



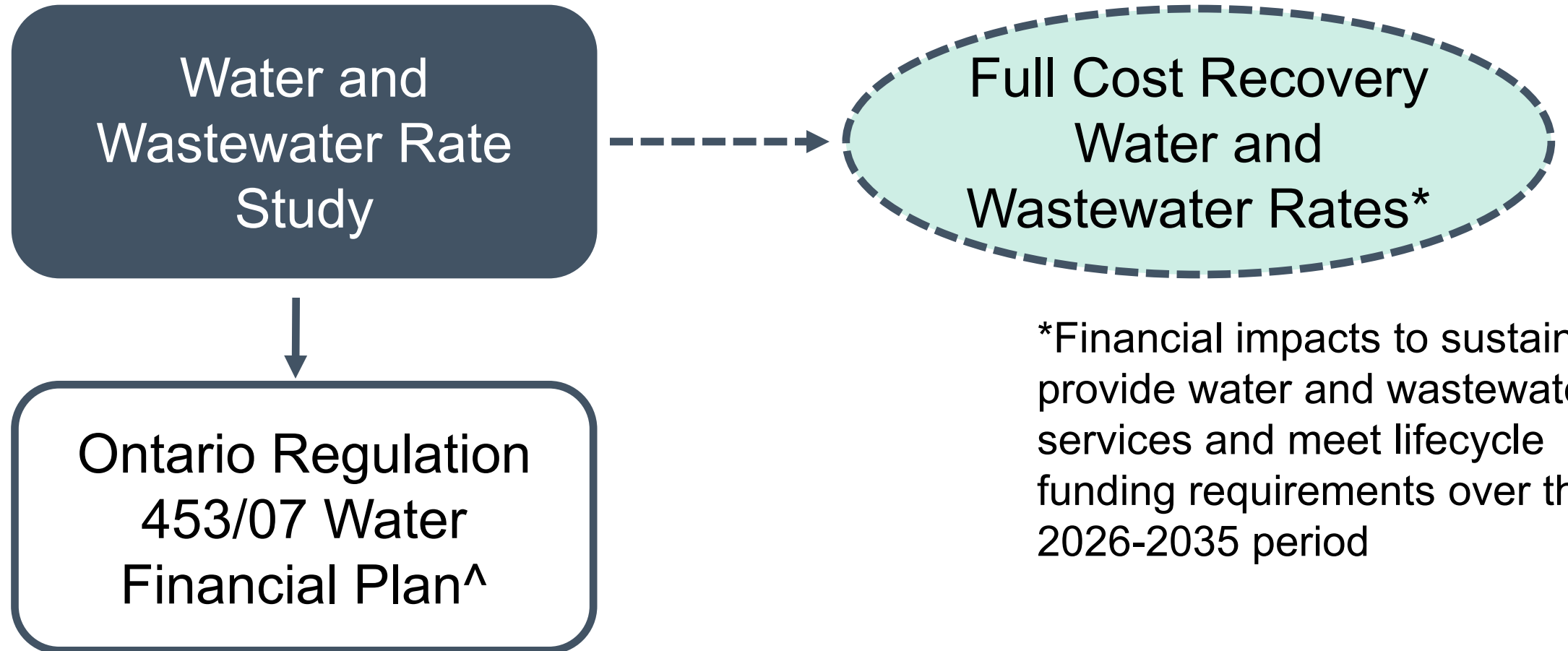
# Water and Wastewater Rate Study City of Kawartha Lakes

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**Committee of the Whole**  
November 4, 2025

# Water and Wastewater Rate Study

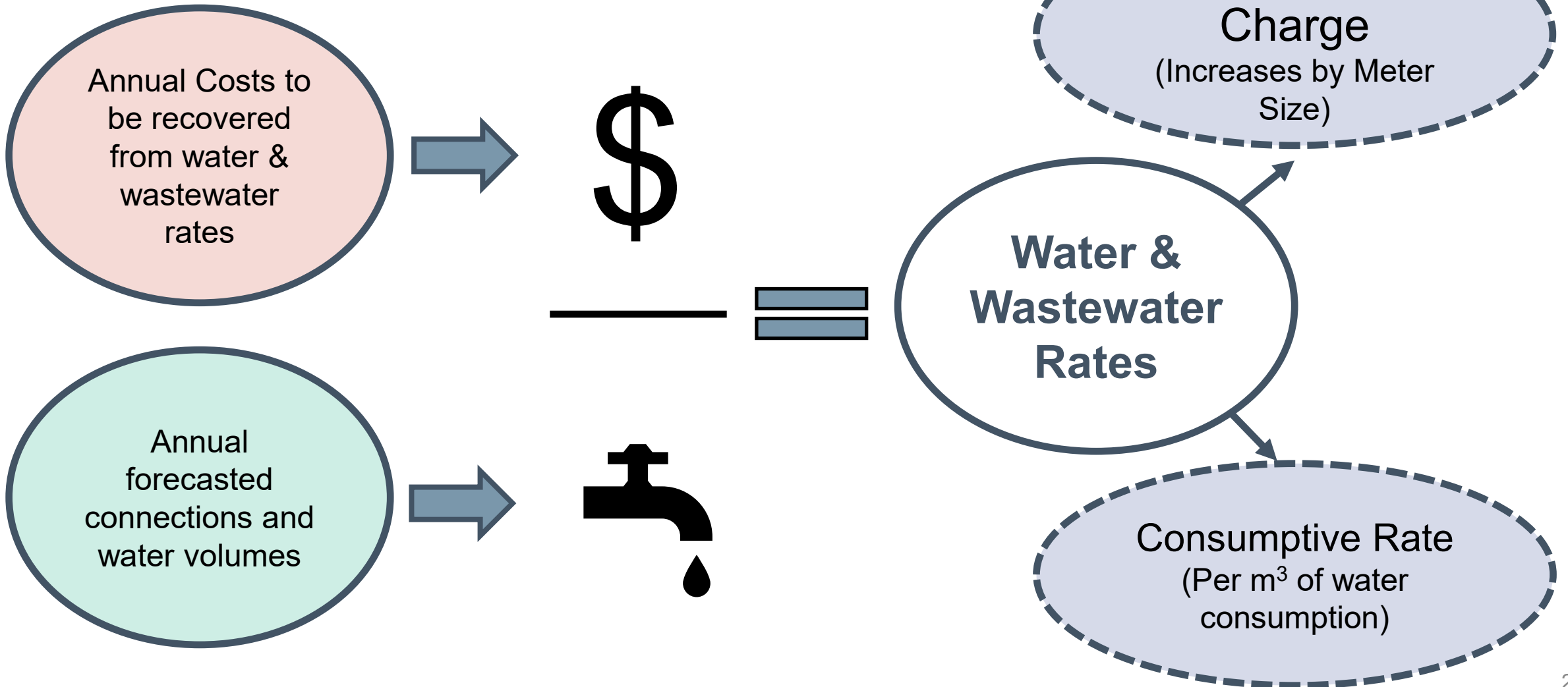
## Deliverables



\*Financial impacts to sustainably provide water and wastewater services and meet lifecycle funding requirements over the 2026-2035 period

**^Required as part of the City's Drinking Water License Renewal Application**

# Rate Setting Approach



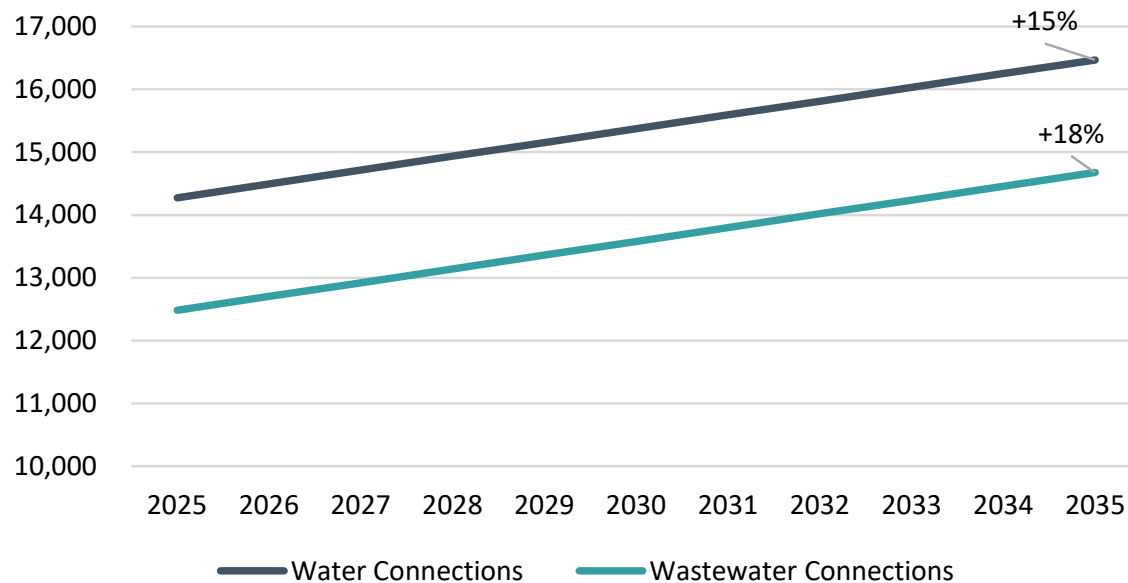
# Rate Setting Approach



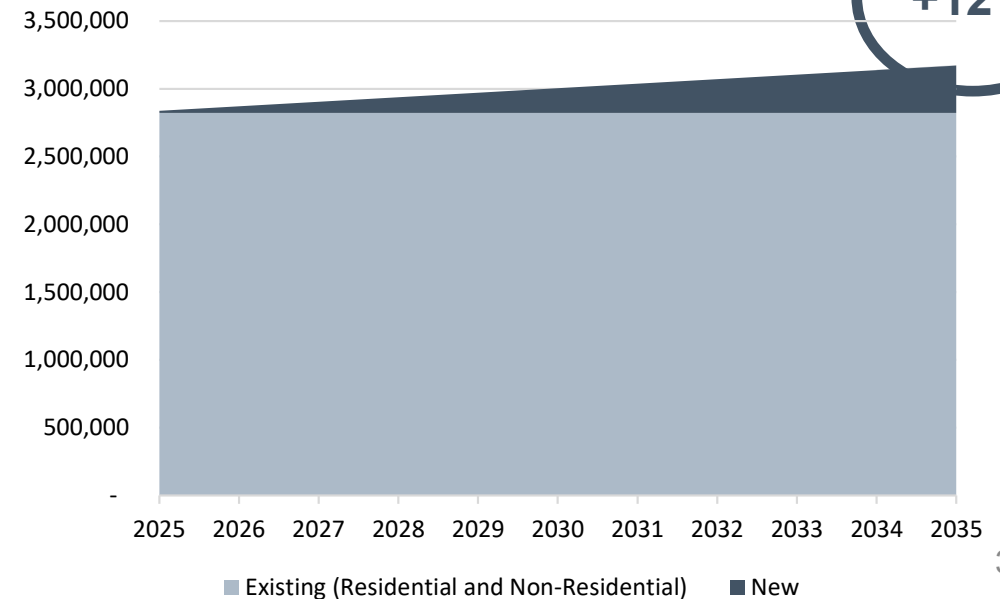
Forecasted Connections and Water Volumes

- Forecast connections and consumption based on average annual growth (2021-2024) and average consumption per connection (net of large volume users)

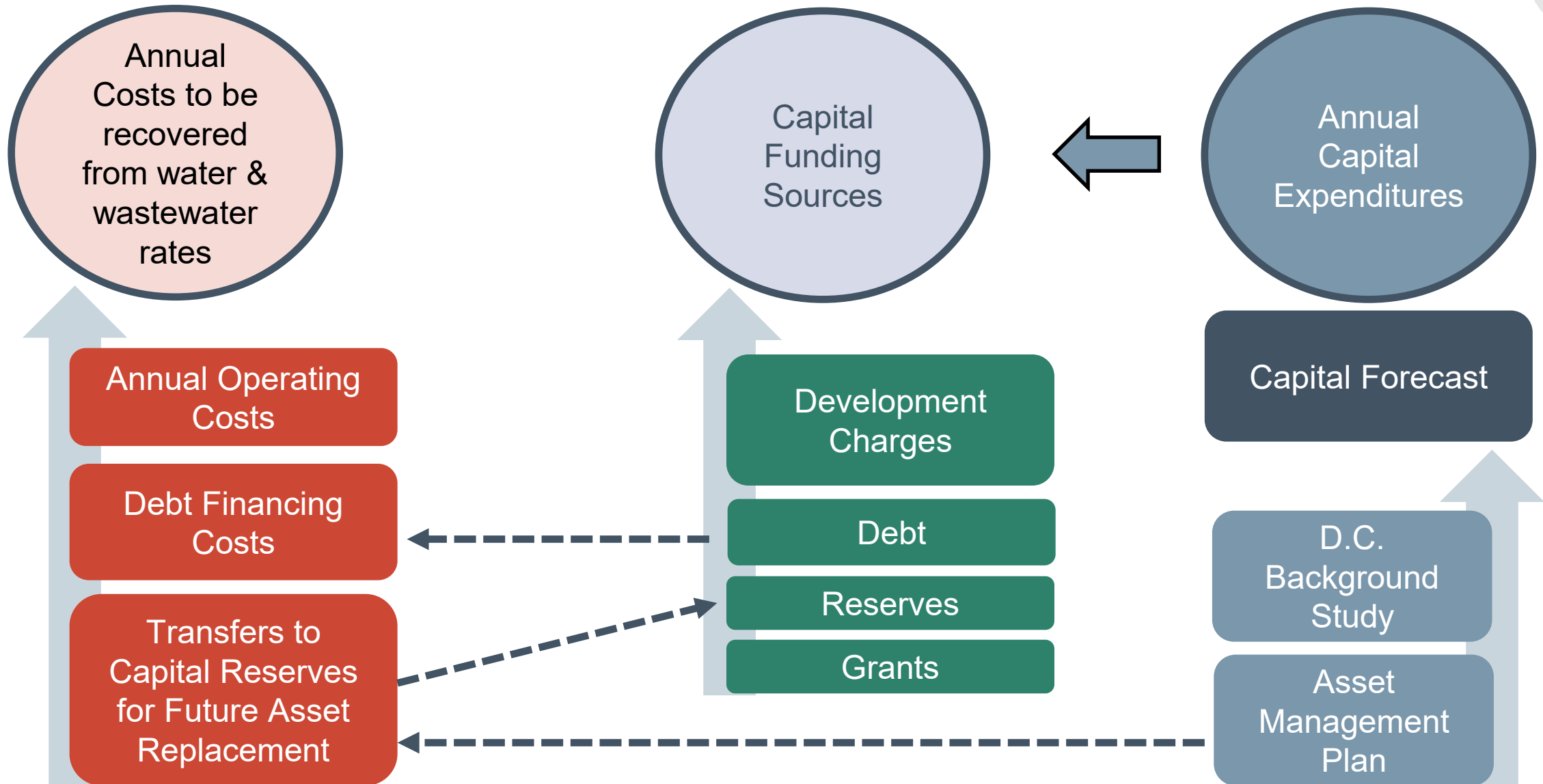
### Forecast Connections



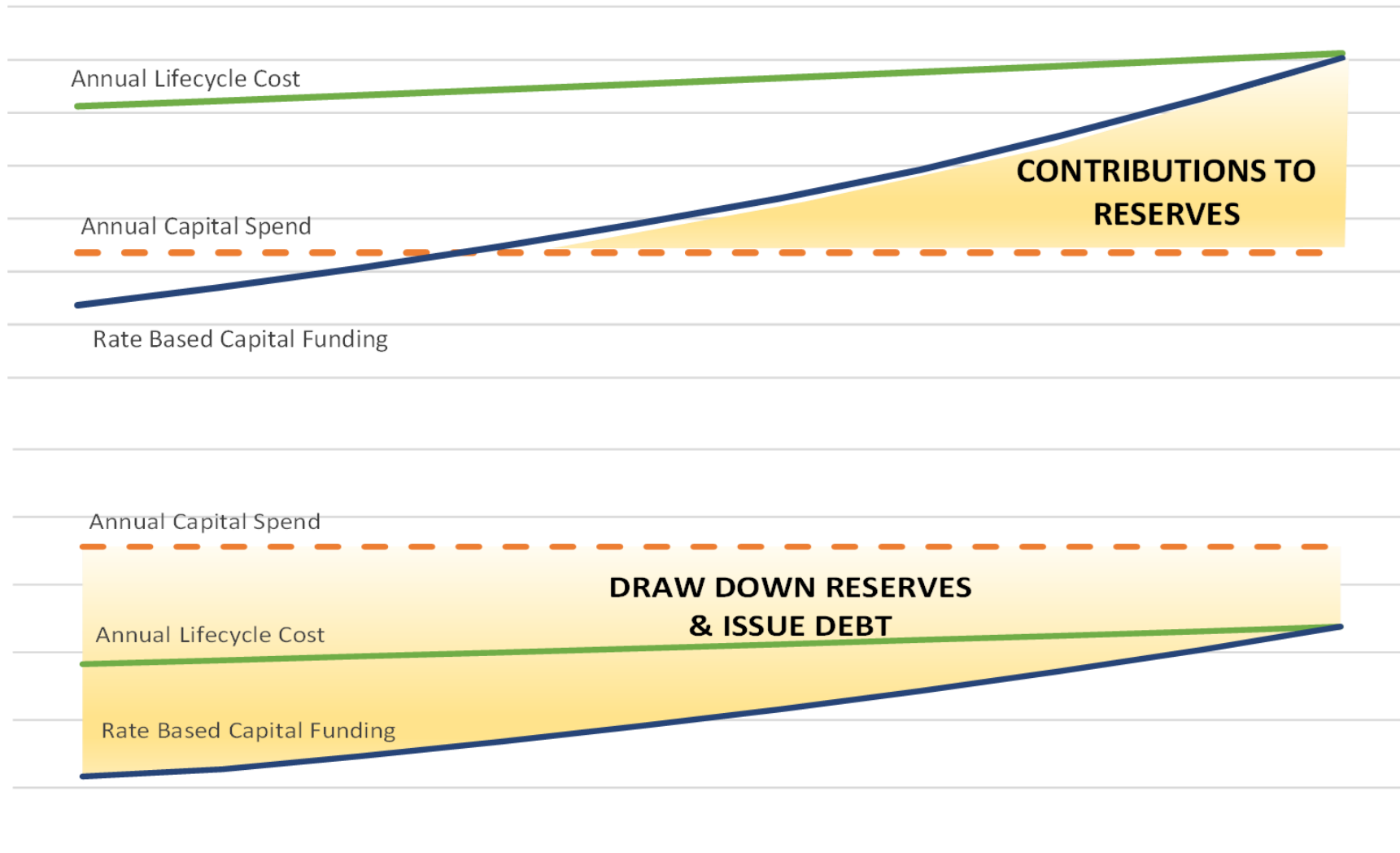
### Water Volume Forecast (m<sup>3</sup>)



# Rate Setting Approach



# Rate Setting Approach



# Capital Expenditure Forecast



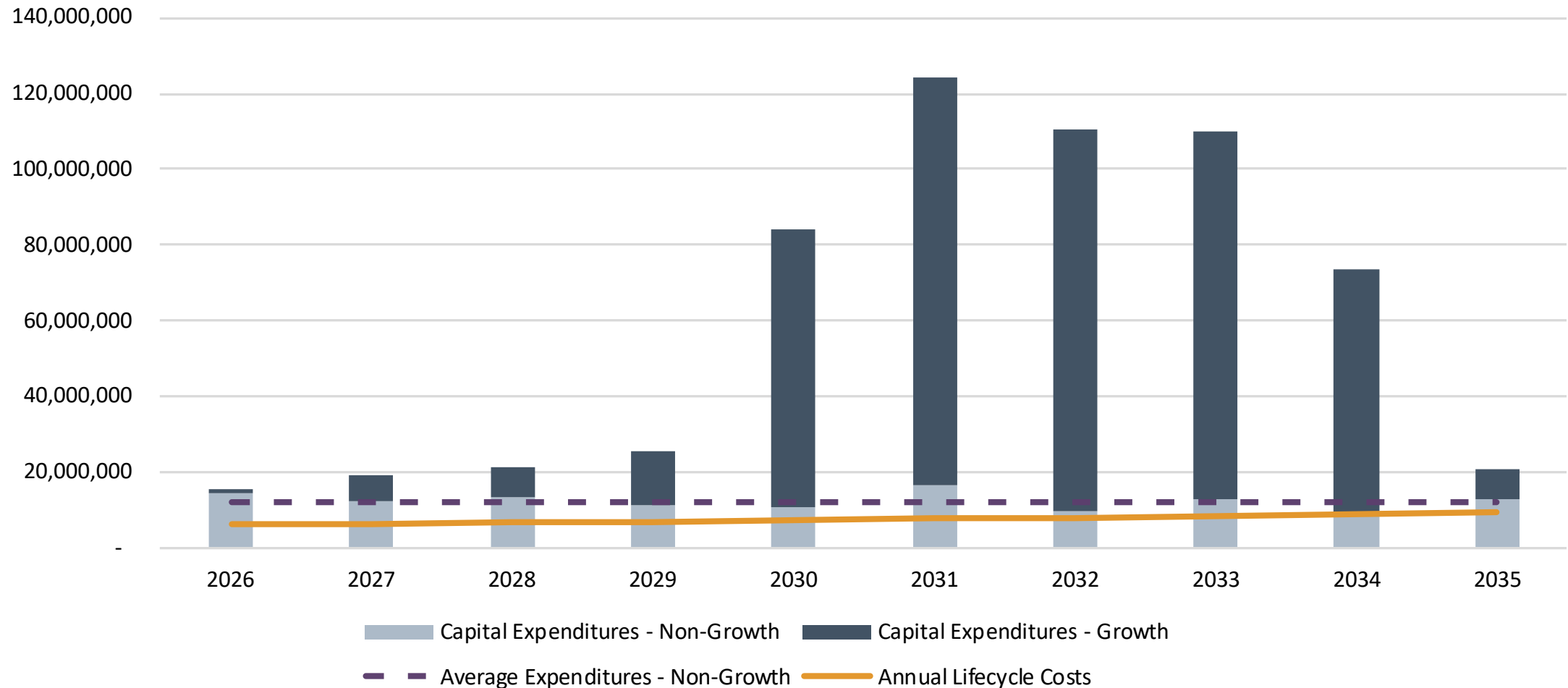
- Capital expenditures based on City's 10-year capital budget considers the D.C. Background Study and Asset Management Plan
- Capital costs inflated by 3% annually
- Average annual lifecycle costs based on 2025 AMP plus lifecycle costs related to growth-related infrastructure within forecast period

# Capital Expenditure Forecast

## Water



Forecasted Capital Expenditures (Water System)



**Lindsay WTP Phase 1 Construction - \$307.7 million (2030 to 2034)**

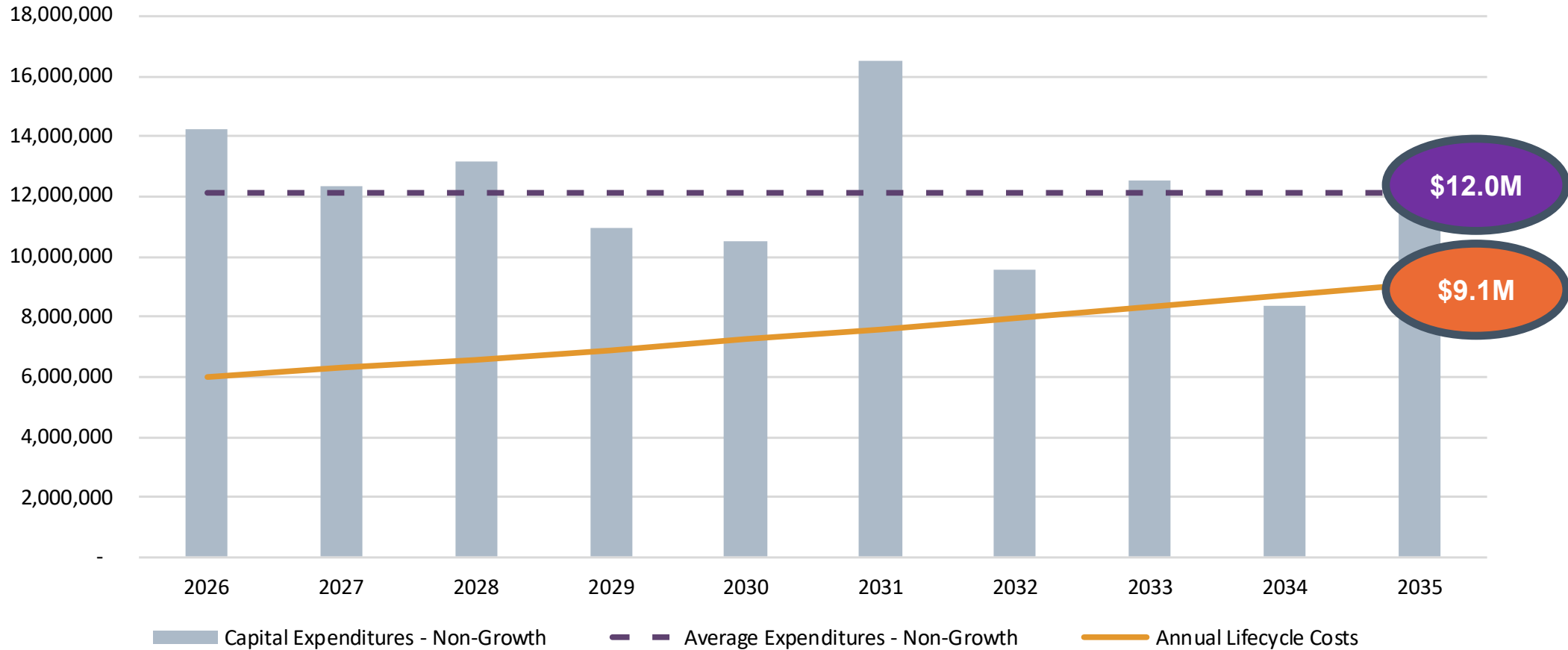
**Bobcaygeon WTP Construction - \$78.1 million (2031 to 2033)**

# Capital Expenditure Forecast (Excluding Growth)

## Water



Forecasted Capital Expenditures (Water System)

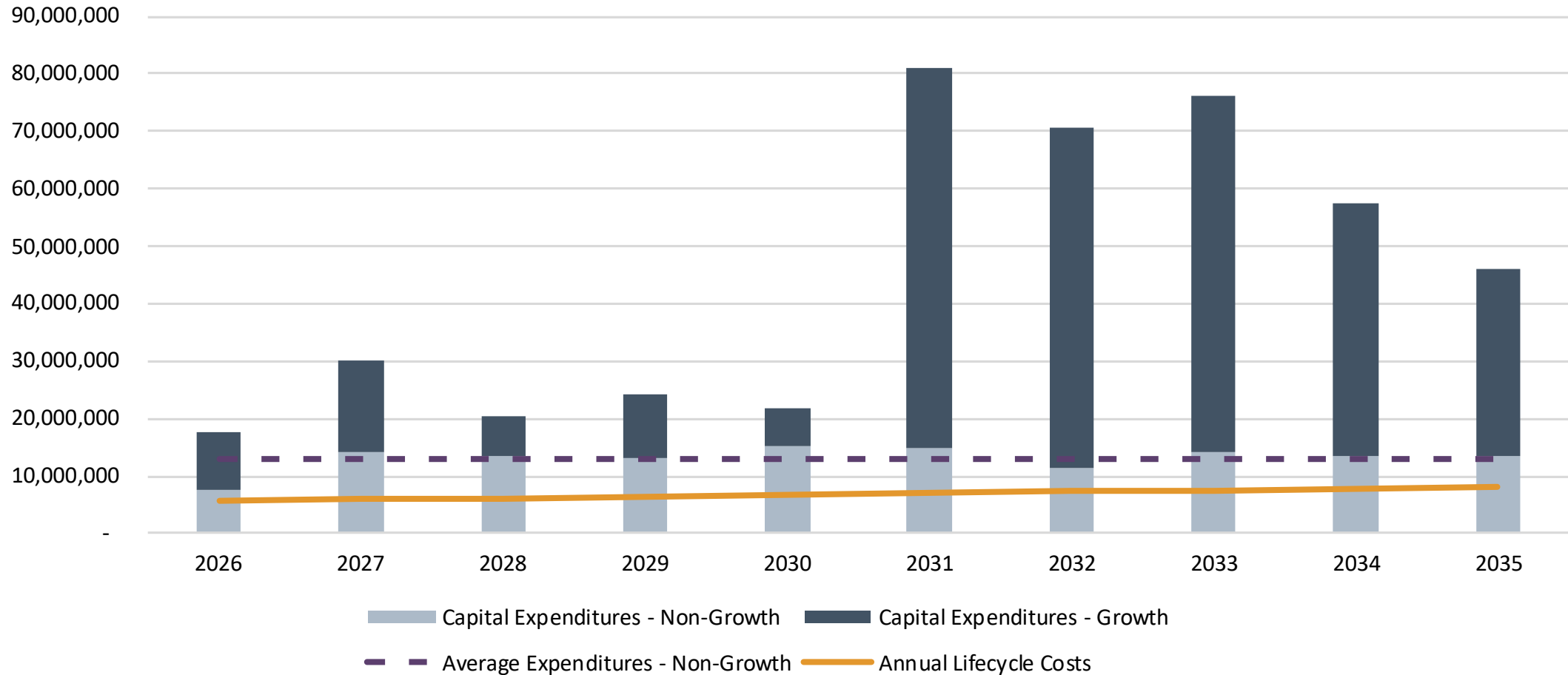


# Capital Expenditure Forecast



## Wastewater

Forecasted Capital Expenditures (Wastewater System)



**Lindsay WPCP Phase 1 Construction - \$152.1 million (2031 to 2035)**

**Bobcaygeon WPCP Construction - \$53.2 million (2031 to 2033)**

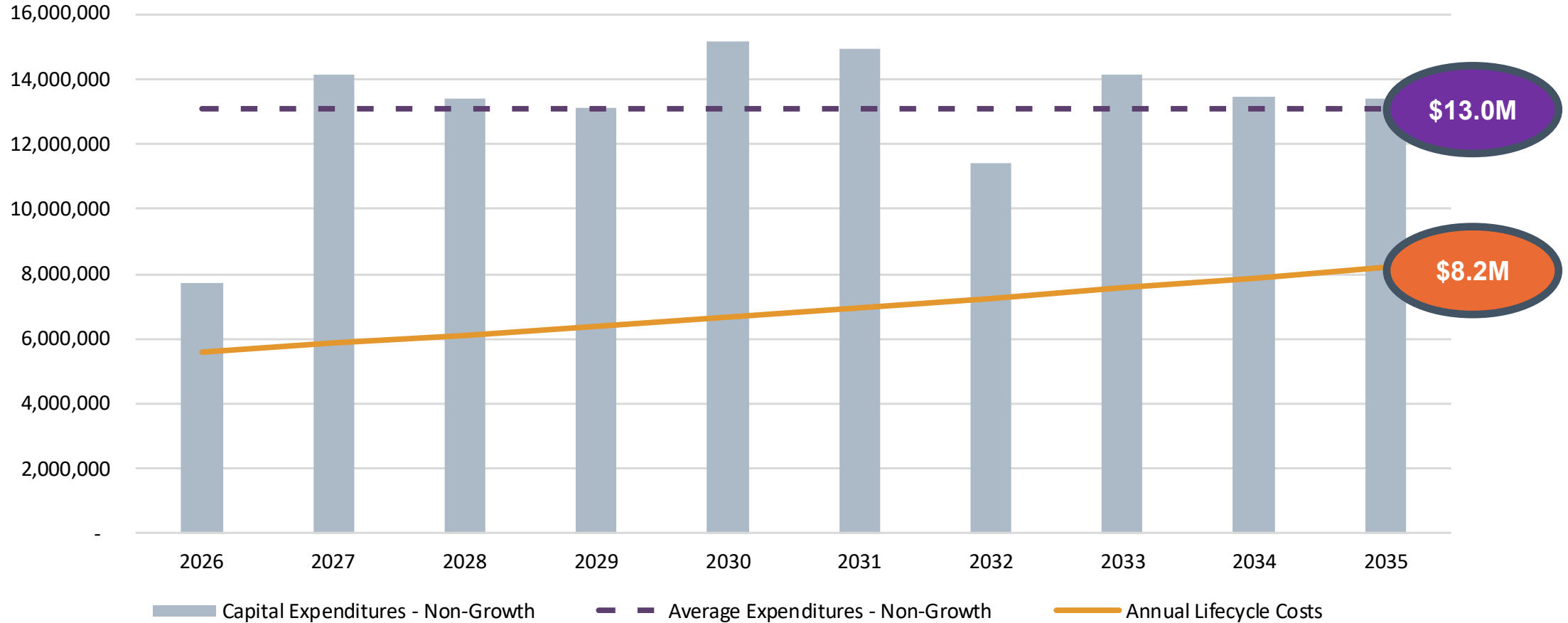
**Fenelon Falls WPCP Construction - \$22.7 million (2031 to 2034)**

# Capital Expenditure Forecast (Excluding Growth)

## Wastewater

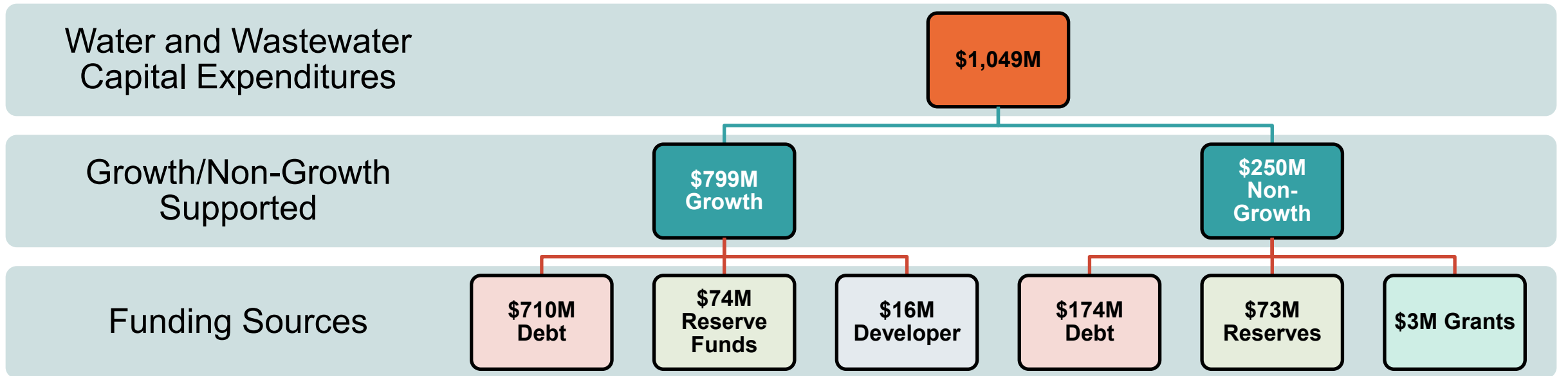


Forecasted Capital Expenditures (Wastewater System)



# Capital Funding Plan

2026-2035



# Debt Servicing Impacts



- City's adopted debt servicing policy is to limit annual debt servicing costs to 10% of gross revenues. Policy excludes D.C. supported debt.
- \$13M annual debt financing costs at 2035 (Including new and existing rate supported debt)
  - 46% of City debt servicing cap at 2035\*
  - 81% of City debt servicing cap at 2035 including existing tax supported debt\*
- Provincial debt servicing cap is 25% of net revenues
  - 89% utilization of provincial cap (including D.C. debt financing costs)
  - 32% utilization of provincial cap (excluding D.C. debt financing costs)

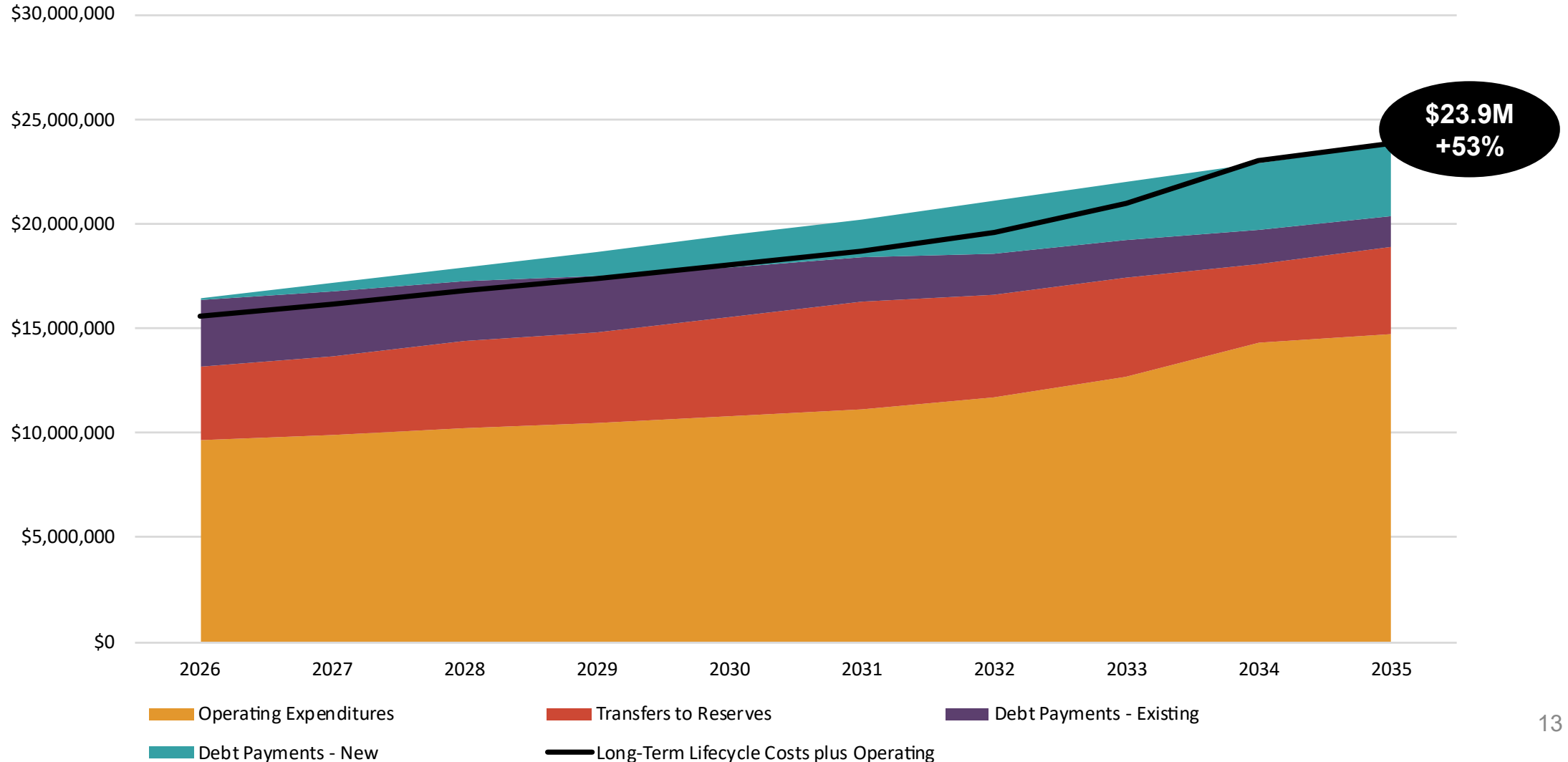
**\*Assumes 3% in tax-supported revenues**

# Operating Expenditure Forecast

## Water – Excludes Growth-Related Expenditures



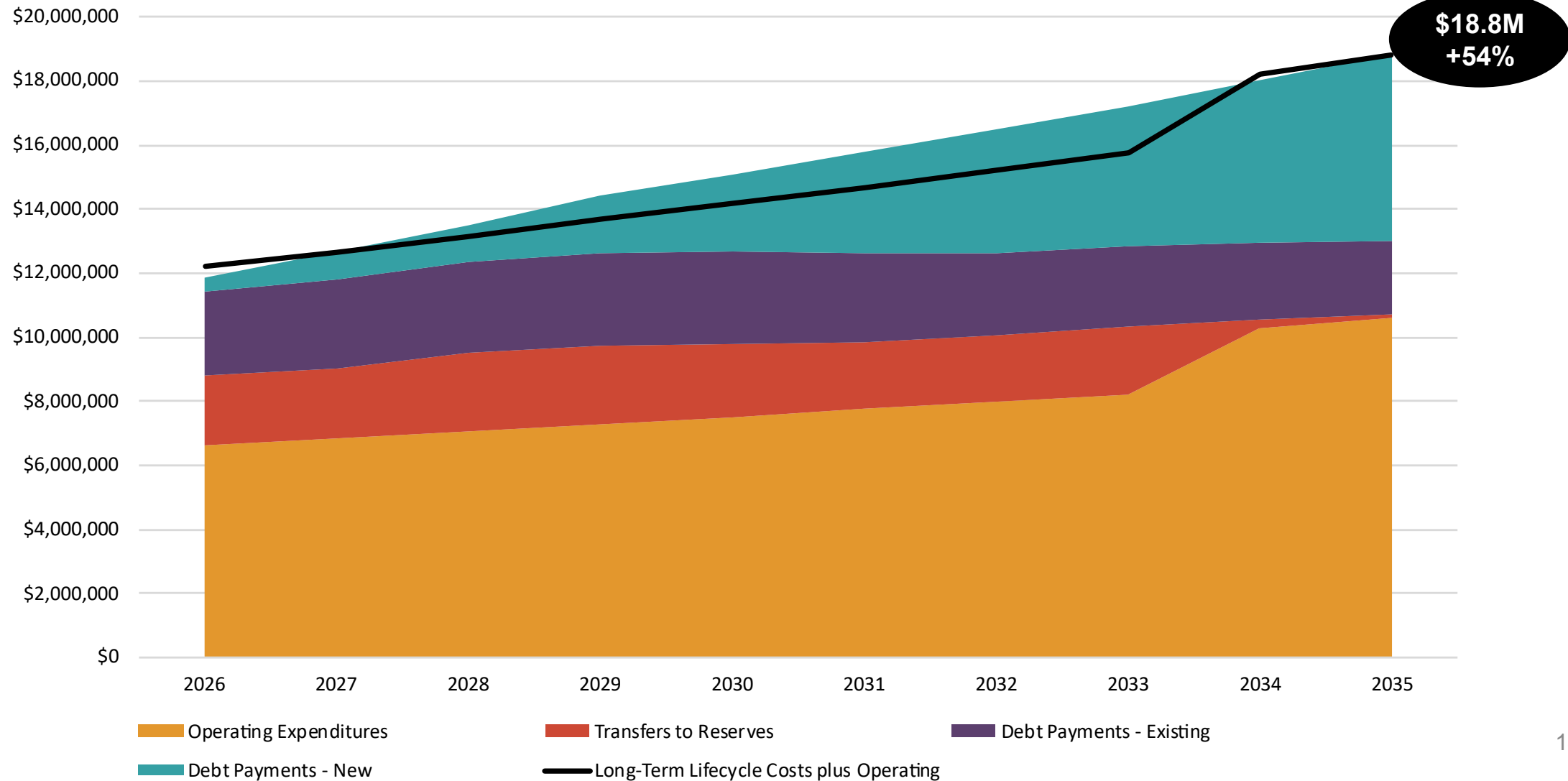
Forecasted Operating Expenditures (Water Services)



# Operating Expenditure Forecast

## Wastewater – Excludes Growth-Related Expenditures

Forecasted Operating Expenditures (Wastewater Services)



# Rate Recommendations



- No change to the current monthly base charge and consumptive rate structure
- Base charge revenue designed to fund average annual capital needs and consumptive rate revenue to fund annual operating costs
- For average residential home, total water and wastewater bills will increase by 4% in 2026 to 2029 followed by 3% increases to 2035
  - Actual percentage increases for monthly base and consumptive rates will differ from averages

Average Annual Increase		
Description	Water	Wastewater
Base Charge	2.80%	1.80%
Volumetric Charge	3.20%	6.60%

# Rate Forecast

## Impacts on Annual Customer Bills

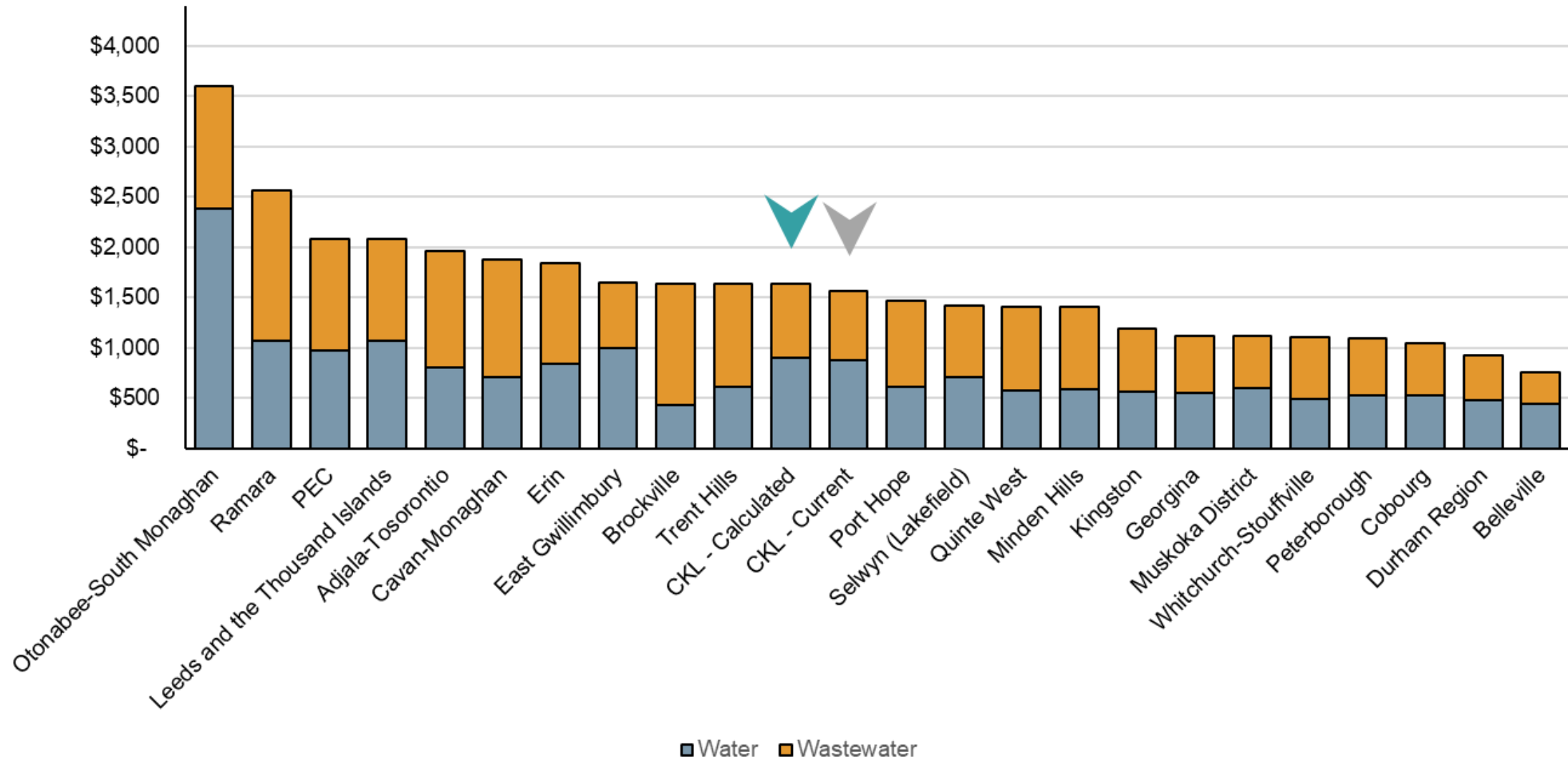


**Annual Customer Water & Wastewater Bill - Based on 150 m<sup>3</sup> of usage and 5/8" or 3/4" meter**

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Annual Water Bill</b>											
Annual Base Rate Bill	\$402	\$413	\$425	\$437	\$449	\$461	\$474	\$487	\$500	\$514	\$529
Annual Volume Bill	\$485	\$500	\$516	\$532	\$549	\$567	\$585	\$603	\$622	\$642	\$662
<b>Total</b>	<b>\$887</b>	<b>\$914</b>	<b>\$941</b>	<b>\$969</b>	<b>\$998</b>	<b>\$1,028</b>	<b>\$1,058</b>	<b>\$1,090</b>	<b>\$1,123</b>	<b>\$1,156</b>	<b>\$1,191</b>
<b>Annual Wastewater Bill</b>											
Annual Base Rate Bill	\$427	\$444	\$462	\$480	\$499	\$502	\$504	\$506	\$509	\$511	\$514
Annual Volume Bill	\$264	\$283	\$303	\$325	\$349	\$372	\$396	\$421	\$446	\$473	\$501
<b>Total</b>	<b>\$691</b>	<b>\$727</b>	<b>\$765</b>	<b>\$806</b>	<b>\$848</b>	<b>\$874</b>	<b>\$900</b>	<b>\$927</b>	<b>\$955</b>	<b>\$984</b>	<b>\$1,015</b>
<b>Total Annual Bill</b>	<b>\$1,578</b>	<b>\$1,641</b>	<b>\$1,706</b>	<b>\$1,775</b>	<b>\$1,846</b>	<b>\$1,902</b>	<b>\$1,959</b>	<b>\$2,017</b>	<b>\$2,078</b>	<b>\$2,140</b>	<b>\$2,206</b>
<b>Total Monthly Bill</b>	<b>\$132</b>	<b>\$137</b>	<b>\$142</b>	<b>\$148</b>	<b>\$154</b>	<b>\$159</b>	<b>\$163</b>	<b>\$168</b>	<b>\$173</b>	<b>\$178</b>	<b>\$184</b>
<b>% Increase - Total Annual Bill</b>		4.0%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>\$ Increase - Total Annual Bill</b>		\$62.55	\$65.50	\$68.48	\$71.50	\$55.85	\$56.81	\$58.53	\$60.27	\$62.76	\$65.26
<b>\$ Increase - Monthly Bill</b>		\$5.21	\$5.46	\$5.71	\$5.96	\$4.65	\$4.73	\$4.88	\$5.02	\$5.23	\$5.44

# Survey – Municipal Comparators

Survey of Annual Residential Water & Wastewater Bill - 150 m<sup>3</sup> of Annual Consumption on 3/4" Meter



# Next Steps



- Receive Feedback
- Finalize Water Financial Plan
- Rate Study and Water Financial Plan to be approved by Council – November 18, 2025



Questions?