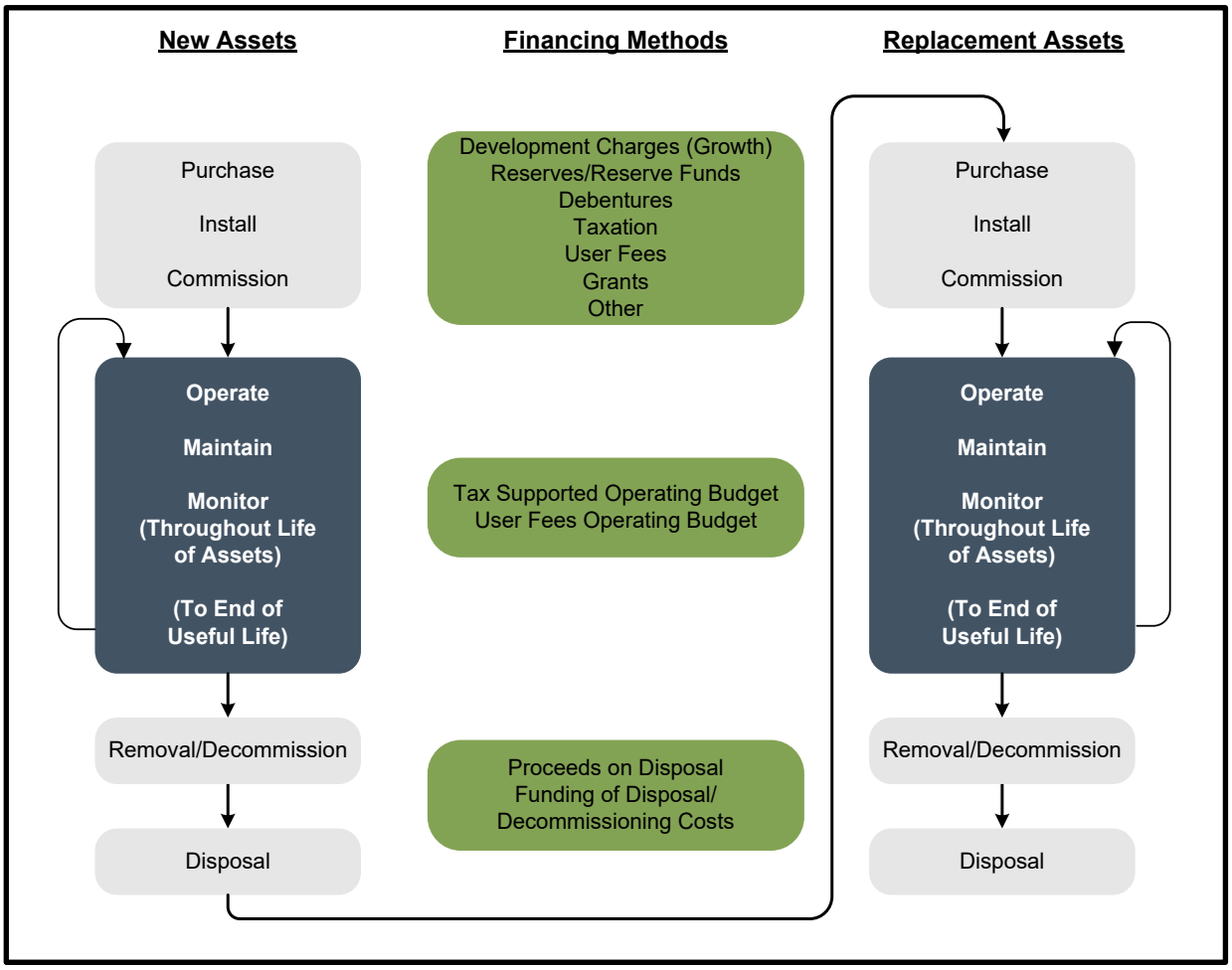
As referred to earlier, growth-related financing methods such as D.C.s and developer contributions could be used to finance the growth-related component of the new asset. These revenues are collected (indirectly) from the new homeowner who benefits directly from the installation of this asset. Other 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 forms 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



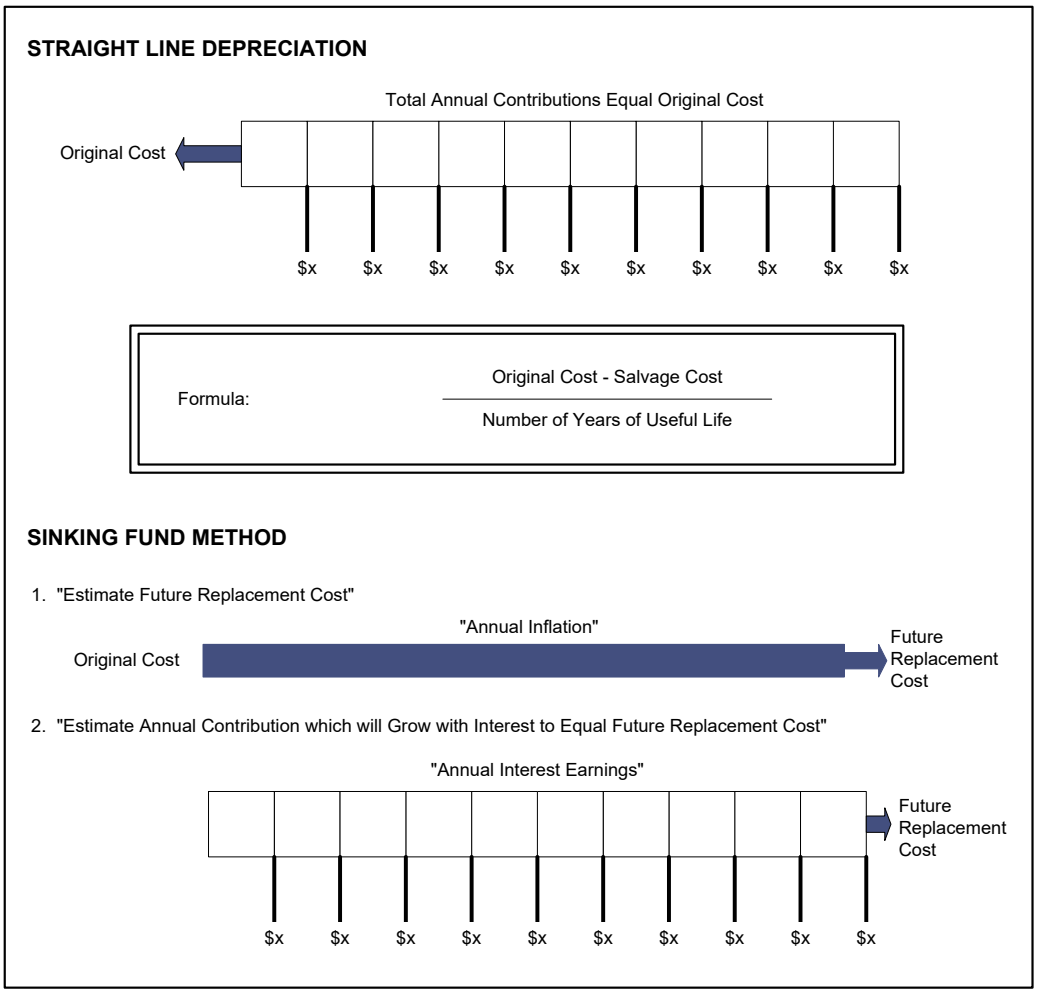

### *4.1.3 Costing Methods*

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. The preferred method used herein for forecasting purposes is the sinking fund method of lifecycle costing.

Figure 4-3



## 4.2 Impacts on Budgets

Detailed information on water and wastewater assets was obtained from the Town's asset management database and the 2025 A.M.P. As noted in the 2025 A.M.P., the total replacement value of existing water infrastructure across the Town is approximately $76.86 million, which translates to an investment of approximately $24,400 per customer based the existing number of customers (including multiple units). For wastewater, the total replacement value of existing infrastructure is $88.95 million, equating to an investment of approximately $28,800 per customer.

The 2025 A.M.P. identified the annual capital reinvestment required to maintain 60 percent of the Town's assets in good condition, which is the Town's target. These amounts reflect the level of investment the Town may wish to consider as part of its budgeting practices and are summarized in Table 4-1 below. For water assets, the annual capital reinvestment rate is approximately $1.03 million. Similarly, for wastewater, the annual capital reinvestment amount is approximately $1.39 million. In theory, if the Town were to transfer this amount of funding to reserves annually and invest the funds, the funds would be available to finance the capital expenditures when the infrastructure needs arise and ensure the condition of the Town's assets does not deteriorate below the desired target.

Table 4-1
Town of Minto
Summary of Water and Wastewater Infrastructure

| Service | Replacement Cost | Annual Capital Reinvestment/ Lifecycle Amount |
|---|---|---|
| Water | 76,862,992 | 1,034,328 |
| Wastewater | 88,954,398 | 1,391,066 |
| Total | **$165,817,390** | **$2,425,394** |

# Chapter 5
## Capital Costs Financing

# 5. Capital Cost Financing Options

## 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 Town imposes D.C.s on new development, and the capital funding plan incorporates D.C.s as a funding source for anticipated capital needs. The forecast in this study includes $19.88 million for water services and $4.57 million for wastewater services in D.C. funded capital.

## 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).

Section 221 of the previous *Municipal Act* permitted municipalities to impose charges, by by-law, on owners or occupants of land who would or might derive benefit from the construction of sewage (storm and sanitary) or water works being authorized (in a specific benefit area). For a by-law imposed under this section of the previous Act:

- A variety of different means could be used to establish the rate and recovery of the costs;

- The charges could be imposed by a number of methods at the discretion of Council (i.e., lot size, frontage, number of benefiting properties, etc.);
- Rates could be imposed with respect to the costs of major capital works, even though an immediate benefit was not enjoyed;
- Non-abutting owners could be charged;
- Recovery was authorized against existing works, where a new water or sewer main was added to such works, "notwithstanding that the capital costs of existing works have in whole or in part been paid;"
- Charges on individual parcels could be deferred;
- Exemptions could be established;
- Repayment was secured; and
- OLT approval was not required.

While under the new *Municipal Act* no provisions are provided specific to the previous s.221, the intent to allow capital cost recovery through fees and charges is embraced within s.391. The new *Municipal Act* also maintains 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."

Section 222 of the previous *Municipal Act* permitted municipalities to pass a by-law requiring buildings to connect to the municipality's sewer and water systems, charging the owner for the cost of constructing services from the mains to the property line. Under the new *Municipal Act*, this power still exists 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*.

Under the previous *Local Improvement Act*:

- A variety of different types of works could be undertaken, such as watermain, storm and sanitary sewer projects, supply of electrical light or power, bridge construction, sidewalks, road widening, and paving;

- Council could pass a by-law for undertaking such work on petition of a majority of benefiting taxpayers, on a 2/3 vote of Council, and on sanitary grounds, based on the recommendation of the Minister of Health. The by-law was required to go to the OLT, which might hold hearings and alter the by-law, particularly if there were objections;
- The entire cost of a work was assessed only upon the lots abutting directly on the work, according to the extent of their respective frontages, using an equal special rate per metre of frontage; and
- As noted, this Act was repealed as of April 1, 2003; however, O. Reg. 119/03 was enacted on April 19, 2003, which restores many of the previous *Local Improvement Act* provisions; however, the authority is now provided under the *Municipal Act*.

## 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.

The 2026 Federal budget has indicated that additional funding will be made available to municipalities, related to capital infrastructure needs.

**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 increased the total available funding through the H.E.W.S.F. to over $1.0 billion. The Town received a grant of approximately $2.3 million through the H.E.W.S.F.

The rate calculations provided in subsequent chapters incorporate the funding secured through H.E.W.S.F. as well as other grants the Town anticipates receiving. In total, the rate calculations include approximately $8.39 in grant funding from the federal and provincial governments for water and wastewater capital projects.

The Town 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/Reserve Funds

The Town 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. D.C. reserve funds for water and wastewater have been used for growth-related capital purposes. The following table shows the water and wastewater reserves used in this analysis and their balances as of December 31, 2024.

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

| Reserve | Dec. 31 2024 |
|---|---|
| **Water** | |
| Capital Reserve | 3,701,475 |
| Development Charges Reserve Fund | (60,951) |
| Contingency Reserve Fund | 500,000 |
| **Wastewater** | |
| Capital Reserve | 3,302,682 |
| Development Charges Reserve Fund | 1,669,930 |
| Contingency Reserve Fund | 500,000 |

## 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 Town's 2025 Annual Repayment Limit (A.R.L.) is $2.06 million based on calculations by the Ministry of Municipal Affairs and Housing. The schedule from the Ministry of Municipal Affairs and Housing notes that the available debt for the Town is approximately $25.71 million based on 20-year financing at an assumed rate of 5%.

It should be noted, however, that the issuance of debt should be managed at levels sustainable by the municipality. Issuance of large amounts of debt in any one year can have dramatic impacts on taxes and rates. Hence, proper management of capital spending and the level of debt issued annually must be monitored and evaluated over the longer-term period.

Within the context of the Town's 11-year water and wastewater capital program, projections show that additional debt financing totalling approximately $51.13 million would be required over the forecast period. Of this amount, $50.71 million relates to growth-related capital works and would be funded through D.C.s. While this projected debt may exceed the Town's A.R.L., debt financing was assumed to address affordability concerns that would arise if wastewater rates were increased to cash flow D.C. projects. Town staff will continue to monitor D.C. collections, growth trends, and system capacity to ensure that projects are undertaken at the appropriate time to minimize debt financing needs. They will also continue to pursue funding from higher levels of government.

### 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. The analysis provided herein assumes that the Town will not provide debt financing for the capital projects identified.

### 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

Tables 5-2 and 5-3 provide for the full capital expenditures (inflated $) for water and wastewater services as discussed in Chapter 2. These tables also include various funding alternatives recommended for further consideration by the Town. Additional detailed information on the forecasts is provided in Appendix A and Appendix B.

Table 5-2
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| King Street | - | 18,400 | 18,400 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Clifford - Repairs, Interior Paint | - | 275,000 | 275,000 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Palmerston - Repairs, Interior Paint | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Tower - Palmerston - Climbing Apparatus | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| Well Exploration - complete EA- Palmerston | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Well Construction - Harriston | - | 380,000 | 380,000 | - | - | - | - | - | - | - | - | - | - |
| Webb St - Elizabeth St to Raglan St (285m) | - | 500,000 | 500,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 110,700 | 110,700 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 110,000 | 110,000 | - | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/ Valves | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Well Inspections-Wells 3 & 4 | - | 70,000 | 30,000 | - | - | - | - | - | - | 40,000 | - | - | - |
| Data Loggers | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 62,000 | - | 62,000 | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 21,000 | - | 21,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 16,000 | - | 16,000 | - | - | - | - | - | - | - | - | - |
| Pick-up Truck (#12) | - | 78,000 | - | 78,000 | - | - | - | - | - | - | - | - | - |
| Harriston Watertower painting Design | - | 364,000 | - | 364,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 54,000 | - | - | 54,000 | - | - | - | - | - | - | - | - |
| Service Truck | - | 81,000 | - | - | 81,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 162,000 | - | - | 162,000 | - | - | - | - | - | - | - | - |
| Palmerston Well Construction | - | 542,000 | - | - | 542,000 | - | - | - | - | - | - | - | - |
| Harriston King St S Construction | - | 563,000 | - | - | 563,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 85,000 | - | - | - | 85,000 | - | - | - | - | - | - | - |
| 2019 Ford F150 (#12) | - | 103,000 | - | - | - | - | - | - | - | - | 103,000 | - | - |
| 2021 Chevy Silverado (#9) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| 2023 Ford F150 (#21) | - | 88,000 | - | - | - | - | 88,000 | - | - | - | - | - | - |
| 2024 Ford F150 (#22) | - | 92,000 | - | - | - | - | - | 92,000 | - | - | - | - | - |
| *Clifford* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Chlorine Analyser | 10,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 109,000 | - | 47,000 | - | - | - | - | - | - | 62,000 | - | - |
| Ann St N - Watermain Extension (320m) | - | 333,000 | - | - | - | - | - | 333,000 | - | - | - | - | - |
| *Harriston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| King Street North Development | 18,400 | - | - | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection & Repairs | 35,000 | 32,000 | - | - | - | - | - | - | 32,000 | - | - | - | - |
| Water Tower Interior Touch Up | 35,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | 4,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Exploration | 107,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 93,000 | - | - | 32,000 | - | 18,000 | - | - | - | - | 43,000 | - |

Table 5-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| Well 4 - Increase Source Capacity | - | 5,098,000 | - | 2,498,000 | 2,600,000 | - | - | - | - | - | - | - | - |
| Arthur St W - 40m S of Wilson St to 140m S of Wilson St (100m) | - | 221,000 | 100,000 | 121,000 | - | - | - | - | - | - | - | - | - |
| King St S - Pellister St E to Jessie St (430m) | - | 1,180,000 | - | - | - | - | - | - | 1,180,000 | - | - | - | - |
| Queen St S - Lorne St E to Jessie St (210m) | - | 554,000 | - | - | - | - | - | 554,000 | - | - | - | - | - |
| Queen St S - Yonge St E to Pellister St E (240m) | - | 633,000 | - | - | - | - | - | 633,000 | - | - | - | - | - |
| Lorne St E - King St S to dead end at ROW (90m) | - | 247,000 | - | - | - | - | - | - | 247,000 | - | - | - | - |
| King St S - Arthur St E to Maitland St (140m) | - | 400,000 | - | - | - | - | - | - | - | 400,000 | - | - | - |
| Jessie St - Queen St S to King St S (90m) | - | 268,000 | - | - | - | - | - | - | - | - | 268,000 | - | - |
| Queen St S and Queen St N - Dead End to Maitland St (550m) | - | 1,702,000 | - | - | - | - | - | - | - | - | - | 1,702,000 | - |
| King St S - Maitland St to Young St E (290m) | - | 796,000 | - | - | - | - | - | - | 796,000 | - | - | - | - |
| John St N - Adelaide St to John St Wellhouse (200m) | - | 619,000 | - | - | - | - | - | - | - | - | 619,000 | - | - |
| *Palmerston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Main Street | 100,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Tower Inspection | - | 29,000 | - | - | - | - | 29,000 | - | - | - | - | - | - |
| Well Inspections | - | 76,000 | - | - | 16,000 | 17,000 | - | - | - | - | - | 21,000 | 22,000 |
| Well Exploration | 207,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (210m) | - | 369,600 | 369,600 | - | - | - | - | - | - | - | - | - | - |
| Main St W | - | 1,514,500 | 1,514,500 | - | - | - | - | - | - | - | - | - | - |
| Mary St Extension to Dead End (185m) | - | 339,000 | - | - | 339,000 | - | - | - | - | - | - | - | - |
| Well 5 - Increase Source Capacity | - | 6,101,000 | - | - | - | - | 6,101,000 | - | - | - | - | - | - |
| King St - Main St W to King St. Hotel (95m) | - | 205,200 | 205,200 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 963,000 | - | - | - | - | 963,000 | - | - | - | - | - | - |
| Queen St S - 250m S of Walker St to 35m N of Victoria St (680m) | - | 1,942,000 | - | - | - | - | - | - | - | 1,942,000 | - | - | - |
| William St - Queen St S to Bell (310m) | - | 886,000 | - | - | - | - | - | - | - | 886,000 | - | - | - |
| Daly St - Norman St to Whites Rd (380m) | - | 1,130,000 | - | - | - | - | - | - | - | - | 1,130,000 | - | - |
| Cumberland St - Queen St to Main St E (170m) | - | 547,000 | - | - | - | - | - | - | - | - | - | - | 547,000 |
| Norman St - Main St E to Nelson St (440m) | - | 1,400,000 | - | - | - | - | - | - | - | - | - | 1,400,000 | - |
| Dufferin St - Norman St to Whites Rd (360m) | - | 1,159,000 | - | - | - | - | - | - | - | - | - | - | 1,159,000 |
| *Rural* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Minto Pines Well Infrastructure Inspection | - | 23,000 | - | - | - | - | 23,000 | - | - | - | - | - | - |
| *General* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Engineering | - | 156,000 | - | - | - | 17,000 | 18,000 | 18,000 | 19,000 | 20,000 | 21,000 | 21,000 | 22,000 |
| Consulting | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 16,000 | - | - | - | 2,000 | 2,000 | - | 3,000 | 3,000 | 3,000 | 3,000 | - |
| SCADA - Water | 10,000 | 115,000 | - | - | 11,000 | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |
| Water Meters | 20,000 | 3,010,000 | - | - | 22,000 | 23,000 | 23,000 | 24,000 | 25,000 | 26,000 | 918,000 | 955,000 | 994,000 |
| Pumps / Valves | 15,000 | 156,000 | - | - | - | 17,000 | 18,000 | 18,000 | 19,000 | 20,000 | 21,000 | 21,000 | 22,000 |

Table 5-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| *Studies:* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Rate Study and Financial Plan | 21,257 | 55,000 | - | - | - | - | 25,000 | - | - | - | - | 30,000 | - |
| Servicing Strategy Updates | - | 55,000 | 15,000 | - | - | - | - | 18,000 | - | - | - | - | 22,000 |
| Servicing Standards Update | - | 27,500 | 7,500 | - | - | - | - | 9,000 | - | - | - | - | 11,000 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Minto Water Systems Class EA | - | 138,000 | - | - | - | - | - | - | - | - | 138,000 | - | - |
| Water Model/Sewer Model | - | 27,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| **Total Capital Expenditures** | **603,657** | **36,988,900** | **3,866,900** | **3,281,000** | **4,505,000** | **174,000** | **7,322,000** | **1,713,000** | **2,337,000** | **3,353,000** | **3,300,000** | **4,320,000** | **2,817,000** |
| **Capital Financing** | | | | | | | | | | | | | |
| Provincial/Federal Grants - Non-Growth Related | - | 973,691 | 973,691 | - | - | - | - | - | - | - | - | - | - |
| Provincial/Federal Grants - Growth Related | - | 991,309 | 991,309 | - | - | - | - | - | - | - | - | - | - |
| Development Charges Reserve Fund | 283,500 | 4,620,125 | 126,125 | 256,200 | 394,750 | 500 | 691,400 | 218,600 | 214,800 | 1,031,750 | 144,450 | 1,532,550 | 9,000 |
| Non-Growth Related Debenture Requirements | - | 166,259 | 166,259 | - | - | - | - | - | - | - | - | - | - |
| Growth Related Debenture Requirements | - | 9,713,741 | 713,741 | 2,000,000 | 2,200,000 | - | 4,800,000 | - | - | - | - | - | - |
| Water Reserve | 320,157 | 20,523,775 | 895,775 | 1,024,800 | 1,910,250 | 173,500 | 1,830,600 | 1,494,400 | 2,122,200 | 2,321,250 | 3,155,550 | 2,787,450 | 2,808,000 |
| **Total Capital Financing** | **603,657** | **36,988,900** | **3,866,900** | **3,281,000** | **4,505,000** | **174,000** | **7,322,000** | **1,713,000** | **2,337,000** | **3,353,000** | **3,300,000** | **4,320,000** | **2,817,000** |

Table 5-3
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| Ultra-Rib Inspection/Lining | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Clifford Pump | - | 18,000 | 18,000 | - | - | - | - | - | - | - | - | - | - |
| King Street | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Harriston Pumping Station upgrade & pump | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 118,950 | 118,950 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Plant upgrades, expansion | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Assimilated Capacity | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 2,500 | 2,500 | - | - | - | - | - | - | - | - | - | - |
| Equipment | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 60,000 | 60,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 35,000 | 35,000 | - | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 125,000 | 125,000 | - | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow & Infiltration Studies | - | 62,000 | 62,000 | - | - | - | - | - | - | - | - | - | - |
| Safety Equipment | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Jane & Norman Easement-town sh-$180, Developer-$30k; | - | 210,000 | 210,000 | - | - | - | - | - | - | - | - | - | - |
| Raglan St/Webb St | - | 520,000 | 520,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow and Infiltration Studies (H&P) | - | 62,000 | - | 62,000 | - | - | - | - | - | - | - | - | - |
| Ultra-Rib Inspection/Lining | - | 25,000 | - | 25,000 | - | - | - | - | - | - | - | - | - |
| Assimlative Capacity | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 36,000 | - | 36,000 | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 5,000 | - | 5,000 | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | - | 4,000 | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| Norman St | - | 104,000 | - | 104,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 54,000 | - | - | 54,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 162,000 | - | - | 162,000 | - | - | - | - | - | - | - | - |
| Harriston - King St S Construction | - | 542,000 | - | - | 542,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 85,000 | - | - | - | 85,000 | - | - | - | - | - | - | - |
| 2021 Chevy Silverado (#3) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| 2023 Ford F250 (#2) | - | 117,000 | - | - | - | - | 117,000 | - | - | - | - | - | - |
| 2023 Ford F150 (#8) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| *Clifford* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ultra-Rib Inspection / Lining | 23,000 | 330,000 | - | - | - | 28,000 | 31,000 | 32,000 | 34,000 | 37,000 | 54,000 | 56,000 | 58,000 |
| Clifford Pump | 12,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon Rehabilitation | 45,000 | - | - | - | - | - | - | - | - | - | - | - | - |

Table 5-3
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| *Harriston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| King Street North Development | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (study and work) | - | 388,000 | - | - | - | 38,000 | 41,000 | 44,000 | 47,000 | 50,000 | 54,000 | 56,000 | 58,000 |
| Pumping Station Upgrade & Pump | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon - WSER Effluent Quality Upgrade | - | 1,678,000 | - | - | - | - | 1,678,000 | - | - | - | - | - | - |
| Bank Stabilization | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Sludge Removal (Mapping) | 5,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Webb St - 20m E of Raglan St W to Pellister St W (100m) | - | 220,000 | 220,000 | - | - | - | - | - | - | - | - | - | - |
| King St S - Arthur St E to 70m E of Arthur St E (70m) | - | 211,000 | - | - | - | - | - | - | - | 211,000 | - | - | - |
| King St S - Marklane St to Young St E (200m) | - | 597,000 | - | - | - | - | - | - | 597,000 | - | - | - | - |
| King St S - Raglan St E to Jessie St (550m) | - | 1,538,000 | - | - | - | - | - | - | 1,538,000 | - | - | - | - |
| Queen St S - Young St E to Jessie St (670m) | - | 1,800,000 | - | - | - | - | - | 1,800,000 | - | - | - | - | - |
| Louise St - Elora St N to 120m S of John St N (310m) | - | 939,000 | - | - | - | - | - | - | - | - | 939,000 | - | - |
| John St N - Adelaide St to William St W (380m) | - | 1,151,000 | - | - | - | - | - | - | - | - | 1,151,000 | - | - |
| Queen St N - 70m W of William St E to William St E (70m) | - | 221,000 | - | - | - | - | - | - | - | - | - | 221,000 | - |
| Queen St N - 20m E of William St E to 30m E of Union St E (130m) | - | 410,000 | - | - | - | - | - | - | - | - | - | 410,000 | - |
| Queen St N - 30m E of Union St E to Arthur St E (140m) | - | 441,000 | - | - | - | - | - | - | - | - | - | 441,000 | - |
| *Palmerston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Main Street | 81,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (Study and Work) | - | 395,000 | - | - | - | 38,000 | 41,000 | 44,000 | 47,000 | 53,000 | 55,000 | 57,000 | 60,000 |
| Plant Upgrades, Expansion & Clarifier | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (381m) | - | 781,050 | 781,050 | - | - | - | - | - | - | - | - | - | - |
| SANMH P112A to P112C (150m) | - | 320,000 | - | 320,000 | - | - | - | - | - | - | - | - | - |
| Queen Street South (215m) | - | 631,000 | - | - | - | - | - | - | - | - | - | 631,000 | - |
| Increase Treatment Capacity | - | 53,900,000 | - | - | - | - | - | - | - | - | - | 26,412,000 | 27,488,000 |
| Queen St S - 30m N of King St to Victoria St (80m) | - | 233,000 | - | - | - | - | - | - | - | 233,000 | - | - | - |
| Queen St S - William St to 50m N of William St (50m) | - | 145,000 | - | - | - | - | - | - | - | 145,000 | - | - | - |
| Daly St - 90m E of Whites Rd to 20m E of Whites Rd (70m) | - | 212,000 | - | - | - | - | - | - | - | - | 212,000 | - | - |
| Norman St - 50m N of Main St W to 30m S of Boulton St (130m) | - | 410,000 | - | - | - | - | - | - | - | - | - | 410,000 | - |
| Cumberland St - Main St E to 50m S of Main St E (50m) | - | 164,000 | - | - | - | - | - | - | - | - | - | - | 164,000 |
| King St - Main St W to King St. Hotel (95m) | - | 209,000 | 209,000 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 981,000 | - | - | - | - | 981,000 | - | - | - | - | - | - |
| *General* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Engineering | - | 260,000 | - | - | - | 28,000 | 29,000 | 31,000 | 32,000 | 33,000 | 34,000 | 36,000 | 37,000 |
| Consulting | 20,000 | 131,000 | - | - | - | - | 59,000 | - | - | - | - | 72,000 | - |
| Servicing Strategy | 2,000 | 16,000 | - | - | - | 2,000 | 2,000 | - | 3,000 | 3,000 | 3,000 | 3,000 | - |
| 2024 - Harriston Webb Street Extension | 52,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Equipment | 10,000 | 73,000 | - | - | - | 8,000 | 8,000 | 9,000 | 9,000 | 9,000 | 10,000 | 10,000 | 10,000 |
| Computer Hardware/Software | - | 52,000 | - | - | - | 6,000 | 6,000 | 6,000 | 6,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| SCADA - Sewer | 10,000 | 104,000 | - | - | - | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |
| Pumps / Valves | 90,000 | 363,000 | - | - | - | 39,000 | 41,000 | 43,000 | 44,000 | 46,000 | 48,000 | 50,000 | 52,000 |
| Chemical Pumps | 30,000 | 19,000 | - | - | - | 6,000 | - | - | 6,000 | - | - | 7,000 | - |
| CLI ECA - Sanitary | 10,000 | 104,000 | - | - | - | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |

Table 5-3
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| *Studies:* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Rate Study | 12,717 | 33,000 | - | - | - | - | 15,000 | - | - | - | - | 18,000 | - |
| Servicing Strategy Updates | - | 55,000 | 15,000 | - | - | - | - | 18,000 | - | - | - | - | 22,000 |
| Servicing Standards Update | - | 27,500 | 7,500 | - | - | - | - | 9,000 | - | - | - | - | 11,000 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Water Model/Sewer Model | - | 27,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| **Total Capital Expenditures** | **562,717** | **72,715,000** | **2,674,000** | **692,000** | **922,000** | **302,000** | **3,075,000** | **2,062,000** | **2,392,000** | **856,000** | **2,598,000** | **29,142,000** | **28,000,000** |
| **Capital Financing** | | | | | | | | | | | | | |
| Provincial/Federal Grants - Non-Growth Related | - | 580,000 | 580,000 | | | | | | | | | | |
| Provincial/Federal Grants - Growth Related | - | 5,840,000 | 450,000 | | | | | | | | | 2,641,200 | 2,748,800 |
| Development Charges Reserve Fund | - | 8,046,350 | - | - | - | - | - | - | - | - | - | 7,307,150 | 739,200 |
| Non-Growth Related Debenture Requirements | - | 250,000 | 250,000 | - | - | - | - | - | - | - | - | - | - |
| Growth Related Debenture Requirements | - | 41,000,000 | - | - | - | - | - | - | - | - | - | 17,000,000 | 24,000,000 |
| Wastewater Reserve | 562,717 | 16,998,650 | 1,394,000 | 692,000 | 922,000 | 302,000 | 3,075,000 | 2,062,000 | 2,392,000 | 856,000 | 2,598,000 | 2,193,650 | 512,000 |
| **Total Capital Financing** | **562,717** | **72,715,000** | **2,674,000** | **692,000** | **922,000** | **302,000** | **3,075,000** | **2,062,000** | **2,392,000** | **856,000** | **2,598,000** | **29,142,000** | **28,000,000** |

# Chapter 6
# Operating Expenditures and Revenues

# 6. Operating Expenditures and Revenues

## 6.1 Operating Expenditures

The approved 2025 Operating Budget and Draft 2026 operating budget were provided by Town staff for use in this study. The operating budget forecast generally includes two components: the operating expenditures and capital-related expenditures. The former is based on the Town's projected annual spending for ongoing operations and maintenance. The latter is based on the capital funding plan decisions (i.e., transfers to reserve funds, debt repayment, and capital fund transfers) presented earlier.

Operating expenditures for 2026 reflect the Town's draft 2026 budget. The remaining 10 years of the forecast are based on the 2026 draft budget with adjustments for inflation. The costs for each component of the operating budget have been reviewed with staff to establish forecast inflationary adjustments. The cost adjustments are summarized below.

- Expenditures related to utilities, insurance, and taxes are assumed to increase at a rate of 5% annually;
- Expenditures related to chemicals and water sampling/testing costs are assumed to increase at a rate of 7.5% annually; and
- All other expenditures are assumed to increase at a rate of 2.0% annually from 2027 to 2036.

Capital-related annual expenditures in the forecast include annual debt repayments 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 to minimize the need for debt to finance the capital program. Compared to the annual lifecycle contribution discussed in Section 4-2 of this report, the annual capital-related expenditures (non-growth capital only) for water services will total $2.43 million in 2036, which is approximately $829,000 higher than the inflated annual lifecycle contribution of $1.60 million identified in Table 4-1. Similarly, for wastewater services, capital-related expenditures (non-growth only) are projected to be $2.90 million in 2036, which is approximately $745,000 higher than the inflated annual lifecycle contribution of $2.16 million identified in Table 4-1. The additional funds will be invested to provide the Town with funding to address future cost fluctuations, assistance in cash flowing growth-related needs until such times as the D.C.s can be collected and funding the

portion of growth projects that will not generate D.C. revenue due to discounts and exemptions provided in the D.C.A. and/or the Town's D.C. by-law.

Gross operating expenditures for water services are expected to increase from $2.49 million in 2025 to $4.92 million in 2036. Similarly, for wastewater services, annual gross expenditures are forecast to increase from $2.77 million to $5.09 million in 2036. Tables 6-1 and 6-2 provide operating expenditure forecasts for water and wastewater services.

## 6.2 Operating Revenues

The Town has revenue from base charges, municipal service agreements, and miscellaneous revenue sources to help contribute towards operating expenditures.

Base charge revenues from Town's customers have been forecasted based on the underlying system growth assumptions provided in Section 2 of this report. Furthermore, 4% annual increases to the water base charges and 2% annual increases to the wastewater base charges are forecast over the period to provide funding for the projected capital and operating expenditures. The Town has miscellaneous revenues that help fund water and wastewater services. These revenues are assumed to increase by 2% each year over the forecast period.

Tables 6-1 and 6-2 provide for the operating revenues for water and wastewater services. The tables also provide the net operating expenditures to be recovered from the volumetric rates. Additional detailed information on the forecasts is provided in Appendix A and Appendix B.

Table 6-1
Town of Minto
Operating Budget Forecast – Water (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| SALARIES & WAGES | 499,600 | 531,500 | 542,130 | 552,973 | 564,032 | 575,313 | 586,819 | 598,555 | 610,526 | 622,737 | 635,192 | 647,896 |
| BENEFITS - FULL TIME | 159,800 | 169,100 | 172,482 | 175,932 | 179,451 | 183,040 | 186,701 | 190,435 | 194,244 | 198,129 | 202,092 | 206,134 |
| CONFERENCES & MEETINGS | 4,000 | 4,000 | 4,080 | 4,162 | 4,245 | 4,330 | 4,417 | 4,505 | 4,595 | 4,687 | 4,781 | 4,877 |
| TRAINING | 15,000 | 12,000 | 12,240 | 12,485 | 12,735 | 12,990 | 13,250 | 13,515 | 13,785 | 14,061 | 14,342 | 14,629 |
| MILEAGE | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ADMINISTRATION ALLOCATION | 98,600 | 102,300 | 104,346 | 106,433 | 108,562 | 110,733 | 112,948 | 115,207 | 117,511 | 119,861 | 122,258 | 124,703 |
| CLOTHING | 1,000 | 1,100 | 1,122 | 1,144 | 1,167 | 1,190 | 1,214 | 1,238 | 1,263 | 1,288 | 1,314 | 1,340 |
| LEGAL SERVICES | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| CERTIFICATIONS | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| OUTSIDE SERVICES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| ENGINEERING SERVICES | 15,000 | 15,000 | 15,300 | 15,606 | 15,918 | 16,236 | 16,561 | 16,892 | 17,230 | 17,575 | 17,927 | 18,286 |
| SPECIAL CONSULTING SERVICES | 12,000 | 12,000 | 12,240 | 12,485 | 12,735 | 12,990 | 13,250 | 13,515 | 13,785 | 14,061 | 14,342 | 14,629 |
| PERMITS & ACCREDITATION - DWQMS | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| AUDITING - DWQMS | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| MEMBERSHIP FEES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| BACKFLOW PREVENTION PROGRAM | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| CLEANING SUPPLIES | 1,600 | 1,800 | 1,836 | 1,873 | 1,910 | 1,948 | 1,987 | 2,027 | 2,068 | 2,109 | 2,151 | 2,194 |
| WATER METER CONTRACTOR INSTALL | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| WATER METER R&M | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| OFFICE SUPPLIES | 4,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| COMPUTER HARDWARE / SOFTWARE | 10,000 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,040 | 11,261 | 11,486 | 11,716 | 11,950 | 12,189 |
| SCADA MAINTENANCE | 10,000 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,040 | 11,261 | 11,486 | 11,716 | 11,950 | 12,189 |
| PUBLICATIONS & DATA RECEIVED | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ADVERTISING & PROMOTIONS | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| TELEPHONE SERVICES & CHARGES | 2,800 | 2,800 | 2,856 | 2,913 | 2,971 | 3,030 | 3,091 | 3,153 | 3,216 | 3,280 | 3,346 | 3,413 |
| RADIO/GPS SERVICE & MAINT. | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| LOCATES - ON 1 CALL | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| MACHINE TIME CHARGE | 240,000 | 240,000 | 244,800 | 249,696 | 254,690 | 259,784 | 264,980 | 270,280 | 275,686 | 281,200 | 286,824 | 292,560 |
| BAD DEBTS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| SMALL TOOLS & EQUIPMENT | 11,600 | 11,600 | 11,832 | 12,069 | 12,310 | 12,556 | 12,807 | 13,063 | 13,324 | 13,590 | 13,862 | 14,139 |
| EQUIPMENT REPAIR & MAINTENANCE | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| SAFETY EQUIPMENT | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| SAFETY CLOTHING | 2,500 | 2,500 | 2,550 | 2,601 | 2,653 | 2,706 | 2,760 | 2,815 | 2,871 | 2,928 | 2,987 | 3,047 |

Table 6-1 (continued)
Town of Minto
Operating Budget Forecast – Water (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| ANNUAL INSURANCE COVERAGE | 29,400 | 30,900 | 32,445 | 34,067 | 35,770 | 37,559 | 39,437 | 41,409 | 43,479 | 45,653 | 47,936 | 50,333 |
| ANNUAL PROPERTY TAXES | 3,500 | 3,500 | 3,675 | 3,859 | 4,052 | 4,255 | 4,468 | 4,691 | 4,926 | 5,172 | 5,431 | 5,703 |
| HYDRO | 81,000 | 85,900 | 90,195 | 94,705 | 99,440 | 104,412 | 109,633 | 115,115 | 120,871 | 126,915 | 133,261 | 139,924 |
| GROUNDS MAINTENANCE - WINTER | 8,800 | 9,000 | 9,180 | 9,364 | 9,551 | 9,742 | 9,937 | 10,136 | 10,339 | 10,546 | 10,757 | 10,972 |
| BUILDING MAINTENANCE | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| SECURITY SYSTEM MONITORING / MAINTENANCE | 18,500 | 18,500 | 18,870 | 19,247 | 19,632 | 20,025 | 20,426 | 20,835 | 21,252 | 21,677 | 22,111 | 22,553 |
| VEHICLE FUEL & SUPPLIES | 2,300 | - | - | - | - | - | - | - | - | - | - | - |
| P.H. REPAIRS & MAINTENANCE | 41,000 | 41,000 | 41,820 | 42,656 | 43,509 | 44,379 | 45,267 | 46,172 | 47,095 | 48,037 | 48,998 | 49,978 |
| WATER SAMPLING | 56,450 | 56,000 | 60,200 | 64,715 | 69,569 | 74,787 | 80,396 | 86,426 | 92,908 | 99,876 | 107,367 | 115,420 |
| WATER TREATMENT | 74,000 | 76,000 | 81,700 | 87,828 | 94,415 | 101,496 | 109,108 | 117,291 | 126,088 | 135,545 | 145,711 | 156,639 |
| TOWER REPAIRS & MAINTENANCE | 1,700 | 1,700 | 1,734 | 1,769 | 1,804 | 1,840 | 1,877 | 1,915 | 1,953 | 1,992 | 2,032 | 2,073 |
| SUPPLIES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| RENTAL EQUIPMENT | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| W.M. REPAIRS & MAINTENANCE | 36,500 | 36,500 | 37,230 | 37,975 | 38,735 | 39,510 | 40,300 | 41,106 | 41,928 | 42,767 | 43,622 | 44,494 |
| HYD. REPAIRS & MAINTENANCE | 5,500 | 5,500 | 5,610 | 5,722 | 5,836 | 5,953 | 6,072 | 6,193 | 6,317 | 6,443 | 6,572 | 6,703 |
| Vehicle Costs | (207,000) | (207,000) | (211,140) | (215,363) | (219,670) | (224,063) | (228,544) | (233,115) | (237,777) | (242,533) | (247,384) | (252,332) |
| **Sub Total Operating** | **1,277,650** | **1,324,700** | **1,362,063** | **1,400,901** | **1,441,282** | **1,483,309** | **1,527,058** | **1,572,625** | **1,620,123** | **1,669,646** | **1,721,320** | **1,775,269** |
| Capital-Related | | | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | | | | | | | | | | | | |
| Existing Debt (Interest) - Growth Related | | | | | | | | | | | | |
| New Growth Related Debt (Principal) | | - | 23,969 | 92,091 | 169,654 | 176,441 | 344,691 | 358,478 | 372,817 | 387,730 | 403,239 | 403,239 |
| New Growth Related Debt (Interest) | | - | 28,550 | 107,591 | 191,907 | 185,121 | 370,063 | 356,276 | 341,937 | 327,024 | 311,515 | 311,515 |
| Existing Debt (Principal) - Non-Growth Related | 194,393 | 198,303 | 176,072 | 179,873 | 179,664 | 183,561 | 187,555 | 191,648 | 195,843 | 200,142 | 204,547 | 209,061 |
| Existing Debt (Interest) - Non-Growth Related | 76,058 | 72,034 | 67,596 | 63,547 | 58,495 | 53,919 | 49,247 | 44,475 | 39,602 | 34,625 | 29,542 | 24,349 |
| New Non-Growth Related Debt (Principal) | | - | 5,583 | 5,807 | 6,039 | 6,280 | 6,532 | 6,793 | 7,065 | 7,347 | 7,641 | 7,641 |
| New Non-Growth Related Debt (Interest) | | - | 6,650 | 6,427 | 6,195 | 5,953 | 5,702 | 5,441 | 5,169 | 4,886 | 4,593 | 4,593 |
| Transfer to Contingency Reserve | - | 174,008 | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital Reserve | 942,266 | 757,981 | 1,017,127 | 1,089,605 | 1,180,271 | 1,274,322 | 1,379,918 | 1,511,897 | 1,668,627 | 1,832,612 | 2,003,067 | 2,187,987 |
| **Sub Total Capital Related** | **1,212,717** | **1,202,326** | **1,325,547** | **1,544,940** | **1,792,225** | **1,885,597** | **2,343,708** | **2,475,008** | **2,631,059** | **2,794,366** | **2,964,144** | **3,148,385** |
| **Total Expenditures** | **2,490,367** | **2,527,026** | **2,687,610** | **2,945,841** | **3,233,507** | **3,368,906** | **3,870,766** | **4,047,633** | **4,251,182** | **4,464,012** | **4,685,464** | **4,923,654** |

Table 6-1 (continued)
Town of Minto
Operating Budget Forecast – Water (inflated $)

| Description | Budget | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Revenues** | | | | | | | | | | | | |
| Base Charge | 869,457 | 913,538 | 959,754 | 1,008,205 | 1,061,613 | 1,120,400 | 1,186,638 | 1,267,733 | 1,359,974 | 1,458,021 | 1,561,735 | 1,671,905 |
| Per Unit Charges | 62,870 | 65,385 | 68,000 | 70,720 | 73,549 | 76,491 | 79,551 | 82,733 | 86,042 | 89,483 | 93,063 | 96,785 |
| Other Revenue | 59,229 | 59,190 | 60,400 | 61,600 | 62,800 | 64,100 | 65,400 | 66,700 | 68,000 | 69,400 | 70,800 | 72,200 |
| Flat Rate/Unmetered Customers | 2,371 | 2,410 | 2,494 | 2,580 | 2,674 | 2,769 | 2,866 | 2,965 | 3,071 | 3,179 | 3,290 | 3,408 |
| Contributions from Development Charges Reserve Fund | - | - | 52,518 | 199,682 | 361,562 | 361,562 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 |
| Contributions from Reserves / Reserve Funds | 180,400 | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Revenue** | **1,174,327** | **1,040,523** | **1,143,166** | **1,342,787** | **1,562,197** | **1,625,322** | **2,049,209** | **2,134,884** | **2,231,841** | **2,334,837** | **2,443,641** | **2,559,052** |
| | | | | | | | | | | | | |
| **Water Billing Recovery - Total** | **1,316,039** | **1,486,504** | **1,544,444** | **1,603,054** | **1,671,311** | **1,743,585** | **1,821,557** | **1,912,749** | **2,019,342** | **2,129,175** | **2,241,823** | **2,364,601** |

Table 6-2
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| SALARIES & WAGES | 423,700 | 503,000 | 513,060 | 523,321 | 533,787 | 544,463 | 555,352 | 566,459 | 577,788 | 589,344 | 601,131 | 613,154 |
| BENEFITS - FULL TIME | 135,600 | 166,100 | 169,422 | 172,810 | 176,266 | 179,791 | 183,387 | 187,055 | 190,796 | 194,612 | 198,504 | 202,474 |
| BENEFITS - PART TIME | 3,200 | 2,700 | 2,754 | 2,809 | 2,865 | 2,922 | 2,980 | 3,040 | 3,101 | 3,163 | 3,226 | 3,291 |
| WAGES - PART TIME | 19,000 | 19,000 | 19,380 | 19,768 | 20,163 | 20,566 | 20,977 | 21,397 | 21,825 | 22,262 | 22,707 | 23,161 |
| CONFERENCES & MEETINGS | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |
| TRAINING | 8,000 | 8,000 | 8,160 | 8,323 | 8,489 | 8,659 | 8,832 | 9,009 | 9,189 | 9,373 | 9,560 | 9,751 |
| MILEAGE | 400 | 400 | 408 | 416 | 424 | 432 | 441 | 450 | 459 | 468 | 477 | 487 |
| ADMINISTRATION ALLOCATION | 99,000 | 101,700 | 103,734 | 105,809 | 107,925 | 110,084 | 112,286 | 114,532 | 116,823 | 119,159 | 121,542 | 123,973 |
| CLOTHING | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| LEGAL SERVICES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| CERTIFICATIONS | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| ENGINEERING SERVICES | 16,500 | 16,500 | 16,830 | 17,167 | 17,510 | 17,860 | 18,217 | 18,581 | 18,953 | 19,332 | 19,719 | 20,113 |
| SPECIAL CONSULTING SERVICES | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| MEMBERSHIP FEES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| CLEANING SUPPLIES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| OFFICE SUPPLIES | 2,500 | 2,500 | 2,550 | 2,601 | 2,653 | 2,706 | 2,760 | 2,815 | 2,871 | 2,928 | 2,987 | 3,047 |
| COMPUTER HARDWARE / SOFTWARE | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| SCADA MAINTENANCE | 30,000 | 20,000 | 20,400 | 20,808 | 21,224 | 21,648 | 22,081 | 22,523 | 22,973 | 23,432 | 23,901 | 24,379 |
| PUBLICATIONS & DATA RECEIVED | 100 | 100 | 102 | 104 | 106 | 108 | 110 | 112 | 114 | 116 | 118 | 120 |
| ADVERTISING & PROMOTIONS | 900 | 900 | 918 | 936 | 955 | 974 | 993 | 1,013 | 1,033 | 1,054 | 1,075 | 1,097 |
| TELEPHONE SERVICES & CHARGES | 1,200 | 1,200 | 1,224 | 1,248 | 1,273 | 1,298 | 1,324 | 1,350 | 1,377 | 1,405 | 1,433 | 1,462 |
| RADIO/GPS SERVICE & MAINT. | 600 | 600 | 612 | 624 | 636 | 649 | 662 | 675 | 689 | 703 | 717 | 731 |
| MACHINE TIME CHARGE | 192,000 | 192,000 | 195,840 | 199,757 | 203,752 | 207,827 | 211,984 | 216,224 | 220,548 | 224,959 | 229,458 | 234,047 |
| LEAK ADJUSTMENTS | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| SMALL TOOLS & EQUIPMENT | 6,000 | 6,000 | 6,120 | 6,242 | 6,367 | 6,494 | 6,624 | 6,756 | 6,891 | 7,029 | 7,170 | 7,313 |
| EQUIPMENT REPAIR & MAINTENANCE | 15,600 | 15,600 | 15,912 | 16,230 | 16,555 | 16,886 | 17,224 | 17,568 | 17,919 | 18,277 | 18,643 | 19,016 |
| SAFETY EQUIPMENT | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| SAFETY CLOTHING | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |
| ANNUAL INSURANCE COVERAGE | 37,100 | 38,900 | 40,845 | 42,887 | 45,031 | 47,283 | 49,647 | 52,129 | 54,735 | 57,472 | 60,346 | 63,363 |
| ANNUAL PROPERTY TAXES | 73,200 | 75,600 | 79,380 | 83,349 | 87,516 | 91,892 | 96,487 | 101,311 | 106,377 | 111,696 | 117,281 | 123,145 |
| HYDRO | 203,800 | 213,900 | 224,595 | 235,825 | 247,616 | 259,997 | 272,997 | 286,647 | 300,979 | 316,028 | 331,829 | 348,420 |
| GROUNDS MAINTENANCE - WINTER | 7,000 | 7,000 | 7,140 | 7,283 | 7,429 | 7,578 | 7,730 | 7,885 | 8,043 | 8,204 | 8,368 | 8,535 |
| BUILDING MAINTENANCE | 6,500 | 6,500 | 6,630 | 6,763 | 6,898 | 7,036 | 7,177 | 7,321 | 7,467 | 7,616 | 7,768 | 7,923 |
| SECURITY SYSTEM MONITORING / MAINTENANCE | 4,100 | 4,100 | 4,182 | 4,266 | 4,351 | 4,438 | 4,527 | 4,618 | 4,710 | 4,804 | 4,900 | 4,998 |
| VEHICLE FUEL & SUPPLIES | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |

Table 6-2 (continued)
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| EQUIPMENT RENTAL | 4,100 | 4,100 | 4,182 | 4,266 | 4,351 | 4,438 | 4,527 | 4,618 | 4,710 | 4,804 | 4,900 | 4,998 |
| SUPPLIES | 5,300 | 5,300 | 5,406 | 5,514 | 5,624 | 5,736 | 5,851 | 5,968 | 6,087 | 6,209 | 6,333 | 6,460 |
| RENTAL EQUIPMENT | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| RISK MANAGEMENT | 11,100 | 11,100 | 11,322 | 11,548 | 11,779 | 12,015 | 12,255 | 12,500 | 12,750 | 13,005 | 13,265 | 13,530 |
| WASHROOM SUPPLIES | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ePOST FEES | 300 | 300 | 306 | 312 | 318 | 324 | 330 | 337 | 344 | 351 | 358 | 365 |
| HEALTH & SAFETY | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| WATER & SEWER | 37,300 | 39,100 | 39,882 | 40,680 | 41,494 | 42,324 | 43,170 | 44,033 | 44,914 | 45,812 | 46,728 | 47,663 |
| INTEREST ON DEPOSITS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| VEHICLE INSPECTIONS & LICENSES | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| PLANT REPAIRS & MAINTENANCE | 60,000 | 60,000 | 61,200 | 62,424 | 63,672 | 64,945 | 66,244 | 67,569 | 68,920 | 70,298 | 71,704 | 73,138 |
| WASTEWATER TESTING | 38,800 | 38,800 | 41,710 | 44,838 | 48,201 | 51,816 | 55,702 | 59,880 | 64,371 | 69,199 | 74,389 | 79,968 |
| WASTEWATER TREATMENT | 84,500 | 84,500 | 90,838 | 97,651 | 104,975 | 112,848 | 121,312 | 130,410 | 140,191 | 150,705 | 162,008 | 174,159 |
| SEWER MAIN REPAIRS & MAINTENANCE | 21,000 | 21,000 | 22,575 | 24,268 | 26,088 | 28,045 | 30,148 | 32,409 | 34,840 | 37,453 | 40,262 | 43,282 |
| INSPECTIONS/CAMERA | 3,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| SLUDGE REMOVAL | 29,900 | 36,000 | 36,720 | 37,454 | 38,203 | 38,967 | 39,746 | 40,541 | 41,352 | 42,179 | 43,023 | 43,883 |
| INSPECTIONS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| FLOOD CONTROL EXPENSES | 5,000 | 7,500 | 7,650 | 7,803 | 7,959 | 8,118 | 8,280 | 8,446 | 8,615 | 8,787 | 8,963 | 9,142 |
| Vehicle Costs | (161,900) | (160,950) | (164,200) | (167,500) | (170,900) | (174,300) | (177,800) | (181,400) | (185,000) | (188,700) | (192,500) | (196,400) |
| **Sub Total Operating** | **1,460,400** | **1,587,050** | **1,636,549** | **1,688,135** | **1,741,877** | **1,797,994** | **1,856,516** | **1,917,569** | **1,981,402** | **2,048,056** | **2,117,699** | **2,190,506** |
| Capital-Related | | | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | | | | | | | | | | | | |
| Existing Debt (Interest) - Growth Related | | | | | | | | | | | | |
| New Growth Related Debt (Principal) | | - | - | - | - | - | - | - | - | - | - | 642,173 |
| New Growth Related Debt (Interest) | | - | - | - | - | - | - | - | - | - | - | 608,716 |
| Existing Debt (Principal) - Non-Growth Related | 201,810 | 110,741 | 92,863 | 94,643 | 54,774 | 55,207 | 55,651 | 56,106 | 56,572 | 57,049 | 57,539 | 58,040 |
| Existing Debt (Interest) - Non-Growth Related | 28,489 | 23,951 | 20,865 | 18,175 | 15,566 | 13,998 | 12,418 | 10,828 | 9,226 | 7,613 | 5,988 | 4,351 |
| New Non-Growth Related Debt (Principal) | | - | 8,395 | 8,731 | 9,081 | 9,444 | 9,821 | 10,214 | 10,623 | 11,048 | 11,490 | 11,949 |
| New Non-Growth Related Debt (Interest) | | - | 10,000 | 9,664 | 9,315 | 8,952 | 8,574 | 8,181 | 7,773 | 7,348 | 6,906 | 6,446 |
| Transfer to Contingency Reserve | | 30,732 | | | | | | | | | | |
| Transfer to Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital Reserve | 1,081,791 | 1,222,937 | 1,254,409 | 1,252,317 | 1,296,941 | 1,305,350 | 1,322,324 | 1,362,653 | 1,416,014 | 1,469,767 | 1,522,912 | 1,576,274 |
| **Sub Total Capital Related** | **1,312,090** | **1,388,361** | **1,386,532** | **1,383,530** | **1,385,676** | **1,392,951** | **1,408,788** | **1,447,982** | **1,500,207** | **1,552,824** | **1,604,835** | **2,907,950** |
| **Total Expenditures** | **2,772,490** | **2,975,411** | **3,023,081** | **3,071,665** | **3,127,553** | **3,190,945** | **3,265,304** | **3,365,551** | **3,481,609** | **3,600,880** | **3,722,534** | **5,098,456** |

Table 6-2 (continued)
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Revenues** | | | | | | | | | | | | |
| Base Charge | 1,036,050 | 1,067,906 | 1,100,622 | 1,134,220 | 1,171,675 | 1,213,187 | 1,260,722 | 1,321,764 | 1,391,596 | 1,464,158 | 1,539,067 | 1,616,870 |
| Per Unit Charges | 76,718 | 78,252 | 79,817 | 81,414 | 83,042 | 84,703 | 86,397 | 88,125 | 89,887 | 91,685 | 93,519 | 95,389 |
| Flat Rate/Unmetered Customers | 2,846 | 2,975 | 2,999 | 3,023 | 3,048 | 3,073 | 3,099 | 3,125 | 3,152 | 3,179 | 3,207 | 3,236 |
| Other Revenue | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Contributions from Development Charges Reserve Fund | - | - | - | - | - | - | - | - | - | - | - | 1,250,890 |
| Contributions from Reserves / Reserve Funds | 39,933 | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Revenue** | **1,157,048** | **1,150,633** | **1,184,938** | **1,220,156** | **1,259,264** | **1,302,463** | **1,351,717** | **1,414,514** | **1,486,135** | **1,560,523** | **1,637,293** | **2,967,885** |
| | | | | | | | | | | | | |
| **Wastewater Billing Recovery - Total** | **1,615,442** | **1,824,777** | **1,838,143** | **1,851,509** | **1,868,289** | **1,888,481** | **1,913,587** | **1,951,037** | **1,995,474** | **2,040,357** | **2,085,241** | **2,130,571** |

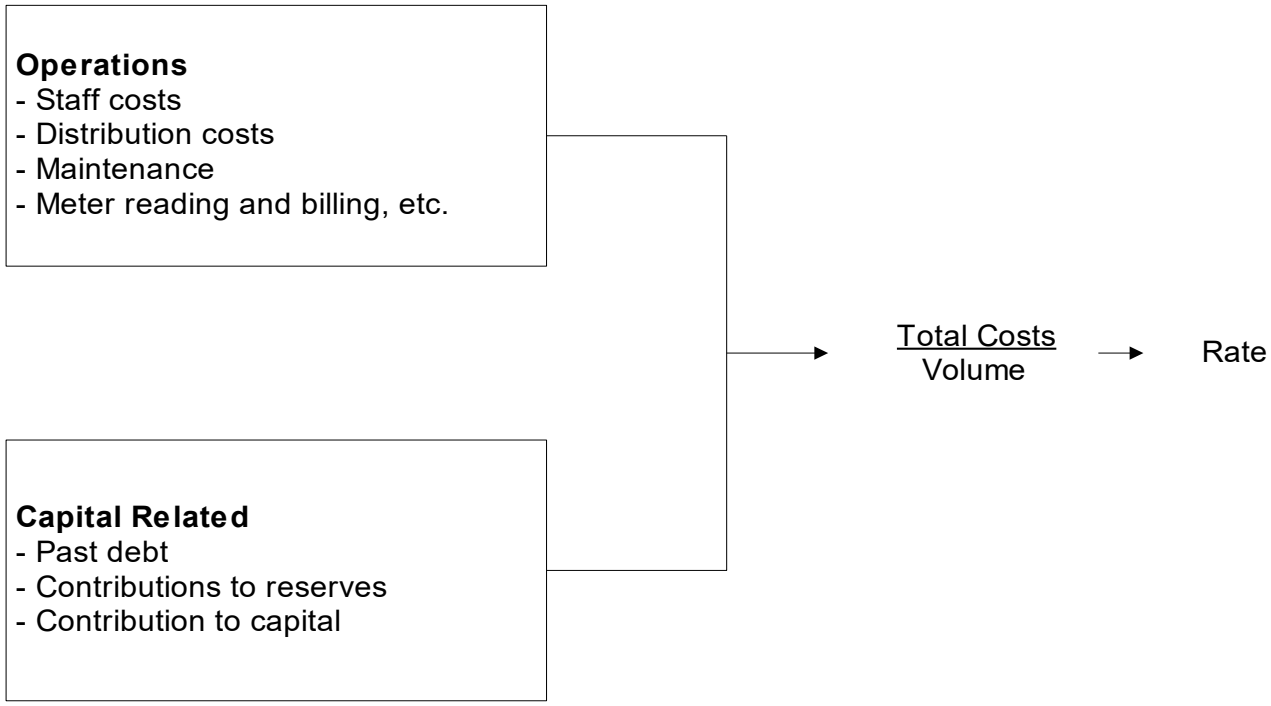
# Chapter 7
## Pricing Structures

# 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.

## 7.3 Assessment of Alternative Pricing Structures

The adoption by a municipality or utility of any one particular pricing structure is normally a function of a variety of administrative, social, demographic, and financial factors. The number of factors, and the weighting each particular factor receives, can vary between municipalities. The following is a review of some of the more prevalent factors.

Cost Recovery

Cost recovery is a prime factor in establishing a particular pricing structure. Costs can be divided into different categories: operations, maintenance, capital, financing, and administration. These costs often vary between municipalities and even within a municipality, based on consumption patterns, infrastructure age, economic growth, etc.

The pricing alternatives defined earlier can all achieve the cost recovery goal, but some do so more precisely than others. Fixed pricing structures, such as Property Assessment and Flat Rate, are established on the value of property or on the number of units present in the municipality, but do not reflect consumption of the service. Thus, if actual consumption for the year is greater than projected, the municipality incurs a higher cost of production, but the revenue base remains static (since it was determined at the beginning of the year), thus potentially providing a funding shortfall. Conversely, if consumption declines below projections, fixed pricing structures will produce more revenue than actual costs incurred.

The other pricing methods (declining block, constant rate, increasing block) are consumption-based and generally generate revenues in proportion to actual consumption.

Administration

Administration is defined herein as the staffing, equipment, and supplies required to support the undertaking of a particular pricing strategy. This factor not only addresses

the tangible requirements to support the collection of revenues, but also the intangible requirements, such as policy development.

The easiest pricing structure to support is the Property Assessment structure. As municipalities undertake the process of calculating property tax bills and the collection process for their general services, the incorporation of the water costs into this calculation would have virtually no impact on the administrative process and structure.

The Flat Rate pricing structure is relatively easy to administer as well. It is usually calculated to collect a certain amount, either monthly, quarterly, semi-annually, or annually. It is billed directly to the customer. The impact on administration centres is mostly on the accounts receivable or billing area of the municipality but normally requires minor additional staff or operating costs to undertake.

The three remaining methods, Increasing Block Rate, Constant Rate, and Declining Block Rate, have a bigger impact on administration. These methods are dependent upon actual consumption and hence involve a major structure in place to administer. First, meters must be installed in all existing buildings in the municipality. New buildings that are built after this must include water meters. Second, meter readings must be undertaken periodically. Hence, staff must be available for this purpose, or a service contract must be negotiated. Third, the billings process must be expanded to accommodate this process. Billing must be done over a defined period, requiring staff to produce the bills. Lastly, either through increased staffing or by service contract, an annual maintenance program must be set up to ensure meters are working effectively in recording consumed volumes.

The benefit derived from the installation of meters is that information on consumption patterns becomes available. This information provides benefit to administration in calculating rates, which will ensure revenue recovery. When planning what services are to be constructed in future years, the municipality or utility has documented consumption patterns distinctive to its own situation, which can be used to project sizing of growth-related works.

Equity

Equity is always a consideration in the establishment of pricing structures, but its definition can vary depending on a municipality's circumstances and based on the subjective interpretation of those involved. For example: is: is the price charged to a

particular class of rate payer consistent with those of a similar class in surrounding municipalities; through the pricing structure, does one class of rate payer pay more than another class; should one pay based on ability to pay, or on the basis that a unit of water costs the same to supply no matter who consumes it; etc.? There are many interpretations. Equity therefore must be viewed broadly in light of many factors as part of achieving what is best for the municipality.

Revenue Stability

The objective of revenue stability is to limit the variability of annual variation in revenues due to fluctuation in consumption patterns. Variability is most often caused by weather conditions where in "wet" years, water usage is low and in "dry" years, water usage is high. To remove this variability entirely, a municipality would need to recover costs by either property taxes or by using the flat rates. Alternatively, a base charge provides for a fixed amount to be collected per period, which would at least guarantee a portion of the revenue stream.

**Fixed vs. Variable Rates/Revenue**

Often it is suggested that the rate structure be developed to reflect the fixed vs. variable expenditures so that revenues more closely match the expenditures being made. While this is a positive objective to advance, the reality is that most annual expenditures are generally fixed over periods of time and do not vary with consumption. The most variable costs would include hydro and chemicals, which generally increase or decrease with water production. Other costs, such as wages, benefits, insurance, vehicles/equipment, telecommunications, contracts, capital-related (i.e., debt, reserve transfers, current to capital transfers) are generally fixed. Variable costs for chemicals and hydro generally represent about 10% of the total water budget.

Conservation

Conservation of natural resources is increasingly being more highly valued. Conservation is also a concept which applies to a municipality facing physical limitations in the amount of water which can be supplied to an area. As well, financial constraints can encourage conservation in a municipality where the cost of providing each additional unit is increasing.

Pricing structures such as property assessment and flat rate do not, in themselves, encourage conservation. In fact, depending on the price, which is charged, they may

even encourage resource "squandering," either because consumers, without the price discipline, consume water at will, or the customer wants to get their money's worth and hence adopts more liberal consumption patterns. The reason for this is that the price paid for the service bears no direct relationship to the volume consumed and hence is viewed as a "tax," instead of being viewed as the price of a purchased commodity.

The Declining Block Rate provides a decreasing incentive towards conservation. By creating awareness of volumes consumed, the consumer can reduce their total costs by restricting consumption; however, the incentive lessens as more water is consumed, because the marginal cost per unit declines as the consumer enters the next block pricing range. Similarly, those whose consumption level is at the top end of a block have less incentive to reduce consumption.

The Constant Rate structure presents the customer with a linear relationship between consumption and the cost thereof. As the consumer pays a fixed cost per unit, their bill will vary directly with the amount consumed. This method presents tangible incentive for consumers to conserve water. As metering provides direct feedback as to usage patterns and the consumer has direct control over the total amount paid for the commodity, the consumer is encouraged to use only those volumes that are reasonably required.

The Inverted Block method presents the most effective pricing method for encouraging conservation. Through this method, the price per unit consumed increases as total volumes consumed grow. The consumer becomes aware of consumption through metering with the charges increasing dramatically with usage. Hence, there normally is awareness that exercising control over usage can produce significant savings. This method not only encourages conservation but may also penalize legitimate high-volume users if not properly structured.

Figure 7-1 shows the different rate structures. Property tax is not shown for comparison because the proportion of taxes paid for the service varies directly with the property's value. The graphs on the left-hand side of the figure present the cost per unit for each additional amount of water consumed. The right-hand side of the figure presents the impact on the customer's bill as the volume of water increases. Following the schematic is Figure 7-2, which summarizes each rate structure and the impacts on a customer’s bill as volumes increase.

Figure 7-1
Water Rate Pricing Concepts

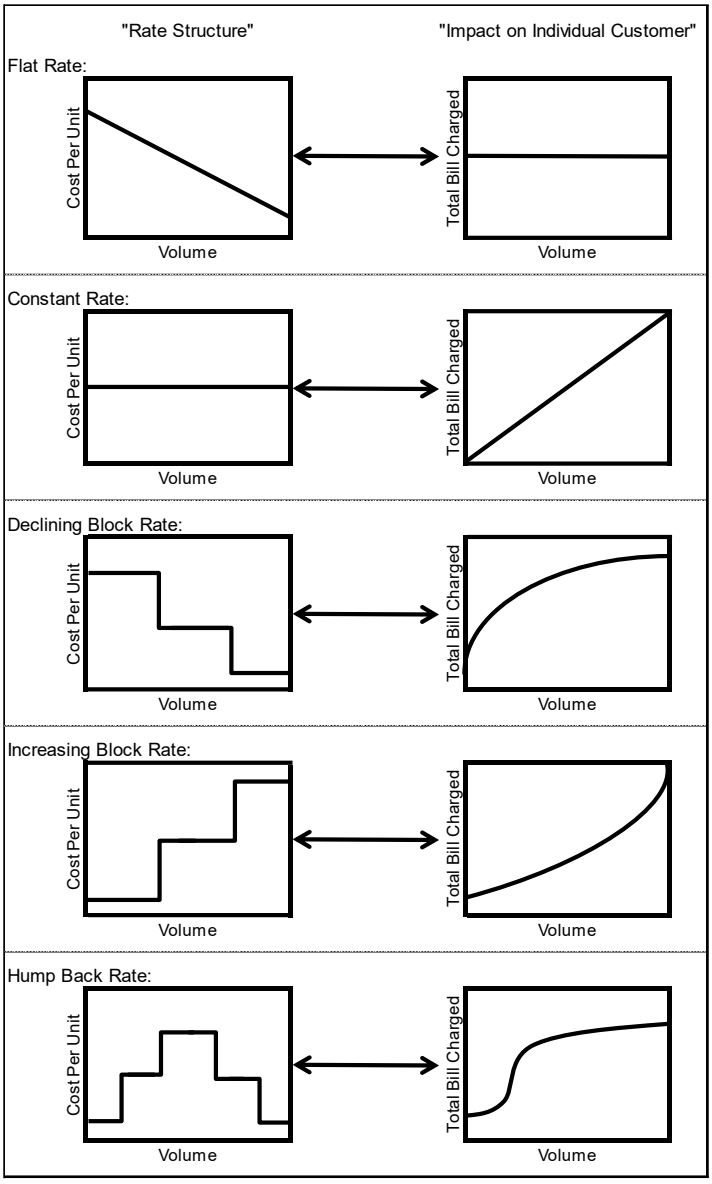


Figure 7-2
Summary of Various Rate Structures and their Impact on Customer Bills as Volume Usage Increases

| Rate Structure | Cost Per Unit as Volume Increases | Impact On Customer Bill as Volume Increases |
|---|---|---|
| Flat Rate | Cost per unit decreases as more volume consumed | Bill remains the same no matter how much volume is consumed |
| Constant Rate | Cost per unit remains the same | Bill increases in direct proportion to consumption |
| Declining Block | Cost per unit decreases as threshold targets are achieved | Bill increases at a slower rate as volumes increase |
| Increasing Block | Cost per unit increases as threshold targets are achieved | Bill increases at a faster rate as volumes increase |
| Hump Back Rate | Combination of an increasing block at the lower consumption volumes and then converts to a declining block for the high consumption | Bill increases at a faster rate at the lower consumption amounts and then slows as volumes increase |

## 7.4 Rate Structures in Ontario

In a past survey of over 170 municipalities (approximately half of the municipalities who provide water and/or wastewater), all forms of rate structures are in use by Ontario municipalities. The most common rate structure is the constant rate (for metered municipalities). Most municipalities (approximately 92%) who have volume rate structures also impose a base charge.

Historically, the development of a base charge often reflected either the recovery of meter reading/billing/collection costs, plus administration or those costs plus certain fixed costs (such as capital contributions or reserve contributions). More recently, many municipalities have started to establish base charges based on ensuring a secure

portion of the revenue stream which does not vary with volumes/flows. Selection of the quantum of the base charge is a matter of policy selected by individual municipalities.

## 7.5 Recommended Rate Structures

Based on the analysis presented in this report, the water and wastewater systems require increased investment over the forecast period. Additional operating expenditures and the requirement for lifecycle capital expenditure will put pressure on the financial sustainability of these systems.

To sustainably fund the needs of the water and wastewater systems, it is recommended that the Town impose a rate structure consisting of a base charge and a consumptive charge for all metered customers. For the consumptive or volumetric component, it is recommended that the Town transition from the current declining block rate structure to a constant rate structure. As noted above, the constant rate structure promotes water conservation, which may help the Town preserve system capacity and potentially reduce or defer the need for future expansion projects.

For multi-unit properties with a shared meter, it is recommended that the Town maintain its current practice of imposing per unit charges. These charges are intended to recognize the larger customer base served relative to the number of meters and ensure that costs, including those for customer service, are equitably recovered from all serviced households and businesses receiving the service. An alternative approach would be installing individual meters for each unit, including apartments, and imposing a base charge for each unit based on unit's meter size. This however this would require further study and analysis to determine feasibility of the approach, as it is often very costly to install meters for each unit and/or not feasible due to the construction of the buildings. The per unit charge for multi-unit building is typical in other municipalities across the Province. One bill is then divided up amongst the units by the property owner/management company and/or is covered through condominium fees.

Existing reserve/reserve fund balances can help fund capital works over the forecast period. Due to the size of the planned capital program, the Town will need to borrow money to finance both growth and non-growth-related capital works. Debt payments for growth-related capital will be funded from D.C.s while those for non-growth-related capital will be funded from rates.

A discussion on the proposed changes to the rate structure and rates if provided in Chapter 8.

# Chapter 8
# Analysis of Water and Wastewater Rates and Policy Matters

# 8. Analysis of Water and Wastewater Rates and Policy Matters

## 8.1 Introduction

To summarize the analysis undertaken thus far, Chapter 2 provided the growth and service demands anticipated for water and wastewater. Chapters 3 and 4 reviewed capital-related issues and respond to 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 will be the predominant basis for financing future capital replacement. Chapter 6 established the 11-year operating forecast of expenditures, including an annual capital reserve contribution. This chapter will provide for the calculation of the base charge and volumetric rates over the forecast period. The volumetric rate will be based on the net operating expenditures provided in Chapter 6, divided by the water consumption forecast and wastewater volumes provided in Chapter 2.

## 8.2 Water and Wastewater Rate Forecasts

Three alternative rate structures were developed for the Town's consideration:

- Scenario 1 – Maintain the Town's existing rate structure, which includes declining block consumptive (i.e., volumetric) rates (per $m^3$) and a graduated monthly base charge;
- Scenario 2 – Maintain the graduated monthly base charges and calculate a uniform consumptive rate (per $m^3$) instead of the declining block rate structure; and
- Scenario 3 – Maintain the graduated monthly base charges and calculate an increasing block rate (per $m^3$) structure for consumptive/volumetric rate.

As noted in Section 7.5, the recommended alternative is for the Town to transition to a constant rate for the consumptive portion of the bill. While capital and operating costs remain constant across all three scenarios, the transfer to reserves will vary depending on the rate structure.

### 8.2.1 Scenario 1 – Maintain Existing Rate Structure

As noted in Chapter 1 of this report, the Town currently imposes a monthly base charge, graduated by meter size to recognize the service capacity utilized by the different sized meters. In addition to the base charge, the Town imposes a consumptive rate based on a declining block rate structure (i.e., it provides lower consumptive rates for customers with higher water usage).

This scenario calculates the rates if the Town were to maintain its existing rate structure. To achieve the full cost recovery, water base charges would need to increase by 5% annually over the forecast period (2026-2036). In addition, the water volumetric rate would need to increase by 4% annually for 2026-2030, 3% annually 2031-2033, and 2% annually for the remainder of the forecast period.

Similarly, wastewater base charge rates would be required to increase by 3% annually over the forecast period to 2036, with no changes to the volumetric rate. The resultant rate forecasts for water and wastewater services are presented in Table 6-2.

In addition, the bulk water volumetric rate would continue to be set at twice the block 1 rate, consistent with the Town's current practice. These rates, along with flat rates for unmetered customers, are also Table 8-1.

### 8.2.2 Scenario 2 – Uniform Volumetric Rate (Recommended)

The current billing structure provides a partial subsidy to the higher-volume customers. Scenario 3 measures the impacts of a uniform consumptive rate structure which would reduce the subsidy across customer types. From a comparative perspective, uniform/constant rates would allow for all customers to be billed for the full cost of their service demands. In this option, regardless of the amount of consumption, each customer would pay the same rate for each cubic metre of water consumption. The forecast uniform consumptive rate is presented in Table 8-2.

Under this scenario, water base charges would increase by 4% a year from 2026 to 2036. The volumetric rate for 2026 would be set equal to the 2025 block 1 rate. After 2026, volumetric rates for water would increase by approximately 3% per year over the remainder of the forecast period i.e., 2027-2036.

Similarly, wastewater base charge rates would increase by 2% annually from 2026 to 2036. As with water, the volumetric rate for 2026 would be set equal to the 2025 block 1 rate, with no increases identified over the forecast period to 2036.

Table 8-1
Town of Minto
Scenario 1 - Water and Wastewater Rate Forecast (Existing Rate Structure)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.95 | $29.35 | $30.82 | $32.36 | $33.97 | $35.67 | $37.46 | $39.33 | $41.30 | $43.36 | $45.53 |
| 1" meter size | $37.27 | $39.13 | $41.09 | $43.14 | $45.30 | $47.57 | $49.95 | $52.44 | $55.06 | $57.82 | $60.71 | $63.74 |
| 1 ½" meter size | $47.92 | $50.32 | $52.83 | $55.47 | $58.25 | $61.16 | $64.22 | $67.43 | $70.80 | $74.34 | $78.06 | $81.96 |
| 2" meter size | $77.20 | $81.06 | $85.11 | $89.37 | $93.84 | $98.53 | $103.46 | $108.63 | $114.06 | $119.76 | $125.75 | $132.04 |
| 3" meter size | $292.84 | $307.48 | $322.86 | $339.00 | $355.95 | $373.75 | $392.43 | $412.06 | $432.66 | $454.29 | $477.01 | $500.86 |
| 4"+ meter size | $372.71 | $391.35 | $410.91 | $431.46 | $453.03 | $475.68 | $499.47 | $524.44 | $550.66 | $578.20 | $607.11 | $637.46 |
| Per Unit Charge | $9.08 | $9.53 | $10.01 | $10.51 | $11.04 | $11.59 | $12.17 | $12.78 | $13.42 | $14.09 | $14.79 | $15.53 |
| **Annual Percentage Change** | | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** |

| **Volume Charge - Declinging Block Rate ($/m$^3$)** | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $2.53 | $2.63 | $2.74 | $2.85 | $2.96 | $3.08 | $3.17 | $3.27 | $3.36 | $3.43 | $3.50 | $3.57 |
| Block 2 (251 - 500 m3) | $1.82 | $1.89 | $1.97 | $2.05 | $2.13 | $2.21 | $2.28 | $2.35 | $2.42 | $2.47 | $2.52 | $2.57 |
| Block 3 (501 - 3,000 m3) | $1.55 | $1.61 | $1.68 | $1.74 | $1.81 | $1.89 | $1.94 | $2.00 | $2.06 | $2.10 | $2.14 | $2.19 |
| Block 4 (3,001+ m3) | $1.55 | $1.61 | $1.68 | $1.74 | $1.81 | $1.89 | $1.94 | $2.00 | $2.06 | $2.10 | $2.14 | $2.19 |
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** | **2%** | **2%** | **2%** |

| **Bulk Water Rate ($/m$^3$)** | **$5.06** | **$5.26** | **$5.47** | **$5.69** | **$5.92** | **$6.16** | **$6.34** | **$6.53** | **$6.73** | **$6.86** | **$7.00** | **$7.14** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** | **2%** | **2%** | **2%** |

| **Unmetered/Flat Rate (per month)** | **$65.87** | **$68.77** | **$71.80** | **$74.97** | **$78.27** | **$81.73** | **$84.86** | **$88.12** | **$91.51** | **$94.52** | **$97.65** | **$100.90** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **3%** | **3%** | **3%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.46 | $34.47 | $35.50 | $36.57 | $37.66 | $38.79 | $39.96 | $41.16 | $42.39 | $43.66 | $44.97 |
| 1" meter size | $45.48 | $46.84 | $48.25 | $49.70 | $51.19 | $52.72 | $54.31 | $55.93 | $57.61 | $59.34 | $61.12 | $62.95 |
| 1 ½" meter size | $58.48 | $60.23 | $62.04 | $63.90 | $65.82 | $67.79 | $69.83 | $71.92 | $74.08 | $76.30 | $78.59 | $80.95 |
| 2" meter size | $94.21 | $97.04 | $99.95 | $102.95 | $106.03 | $109.22 | $112.49 | $115.87 | $119.34 | $122.92 | $126.61 | $130.41 |
| 3" meter size | $357.35 | $368.07 | $379.11 | $390.49 | $402.20 | $414.27 | $426.69 | $439.50 | $452.68 | $466.26 | $480.25 | $494.66 |
| 4"+ meter size | $454.81 | $468.45 | $482.51 | $496.98 | $511.89 | $527.25 | $543.07 | $559.36 | $576.14 | $593.42 | $611.23 | $629.56 |
| Per Unit Charge | $11.08 | $11.41 | $11.75 | $12.11 | $12.47 | $12.84 | $13.23 | $13.63 | $14.04 | $14.46 | $14.89 | $15.34 |
| **Annual Percentage Change** | | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| **Volume Charge - Declinging Block Rate ($/m3)** | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 2 (251 - 500 m3) | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 | $2.33 |
| Block 3 (501 - 3,000 m3) | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 |
| Block 4 (3,001+ m3) | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 | $1.97 |
| **Annual Percentage Change** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |

| **Unmetered/Flat Rate (per month)** | **$79.06** | **$82.95** | **$83.96** | **$84.99** | **$86.06** | **$87.15** | **$88.28** | **$89.45** | **$90.65** | **$91.88** | **$93.15** | **$94.46** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Percentage Change** | | **5%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** |

Table 8-2
Town of Minto
Scenario 2 - Water and Wastewater Rate Forecast (Uniform Rate - Recommended)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.68 | $28.79 | $29.94 | $31.14 | $32.39 | $33.68 | $35.03 | $36.43 | $37.89 | $39.40 | $40.98 |
| 1" meter size | $37.27 | $38.76 | $40.31 | $41.92 | $43.60 | $45.34 | $47.16 | $49.04 | $51.01 | $53.05 | $55.17 | $57.38 |
| 1 ½" meter size | $47.92 | $49.84 | $51.83 | $53.90 | $56.06 | $58.30 | $60.63 | $63.06 | $65.58 | $68.21 | $70.93 | $73.77 |
| 2" meter size | $77.20 | $80.29 | $83.50 | $86.84 | $90.31 | $93.93 | $97.68 | $101.59 | $105.65 | $109.88 | $114.27 | $118.85 |
| 3" meter size | $292.84 | $304.55 | $316.74 | $329.41 | $342.58 | $356.28 | $370.54 | $385.36 | $400.77 | $416.80 | $433.47 | $450.81 |
| 4"+ meter size | $372.71 | $387.62 | $403.12 | $419.25 | $436.02 | $453.46 | $471.60 | $490.46 | $510.08 | $530.48 | $551.70 | $573.77 |
| Per Unit Charge | $9.08 | $9.44 | $9.82 | $10.21 | $10.62 | $11.05 | $11.49 | $11.95 | $12.43 | $12.92 | $13.44 | $13.98 |
| **Increase to Block Rate (%)** | | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** |

| Charge - Constant Rate ($/m$^3$) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $2.53 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 2 (251 - 500 m3) | $1.82 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 3 (501 - 3,000 m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 4 (3,001+ m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Bulk Water Rate ($/m3)** | **$5.06** | **$5.06** | **$5.22** | **$5.38** | **$5.56** | **$5.74** | **$5.92** | **$6.10** | **$6.30** | **$6.50** | **$6.70** | **$6.92** |
| **Annual Percentage Change** | | **0%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Unmetered/Flat Rate (per month)** | **$65.87** | **$66.93** | **$69.28** | **$71.68** | **$74.27** | **$76.91** | **$79.60** | **$82.35** | **$85.30** | **$88.31** | **$91.38** | **$94.66** |
| **Annual Percentage Change** | | **n/a** | **4%** | **3%** | **4%** | **4%** | **3%** | **3%** | **4%** | **4%** | **3%** | **4%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.14 | $33.80 | $34.48 | $35.17 | $35.87 | $36.59 | $37.32 | $38.07 | $38.83 | $39.61 | $40.40 |
| 1" meter size | $45.48 | $46.39 | $47.32 | $48.26 | $49.23 | $50.21 | $51.22 | $52.24 | $53.29 | $54.35 | $55.44 | $56.55 |
| 1 ½" meter size | $58.48 | $59.65 | $60.84 | $62.06 | $63.30 | $64.57 | $65.86 | $67.18 | $68.52 | $69.89 | $71.29 | $72.71 |
| 2" meter size | $94.21 | $96.09 | $98.02 | $99.98 | $101.98 | $104.02 | $106.10 | $108.22 | $110.38 | $112.59 | $114.84 | $117.14 |
| 3" meter size | $357.35 | $364.50 | $371.79 | $379.22 | $386.81 | $394.54 | $402.43 | $410.48 | $418.69 | $427.07 | $435.61 | $444.32 |
| 4"+ meter size | $454.81 | $463.91 | $473.18 | $482.65 | $492.30 | $502.15 | $512.19 | $522.43 | $532.88 | $543.54 | $554.41 | $565.50 |
| Per Unit Charge | $11.08 | $11.30 | $11.53 | $11.76 | $11.99 | $12.23 | $12.48 | $12.73 | $12.98 | $13.24 | $13.51 | $13.78 |
| **Increase to Block Rate (%)** | | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** |

| Volume Charge - Constant Rate ($/m3) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Block 1 (0 - 250 m3) | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 2 (251 - 500 m3) | $2.33 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 3 (501 - 3,000 m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 4 (3,001+ m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Unmetered/Flat Rate (per month)** | **$79.06** | **$82.63** | **$83.29** | **$83.97** | **$84.66** | **$85.36** | **$86.08** | **$86.81** | **$87.56** | **$88.32** | **$89.09** | **$89.89** |
| **Annual Percentage Change** | | **n/a** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** |

### *8.2.3 Scenario 3 – Increasing Block Rate*

As noted in Chapter 7 of this report, the increasing block rate works similarly to the declining block rate, except that the price of water in successive blocks increases rather than decreases. Under this method, the consumer's bill rises faster with higher volumes used, providing a strong incentive to conserve water consumption.

Under this scenario, the Town would maintain the graduated base charges, which vary by meter size, and apply an increasing block rate structure for the volumetric rate instead of the current declining rate structure. The calculated base and volumetric rates are provided in Table 8-3.

To achieve full cost recovery under this scenario, water base charges would need to increase by 4% annually over the forecast period (2026-2036). In addition, the water volumetric rate would need to increase by 5% annually over the forecast period. The Block 1 volumetric rate would initially decrease as part of the transition and then the rates for all blocks would increase by 3% annually for 2027-2036.

Similarly, wastewater base charge rates would need to increase by 3% annually over the forecast period to 2036. Once the increasing block rates are implemented, no changes to the volumetric rate are forecasted. The resultant rate forecasts for water and wastewater services, including bulk water and flat rates are presented in Table 8-3.

Table 8-3
Town of Minto
Scenario 3 - Water and Wastewater Rate Forecast (Increasing Block Rate)

**Water**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.95 | $29.35 | $30.82 | $32.36 | $33.97 | $35.67 | $37.46 | $39.33 | $41.30 | $43.36 | $45.53 |
| 1" meter size | $37.27 | $39.13 | $41.09 | $43.14 | $45.30 | $47.57 | $49.95 | $52.44 | $55.06 | $57.82 | $60.71 | $63.74 |
| 1 ½" meter size | $47.92 | $50.32 | $52.83 | $55.47 | $58.25 | $61.16 | $64.22 | $67.43 | $70.80 | $74.34 | $78.06 | $81.96 |
| 2" meter size | $77.20 | $81.06 | $85.11 | $89.37 | $93.84 | $98.53 | $103.46 | $108.63 | $114.06 | $119.76 | $125.75 | $132.04 |
| 3" meter size | $292.84 | $307.48 | $322.86 | $339.00 | $355.95 | $373.75 | $392.43 | $412.06 | $432.66 | $454.29 | $477.01 | $500.86 |
| 4"+ meter size | $372.71 | $391.35 | $410.91 | $431.46 | $453.03 | $475.68 | $499.47 | $524.44 | $550.66 | $578.20 | $607.11 | $637.46 |
| Per Unit Charge | $9.08 | $9.53 | $10.01 | $10.51 | $11.04 | $11.59 | $12.17 | $12.78 | $13.42 | $14.09 | $14.79 | $15.53 |
| **Annual Percentage Change** | | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** | **5%** |
| | | | | | | | | | | | | |
| **Volume Charge - Increasing Block Rate ($/m3)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $2.53 | $2.20 | $2.27 | $2.34 | $2.41 | $2.48 | $2.56 | $2.63 | $2.71 | $2.79 | $2.88 | $2.96 |
| Block 2 (251 - 500 m3) | $1.82 | $2.64 | $2.72 | $2.81 | $2.89 | $2.98 | $3.07 | $3.16 | $3.25 | $3.35 | $3.45 | $3.55 |
| Block 3 (501 - 3,000 m3) | $1.55 | $3.09 | $3.18 | $3.27 | $3.37 | $3.47 | $3.58 | $3.68 | $3.79 | $3.91 | $4.03 | $4.15 |
| Block 4 (3,001+ m3) | $1.55 | $3.09 | $3.18 | $3.27 | $3.37 | $3.47 | $3.58 | $3.68 | $3.79 | $3.91 | $4.03 | $4.15 |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Bulk Water Rate ($/m3)** | **$5.06** | **$4.41** | **$4.54** | **$4.68** | **$4.82** | **$4.96** | **$5.11** | **$5.26** | **$5.42** | **$5.58** | **$5.75** | **$5.92** |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$65.87** | **$62.14** | **$64.57** | **$67.09** | **$69.72** | **$72.46** | **$75.31** | **$78.28** | **$81.38** | **$84.61** | **$87.97** | **$91.48** |
| **Annual Percentage Change** | | **n/a** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** |

**Wastewater**

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.46 | $34.47 | $35.50 | $36.57 | $37.66 | $38.79 | $39.96 | $41.16 | $42.39 | $43.66 | $44.97 |
| 1" meter size | $45.48 | $46.84 | $48.25 | $49.70 | $51.19 | $52.72 | $54.31 | $55.93 | $57.61 | $59.34 | $61.12 | $62.95 |
| 1 ½" meter size | $58.48 | $60.23 | $62.04 | $63.90 | $65.82 | $67.79 | $69.83 | $71.92 | $74.08 | $76.30 | $78.59 | $80.95 |
| 2" meter size | $94.21 | $97.04 | $99.95 | $102.95 | $106.03 | $109.22 | $112.49 | $115.87 | $119.34 | $122.92 | $126.61 | $130.41 |
| 3" meter size | $357.35 | $368.07 | $379.11 | $390.49 | $402.20 | $414.27 | $426.69 | $439.50 | $452.68 | $466.26 | $480.25 | $494.66 |
| 4"+ meter size | $454.81 | $468.45 | $482.51 | $496.98 | $511.89 | $527.25 | $543.07 | $559.36 | $576.14 | $593.42 | $611.23 | $629.56 |
| Per Unit Charge | $11.08 | $11.41 | $11.75 | $12.11 | $12.47 | $12.84 | $13.23 | $13.63 | $14.04 | $14.46 | $14.89 | $15.34 |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Volume Charge - Increasing Block Rate ($/m3)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $3.19 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 | $2.65 |
| Block 2 (251 - 500 m3) | $2.33 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 | $3.18 |
| Block 3 (501 - 3,000 m3) | $1.97 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 |
| Block 4 (3,001+ m3) | $1.97 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 | $3.70 |
| **Annual Percentage Change** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$79.06** | **$74.51** | **$75.52** | **$76.55** | **$77.62** | **$78.71** | **$79.84** | **$81.01** | **$82.20** | **$83.44** | **$84.71** | **$86.02** |
| **Annual Percentage Change** | | **n/a** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **2%** | **2%** | **2%** |

## 8.3 Forecast Water and Wastewater Bill Impacts

Table 8-4 shows the annual bill impacts of the calculated rates under each scenario for a typical residential water and wastewater customer with a volume of 140 $m^3$ per year. Based on 2025 rates, the annual water and wastewater bill for this customer would total approximately $1,510 (i.e., $674 for water and $836 for wastewater), which translates to roughly $4.24 per day. The projected bill impacts from 2025 to 2026 are as follows:

- Scenario 1 – $3.49 per month ($42 annually).
- Scenario 2 – $2.04 per month ($24 annually).
- Scenario 3 – $7.85 per month reduction, equivalent to $94 reduction for the year.

Over the remainder of the forecast period, the annual water and wastewater bill increases at an average level ranging from $3.24 per month ($38.90 per year) under Scenario 2 to $3.64 per month ($43.67 per year) under Scenario 1.

Table 8-5 provide the similar analysis for a higher volume user on a 3-inch meter with 5,340 $m^3$ of annual water usage. Based on 2025 rates, the annual water and wastewater bill for this customer would total approximately $30,844 (i.e., $13,666 for water and $17,178 for wastewater), which translates to roughly $2,570 per month. The projected bill impacts from 2025 t0 2026 are as follows:

- Scenario 1 – $59.20 per month ($710 annually).
- Scenario 2 – $644.11 per month ($7,729 annually).
- Scenario 3 – $762.94 per month ($9,155 annually).

Over the remainder of the forecast period, the annual water and wastewater bill increases at an average level ranging from approximately $57.61 per month ($691 per year) under Scenario 1 to $66.85 per month ($802.19 per year) under Scenario 3.

Table 8-4
Town of Minto
Annual Residential Customer Water and Wastewater Bill – Based on ⅝" or ¾" water meter and 140 $m^3$ of Volume

| Description | Current Rates | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Scenario 1 - Existing Rate Structure | $1,510 | $1,552 | $1,596 | $1,641 | $1,688 | $1,737 | $1,784 | $1,833 | $1,883 | $1,931 | $1,981 | $2,032 |
| Scenario 2 - Constant/Uniform Rate (Recommended) | $1,510 | $1,535 | $1,571 | $1,609 | $1,648 | $1,689 | $1,731 | $1,773 | $1,819 | $1,865 | $1,912 | $1,962 |
| Scenario 3 - Increasing Block Rate | $1,510 | $1,416 | $1,454 | $1,494 | $1,535 | $1,577 | $1,622 | $1,668 | $1,716 | $1,766 | $1,817 | $1,871 |
| **Average Increase ($)/year** | | | | | | | | | | | | |
| Scenario 1 | | $42 | $44 | $45 | $47 | $49 | $47 | $49 | $51 | $48 | $50 | $52 |
| Scenario 2 (Recommended) | | $24 | $37 | $37 | $40 | $41 | $42 | $43 | $45 | $46 | $47 | $50 |
| Scenario 3 | | ($94) | $38 | $40 | $41 | $43 | $44 | $46 | $48 | $50 | $52 | $54 |
| **Average Increase ($)/month** | | | | | | | | | | | | |
| Scenario 1 | | $3.49 | $3.63 | $3.78 | $3.93 | $4.10 | $3.91 | $4.06 | $4.21 | $3.99 | $4.14 | $4.29 |
| Scenario 2 (Recommended) | | $2.04 | $3.04 | $3.12 | $3.31 | $3.39 | $3.48 | $3.56 | $3.77 | $3.86 | $3.95 | $4.17 |
| Scenario 3 | | ($7.85) | $3.17 | $3.30 | $3.42 | $3.56 | $3.70 | $3.84 | $3.99 | $4.15 | $4.31 | $4.48 |

Table 8-5
Town of Minto
Annual Residential Customer Water and Wastewater Bill – Based on ⅝" or ¾" water meter and 140 $m^3$ of Volume

| Description | Current Rates | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Scenario 1 - Existing Rate Structure | $30,844 | $31,555 | $32,294 | $33,063 | $33,864 | $34,697 | $35,441 | $36,212 | $37,011 | $37,703 | $38,419 | $39,159 |
| Scenario 2 - Constant/Uniform Rate (Recommended | $30,844 | $38,573 | $39,234 | $39,903 | $40,632 | $41,370 | $42,117 | $42,872 | $43,689 | $44,516 | $45,353 | $46,253 |
| Scenario 3 - Increasing Block Rate | $30,844 | $39,999 | $40,751 | $41,529 | $42,334 | $43,168 | $44,031 | $44,924 | $45,848 | $46,806 | $47,797 | $48,823 |
| **Average Increase ($)/year** | | | | | | | | | | | | |
| Scenario 1 | | $710 | $739 | $769 | $801 | $833 | $744 | $771 | $799 | $692 | $716 | $740 |
| Scenario 2 (Recommended) | | $7,729 | $661 | $668 | $730 | $738 | $746 | $755 | $817 | $827 | $837 | $900 |
| Scenario 3 | | $9,155 | $752 | $778 | $805 | $833 | $863 | $893 | $925 | $957 | $991 | $1,026 |
| **Average Increase ($)/month** | | | | | | | | | | | | |
| Scenario 1 | | $59.20 | $61.61 | $64.12 | $66.73 | $69.45 | $61.99 | $64.23 | $66.55 | $57.71 | $59.65 | $61.66 |
| Scenario 2 (Recommended) | | $644.11 | $55.07 | $55.71 | $60.81 | $61.49 | $62.19 | $62.92 | $68.12 | $68.90 | $69.71 | $75.00 |
| Scenario 3 | | $762.94 | $62.65 | $64.84 | $67.10 | $69.46 | $71.90 | $74.43 | $77.05 | $79.78 | $82.60 | $85.53 |

# Chapter 9
# Recommendations

# 9. Recommendations

As presented within this report, capital and operating expenditures have been identified and projected over an 11-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 3-1 and 3-2 and the recommended capital financing plan as set out in Tables 5-2 and 5-3;

3. That Council consider the 2026 to 2036 water and wastewater rates as shown in Chapter 8 under Scenario 2, and direct staff to review Rate Study in five years; and

4. That Council approve the Rate Study and Water Financial Plan provided under separate cover and direct staff to submit the Plan and Council resolution approving the Plan to the Province to renew the Town's Municipal Drinking Water Licence.

# Appendices

# Appendix A
## Detailed Water Rate Calculations – Scenario 2 (Recommended)

# Table A-1
# Town of Minto
# Capital Budget Forecast (uninflated $) – Water

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026-2036 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| King Street | - | 18,400 | 18,400 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Clifford - Repairs, Interior Paint | - | 275,000 | 275,000 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Palmerston - Repairs, Interior Paint | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Tower - Palmerston - Climbing Apparatus | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| Well Exploration - complete EA- Palmerston | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Well Construction - Harriston | - | 380,000 | 380,000 | - | - | - | - | - | - | - | - | - | - |
| Webb St - Elizabeth St to Raglan St (285m) | - | 500,000 | 500,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 110,700 | 110,700 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 110,000 | 110,000 | - | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/ Valves | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Well Inspections-Wells 3 & 4 | - | 60,000 | 30,000 | - | - | - | - | - | - | 30,000 | - | - | - |
| Data Loggers | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 50,000 | - | 50,000 | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 60,000 | - | 60,000 | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 20,000 | - | 20,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 15,000 | - | 15,000 | - | - | - | - | - | - | - | - | - |
| Pick-up Truck (#12) | - | 75,000 | - | 75,000 | - | - | - | - | - | - | - | - | - |
| Harriston Watertower painting Design | - | 350,000 | - | 350,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 50,000 | - | - | 50,000 | - | - | - | - | - | - | - | - |
| Service Truck | - | 75,000 | - | - | 75,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 150,000 | - | - | 150,000 | - | - | - | - | - | - | - | - |
| Palmerston Well Construction | - | 500,000 | - | - | 500,000 | - | - | - | - | - | - | - | - |
| Harriston King St S Construction | - | 520,000 | - | - | 520,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 75,000 | - | - | - | 75,000 | - | - | - | - | - | - | - |
| 2019 Ford F150 (#12) | - | 75,000 | - | - | - | - | - | - | - | - | 75,000 | - | - |
| 2021 Chevy Silverado (#9) | - | 150,000 | - | - | 75,000 | - | - | - | - | - | - | 75,000 | - |
| 2023 Ford F150 (#21) | - | 75,000 | - | - | - | - | 75,000 | - | - | - | - | - | - |
| 2024 Ford F150 (#22) | - | 75,000 | - | - | - | - | - | 75,000 | - | - | - | - | - |
| ***Clifford*** | | | | | | | | | | | | | |
| Chlorine Analyser | 10,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 90,000 | - | 45,000 | - | - | - | - | - | - | 45,000 | - | - |
| Ann St N - Watermain Extension (320m) | - | 272,800 | - | - | - | - | - | 272,800 | - | - | - | - | - |
| ***Harriston*** | | | | | | | | | | | | | |
| King Street North Development | 18,400 | - | - | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection & Repairs | 35,000 | 25,000 | - | - | - | - | - | - | 25,000 | - | - | - | - |
| Water Tower Interior Touch Up | 35,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | 4,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Exploration | 107,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 75,000 | - | - | 30,000 | - | 15,000 | - | - | - | - | 30,000 | - |

Table A-1 (continued)
Town of Minto
Capital Budget Forecast (uninflated $) – Water

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026-2036 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| Well 4 - Increase Source Capacity | - | 4,800,000 | - | 2,400,000 | 2,400,000 | - | - | - | - | - | - | - | - |
| Arthur St W - 40m S of Wilson St to 140m S of Wilson St (100m) | - | 216,000 | 100,000 | 116,000 | - | - | - | - | - | - | - | - | - |
| King St S - Pellister St E to Jessie St (430m) | - | 928,800 | - | - | - | - | - | - | 928,800 | - | - | - | - |
| Queen St S - Lorne St E to Jessie St (210m) | - | 453,600 | - | - | - | - | - | 453,600 | - | - | - | - | - |
| Queen St S - Yonge St E to Pellister St E (240m) | - | 518,400 | - | - | - | - | - | 518,400 | - | - | - | - | - |
| Lorne St E - King St S to dead end at ROW (90m) | - | 194,400 | - | - | - | - | - | - | 194,400 | - | - | - | - |
| King St S - Arthur St E to Maitland St (140m) | - | 302,400 | - | - | - | - | - | - | - | 302,400 | - | - | - |
| Jessie St - Queen St S to King St S (90m) | - | 194,400 | - | - | - | - | - | - | - | - | 194,400 | - | - |
| Queen St S and Queen St N - Dead End to Maitland St (550m) | - | 1,188,000 | - | - | - | - | - | - | - | - | - | 1,188,000 | - |
| King St S - Maitland St to Young St E (290m) | - | 626,400 | - | - | - | - | - | - | 626,400 | - | - | - | - |
| John St N - Adelaide St to John St Wellhouse (200m) | - | 450,000 | - | - | - | - | - | - | - | - | 450,000 | - | - |
| ***Palmerston*** | | | | | | | | | | | | | |
| Main Street | 100,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Tower Inspection | - | 25,000 | - | - | - | - | 25,000 | - | - | - | - | - | - |
| Well Inspections | - | 60,000 | - | - | 15,000 | 15,000 | - | - | - | - | - | 15,000 | 15,000 |
| Well Exploration | 207,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (210m) | - | 369,600 | 369,600 | - | - | - | - | - | - | - | - | - | - |
| Main St W | - | 1,514,500 | 1,514,500 | - | - | - | - | - | - | - | - | - | - |
| Mary St Extension to Dead End (185m) | - | 312,650 | - | - | 312,650 | - | - | - | - | - | - | - | - |
| Well 5 - Increase Source Capacity | - | 5,200,000 | - | - | - | - | 5,200,000 | - | - | - | - | - | - |
| King St - Main St W to King St. Hotel (95m) | - | 205,200 | 205,200 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 820,800 | - | - | - | - | 820,800 | - | - | - | - | - | - |
| Queen St S - 250m S of Walker St to 35m N of Victoria St (680m) | - | 1,468,800 | - | - | - | - | - | - | - | 1,468,800 | - | - | - |
| William St - Queen St S to Bell (310m) | - | 669,600 | - | - | - | - | - | - | - | 669,600 | - | - | - |
| Daly St - Norman St to Whites Rd (380m) | - | 820,800 | - | - | - | - | - | - | - | - | 820,800 | - | - |
| Cumberland St - Queen St to Main St E (170m) | - | 367,200 | - | - | - | - | - | - | - | - | - | - | 367,200 |
| Norman St - Main St E to Nelson St (440m) | - | 977,400 | - | - | - | - | - | - | - | - | - | 977,400 | - |
| Dufferin St - Norman St to Whites Rd (360m) | - | 777,600 | - | - | - | - | - | - | - | - | - | - | 777,600 |
| ***Rural*** | | | | | | | | | | | | | |
| Minto Pines Well Infrastructure Inspection | - | 20,000 | - | - | - | - | 20,000 | - | - | - | - | - | - |
| ***General*** | | | | | | | | | | | | | |
| Engineering | - | 120,000 | - | - | - | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Consulting | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 12,000 | - | - | - | 2,000 | 2,000 | - | 2,000 | 2,000 | 2,000 | 2,000 | - |
| SCADA - Water | 10,000 | 90,000 | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Water Meters | 20,000 | 2,121,000 | - | - | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 667,000 | 667,000 | 667,000 |
| Pumps / Valves | 15,000 | 120,000 | - | - | - | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| ***Studies:*** | | | | | | | | | | | | | |
| Water Rate Study and Financial Plan | 21,257 | 42,513 | - | - | - | - | 21,257 | - | - | - | - | 21,257 | - |
| Servicing Strategy Updates | - | 45,000 | 15,000 | - | - | - | - | 15,000 | - | - | - | - | 15,000 |
| Servicing Standards Update | - | 22,500 | 7,500 | - | - | - | - | 7,500 | - | - | - | - | 7,500 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Minto Water Systems Class EA | - | 100,000 | - | - | - | - | - | - | - | - | 100,000 | - | - |
| Water Model/Sewer Model | - | 22,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| **Total Capital Expenditures** | **603,657** | **30,657,463** | **3,866,900** | **3,153,000** | **4,159,650** | **154,000** | **6,241,057** | **1,404,300** | **1,838,600** | **2,534,800** | **2,396,200** | **3,017,657** | **1,891,300** |

Table A-2
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| King Street | - | 18,400 | 18,400 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Clifford - Repairs, Interior Paint | - | 275,000 | 275,000 | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection - Palmerston - Repairs, Interior Paint | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Tower - Palmerston - Climbing Apparatus | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| Well Exploration - complete EA- Palmerston | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Well Construction - Harriston | - | 380,000 | 380,000 | - | - | - | - | - | - | - | - | - | - |
| Webb St - Elizabeth St to Raglan St (285m) | - | 500,000 | 500,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 110,700 | 110,700 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 110,000 | 110,000 | - | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/ Valves | - | 15,000 | 15,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Well Inspections-Wells 3 & 4 | - | 70,000 | 30,000 | - | - | - | - | - | - | 40,000 | - | - | - |
| Data Loggers | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| Chlorine Board | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 62,000 | - | 62,000 | - | - | - | - | - | - | - | - | - |
| Water Meters | - | 21,000 | - | 21,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 16,000 | - | 16,000 | - | - | - | - | - | - | - | - | - |
| Pick-up Truck (#12) | - | 78,000 | - | 78,000 | - | - | - | - | - | - | - | - | - |
| Harriston Watertower painting Design | - | 364,000 | - | 364,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 54,000 | - | - | 54,000 | - | - | - | - | - | - | - | - |
| Service Truck | - | 81,000 | - | - | 81,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 162,000 | - | - | 162,000 | - | - | - | - | - | - | - | - |
| Palmerston Well Construction | - | 542,000 | - | - | 542,000 | - | - | - | - | - | - | - | - |
| Harriston King St S Construction | - | 563,000 | - | - | 563,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 85,000 | - | - | - | 85,000 | - | - | - | - | - | - | - |
| 2019 Ford F150 (#12) | - | 103,000 | - | - | - | - | - | - | - | - | 103,000 | - | - |
| 2021 Chevy Silverado (#9) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| 2023 Ford F150 (#21) | - | 88,000 | - | - | - | - | 88,000 | - | - | - | - | - | - |
| 2024 Ford F150 (#22) | - | 92,000 | - | - | - | - | - | 92,000 | - | - | - | - | - |
| *Clifford* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Chlorine Analyser | 10,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 109,000 | - | 47,000 | - | - | - | - | - | - | 62,000 | - | - |
| Ann St N - Watermain Extension (320m) | - | 333,000 | - | - | - | - | - | 333,000 | - | - | - | - | - |
| *Harriston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| King Street North Development | 18,400 | - | - | - | - | - | - | - | - | - | - | - | - |
| Tower Inspection & Repairs | 35,000 | 32,000 | - | - | - | - | - | - | 32,000 | - | - | - | - |
| Water Tower Interior Touch Up | 35,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Chlorine Board | 4,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Exploration | 107,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Well Inspections | - | 93,000 | - | - | 32,000 | - | 18,000 | - | - | - | - | 43,000 | - |

Table A-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| Well 4 - Increase Source Capacity | - | 5,098,000 | - | 2,498,000 | 2,600,000 | - | - | - | - | - | - | - | - |
| Arthur St W - 40m S of Wilson St to 140m S of Wilson St (100m) | - | 221,000 | 100,000 | 121,000 | - | - | - | - | - | - | - | - | - |
| King St S - Pellister St E to Jessie St (430m) | - | 1,180,000 | - | - | - | - | - | - | 1,180,000 | - | - | - | - |
| Queen St S - Lorne St E to Jessie St (210m) | - | 554,000 | - | - | - | - | - | 554,000 | - | - | - | - | - |
| Queen St S - Yonge St E to Pellister St E (240m) | - | 633,000 | - | - | - | - | - | 633,000 | - | - | - | - | - |
| Lorne St E - King St S to dead end at ROW (90m) | - | 247,000 | - | - | - | - | - | - | 247,000 | - | - | - | - |
| King St S - Arthur St E to Maitland St (140m) | - | 400,000 | - | - | - | - | - | - | - | 400,000 | - | - | - |
| Jessie St - Queen St S to King St S (90m) | - | 268,000 | - | - | - | - | - | - | - | - | 268,000 | - | - |
| Queen St S and Queen St N - Dead End to Maitland St (550m) | - | 1,702,000 | - | - | - | - | - | - | - | - | - | 1,702,000 | - |
| King St S - Maitland St to Young St E (290m) | - | 796,000 | - | - | - | - | - | - | 796,000 | - | - | - | - |
| John St N - Adelaide St to John St Wellhouse (200m) | - | 619,000 | - | - | - | - | - | - | - | - | 619,000 | - | - |
| *Palmerston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Main Street | 100,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Tower Inspection | - | 29,000 | - | - | - | - | 29,000 | - | - | - | - | - | - |
| Well Inspections | - | 76,000 | - | - | 16,000 | 17,000 | - | - | - | - | - | 21,000 | 22,000 |
| Well Exploration | 207,500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (210m) | - | 369,600 | 369,600 | - | - | - | - | - | - | - | - | - | - |
| Main St W | - | 1,514,500 | 1,514,500 | - | - | - | - | - | - | - | - | - | - |
| Mary St Extension to Dead End (185m) | - | 339,000 | - | - | 339,000 | - | - | - | - | - | - | - | - |
| Well 5 - Increase Source Capacity | - | 6,101,000 | - | - | - | - | 6,101,000 | - | - | - | - | - | - |
| King St - Main St W to King St. Hotel (95m) | - | 205,200 | 205,200 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 963,000 | - | - | - | - | 963,000 | - | - | - | - | - | - |
| Queen St S - 250m S of Walker St to 35m N of Victoria St (680m) | - | 1,942,000 | - | - | - | - | - | - | - | 1,942,000 | - | - | - |
| William St - Queen St S to Bell (310m) | - | 886,000 | - | - | - | - | - | - | - | 886,000 | - | - | - |
| Daly St - Norman St to Whites Rd (380m) | - | 1,130,000 | - | - | - | - | - | - | - | - | 1,130,000 | - | - |
| Cumberland St - Queen St to Main St E (170m) | - | 547,000 | - | - | - | - | - | - | - | - | - | - | 547,000 |
| Norman St - Main St E to Nelson St (440m) | - | 1,400,000 | - | - | - | - | - | - | - | - | - | 1,400,000 | - |
| Dufferin St - Norman St to Whites Rd (360m) | - | 1,159,000 | - | - | - | - | - | - | - | - | - | - | 1,159,000 |
| *Rural* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Minto Pines Well Infrastructure Inspection | - | 23,000 | - | - | - | - | 23,000 | - | - | - | - | - | - |
| *General* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Engineering | - | 156,000 | - | - | - | 17,000 | 18,000 | 18,000 | 19,000 | 20,000 | 21,000 | 21,000 | 22,000 |
| Consulting | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 16,000 | - | - | - | 2,000 | 2,000 | - | 3,000 | 3,000 | 3,000 | 3,000 | - |
| SCADA - Water | 10,000 | 115,000 | - | - | 11,000 | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |
| Water Meters | 20,000 | 3,010,000 | - | - | 22,000 | 23,000 | 23,000 | 24,000 | 25,000 | 26,000 | 918,000 | 955,000 | 994,000 |
| Pumps / Valves | 15,000 | 156,000 | - | - | - | 17,000 | 18,000 | 18,000 | 19,000 | 20,000 | 21,000 | 21,000 | 22,000 |

Table A-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Water

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| Capital Expenditures | | | | | | | | | | | | | |
| *Studies:* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Water Rate Study and Financial Plan | 21,257 | 55,000 | - | - | - | - | 25,000 | - | - | - | - | 30,000 | - |
| Servicing Strategy Updates | - | 55,000 | 15,000 | - | - | - | - | 18,000 | - | - | - | - | 22,000 |
| Servicing Standards Update | - | 27,500 | 7,500 | - | - | - | - | 9,000 | - | - | - | - | 11,000 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Minto Water Systems Class EA | - | 138,000 | - | - | - | - | - | - | - | - | 138,000 | - | - |
| Water Model/Sewer Model | - | 27,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| **Total Capital Expenditures** | **603,657** | **36,988,900** | **3,866,900** | **3,281,000** | **4,505,000** | **174,000** | **7,322,000** | **1,713,000** | **2,337,000** | **3,353,000** | **3,300,000** | **4,320,000** | **2,817,000** |
| **Capital Financing** | | | | | | | | | | | | | |
| Provincial/Federal Grants - Non-Growth Related | - | 973,691 | 973,691 | - | - | - | - | - | - | - | - | - | - |
| Provincial/Federal Grants - Growth Related | - | 991,309 | 991,309 | - | - | - | - | - | - | - | - | - | - |
| Development Charges Reserve Fund | 283,500 | 4,620,125 | 126,125 | 256,200 | 394,750 | 500 | 691,400 | 218,600 | 214,800 | 1,031,750 | 144,450 | 1,532,550 | 9,000 |
| Non-Growth Related Debenture Requirements | - | 166,259 | 166,259 | - | - | - | - | - | - | - | - | - | - |
| Growth Related Debenture Requirements | - | 9,713,741 | 713,741 | 2,000,000 | 2,200,000 | - | 4,800,000 | - | - | - | - | - | - |
| Water Reserve | 320,157 | 20,523,775 | 895,775 | 1,024,800 | 1,910,250 | 173,500 | 1,830,600 | 1,494,400 | 2,122,200 | 2,321,250 | 3,155,550 | 2,787,450 | 2,808,000 |
| **Total Capital Financing** | **603,657** | **36,988,900** | **3,866,900** | **3,281,000** | **4,505,000** | **174,000** | **7,322,000** | **1,713,000** | **2,337,000** | **3,353,000** | **3,300,000** | **4,320,000** | **2,817,000** |

Table A-3
Town of Minto
Schedule of Non-Growth-Related Debenture Repayments (inflated $) – Water

| Debenture Year | 2025 | Principal (Inflated) | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| 2026 | | 166,259 | | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 | 12,234 |
| 2027 | | - | | | - | - | - | - | - | - | - | - | - |
| 2028 | | - | | | | - | - | - | - | - | - | - | - |
| 2029 | | - | | | | | - | - | - | - | - | - | - |
| 2030 | | - | | | | | | - | - | - | - | - | - |
| 2031 | | - | | | | | | | - | - | - | - | - |
| 2032 | | - | | | | | | | | - | - | - | - |
| 2033 | | - | | | | | | | | | - | - | - |
| 2034 | | - | | | | | | | | | | - | - |
| 2035 | | - | | | | | | | | | | | - |
| 2036 | | - | | | | | | | | | | | |
| **Total Annual Debt Charges** | **-** | **166,259** | **-** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** | **12,234** |

Table A-4
Town of Minto
Schedule of Growth-Related Debenture Repayments (inflated $) – Water

| Debenture Year | 2025 | Principal (Inflated) | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| 2026 | | 713,741 | | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 | 52,518 |
| 2027 | | 2,000,000 | | | 147,164 | 147,164 | 147,164 | 147,164 | 147,164 | 147,164 | 147,164 | 147,164 | 147,164 |
| 2028 | | 2,200,000 | | | | 161,880 | 161,880 | 161,880 | 161,880 | 161,880 | 161,880 | 161,880 | 161,880 |
| 2029 | | - | | | | | - | - | - | - | - | - | - |
| 2030 | | 4,800,000 | | | | | | 353,192 | 353,192 | 353,192 | 353,192 | 353,192 | 353,192 |
| 2031 | | - | | | | | | | - | - | - | - | - |
| 2032 | | - | | | | | | | | - | - | - | - |
| 2033 | | - | | | | | | | | | - | - | - |
| 2034 | | - | | | | | | | | | | - | - |
| 2035 | | - | | | | | | | | | | | - |
| 2036 | | - | | | | | | | | | | | |
| **Total Annual Debt Charges** | **-** | **9,713,741** | **-** | **52,518** | **199,682** | **361,562** | **361,562** | **714,754** | **714,754** | **714,754** | **714,754** | **714,754** | **714,754** |

Table A-5
Town of Minto
Water Reserve/Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 3,701,475 | 4,410,056 | 4,357,708 | 4,437,035 | 3,688,718 | 4,789,399 | 4,317,783 | 4,287,367 | 3,750,606 | 3,159,942 | 1,873,744 | 1,111,148 |
| Transfer from Operating | 942,266 | 757,981 | 1,017,127 | 1,089,605 | 1,180,271 | 1,274,322 | 1,379,918 | 1,511,897 | 1,668,627 | 1,832,612 | 2,003,067 | 2,187,987 |
| Transfer to Capital | 320,157 | 895,775 | 1,024,800 | 1,910,250 | 173,500 | 1,830,600 | 1,494,400 | 2,122,200 | 2,321,250 | 3,155,550 | 2,787,450 | 2,808,000 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **4,323,585** | **4,272,263** | **4,350,035** | **3,616,390** | **4,695,489** | **4,233,121** | **4,203,301** | **3,677,064** | **3,097,982** | **1,837,004** | **1,089,361** | **491,135** |
| Interest | 86,472 | 85,445 | 87,001 | 72,328 | 93,910 | 84,662 | 84,066 | 73,541 | 61,960 | 36,740 | 21,787 | 9,823 |

Table A-6
Town of Minto
Town-Wide Water Development Charges Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | (60,951) | (261,249) | 48,908 | 204,879 | 91,695 | 414,354 | 66,847 | 148,268 | 688,265 | 490,203 | 1,257,146 | 690,093 |
| Development Charge Proceeds | 88,325 | 435,322 | 460,673 | 479,449 | 676,596 | 704,144 | 1,011,867 | 1,456,056 | 1,538,830 | 1,601,498 | 1,666,719 | 1,747,775 |
| Transfer to Capital | 283,500 | 126,125 | 256,200 | 394,750 | 500 | 691,400 | 218,600 | 214,800 | 1,031,750 | 144,450 | 1,532,550 | 9,000 |
| Transfer to Operating | - | - | 52,518 | 199,682 | 361,562 | 361,562 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 |
| **Closing Balance** | **(256,126)** | **47,949** | **200,862** | **89,897** | **406,230** | **65,537** | **145,360** | **674,769** | **480,591** | **1,232,496** | **676,562** | **1,714,114** |
| Interest | (5,123) | 959 | 4,017 | 1,798 | 8,125 | 1,311 | 2,907 | 13,495 | 9,612 | 24,650 | 13,531 | 34,282 |

## Table A-7
## Town of Minto
## Water Contingency Reserve Fund (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 500,000 | 325,992 | 510,000 | 520,200 | 530,604 | 541,216 | 552,040 | 563,081 | 574,343 | 585,830 | 597,546 | 609,497 |
| Transfer from Operating | - | 174,008 | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Operating | 180,400 | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **319,600** | **500,000** | **510,000** | **520,200** | **530,604** | **541,216** | **552,040** | **563,081** | **574,343** | **585,830** | **597,546** | **609,497** |
| Interest | 6,392 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,041 | 11,262 | 11,487 | 11,717 | 11,951 | 12,190 |

## Table A-8
## Town of Minto
## Operating Budget Forecast – Water (inflated $)

| Description | Budget | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| SALARIES & WAGES | 499,600 | 531,500 | 542,130 | 552,973 | 564,032 | 575,313 | 586,819 | 598,555 | 610,526 | 622,737 | 635,192 | 647,896 |
| BENEFITS - FULL TIME | 159,800 | 169,100 | 172,482 | 175,932 | 179,451 | 183,040 | 186,701 | 190,435 | 194,244 | 198,129 | 202,092 | 206,134 |
| CONFERENCES & MEETINGS | 4,000 | 4,000 | 4,080 | 4,162 | 4,245 | 4,330 | 4,417 | 4,505 | 4,595 | 4,687 | 4,781 | 4,877 |
| TRAINING | 15,000 | 12,000 | 12,240 | 12,485 | 12,735 | 12,990 | 13,250 | 13,515 | 13,785 | 14,061 | 14,342 | 14,629 |
| MILEAGE | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ADMINISTRATION ALLOCATION | 98,600 | 102,300 | 104,346 | 106,433 | 108,562 | 110,733 | 112,948 | 115,207 | 117,511 | 119,861 | 122,258 | 124,703 |
| CLOTHING | 1,000 | 1,100 | 1,122 | 1,144 | 1,167 | 1,190 | 1,214 | 1,238 | 1,263 | 1,288 | 1,314 | 1,340 |
| LEGAL SERVICES | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| CERTIFICATIONS | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| OUTSIDE SERVICES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| ENGINEERING SERVICES | 15,000 | 15,000 | 15,300 | 15,606 | 15,918 | 16,236 | 16,561 | 16,892 | 17,230 | 17,575 | 17,927 | 18,286 |
| SPECIAL CONSULTING SERVICES | 12,000 | 12,000 | 12,240 | 12,485 | 12,735 | 12,990 | 13,250 | 13,515 | 13,785 | 14,061 | 14,342 | 14,629 |
| PERMITS & ACCREDITATION - DWQMS | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| AUDITING - DWQMS | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| MEMBERSHIP FEES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| BACKFLOW PREVENTION PROGRAM | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| CLEANING SUPPLIES | 1,600 | 1,800 | 1,836 | 1,873 | 1,910 | 1,948 | 1,987 | 2,027 | 2,068 | 2,109 | 2,151 | 2,194 |
| WATER METER CONTRACTOR INSTALL | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| WATER METER R&M | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| OFFICE SUPPLIES | 4,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| COMPUTER HARDWARE / SOFTWARE | 10,000 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,040 | 11,261 | 11,486 | 11,716 | 11,950 | 12,189 |
| SCADA MAINTENANCE | 10,000 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,040 | 11,261 | 11,486 | 11,716 | 11,950 | 12,189 |
| PUBLICATIONS & DATA RECEIVED | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ADVERTISING & PROMOTIONS | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| TELEPHONE SERVICES & CHARGES | 2,800 | 2,800 | 2,856 | 2,913 | 2,971 | 3,030 | 3,091 | 3,153 | 3,216 | 3,280 | 3,346 | 3,413 |

Table A-8 (continued)
Town of Minto
Operating Budget Forecast – Water (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| RADIO/GPS SERVICE & MAINT. | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| LOCATES - ON 1 CALL | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| MACHINE TIME CHARGE | 240,000 | 240,000 | 244,800 | 249,696 | 254,690 | 259,784 | 264,980 | 270,280 | 275,686 | 281,200 | 286,824 | 292,560 |
| BAD DEBTS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| SMALL TOOLS & EQUIPMENT | 11,600 | 11,600 | 11,832 | 12,069 | 12,310 | 12,556 | 12,807 | 13,063 | 13,324 | 13,590 | 13,862 | 14,139 |
| EQUIPMENT REPAIR & MAINTENANCE | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| SAFETY EQUIPMENT | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| SAFETY CLOTHING | 2,500 | 2,500 | 2,550 | 2,601 | 2,653 | 2,706 | 2,760 | 2,815 | 2,871 | 2,928 | 2,987 | 3,047 |
| ANNUAL INSURANCE COVERAGE | 29,400 | 30,900 | 32,445 | 34,067 | 35,770 | 37,559 | 39,437 | 41,409 | 43,479 | 45,653 | 47,936 | 50,333 |
| ANNUAL PROPERTY TAXES | 3,500 | 3,500 | 3,675 | 3,859 | 4,052 | 4,255 | 4,468 | 4,691 | 4,926 | 5,172 | 5,431 | 5,703 |
| HYDRO | 81,000 | 85,900 | 90,195 | 94,705 | 99,440 | 104,412 | 109,633 | 115,115 | 120,871 | 126,915 | 133,261 | 139,924 |
| GROUNDS MAINTENANCE - WINTER | 8,800 | 9,000 | 9,180 | 9,364 | 9,551 | 9,742 | 9,937 | 10,136 | 10,339 | 10,546 | 10,757 | 10,972 |
| BUILDING MAINTENANCE | 2,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| SECURITY SYSTEM MONITORING / MAINTENANCE | 18,500 | 18,500 | 18,870 | 19,247 | 19,632 | 20,025 | 20,426 | 20,835 | 21,252 | 21,677 | 22,111 | 22,553 |
| VEHICLE FUEL & SUPPLIES | 2,300 | - | - | - | - | - | - | - | - | - | - | - |
| P.H. REPAIRS & MAINTENANCE | 41,000 | 41,000 | 41,820 | 42,656 | 43,509 | 44,379 | 45,267 | 46,172 | 47,095 | 48,037 | 48,998 | 49,978 |
| WATER SAMPLING | 56,450 | 56,000 | 60,200 | 64,715 | 69,569 | 74,787 | 80,396 | 86,426 | 92,908 | 99,876 | 107,367 | 115,420 |
| WATER TREATMENT | 74,000 | 76,000 | 81,700 | 87,828 | 94,415 | 101,496 | 109,108 | 117,291 | 126,088 | 135,545 | 145,711 | 156,639 |
| TOWER REPAIRS & MAINTENANCE | 1,700 | 1,700 | 1,734 | 1,769 | 1,804 | 1,840 | 1,877 | 1,915 | 1,953 | 1,992 | 2,032 | 2,073 |
| SUPPLIES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| RENTAL EQUIPMENT | 3,000 | 3,000 | 3,060 | 3,121 | 3,183 | 3,247 | 3,312 | 3,378 | 3,446 | 3,515 | 3,585 | 3,657 |
| W.M. REPAIRS & MAINTENANCE | 36,500 | 36,500 | 37,230 | 37,975 | 38,735 | 39,510 | 40,300 | 41,106 | 41,928 | 42,767 | 43,622 | 44,494 |
| HYD. REPAIRS & MAINTENANCE | 5,500 | 5,500 | 5,610 | 5,722 | 5,836 | 5,953 | 6,072 | 6,193 | 6,317 | 6,443 | 6,572 | 6,703 |
| Vehicle Costs | (207,000) | (207,000) | (211,140) | (215,363) | (219,670) | (224,063) | (228,544) | (233,115) | (237,777) | (242,533) | (247,384) | (252,332) |
| **Sub Total Operating** | **1,277,650** | **1,324,700** | **1,362,063** | **1,400,901** | **1,441,282** | **1,483,309** | **1,527,058** | **1,572,625** | **1,620,123** | **1,669,646** | **1,721,320** | **1,775,269** |
| Capital-Related | | | | | | | | | | | | |
| New Growth Related Debt (Principal) | | - | 23,969 | 92,091 | 169,654 | 176,441 | 344,691 | 358,478 | 372,817 | 387,730 | 403,239 | 403,239 |
| New Growth Related Debt (Interest) | | - | 28,550 | 107,591 | 191,907 | 185,121 | 370,063 | 356,276 | 341,937 | 327,024 | 311,515 | 311,515 |
| Existing Debt (Principal) - Non-Growth Related | 194,393 | 198,303 | 176,072 | 179,873 | 179,664 | 183,561 | 187,555 | 191,648 | 195,843 | 200,142 | 204,547 | 209,061 |
| Existing Debt (Interest) - Non-Growth Related | 76,058 | 72,034 | 67,596 | 63,547 | 58,495 | 53,919 | 49,247 | 44,475 | 39,602 | 34,625 | 29,542 | 24,349 |
| New Non-Growth Related Debt (Principal) | | - | 5,583 | 5,807 | 6,039 | 6,280 | 6,532 | 6,793 | 7,065 | 7,347 | 7,641 | 7,641 |
| New Non-Growth Related Debt (Interest) | | - | 6,650 | 6,427 | 6,195 | 5,953 | 5,702 | 5,441 | 5,169 | 4,886 | 4,593 | 4,593 |
| Transfer to Contingency Reserve | - | 174,008 | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital Reserve | 942,266 | 757,981 | 1,017,127 | 1,089,605 | 1,180,271 | 1,274,322 | 1,379,918 | 1,511,897 | 1,668,627 | 1,832,612 | 2,003,067 | 2,187,987 |
| **Sub Total Capital Related** | **1,212,717** | **1,202,326** | **1,325,547** | **1,544,940** | **1,792,225** | **1,885,597** | **2,343,708** | **2,475,008** | **2,631,059** | **2,794,366** | **2,964,144** | **3,148,385** |
| **Total Expenditures** | **2,490,367** | **2,527,026** | **2,687,610** | **2,945,841** | **3,233,507** | **3,368,906** | **3,870,766** | **4,047,633** | **4,251,182** | **4,464,012** | **4,685,464** | **4,923,654** |

Table A-8 (continued)
Town of Minto
Operating Budget Forecast – Water (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | | | |
| Base Charge | 869,457 | 913,538 | 959,754 | 1,008,205 | 1,061,613 | 1,120,400 | 1,186,638 | 1,267,733 | 1,359,974 | 1,458,021 | 1,561,735 | 1,671,905 |
| Per Unit Charges | 62,870 | 65,385 | 68,000 | 70,720 | 73,549 | 76,491 | 79,551 | 82,733 | 86,042 | 89,483 | 93,063 | 96,785 |
| Other Revenue | 59,229 | 59,190 | 60,400 | 61,600 | 62,800 | 64,100 | 65,400 | 66,700 | 68,000 | 69,400 | 70,800 | 72,200 |
| Flat Rate/Unmetered Customers | 2,371 | 2,410 | 2,494 | 2,580 | 2,674 | 2,769 | 2,866 | 2,965 | 3,071 | 3,179 | 3,290 | 3,408 |
| Contributions from Development Charges Reserve Fund | - | - | 52,518 | 199,682 | 361,562 | 361,562 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 | 714,754 |
| Contributions from Reserves / Reserve Funds | 180,400 | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Revenue** | **1,174,327** | **1,040,523** | **1,143,166** | **1,342,787** | **1,562,197** | **1,625,322** | **2,049,209** | **2,134,884** | **2,231,841** | **2,334,837** | **2,443,641** | **2,559,052** |
| | | | | | | | | | | | | |
| **Water Billing Recovery - Total** | **1,316,039** | **1,486,504** | **1,544,444** | **1,603,054** | **1,671,311** | **1,743,585** | **1,821,557** | **1,912,749** | **2,019,342** | **2,129,175** | **2,241,823** | **2,364,601** |

Table A-9
Town of Minto
Water Rate Calculation (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Water Billing Recovery | 1,316,039 | 1,486,504 | 1,544,444 | 1,603,054 | 1,671,311 | 1,743,585 | 1,821,557 | 1,912,749 | 2,019,342 | 2,129,175 | 2,241,823 | 2,364,601 |
| Total Volume ($m^3$) | 583,451 | 587,551 | 591,741 | 595,931 | 601,191 | 607,521 | 615,391 | 627,131 | 641,061 | 655,131 | 669,201 | 683,411 |
| **Constant Rate** | | **2.53** | **2.61** | **2.69** | **2.78** | **2.87** | **2.96** | **3.05** | **3.15** | **3.25** | **3.35** | **3.46** |
| ***Existing Rates - Declining Block Rate*** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | **2.53** | | | | | | | | | | | |
| Block 2 (251 - 500 m3) | **1.82** | | | | | | | | | | | |
| Block 3 (501 - 3,000 m3) | **1.55** | | | | | | | | | | | |
| Block 4 (3,001+ m3) | **1.55** | | | | | | | | | | | |
| **Annual Percentage Change** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |

Table A-10
Town of Minto
Water Rate Forecast

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $26.62 | $27.68 | $28.79 | $29.94 | $31.14 | $32.39 | $33.68 | $35.03 | $36.43 | $37.89 | $39.40 | $40.98 |
| 1" meter size | $37.27 | $38.76 | $40.31 | $41.92 | $43.60 | $45.34 | $47.16 | $49.04 | $51.01 | $53.05 | $55.17 | $57.38 |
| 1 ½" meter size | $47.92 | $49.84 | $51.83 | $53.90 | $56.06 | $58.30 | $60.63 | $63.06 | $65.58 | $68.21 | $70.93 | $73.77 |
| 2" meter size | $77.20 | $80.29 | $83.50 | $86.84 | $90.31 | $93.93 | $97.68 | $101.59 | $105.65 | $109.88 | $114.27 | $118.85 |
| 3" meter size | $292.84 | $304.55 | $316.74 | $329.41 | $342.58 | $356.28 | $370.54 | $385.36 | $400.77 | $416.80 | $433.47 | $450.81 |
| 4"+ meter size | $372.71 | $387.62 | $403.12 | $419.25 | $436.02 | $453.46 | $471.60 | $490.46 | $510.08 | $530.48 | $551.70 | $573.77 |
| Per Unit Charge | $9.08 | $9.44 | $9.82 | $10.21 | $10.62 | $11.05 | $11.49 | $11.95 | $12.43 | $12.92 | $13.44 | $13.98 |
| **Increase to Block Rate (%)** | | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** | **4%** |
| | | | | | | | | | | | | |
| **Volume Charge - Constant Rate ($/m$^3$)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $2.53 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 2 (251 - 500 m3) | $1.82 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 3 (501 - 3,000 m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| Block 4 (3,001+ m3) | $1.55 | $2.53 | $2.61 | $2.69 | $2.78 | $2.87 | $2.96 | $3.05 | $3.15 | $3.25 | $3.35 | $3.46 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Bulk Water Rate ($/m3)** | **$5.06** | **$5.06** | **$5.22** | **$5.38** | **$5.56** | **$5.74** | **$5.92** | **$6.10** | **$6.30** | **$6.50** | **$6.70** | **$6.92** |
| **Annual Percentage Change** | | **0%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** | **3%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$65.87** | **$66.93** | **$69.28** | **$71.68** | **$74.27** | **$76.91** | **$79.60** | **$82.35** | **$85.30** | **$88.31** | **$91.38** | **$94.66** |
| **Annual Percentage Change** | | **n/a** | **4%** | **3%** | **4%** | **4%** | **3%** | **3%** | **4%** | **4%** | **3%** | **4%** |

# Appendix B
## Detailed Wastewater Rate Calculations – Scenario 2 (Recommended)

# Table B-1
# Town of Minto
# Capital Budget Forecast (uninflated $) – Wastewater

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026-2036 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| Ultra-Rib Inspection/Lining | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Clifford Pump | - | 18,000 | 18,000 | - | - | - | - | - | - | - | - | - | - |
| King Street | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Harriston Pumping Station upgrade & pump | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 118,950 | 118,950 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Plant upgrades, expansion | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Assimilated Capacity | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 2,500 | 2,500 | - | - | - | - | - | - | - | - | - | - |
| Equipment | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 60,000 | 60,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 35,000 | 35,000 | - | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 125,000 | 125,000 | - | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow & Infiltration Studies | - | 62,000 | 62,000 | - | - | - | - | - | - | - | - | - | - |
| Safety Equipment | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Jane & Norman Easement-town sh-$180, Developer-$30k; | - | 210,000 | 210,000 | - | - | - | - | - | - | - | - | - | - |
| Raglan St/Webb St | - | 520,000 | 520,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow and Infiltration Studies (H&P) | - | 60,000 | - | 60,000 | - | - | - | - | - | - | - | - | - |
| Ultra-Rib Inspection/Lining | - | 24,000 | - | 24,000 | - | - | - | - | - | - | - | - | - |
| Assimlative Capacity | - | 50,000 | - | 50,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 35,000 | - | 35,000 | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 5,000 | - | 5,000 | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | - | 4,000 | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 50,000 | - | 50,000 | - | - | - | - | - | - | - | - | - |
| Norman St | - | 100,000 | - | 100,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 50,000 | - | - | 50,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 150,000 | - | - | 150,000 | - | - | - | - | - | - | - | - |
| Harriston - King St S Construction | - | 500,000 | - | - | 500,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 75,000 | - | - | - | 75,000 | - | - | - | - | - | - | - |
| 2021 Chevy Silverado (#3) | - | 150,000 | - | - | 75,000 | - | - | - | - | - | - | 75,000 | - |
| 2023 Ford F250 (#2) | - | 100,000 | - | - | - | - | 100,000 | - | - | - | - | - | - |
| 2023 Ford F150 (#8) | - | 150,000 | - | - | 75,000 | - | - | - | - | - | - | 75,000 | - |
| ***Clifford*** | | | | | | | | | | | | | |
| Ultra-Rib Inspection / Lining | 23,000 | 249,000 | - | - | - | 25,000 | 26,000 | 26,000 | 27,000 | 28,000 | 39,000 | 39,000 | 39,000 |
| Clifford Pump | 12,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon Rehabilitation | 45,000 | - | - | - | - | - | - | - | - | - | - | - | - |

Table B-1 (continued)
Town of Minto
Capital Budget Forecast (uninflated $) – Wastewater

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026-2036 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| ***Harriston*** | | - | | | | | | | | | | | |
| King Street North Development | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (study and work) | - | 297,000 | - | - | - | 34,000 | 35,000 | 36,000 | 37,000 | 38,000 | 39,000 | 39,000 | 39,000 |
| Pumping Station Upgrade & Pump | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon - WSER Effluent Quality Upgrade | - | 1,430,000 | - | - | - | - | 1,430,000 | - | - | - | - | - | - |
| Bank Stabilization | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Sludge Removal (Mapping) | 5,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Webb St - 20m E of Raglan St W to Pellister St W (100m) | - | 220,000 | 220,000 | - | - | - | - | - | - | - | - | - | - |
| King St S - Arthur St E to 70m E of Arthur St E (70m) | - | 159,600 | - | - | - | - | - | - | - | 159,600 | - | - | - |
| King St S - Marklane St to Young St E (200m) | - | 470,000 | - | - | - | - | - | - | 470,000 | - | - | - | - |
| King St S - Raglan St E to Jessie St (550m) | - | 1,210,000 | - | - | - | - | - | - | 1,210,000 | - | - | - | - |
| Queen St S - Young St E to Jessie St (670m) | - | 1,474,000 | - | - | - | - | - | 1,474,000 | - | - | - | - | - |
| Louise St - Elora St N to 120m S of John St N (310m) | - | 682,000 | - | - | - | - | - | - | - | - | 682,000 | - | - |
| John St N - Adelaide St to William St W (380m) | - | 836,000 | - | - | - | - | - | - | - | - | 836,000 | - | - |
| Queen St N - 70m W of William St E to William St E (70m) | - | 154,000 | - | - | - | - | - | - | - | - | - | 154,000 | - |
| Queen St N - 20m E of William St E to 30m E of Union St E (130m) | - | 286,000 | - | - | - | - | - | - | - | - | - | 286,000 | - |
| Queen St N - 30m E of Union St E to Arthur St E (140m) | - | 308,000 | - | - | - | - | - | - | - | - | - | 308,000 | - |
| ***Palmerston*** | | - | | | | | | | | | | | |
| Main Street | 81,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (Study and Work) | - | 302,000 | - | - | - | 34,000 | 35,000 | 36,000 | 37,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Plant Upgrades, Expansion & Clarifier | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (381m) | - | 781,050 | 781,050 | - | - | - | - | - | - | - | - | - | - |
| SANMH P112A to P112C (150m) | - | 307,500 | - | 307,500 | - | - | - | - | - | - | - | - | - |
| Queen Street South (215m) | - | 440,750 | - | - | - | - | - | - | - | - | - | 440,750 | - |
| Increase Treatment Capacity | - | 36,876,500 | - | - | - | - | - | - | - | - | - | 18,438,250 | 18,438,250 |
| Queen St S - 30m N of King St to Victoria St (80m) | - | 176,000 | - | - | - | - | - | - | - | 176,000 | - | - | - |
| Queen St S - William St to 50m N of William St (50m) | - | 110,000 | - | - | - | - | - | - | - | 110,000 | - | - | - |
| Daly St - 90m E of Whites Rd to 20m E of Whites Rd (70m) | - | 154,000 | - | - | - | - | - | - | - | - | 154,000 | - | - |
| Norman St - 50m N of Main St W to 30m S of Boulton St (130m) | - | 286,000 | - | - | - | - | - | - | - | - | - | 286,000 | - |
| Cumberland St - Main St E to 50m S of Main St E (50m) | - | 110,000 | - | - | - | - | - | - | - | - | - | - | 110,000 |
| King St - Main St W to King St. Hotel (95m) | - | 209,000 | 209,000 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 836,000 | - | - | - | - | 836,000 | - | - | - | - | - | - |
| ***General*** | | - | | | | | | | | | | | |
| Engineering | - | 200,000 | - | - | - | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Consulting | 20,000 | 100,000 | - | - | - | - | 50,000 | - | - | - | - | 50,000 | - |
| Servicing Strategy | 2,000 | 12,000 | - | - | - | 2,000 | 2,000 | - | 2,000 | 2,000 | 2,000 | 2,000 | - |
| 2024 - Harriston Webb Street Extension | 52,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Equipment | 10,000 | 56,000 | - | - | - | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Computer Hardware/Software | - | 40,000 | - | - | - | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| SCADA - Sewer | 10,000 | 80,000 | - | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Pumps / Valves | 90,000 | 280,000 | - | - | - | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Chemical Pumps | 30,000 | 15,000 | - | - | - | 5,000 | - | - | 5,000 | - | - | 5,000 | - |
| CLI ECA - Sanitary | 10,000 | 80,000 | - | - | - | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |

Table B-1 (continued)
Town of Minto
Capital Budget Forecast (uninflated $) – Wastewater

| Description | Budget | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026-2036 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| ***Studies:*** | | - | | | | | | | | | | | |
| Wastewater Rate Study | 12,717 | 25,433 | - | - | - | - | 12,717 | - | - | - | - | 12,717 | - |
| Servicing Strategy Updates | - | 45,000 | 15,000 | - | - | - | - | 15,000 | - | - | - | - | 15,000 |
| Servicing Standards Update | - | 22,500 | 7,500 | - | - | - | - | 7,500 | - | - | - | - | 7,500 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Water Model/Sewer Model | - | 22,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| **Total Capital Expenditures** | **$562,717** | **$52,314,783** | **$2,674,000** | **$667,500** | **$852,000** | **$269,000** | **$2,620,717** | **$1,688,500** | **$1,882,000** | **$647,600** | **$1,886,000** | **$20,344,717** | **$18,782,750** |

Table B-2
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| Ultra-Rib Inspection/Lining | - | 50,000 | 50,000 | - | - | - | - | - | - | - | - | - | - |
| Clifford Pump | - | 18,000 | 18,000 | - | - | - | - | - | - | - | - | - | - |
| King Street | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Harriston Pumping Station upgrade & pump | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Main Street | - | 118,950 | 118,950 | - | - | - | - | - | - | - | - | - | - |
| Palmerston Plant upgrades, expansion | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - |
| Assimilated Capacity | - | 30,000 | 30,000 | - | - | - | - | - | - | - | - | - | - |
| Servicing Strategy | - | 2,500 | 2,500 | - | - | - | - | - | - | - | - | - | - |
| Equipment | - | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| SCADA | - | 60,000 | 60,000 | - | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 35,000 | 35,000 | - | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 12,000 | 12,000 | - | - | - | - | - | - | - | - | - | - |
| Arthur St W | - | 125,000 | 125,000 | - | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | 4,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow & Infiltration Studies | - | 62,000 | 62,000 | - | - | - | - | - | - | - | - | - | - |
| Safety Equipment | - | 20,000 | 20,000 | - | - | - | - | - | - | - | - | - | - |
| Jane & Norman Easement-town sh-$180, Developer-$30k; | - | 210,000 | 210,000 | - | - | - | - | - | - | - | - | - | - |
| Raglan St/Webb St | - | 520,000 | 520,000 | - | - | - | - | - | - | - | - | - | - |
| Inflow and Infiltration Studies (H&P) | - | 62,000 | - | 62,000 | - | - | - | - | - | - | - | - | - |
| Ultra-Rib Inspection/Lining | - | 25,000 | - | 25,000 | - | - | - | - | - | - | - | - | - |
| Assimlative Capacity | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| SCADA | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Pumps/Valves | - | 36,000 | - | 36,000 | - | - | - | - | - | - | - | - | - |
| Chemical Pump | - | 5,000 | - | 5,000 | - | - | - | - | - | - | - | - | - |
| CLI ECA Sanitary | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Computer Hardware & Software | - | 4,000 | - | 4,000 | - | - | - | - | - | - | - | - | - |
| King St Harriston Design | - | 52,000 | - | 52,000 | - | - | - | - | - | - | - | - | - |
| Norman St | - | 104,000 | - | 104,000 | - | - | - | - | - | - | - | - | - |
| Boulton Street Engineering and Tender | - | 54,000 | - | - | 54,000 | - | - | - | - | - | - | - | - |
| Vac Truck | - | 162,000 | - | - | 162,000 | - | - | - | - | - | - | - | - |
| Harriston - King St S Construction | - | 542,000 | - | - | 542,000 | - | - | - | - | - | - | - | - |
| 2016 Ford F550 (#19) | - | 85,000 | - | - | - | 85,000 | - | - | - | - | - | - | - |
| 2021 Chevy Silverado (#3) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| 2023 Ford F250 (#2) | - | 117,000 | - | - | - | - | 117,000 | - | - | - | - | - | - |
| 2023 Ford F150 (#8) | - | 188,000 | - | - | 81,000 | - | - | - | - | - | - | 107,000 | - |
| *Clifford* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ultra-Rib Inspection / Lining | 23,000 | 330,000 | - | - | - | 28,000 | 31,000 | 32,000 | 34,000 | 37,000 | 54,000 | 56,000 | 58,000 |
| Clifford Pump | 12,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon Rehabilitation | 45,000 | - | - | - | - | - | - | - | - | - | - | - | - |

Table B-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| *Harriston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| King Street North Development | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (study and work) | - | 388,000 | - | - | - | 38,000 | 41,000 | 44,000 | 47,000 | 50,000 | 54,000 | 56,000 | 58,000 |
| Pumping Station Upgrade & Pump | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Lagoon - WSER Effluent Quality Upgrade | - | 1,678,000 | - | - | - | - | 1,678,000 | - | - | - | - | - | - |
| Bank Stabilization | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Sludge Removal (Mapping) | 5,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Webb St - 20m E of Raglan St W to Pellister St W (100m) | - | 220,000 | 220,000 | - | - | - | - | - | - | - | - | - | - |
| King St S - Arthur St E to 70m E of Arthur St E (70m) | - | 211,000 | - | - | - | - | - | - | - | 211,000 | - | - | - |
| King St S - Marklane St to Young St E (200m) | - | 597,000 | - | - | - | - | - | - | 597,000 | - | - | - | - |
| King St S - Raglan St E to Jessie St (550m) | - | 1,538,000 | - | - | - | - | - | - | 1,538,000 | - | - | - | - |
| Queen St S - Young St E to Jessie St (670m) | - | 1,800,000 | - | - | - | - | - | 1,800,000 | - | - | - | - | - |
| Louise St - Elora St N to 120m S of John St N (310m) | - | 939,000 | - | - | - | - | - | - | - | - | 939,000 | - | - |
| John St N - Adelaide St to William St W (380m) | - | 1,151,000 | - | - | - | - | - | - | - | - | 1,151,000 | - | - |
| Queen St N - 70m W of William St E to William St E (70m) | - | 221,000 | - | - | - | - | - | - | - | - | - | 221,000 | - |
| Queen St N - 20m E of William St E to 30m E of Union St E (130m) | - | 410,000 | - | - | - | - | - | - | - | - | - | 410,000 | - |
| Queen St N - 30m E of Union St E to Arthur St E (140m) | - | 441,000 | - | - | - | - | - | - | - | - | - | 441,000 | - |
| *Palmerston* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Main Street | 81,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Inflow and Infiltration (Study and Work) | - | 395,000 | - | - | - | 38,000 | 41,000 | 44,000 | 47,000 | 53,000 | 55,000 | 57,000 | 60,000 |
| Plant Upgrades, Expansion & Clarifier | 60,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Main St W (381m) | - | 781,050 | 781,050 | - | - | - | - | - | - | - | - | - | - |
| SANMH P112A to P112C (150m) | - | 320,000 | - | 320,000 | - | - | - | - | - | - | - | - | - |
| Queen Street South (215m) | - | 631,000 | - | - | - | - | - | - | - | - | - | 631,000 | - |
| Increase Treatment Capacity | - | 53,900,000 | - | - | - | - | - | - | - | - | - | 26,412,000 | 27,488,000 |
| Queen St S - 30m N of King St to Victoria St (80m) | - | 233,000 | - | - | - | - | - | - | - | 233,000 | - | - | - |
| Queen St S - William St to 50m N of William St (50m) | - | 145,000 | - | - | - | - | - | - | - | 145,000 | - | - | - |
| Daly St - 90m E of Whites Rd to 20m E of Whites Rd (70m) | - | 212,000 | - | - | - | - | - | - | - | - | 212,000 | - | - |
| Norman St - 50m N of Main St W to 30m S of Boulton St (130m) | - | 410,000 | - | - | - | - | - | - | - | - | - | 410,000 | - |
| Cumberland St - Main St E to 50m S of Main St E (50m) | - | 164,000 | - | - | - | - | - | - | - | - | - | - | 164,000 |
| King St - Main St W to King St. Hotel (95m) | - | 209,000 | 209,000 | - | - | - | - | - | - | - | - | - | - |
| Boulton St - Norman St to Whites Rd (380m) | - | 981,000 | - | - | - | - | 981,000 | - | - | - | - | - | - |
| *General* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Engineering | - | 260,000 | - | - | - | 28,000 | 29,000 | 31,000 | 32,000 | 33,000 | 34,000 | 36,000 | 37,000 |
| Consulting | 20,000 | 131,000 | - | - | - | - | 59,000 | - | - | - | - | 72,000 | - |
| Servicing Strategy | 2,000 | 16,000 | - | - | - | 2,000 | 2,000 | - | 3,000 | 3,000 | 3,000 | 3,000 | - |
| 2024 - Harriston Webb Street Extension | 52,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Equipment | 10,000 | 73,000 | - | - | - | 8,000 | 8,000 | 9,000 | 9,000 | 9,000 | 10,000 | 10,000 | 10,000 |
| Computer Hardware/Software | - | 52,000 | - | - | - | 6,000 | 6,000 | 6,000 | 6,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| SCADA - Sewer | 10,000 | 104,000 | - | - | - | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |
| Pumps / Valves | 90,000 | 363,000 | - | - | - | 39,000 | 41,000 | 43,000 | 44,000 | 46,000 | 48,000 | 50,000 | 52,000 |
| Chemical Pumps | 30,000 | 19,000 | - | - | - | 6,000 | - | - | 6,000 | - | - | 7,000 | - |
| CLI ECA - Sanitary | 10,000 | 104,000 | - | - | - | 11,000 | 12,000 | 12,000 | 13,000 | 13,000 | 14,000 | 14,000 | 15,000 |

Table B-2 (continued)
Town of Minto
Capital Budget Forecast and Recommended Capital Financing (inflated $) – Wastewater

| Description | Budget 2025 | Total | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| **Capital Expenditures** | | | | | | | | | | | | | |
| *Studies:* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Rate Study | 12,717 | 33,000 | - | - | - | - | 15,000 | - | - | - | - | 18,000 | - |
| Servicing Strategy Updates | - | 55,000 | 15,000 | - | - | - | - | 18,000 | - | - | - | - | 22,000 |
| Servicing Standards Update | - | 27,500 | 7,500 | - | - | - | - | 9,000 | - | - | - | - | 11,000 |
| Allocations By-Law Study | - | 10,000 | - | 10,000 | - | - | - | - | - | - | - | - | - |
| Water Model/Sewer Model | - | 27,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| **Total Capital Expenditures** | **562,717** | **72,715,000** | **2,674,000** | **692,000** | **922,000** | **302,000** | **3,075,000** | **2,062,000** | **2,392,000** | **856,000** | **2,598,000** | **29,142,000** | **28,000,000** |
| **Capital Financing** | | | | | | | | | | | | | |
| Provincial/Federal Grants - Non-Growth Related | - | 580,000 | 580,000 | | | | | | | | | | |
| Provincial/Federal Grants - Growth Related | - | 5,840,000 | 450,000 | | | | | | | | | 2,641,200 | 2,748,800 |
| Development Charges Reserve Fund | - | 8,046,350 | - | - | - | - | - | - | - | - | - | 7,307,150 | 739,200 |
| Non-Growth Related Debenture Requirements | - | 250,000 | 250,000 | - | - | - | - | - | - | - | - | - | - |
| Growth Related Debenture Requirements | - | 41,000,000 | - | - | - | - | - | - | - | - | - | 17,000,000 | 24,000,000 |
| Wastewater Reserve | 562,717 | 16,998,650 | 1,394,000 | 692,000 | 922,000 | 302,000 | 3,075,000 | 2,062,000 | 2,392,000 | 856,000 | 2,598,000 | 2,193,650 | 512,000 |
| **Total Capital Financing** | **562,717** | **72,715,000** | **2,674,000** | **692,000** | **922,000** | **302,000** | **3,075,000** | **2,062,000** | **2,392,000** | **856,000** | **2,598,000** | **29,142,000** | **28,000,000** |

Table B-3
Town of Minto
Schedule of Non-Growth-Related Debenture Repayments (inflated $) – Wastewater

| Debenture Year | 2025 | Principal (Inflated) | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| 2026 | | 250,000 | | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 | 18,395 |
| 2027 | | - | | | - | - | - | - | - | - | - | - | - |
| 2028 | | - | | | | - | - | - | - | - | - | - | - |
| 2029 | | - | | | | | - | - | - | - | - | - | - |
| 2030 | | - | | | | | | - | - | - | - | - | - |
| 2031 | | - | | | | | | | - | - | - | - | - |
| 2032 | | - | | | | | | | | - | - | - | - |
| 2033 | | - | | | | | | | | | - | - | - |
| 2034 | | - | | | | | | | | | | - | - |
| 2035 | | - | | | | | | | | | | | - |
| 2036 | | - | | | | | | | | | | | |
| **Total Annual Debt Charges** | **-** | **250,000** | **-** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** | **18,395** |

## Table B-4
## Town of Minto
## Schedule of Growth-Related Debenture Repayments (inflated $) – Wastewater

| Debenture Year | 2025 | Principal (Inflated) | Forecast | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
| 2026 | | - | | - | - | - | - | - | - | - | - | - | - |
| 2027 | | - | | | - | - | - | - | - | - | - | - | - |
| 2028 | | - | | | | - | - | - | - | - | - | - | - |
| 2029 | | - | | | | | - | - | - | - | - | - | - |
| 2030 | | - | | | | | | - | - | - | - | - | - |
| 2031 | | - | | | | | | | - | - | - | - | - |
| 2032 | | - | | | | | | | | - | - | - | - |
| 2033 | | - | | | | | | | | | - | - | - |
| 2034 | | - | | | | | | | | | | - | - |
| 2035 | | 17,000,000 | | | | | | | | | | | 1,250,890 |
| 2036 | | 24,000,000 | | | | | | | | | | | |
| **Total Annual Debt Charges** | **-** | **41,000,000** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **1,250,890** |

## Table B-5
## Town of Minto
## Wastewater Reserve/Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 3,302,682 | 3,898,192 | 3,801,671 | 4,451,362 | 4,877,312 | 5,989,698 | 4,304,449 | 3,636,068 | 2,658,856 | 3,283,247 | 2,198,114 | 1,557,924 |
| Transfer from Operating | 1,081,791 | 1,222,937 | 1,254,409 | 1,252,317 | 1,296,941 | 1,305,350 | 1,322,324 | 1,362,653 | 1,416,014 | 1,469,767 | 1,522,912 | 1,576,274 |
| Transfer to Capital | 562,717 | 1,394,000 | 692,000 | 922,000 | 302,000 | 3,075,000 | 2,062,000 | 2,392,000 | 856,000 | 2,598,000 | 2,193,650 | 512,000 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **3,821,757** | **3,727,129** | **4,364,080** | **4,781,679** | **5,872,253** | **4,220,048** | **3,564,773** | **2,606,721** | **3,218,870** | **2,155,014** | **1,527,376** | **2,622,197** |
| Interest | 76,435 | 74,543 | 87,282 | 95,634 | 117,445 | 84,401 | 71,295 | 52,134 | 64,377 | 43,100 | 30,548 | 52,444 |

## Table B-6
## Town of Minto
## Town-Wide Wastewater Development Charges Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 1,669,930 | 1,973,187 | 2,269,008 | 2,585,663 | 2,919,696 | 3,376,415 | 3,858,478 | 4,531,246 | 5,478,787 | 6,494,041 | 7,566,464 | 1,245,484 |
| Development Charge Proceeds | 264,567 | 251,331 | 265,955 | 276,784 | 390,515 | 406,407 | 583,921 | 840,114 | 887,920 | 924,060 | 961,750 | 1,008,490 |
| Transfer to Capital | - | - | - | - | - | - | - | - | - | - | 7,307,150 | 739,200 |
| Transfer to Operating | - | - | - | - | - | - | - | - | - | - | - | 1,250,890 |
| **Closing Balance** | **1,934,497** | **2,224,518** | **2,534,963** | **2,862,447** | **3,310,210** | **3,782,821** | **4,442,398** | **5,371,360** | **6,366,707** | **7,418,102** | **1,221,063** | **263,885** |
| Interest | 38,690 | 44,490 | 50,699 | 57,249 | 66,204 | 75,656 | 88,848 | 107,427 | 127,334 | 148,362 | 24,421 | 5,278 |

Table B-7
Town of Minto
Wastewater Contingency Reserve Fund Continuity (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Opening Balance | 500,000 | 469,268 | 510,000 | 520,200 | 530,604 | 541,216 | 552,040 | 563,081 | 574,343 | 585,830 | 597,546 | 609,497 |
| Transfer from Operating | - | 30,732 | - | - | - | - | - | - | - | - | - | - |
| Transfer to Operating | 39,933 | - | - | - | - | - | - | - | - | - | - | - |
| **Closing Balance** | **460,067** | **500,000** | **510,000** | **520,200** | **530,604** | **541,216** | **552,040** | **563,081** | **574,343** | **585,830** | **597,546** | **609,497** |
| Interest | 9,201 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,041 | 11,262 | 11,487 | 11,717 | 11,951 | 12,190 |

Table B-8
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| SALARIES & WAGES | 423,700 | 503,000 | 513,060 | 523,321 | 533,787 | 544,463 | 555,352 | 566,459 | 577,788 | 589,344 | 601,131 | 613,154 |
| BENEFITS - FULL TIME | 135,600 | 166,100 | 169,422 | 172,810 | 176,266 | 179,791 | 183,387 | 187,055 | 190,796 | 194,612 | 198,504 | 202,474 |
| BENEFITS - PART TIME | 3,200 | 2,700 | 2,754 | 2,809 | 2,865 | 2,922 | 2,980 | 3,040 | 3,101 | 3,163 | 3,226 | 3,291 |
| WAGES - PART TIME | 19,000 | 19,000 | 19,380 | 19,768 | 20,163 | 20,566 | 20,977 | 21,397 | 21,825 | 22,262 | 22,707 | 23,161 |
| CONFERENCES & MEETINGS | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |
| TRAINING | 8,000 | 8,000 | 8,160 | 8,323 | 8,489 | 8,659 | 8,832 | 9,009 | 9,189 | 9,373 | 9,560 | 9,751 |
| MILEAGE | 400 | 400 | 408 | 416 | 424 | 432 | 441 | 450 | 459 | 468 | 477 | 487 |
| ADMINISTRATION ALLOCATION | 99,000 | 101,700 | 103,734 | 105,809 | 107,925 | 110,084 | 112,286 | 114,532 | 116,823 | 119,159 | 121,542 | 123,973 |
| CLOTHING | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| LEGAL SERVICES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| CERTIFICATIONS | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| ENGINEERING SERVICES | 16,500 | 16,500 | 16,830 | 17,167 | 17,510 | 17,860 | 18,217 | 18,581 | 18,953 | 19,332 | 19,719 | 20,113 |
| SPECIAL CONSULTING SERVICES | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| MEMBERSHIP FEES | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| CLEANING SUPPLIES | 1,500 | 1,500 | 1,530 | 1,561 | 1,592 | 1,624 | 1,656 | 1,689 | 1,723 | 1,757 | 1,792 | 1,828 |
| OFFICE SUPPLIES | 2,500 | 2,500 | 2,550 | 2,601 | 2,653 | 2,706 | 2,760 | 2,815 | 2,871 | 2,928 | 2,987 | 3,047 |
| COMPUTER HARDWARE / SOFTWARE | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| SCADA MAINTENANCE | 30,000 | 20,000 | 20,400 | 20,808 | 21,224 | 21,648 | 22,081 | 22,523 | 22,973 | 23,432 | 23,901 | 24,379 |
| PUBLICATIONS & DATA RECEIVED | 100 | 100 | 102 | 104 | 106 | 108 | 110 | 112 | 114 | 116 | 118 | 120 |
| ADVERTISING & PROMOTIONS | 900 | 900 | 918 | 936 | 955 | 974 | 993 | 1,013 | 1,033 | 1,054 | 1,075 | 1,097 |
| TELEPHONE SERVICES & CHARGES | 1,200 | 1,200 | 1,224 | 1,248 | 1,273 | 1,298 | 1,324 | 1,350 | 1,377 | 1,405 | 1,433 | 1,462 |
| RADIO/GPS SERVICE & MAINT. | 600 | 600 | 612 | 624 | 636 | 649 | 662 | 675 | 689 | 703 | 717 | 731 |
| MACHINE TIME CHARGE | 192,000 | 192,000 | 195,840 | 199,757 | 203,752 | 207,827 | 211,984 | 216,224 | 220,548 | 224,959 | 229,458 | 234,047 |
| LEAK ADJUSTMENTS | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| SMALL TOOLS & EQUIPMENT | 6,000 | 6,000 | 6,120 | 6,242 | 6,367 | 6,494 | 6,624 | 6,756 | 6,891 | 7,029 | 7,170 | 7,313 |
| EQUIPMENT REPAIR & MAINTENANCE | 15,600 | 15,600 | 15,912 | 16,230 | 16,555 | 16,886 | 17,224 | 17,568 | 17,919 | 18,277 | 18,643 | 19,016 |
| SAFETY EQUIPMENT | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| SAFETY CLOTHING | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |
| ANNUAL INSURANCE COVERAGE | 37,100 | 38,900 | 40,845 | 42,887 | 45,031 | 47,283 | 49,647 | 52,129 | 54,735 | 57,472 | 60,346 | 63,363 |
| ANNUAL PROPERTY TAXES | 73,200 | 75,600 | 79,380 | 83,349 | 87,516 | 91,892 | 96,487 | 101,311 | 106,377 | 111,696 | 117,281 | 123,145 |
| HYDRO | 203,800 | 213,900 | 224,595 | 235,825 | 247,616 | 259,997 | 272,997 | 286,647 | 300,979 | 316,028 | 331,829 | 348,420 |
| GROUNDS MAINTENANCE - WINTER | 7,000 | 7,000 | 7,140 | 7,283 | 7,429 | 7,578 | 7,730 | 7,885 | 8,043 | 8,204 | 8,368 | 8,535 |
| BUILDING MAINTENANCE | 6,500 | 6,500 | 6,630 | 6,763 | 6,898 | 7,036 | 7,177 | 7,321 | 7,467 | 7,616 | 7,768 | 7,923 |
| SECURITY SYSTEM MONITORING / MAINTENANCE | 4,100 | 4,100 | 4,182 | 4,266 | 4,351 | 4,438 | 4,527 | 4,618 | 4,710 | 4,804 | 4,900 | 4,998 |
| VEHICLE FUEL & SUPPLIES | 3,500 | 3,500 | 3,570 | 3,641 | 3,714 | 3,788 | 3,864 | 3,941 | 4,020 | 4,100 | 4,182 | 4,266 |

Table B-8 (continued)
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | | |
| EQUIPMENT RENTAL | 4,100 | 4,100 | 4,182 | 4,266 | 4,351 | 4,438 | 4,527 | 4,618 | 4,710 | 4,804 | 4,900 | 4,998 |
| SUPPLIES | 5,300 | 5,300 | 5,406 | 5,514 | 5,624 | 5,736 | 5,851 | 5,968 | 6,087 | 6,209 | 6,333 | 6,460 |
| RENTAL EQUIPMENT | 1,000 | 1,000 | 1,020 | 1,040 | 1,061 | 1,082 | 1,104 | 1,126 | 1,149 | 1,172 | 1,195 | 1,219 |
| RISK MANAGEMENT | 11,100 | 11,100 | 11,322 | 11,548 | 11,779 | 12,015 | 12,255 | 12,500 | 12,750 | 13,005 | 13,265 | 13,530 |
| WASHROOM SUPPLIES | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| ePOST FEES | 300 | 300 | 306 | 312 | 318 | 324 | 330 | 337 | 344 | 351 | 358 | 365 |
| HEALTH & SAFETY | 5,000 | 5,000 | 5,100 | 5,202 | 5,306 | 5,412 | 5,520 | 5,630 | 5,743 | 5,858 | 5,975 | 6,095 |
| WATER & SEWER | 37,300 | 39,100 | 39,882 | 40,680 | 41,494 | 42,324 | 43,170 | 44,033 | 44,914 | 45,812 | 46,728 | 47,663 |
| INTEREST ON DEPOSITS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| VEHICLE INSPECTIONS & LICENSES | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| PLANT REPAIRS & MAINTENANCE | 60,000 | 60,000 | 61,200 | 62,424 | 63,672 | 64,945 | 66,244 | 67,569 | 68,920 | 70,298 | 71,704 | 73,138 |
| WASTEWATER TESTING | 38,800 | 38,800 | 41,710 | 44,838 | 48,201 | 51,816 | 55,702 | 59,880 | 64,371 | 69,199 | 74,389 | 79,968 |
| WASTEWATER TREATMENT | 84,500 | 84,500 | 90,838 | 97,651 | 104,975 | 112,848 | 121,312 | 130,410 | 140,191 | 150,705 | 162,008 | 174,159 |
| SEWER MAIN REPAIRS & MAINTENANCE | 21,000 | 21,000 | 22,575 | 24,268 | 26,088 | 28,045 | 30,148 | 32,409 | 34,840 | 37,453 | 40,262 | 43,282 |
| INSPECTIONS/CAMERA | 3,000 | 2,000 | 2,040 | 2,081 | 2,123 | 2,165 | 2,208 | 2,252 | 2,297 | 2,343 | 2,390 | 2,438 |
| SLUDGE REMOVAL | 29,900 | 36,000 | 36,720 | 37,454 | 38,203 | 38,967 | 39,746 | 40,541 | 41,352 | 42,179 | 43,023 | 43,883 |
| INSPECTIONS | 500 | 500 | 510 | 520 | 530 | 541 | 552 | 563 | 574 | 585 | 597 | 609 |
| FLOOD CONTROL EXPENSES | 5,000 | 7,500 | 7,650 | 7,803 | 7,959 | 8,118 | 8,280 | 8,446 | 8,615 | 8,787 | 8,963 | 9,142 |
| Vehicle Costs | (161,900) | (160,950) | (164,200) | (167,500) | (170,900) | (174,300) | (177,800) | (181,400) | (185,000) | (188,700) | (192,500) | (196,400) |
| **Sub Total Operating** | **1,460,400** | **1,587,050** | **1,636,549** | **1,688,135** | **1,741,877** | **1,797,994** | **1,856,516** | **1,917,569** | **1,981,402** | **2,048,056** | **2,117,699** | **2,190,506** |
| Capital-Related | | | | | | | | | | | | |
| Existing Debt (Principal) - Growth Related | | | | | | | | | | | | |
| Existing Debt (Interest) - Growth Related | | | | | | | | | | | | |
| New Growth Related Debt (Principal) | | - | - | - | - | - | - | - | - | - | - | 642,173 |
| New Growth Related Debt (Interest) | | - | - | - | - | - | - | - | - | - | - | 608,716 |
| Existing Debt (Principal) - Non-Growth Related | 201,810 | 110,741 | 92,863 | 94,643 | 54,774 | 55,207 | 55,651 | 56,106 | 56,572 | 57,049 | 57,539 | 58,040 |
| Existing Debt (Interest) - Non-Growth Related | 28,489 | 23,951 | 20,865 | 18,175 | 15,566 | 13,998 | 12,418 | 10,828 | 9,226 | 7,613 | 5,988 | 4,351 |
| New Non-Growth Related Debt (Principal) | | - | 8,395 | 8,731 | 9,081 | 9,444 | 9,821 | 10,214 | 10,623 | 11,048 | 11,490 | 11,949 |
| New Non-Growth Related Debt (Interest) | | - | 10,000 | 9,664 | 9,315 | 8,952 | 8,574 | 8,181 | 7,773 | 7,348 | 6,906 | 6,446 |
| Transfer to Contingency Reserve | | 30,732 | | | | | | | | | | |
| Transfer to Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to Capital Reserve | 1,081,791 | 1,222,937 | 1,254,409 | 1,252,317 | 1,296,941 | 1,305,350 | 1,322,324 | 1,362,653 | 1,416,014 | 1,469,767 | 1,522,912 | 1,576,274 |
| **Sub Total Capital Related** | **1,312,090** | **1,388,361** | **1,386,532** | **1,383,530** | **1,385,676** | **1,392,951** | **1,408,788** | **1,447,982** | **1,500,207** | **1,552,824** | **1,604,835** | **2,907,950** |
| **Total Expenditures** | **2,772,490** | **2,975,411** | **3,023,081** | **3,071,665** | **3,127,553** | **3,190,945** | **3,265,304** | **3,365,551** | **3,481,609** | **3,600,880** | **3,722,534** | **5,098,456** |

Table B-8 (continued)
Town of Minto
Operating Budget Forecast – Wastewater (inflated $)

| Description | Budget 2025 | Forecast 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | | | |
| Base Charge | 1,036,050 | 1,067,906 | 1,100,622 | 1,134,220 | 1,171,675 | 1,213,187 | 1,260,722 | 1,321,764 | 1,391,596 | 1,464,158 | 1,539,067 | 1,616,870 |
| Per Unit Charges | 76,718 | 78,252 | 79,817 | 81,414 | 83,042 | 84,703 | 86,397 | 88,125 | 89,887 | 91,685 | 93,519 | 95,389 |
| Flat Rate/Unmetered Customers | 2,846 | 2,975 | 2,999 | 3,023 | 3,048 | 3,073 | 3,099 | 3,125 | 3,152 | 3,179 | 3,207 | 3,236 |
| Other Revenue | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Contributions from Development Charges Reserve Fund | - | - | - | - | - | - | - | - | - | - | - | 1,250,890 |
| Contributions from Reserves / Reserve Funds | 39,933 | - | - | - | - | - | - | - | - | - | - | - |
| **Total Operating Revenue** | **1,157,048** | **1,150,633** | **1,184,938** | **1,220,156** | **1,259,264** | **1,302,463** | **1,351,717** | **1,414,514** | **1,486,135** | **1,560,523** | **1,637,293** | **2,967,885** |
| | | | | | | | | | | | | |
| **Wastewater Billing Recovery - Total** | **1,615,442** | **1,824,777** | **1,838,143** | **1,851,509** | **1,868,289** | **1,888,481** | **1,913,587** | **1,951,037** | **1,995,474** | **2,040,357** | **2,085,241** | **2,130,571** |

Table B-9
Town of Minto
Wastewater Rate Calculation (inflated $)

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Wastewater Billing Recovery | 1,615,442 | 1,824,777 | 1,838,143 | 1,851,509 | 1,868,289 | 1,888,481 | 1,913,587 | 1,951,037 | 1,995,474 | 2,040,357 | 2,085,241 | 2,130,571 |
| Total Volume ($m^3$) | 567,680 | 572,030 | 576,220 | 580,410 | 585,670 | 592,000 | 599,870 | 611,610 | 625,540 | 639,610 | 653,680 | 667,890 |
| **Constant Rate** | | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** | **3.19** |
| ***Existing Rates - Declining Block Rates*** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | **3.19** | | | | | | | | | | | |
| Block 2 (251 - 500 m3) | **2.33** | | | | | | | | | | | |
| Block 3 (501 - 3,000 m3) | **1.97** | | | | | | | | | | | |
| Block 4 (3,001+ m3) | **1.97** | | | | | | | | | | | |
| **Annual Percentage Change** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |

Table B-10
Town of Minto
Wastewater Rate Forecast

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Base Charges (per month) by Meter Size** | | | | | | | | | | | | |
| ¾" meter size | $32.49 | $33.14 | $33.80 | $34.48 | $35.17 | $35.87 | $36.59 | $37.32 | $38.07 | $38.83 | $39.61 | $40.40 |
| 1" meter size | $45.48 | $46.39 | $47.32 | $48.26 | $49.23 | $50.21 | $51.22 | $52.24 | $53.29 | $54.35 | $55.44 | $56.55 |
| 1 ½" meter size | $58.48 | $59.65 | $60.84 | $62.06 | $63.30 | $64.57 | $65.86 | $67.18 | $68.52 | $69.89 | $71.29 | $72.71 |
| 2" meter size | $94.21 | $96.09 | $98.02 | $99.98 | $101.98 | $104.02 | $106.10 | $108.22 | $110.38 | $112.59 | $114.84 | $117.14 |
| 3" meter size | $357.35 | $364.50 | $371.79 | $379.22 | $386.81 | $394.54 | $402.43 | $410.48 | $418.69 | $427.07 | $435.61 | $444.32 |
| 4"+ meter size | $454.81 | $463.91 | $473.18 | $482.65 | $492.30 | $502.15 | $512.19 | $522.43 | $532.88 | $543.54 | $554.41 | $565.50 |
| Per Unit Charge | $11.08 | $11.30 | $11.53 | $11.76 | $11.99 | $12.23 | $12.48 | $12.73 | $12.98 | $13.24 | $13.51 | $13.78 |
| **Increase to Block Rate (%)** | | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** | **2%** |
| | | | | | | | | | | | | |
| **Volume Charge - Constant Rate ($/m3)** | | | | | | | | | | | | |
| Block 1 (0 - 250 m3) | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 2 (251 - 500 m3) | $2.33 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 3 (501 - 3,000 m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| Block 4 (3,001+ m3) | $1.97 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 | $3.19 |
| **Increase to Volumetric Rate (%)** | | **n/a** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** |
| | | | | | | | | | | | | |
| **Unmetered/Flat Rate (per month)** | **$79.06** | **$82.63** | **$83.29** | **$83.97** | **$84.66** | **$85.36** | **$86.08** | **$86.81** | **$87.56** | **$88.32** | **$89.09** | **$89.89** |
| **Annual Percentage Change** | | **n/a** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** | **1%** |