

2026



Water & Wastewater

OPERATING BUDGET

WATER & WASTEWATER

Budget Overview

The Water & Wastewater Operating Budget is a financial plan that describes the costs required to operate the water and wastewater systems. It is fully funded by user rates with no reliance on property taxes.

This budget determines the amount of money that must be raised through water and wastewater rates to fund the anticipated expenditures.

HOW WE ESTIMATE EXPENDITURES



anticipated
future
requirements



historical
trends



market
conditions



contractual
agreements

WHAT AFFECTS THE BUDGET

The City must balance various pressures, including inflation, legislated requirements, contracts, supply chain issues, capital investments, fuel, utilities, and insurance.



THE BUDGET PROCESS

Preparation

Finance begins the process by updating personnel costs based on contracts, agreements, and wage by-laws. Benefits, legislated costs, utilities, insurance, interdepartmental charges, and required capital and reserve transfers.

Department input

Departments review budgets using past trends and future needs to maintain service levels. Draft budgets are reviewed by senior management, then submitted to Finance for analysis.

Internal review

Finance, departmental management, Business Unit Leads, the CAO, and the CFO (or designate) hold roundtable meetings to review the Water & Wastewater Budget. Adjustments are made, and the recommended budget is prepared for Council.

Council approval

Special Budget Committee meetings, open to the public, review the staff-recommended budget and associated Water & Wastewater rates. Final recommendations are presented to Council for approval.



PROFILE

Water & Wastewater

The City of North Bay's Water & Wastewater Services ensure the reliable delivery of clean, safe drinking water and the responsible management of wastewater for the community. This involves operating and maintaining the water treatment plant, water distribution system, sanitary sewer collection system, and wastewater treatment plant. All services are provided in strict accordance with applicable regulations and guidelines to protect public health and the environment.

WHAT WE DO

Water & Wastewater Services manages an extensive water distribution system. We perform critical repairs, water sampling, flushing, and preventative maintenance to keep the system functioning effectively and efficiently. On the wastewater side, we operate and maintain hundreds of kilometers of sanitary and force mains, multiple lift stations, and thousands of service connections and maintenance holes. The team responds to backups, conducts sewer cleaning, camera inspections, and necessary repairs to ensure system integrity. Additionally, we oversee the operation of North Bay's Class 3 drinking water plant and Class 4 wastewater treatment plant, continuously monitoring and adjusting processes, responding to emergencies, and managing capital upgrades to enhance sustainability.

WHY WE DO IT

Our mission is to protect public health, preserve the environment, and support community growth by providing safe and sustainable water and wastewater services. By maintaining and renewing critical infrastructure, we help improve the quality of life for residents, promote environmental stewardship, and facilitate local economic development.



\$345 million

to replace the water and wastewater plant facilities



60

drinking water samples taken weekly



2,500

water valves



3,500

sanitary maintenance holes

PROFILE

Water & Wastewater

WHAT GOVERNS OUR WORK

Our work is guided by provincial and federal legislation and standards, including:

- Ontario Ministry of the Environment, Conservation and Parks (MECP) regulations
- Permits such as the Permit to Take Water, which regulate water withdrawals
- Compliance with the Safe Drinking Water Act
- Ontario Water Resources Act
- Provincial Environmental Compliance Approvals
- Canadian Fisheries Act
- Strict monitoring, recording, and reporting requirements to ensure regulatory compliance

WHO WE COLLABORATE WITH

We collaborate with various City departments to ensure integrated infrastructure management and emergency response. Our work also involves ongoing engagement with provincial and federal agencies to maintain compliance with regulations. We partner with community organizations, contractors, and the development sector to support housing growth and infrastructure projects that connect to the water and wastewater system.



ACCOMPLISHED IN 2025

The City of North Bay received 100 per cent compliance ratings from the Ministry of the Environment, Conservation and Parks for the inspection of its drinking water system, maintaining top standards that protect the health and safety of the community.

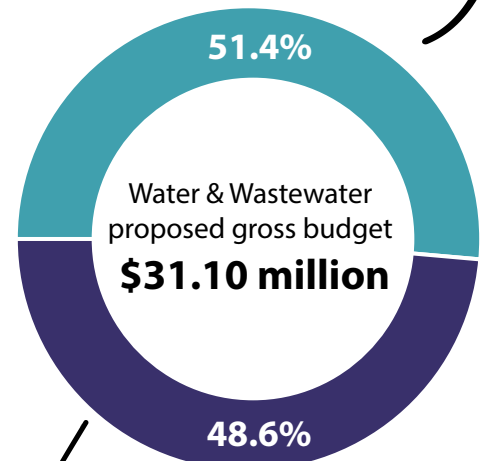


Water funding
\$15.98 million



\$14.74 million (92 per cent)
funded by water rates

\$1.24 million (8 per cent)
funded by ancillary water revenues



Wastewater funding
\$15.12 million



\$14.25 million (94 per cent)
funded by wastewater rates

\$0.87 million (6 per cent)
funded by ancillary wastewater revenues

	Staff complement (full-time equivalent)	
	2025	2026
Full-time	57.00	57.00
Seasonal/student	4.63	4.63
Contract/intern	0.31	0.00
Total	61.94	61.63



PROFILE

Water & Wastewater

The 2026 Water and Wastewater gross budget is proposed at a total of \$31.10 million, of which \$28.99 million is to be funded through water and wastewater rates.

This reflects an overall increase of 5.27 per cent in rates revenue required from 2025, with a 7.12 per cent increase in water rates revenue required and a 3.42 per cent increase in wastewater rates revenue required.

The 40 per cent fixed / 60 per cent variable rate structure is being maintained in 2026.

WHAT THIS MEANS FOR YOU



In 2026, the average residential customer will pay a monthly bill of between \$99.27 and \$121.75.*



This represents an annual increase of between \$43 and \$50 to the residential customer bill or \$3.58 to \$4.18 monthly.*

**Figures are based on average residential consumption of 14 to 20 cubic meters per month.*

HOW THIS COMPARES

North Bay's water and wastewater rates are well below average.

In 2024, a North Bay household paid about 20 per cent less than the Northern Ontario average and 13 per cent below the provincial average.**

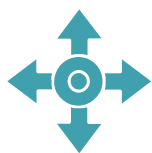
***Figures are based on a 2024 BMA study including 126 Ontario municipalities and based on 200m³ residential annual consumption.*

WATER AT A GLANCE



7 billion

litres of water processed annually



304

kilometres of water main



16,949

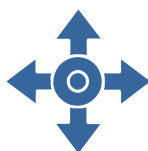
water customer service connections

WASTEWATER AT A GLANCE



11 billion

litres of wastewater treated annually



270

kilometres of sanitary main



16,807

sanitary customer service connections

Report No: CORP-2025-084

Date: October 21, 2025

Originator: Sara Gage

Business Unit: Corporate Services

Department: Financial Services Department

Subject: 2026 Water & Wastewater Operating Budget

Closed Session: yes ☐ no ☒

Recommendation

That Council receive the City of North Bay's 2026 Water & Wastewater Operating Budget as set out in Report to Council CORP 2025-084 dated October 21, 2025, from Sara Gage.

Background

The Water & Wastewater Operating Budget is a financial plan that outlines the costs required to operate the City's water and wastewater systems. It determines the amount of revenue that must be raised through user rates to fund these services. This budget is fully funded by user rates and does not rely on property taxes.

The City follows a zero-based budgeting approach, meaning all prior year budget amounts are reset to zero. Departments must justify all cost estimates for the upcoming year.

Budget estimates are developed based on:

- Anticipated future needs
- Historical trends
- Market conditions
- Contractual obligations

In preparing the budget, management also considers expected savings from capital investments and continuous improvement initiatives.

Annual Budget Development Process

1. Preparation

The Finance Department initiates the process by calculating personnel costs based on existing staffing levels, union agreements, personnel contracts, and City by-laws. Updates are also made for benefits, legislated costs, utilities, insurance, interdepartmental charges, and transfers from the capital budget and reserves.

2. Departmental Input

Each department reviews its budget, assessing current needs based on past trends and future service requirements. Draft budgets are submitted to senior management for review and approval. Once approved, they are forwarded to Finance for detailed analysis of line-item changes and overall budget impacts.

3. Internal Review

Roundtable meetings are held with departmental managers, Business Unit Leads, the Chief Administrative Officer, the Chief Financial Officer or delegate, and Finance staff to review the preliminary budget. Revisions are made as needed, and the updated

Administrative Recommended Water & Wastewater Operating Budget is prepared for Council review.

4. **Council Approval**

The budget is presented and discussed during Special Budget Committee meetings, which are open to the public. A separate public meeting is also held to review proposed water and wastewater rates. Following these discussions, final recommendations are submitted to Council for approval.

The Administrative Recommended 2026 Water & Wastewater Operating Budget is attached to this report as Appendix A.

Financial/Legal Implications

The proposed 2026 Water & Wastewater Operating Budget reflects a strategic and responsible approach to maintaining essential services while navigating a complex and evolving financial landscape. The proposed 2026 budget includes a 5.27% increase in revenue to be collected through water and wastewater rates, equivalent to \$1,450,205, which is necessary to sustain operations.

This increase is driven by a combination of factors that continue to impact the municipal water and wastewater services across Ontario and include:

- Legislated requirements that mandate compliance with provincial standards and regulations, ensuring safe and reliable water and wastewater services.
- Contractual obligations tied to service delivery, maintenance, and infrastructure support.
- Inflationary pressures affecting the cost of materials, equipment, and services.
- Supply chain challenges that have led to increased lead times and higher procurement costs.
- Capital investment needs to maintain aging infrastructure and support long-term asset management planning.
- Rising costs in utilities, insurance, and contracts which are essential to day-to-day operations and risk management.

The budget has been carefully developed to balance these pressures while minimizing the impact on water and wastewater users. Staff have worked diligently to identify efficiencies and implement cost containment strategies, but the cost pressures necessitate the proposed increase to maintain service reliability and ensure regulatory compliance.

A detailed breakdown of the budget change by operational category is outlined below.

Net Budget Change by Expense/Revenue Type		
2025 Net Operating Budget	\$27,538,256	
Personnel Costs	360,405	1.31%
Goods & Services	285,123	1.04%
Internal Transfers	240,654	0.87%
Capital Investment/Financing	824,453	2.99%
Ancillary Revenues	-260,430	-0.95%
Net Change	\$1,450,205	5.27%
2026 Net Operating Budget	\$28,988,461	

Legislation

Under Ontario's Safe Drinking Water Act, 2002, specifically Part V and Ontario Regulation 453/07, municipalities that own drinking water systems are required to prepare and

maintain long-range financial plans as part of the Municipal Drinking Water Licensing Program. Key requirements from the regulation include council approval, full-cost accounting, and integration with asset management/capital requirements.

An updated plan was approved in 2020 as part of the City's water license renewal. The plan is currently being updated and will be presented to Council at a Special Committee Meeting on November 12th. The principles laid out in the legislation were used in establishing the Administrative Recommended Water & Wastewater Operating Budget to ensure that the drinking water system remains safe and financially viable.

The 2026 Water & Wastewater Operating Budget has been developed in consideration of the City's Long Term Capital Funding Policy and reflects Management's best estimates to maintain current service levels.

Key Budget Influences

Expenditures

- Management's best estimates to deliver current levels of services
- Considerations include contractual obligations and legislated changes
- Historical trends and anticipated operational needs

Staff Complement

- All staffing costs and Full Time Equivalents (FTE), including positions grant funded or directly related to Capital, are reported in the personnel costs with any associated offsetting revenues being recorded accordingly.
- An FTE is used to measure a worker's involvement in the service and indicates the workload of a person in a way that makes capacities comparable across various contexts.

Fringe Benefits

- Includes EI, CPP, WSIB, OMERS, EHT, LTD, Life, AD&D, dental, and medical.
- Group benefit rates decreased by 6.4% effective November 1, 2025.

Fuel

- Budgeted at a weighted average of \$1.2433/litre.

Utility Costs

- Budget estimates take into consideration the prior year's data as well as projected demands and rates.
- Calculations include such items as the benefit of energy efficiencies gained through capital investments and enhanced education programs to improve energy conservation.
- Natural Gas: Based on 2025 projections plus a 2.5% increase (4-year average).
- Hydro: Based on 2025 projections plus a 3.4% increase (industry projected).

Insurance

- Estimated 10% increase upon renewal (May–April policy period).
- Increase applies to final 8 months of 2026.

Debenture Financing

- Includes \$3 million in debt financing for capital projects.
- Principal and interest payments budgeted within operating costs.

Capital Investment

- The capital levy is the annual funding contribution from the City's Water & Wastewater Operating Budget that is used to finance projects within the City's Water & Wastewater Capital Budget.
- The City's Long Term Capital Funding Policy outlines the formula to be used to calculate the amount of the annual capital commitment.
- In accordance with the policy, a 2% increase over prior year's budgeted water and wastewater revenues in the amount of \$550,765, plus a CPI factor in the amount of \$510,372, is to be included in the proposed budget to support the annual capital requirements and debenture principal and interest payments. Note this equates to an approximate 3% increase in water and wastewater revenue requirements before factoring in any annual operational costs.
- In 2025, the CPI factor was discounted to 55% to reduce the overall capital impact on water and wastewater rates. The presented budget has maintained this CPI discount for 2026 (\$510,372 discounted to \$280,705).
- A comprehensive review of the City's Long Term Capital Funding Policy is scheduled for 2026. This review will align the long-term capital funding strategy with the findings of the Asset Management Plan Update, which is expected to be presented to Council by the end of this year.
- To further reduce the capital impact on the current 2026 budget, a transfer from the Water and Sanitary Sewer Completed Capital Reserves is included to offset the inflationary (CPI) component of the capital funding formula in the amount of \$280,000. This transfer is intended to mitigate the capital impact of inflation on the overall operating budget for the interim until a wholesome review of the capital funding and asset management policies can be completed. These capital reserve balances are above the policy targets; therefore, there is sufficient room to use the reserves to offset the CPI impact at this time.

Reserves

- In 2025, reserves were used to reduce the overall impact on water and wastewater rates in the amount of \$825,000. The 2026 budget utilizes the same level of reserves as the 2025 budget and maintains the recommended phase out plan of previous reserve transfers. This reserve usage will be phased out over the following 3 years ending in 2029.
- In 2025, two WSIB rebates were received for the operating years 2023-2024. A recommendation to transfer these rebates to reserves will be presented in the annual year-end report to Council. A portion of these rebates are related to water and wastewater operations. This budget proposes allocating a portion of the WSIB rebate to offset water and wastewater rates in 2026 which is reflected in the \$825,000 noted above.
- As previously mentioned above, the use of capital reserves to offset the impact of capital programming is presented in the 2026 budget in the amount of \$280,000.
- Operating Reserves estimated balances (including September 30th projected 2025 year-end transfers):
 - Water Operating Reserve (#99576R): \$907,373
 - Sanitary Sewer Operating Reserve (#99577R): \$1,659,971
- Target 2026 Operating reserve levels as per the City's Reserve Policy:

- Water: \$1.6M–\$2.4M
- Wastewater: \$1.5M–\$2.3M
- A plan will be presented at scheduled budget committee meetings to bring the reserve balances within the target ranges identified in the City’s Reserve Policy.

Revenue Estimates

- Derived from historical data, current rates, anticipated increases, and known reductions.

Water Rates

- Based on full cost recovery model.
- The operating budget establishes the basis for calculating the 2026 water & wastewater rates.
- Preliminary rates presented to Council through Report to Council CORP 2025-85.

Risks

- The proposed budget does not incorporate contingency allocations.
- Potential risks include:
 - Infrastructure failures (e.g., water/sewer line breaks)
 - Volatile fuel and insurance costs
 - Weather-related consumption revenue fluctuations
 - Supply chain disruptions and potential pricing fluctuations due to pending tariffs

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Provide smart, cost-effective services and programs to residents and businesses.
- Ensure that Council and staff have a shared perception of goals.

Options Analysis

The proposed 2026 Water & Wastewater Operating Budget requires an increase in revenue to be collected through water and wastewater rates to maintain reliability, regulatory compliance and long-term financial stability. Three options were considered:

Option 1: 5.27% Increase (Recommended)

- Maintains budgeted operating reserve transfers through using the WSIB rebate for a total operating reserve usage of \$825,000.
- Includes an additional \$280,000 transfer from Water and Sanitary Sewer Capital Reserves to offset the CPI component of the Long-Term Capital Funding Policy.
- Supports compliance with the City’s modified Long-Term Funding Policy mitigating inflationary impacts until a wholesome review can be completed on the policy in conjunction with the 2025 Asset Management Plan.

Option 2: 6.28% Increase

- Maintains budgeted operating reserve transfers through using the WSIB rebate for a total operating reserve usage of \$825,000.

- Does not include an additional \$280,000 transfer from Water and Sanitary Sewer Capital Reserves to offset the CPI component of the Long-Term Capital Funding Policy.
- Supports compliance with the City's modified Long-Term Funding Policy mitigating inflationary impacts until a wholesome review can be completed on the policy in conjunction with the 2025 Asset Management Plan.
- Results in higher water and wastewater rates for users.

Option 3: 4.00% Increase

- Includes an additional \$350,000 transfer from operating reserves for a total operating reserve usage of \$1,175,000.
- Includes an additional \$280,000 transfer from Water and Sanitary Sewer Capital Reserves to offset the CPI component of the Long-Term Capital Funding Policy.
- Supports compliance with the City's modified Long-Term Funding Policy mitigating inflationary impacts until a wholesome review can be completed on the policy in conjunction with the 2025 Asset Management Plan.
- This option would require an amendment to the reserve phase out plan and would require additional reserve replenishment sources to be identified as operating reserves are at or below policy targets.
- Reduces rates for users compared to other options.

Recommended Option

That Council receive the City of North Bay's 2026 Water & Wastewater Operating Budget as set out in Report to Council CORP 2025-084 dated October 7, 2025, from Sara Gage.

Respectfully submitted,

Name: Sara Gage, CPA

Title: Manager, Financial Services

I concur with this report and recommendation

Name Laura Boissonneault, CPA, CGA

Title: Director, Financial Services / Deputy Treasurer

Name Alan Korell, P.Eng.

Title: Interim City Engineer

Name John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Laura Boissonneault, CPA, CGA

Director, Financial Services / Deputy Treasurer

Attachments: Appendix A – Administrative Recommended 2026 Water Wastewater Operating Budget

Budget Year: 2026
YTD End Date: December 2025
Execution Date: October 21, 2025

	2024 Actuals	2025 Actuals YTD *	2025 Budget	2026 Council Review	Variance Increase / (Decrease)	Change %
Wastewater System						
WASTEWATER RATE REVENUE	(13,047,464)	(10,626,804)	0	0	0	0.00%
SANITARY SEWER DISTRIBUTION	10,118,684	9,784,593	10,797,400	11,159,950	362,550	3.36%
SANITARY SEWER PLANT	2,928,780	2,408,585	2,982,265	3,090,668	108,403	3.63%
Total Wastewater System:	0	1,566,374	13,779,665	14,250,618	470,953	3.42%
Water System						
WATER RATE REVENUE	(13,517,798)	(10,607,866)	0	0	0	0.00%
WATER DISTRIBUTION	10,920,548	10,550,998	11,169,074	11,933,975	764,901	6.85%
WATER PLANT	2,597,250	2,238,404	2,589,517	2,803,868	214,351	8.28%
Total Water System:	0	2,181,536	13,758,591	14,737,843	979,252	7.12%
Water and Wastewater Total:	0	3,747,910	27,538,256	28,988,461***	1,450,205	5.27%

* Actuals subject to year-end adjustments and accrual

** Totals may vary slightly from computer generated budget reports due to rounding

*** This represents the net cost of the water and wastewater operating budget expenditures that must be funded through the collection of water and wastewater rates.

Summary of Special Committee Meeting Adjustments

Budget Year: 2026

	2025 Budget	2026 Council Review	Variance Increase/ (Decrease)	Change %
<i>Total Levy As Submitted in CORP 2025-084</i>	<u>27,538,256</u>	<u>28,988,461</u>	<u>1,450,205</u>	<u>5.27%</u>
Special Committee Meeting Changes & Adjustments				
Service Level Changes (SLCs) Accepted During Committee Meetings				
None Presented				
Committee Adjustments				
No Adjustments				
Levy Change After Service Level Changes & Adjustments		<u>0</u>	<u>1,450,205</u>	<u>5.27%</u>
Committee Recommended 2026 Budget Change		<u>0</u>	<u>1,450,205</u>	<u>5.27%</u>

Council Meeting

Resolution Number 2025-417
Title: 2026 Water and Wastewater Operating Budget
Date: Tuesday, December 9, 2025

That Infrastructure and Operations Committee Report No. 2025-04 relating to:
- 2026 Water and Wastewater Operating Budget
be adopted as presented.

Infrastructure and Operations Committee Report No. 2025-04

December 9, 2025

To The Council
Of The Corporation
Of The City Of North Bay

Your Worship and Councillors:

The Infrastructure and Operations Committee presents Report No. IO 2025-04 and recommends:

"That Council:

1. approve the 2026 Water and Wastewater Operating Budget in the net amount of \$28,988,461 as per attached Appendix "A."
2. authorize the transfer of \$317,746 from reserve 99580R – Water Treatment Surcharge to reserve 99576R - Water Operating Reserve.
3. authorize the transfer of \$1,000,000 from reserve 99522R - Water Systems Completed Capital Reserve to reserve 99576R - Water Operating Reserve; and
4. authorize the transfer of \$300,000 from 99575R - Sanitary Sewer Completed Capital Reserve to reserve 99577R - Sanitary Sewer Operating Reserve."

All of which is respectfully submitted

Carried

Karen McIsaac
Digitally signed by: Karen McIsaac
DN: CN = Karen McIsaac email = karen.
mcisaac@northbay.ca C = CA
Date: 2025.12.10 11:58:36 -05'00'

Karen McIsaac, City Clerk

CORP-2025-084

Budget Year: 2026

YTD End Date: December 2025

Execution Date: October 21, 2025

	2024 Actuals	2025 Actuals YTD *	2025 Budget	2026 Council Review	Variance Increase / (Decrease)	Change %
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WASTEWATER RATE REVENUE	(13,047,464)	(10,626,804)	0	0	0	0.00%
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* Actuals subject to year-end adjustments and accrual

** Totals may vary slightly from computer generated budget reports due to rounding

*** This represents the net cost of the water and wastewater operating budget expenditures that must be funded through the collection of water and wastewater rates.

Report No: CORP-2025-085

Date: October 27, 2025

Originator: Daniel Robinson

Business Unit: Corporate Services

Department: Financial Services Department

Subject: 2026 Preliminary Water and Wastewater Calculated Rates Closed

Session: yes ☐ no ☒

Recommendation

That Council:

1. receive Report to Council CORP 2025-085, 2026 Preliminary Water and Wastewater Calculated Rates dated October 27, 2025, from Daniel Robinson; and
2. hold a public meeting on November 26, 2025, with respect to Water and Wastewater calculated Rates as per Appendix A to Report to Council CORP 2025-085.

Background

The preliminary 2026 water and wastewater user rates have been calculated using a full cost recovery model, which incorporates both consumption levels and meter size. These rates are aligned with the expenditures outlined in the preliminary 2026 Water and Wastewater Operating Budget, as presented in Report to Council CORP 2025-084.

It is important to note that these rates are subject to change. Should any amendments be made to the preliminary operating budget during the upcoming budget deliberations, the preliminary rates outlined in Appendix A will require corresponding updates to ensure continued alignment with the approved budget.

This approach ensures transparency and fiscal responsibility in the delivery of water and wastewater services.

Financial/Legal Implications

1. Legislative Compliance and Financial Planning

The City of North Bay's water and wastewater rate structure is based on full cost recovery principles, in alignment with Provincial legislation. These principles form the foundation of the City's Water Financial Plan, which was endorsed by Council Resolution No. 2020-338 in November 2020. This plan ensures compliance with the requirements of the City's water operating license. The City's plan is currently being updated and will be presented to council at a Special Committee Meeting on November 12th.

2. System Demand and Customer Base

The City's water and wastewater systems are demand-driven, serving a broad customer base:

- Water Services (2026 Projection): 16,949 connections
- Wastewater Services (2026 Projection): 16,807 connections
(Note: Not all water service users are connected to the wastewater system.)

3. Operating Budget

The 2026 rate calculations are based on the Water & Wastewater Operating Budget as submitted in Report to Council CORP 2025-084:

- Water System Net Budget: Approximately \$14.74 million
- Wastewater System Net Budget: Approximately \$14.25 million

4. Consumption Patterns

- **Residential Consumption:**
 - Average household usage remains between 14 to 15 cubic meters (m³) monthly.
 - Rate calculations are based on a 4-year average of 2.6 million m³.
 - Seasonal variations, particularly from May to August, significantly influence consumption levels.
- **Industrial, Commercial, and Institutional (ICI) Consumption:**
 - Due to impacts from COVID-19 restrictions, a 3-year average of 2 million m³ was used for rate calculations.

5. Comparative Affordability

According to the 2024 BMA Municipal Study, North Bay ranks 4th lowest in total residential water/wastewater rate costs among 11 Northern Ontario municipalities:

- Annual Cost for 200 m³ Consumption: \$1,213
 - \$311 below the Northern average
 - \$180 below the Ontario average
- Below is a table outlining the 2024 BMA study for the five large Northern Municipalities:

City	Annual Water & Wastewater Cost (200 m ³ annual consumption)
Greater Sudbury	\$1,606
Thunder Bay	\$1,393
North Bay	\$1,213
Timmins	\$1,123
Sault St. Marie	\$1,119

6. Water Rebate Program

The City continues to support water conservation through its Water low-flow toilet rebate program:

- Rebate Amount: \$50 per toilet, up to two toilets per account.
- Reserve Fund: \$100,000 initially allocated.
- Current Utilization: Over 55% of the program allowance has been applied.

Recommendation: Continue the program until the reserve is fully utilized.

7. Rate Implementation Timeline

As outlined in Report to Council CORP 2025-060, the 2026 Water and Wastewater Rates are scheduled for Council approval in November 2025, with an effective date of January 1, 2026. This timing ensures no annualization of rates is required as the new rates will be approved prior to the billing date for January 26th consumption.

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

- Provide smart, cost-effective services and programs to residents and businesses.
- Ensure that Council and staff have a shared perception of goals.

Options Analysis

During the 2023 budget deliberations, Council directed staff to move towards a future water rate structure of 40% fixed and 60% variable apportionment. This shift was intended to better align with principles of equity and consumption-based billing, while still ensuring sufficient revenue stability.

The 2025 rates were calculated using this 40/60 split, thereby meeting Council's objective. As part of the 2025 budget process, it was recommended that the rate structure should remain unchanged for several years. This approach allows the municipality to build a consistent historical dataset, which is essential for long-term financial planning and rate forecasting.

Maintaining a stable rate structure offers several benefits:

- Predictability for users: Residents and businesses can better anticipate their bills, reducing confusion and potential frustration.
- Administrative efficiency: A consistent structure simplifies billing, communication, and analysis.
- Revenue stability: The fixed portion ensures a reliable revenue stream to cover base costs (capital, debt, wages etc...), while the variable portion promotes conservation.

For 2026, the proposed rates continue to use the 40% fixed / 60% variable structure. Appendix B provides a detailed overview of a typical residential customer bill under this model, as well as 3 scenarios for the ICI sector.

The Water and Wastewater operating reserves are forecasted to be at the low range or below the City's reserve target policy as explained in Report to Council CORP 2025-084. Increasing the variable component would put more risk on the City should either consumption behaviours change, or weather conditions vary significantly.

Recommended Option

That Council:

1. receive Report to Council CORP 2025-085, 2026 Preliminary Water and Wastewater Calculated Rates dated October 27, 2025, from Daniel Robinson; and
2. hold a public meeting on November 26, 2025, with respect to Water and Wastewater calculated Rates as per Appendix A to Report to Council CORP 2025-085.

Respectfully submitted,

Name: Dan Robinson

Title: Manager, Revenues & Taxation

I concur with this report and recommendation

Name: Laura Boissonneault, CPA, CGA

Title: Director, Financial Services / Deputy Treasurer

Name: Alan Korell, P.Eng.

Title: Interim City Engineer

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Dan Robinson

Title: Manager, Revenues & Taxation

Attachments: Appendix A 2026 Preliminary Water & Wastewater Rates
Appendix B Residential and ICI Sample Invoices

Appendix A

40%	Fixed
60%	Variable

**2026 Recommended
40% Fixed, 60%**

Monthly Fixed Rate	2025 Approved	Variable	Difference
Meter Size			
5/8X3/4	22.04	23.49	1.45
5/8 INCH	22.04	23.49	1.45
3/4 INCH	22.04	23.49	1.45
1 INCH	57.31	61.08	3.77
1.5 INCH	114.63	122.16	7.53
2 INCH	182.96	194.98	12.02
3 INCH	365.93	389.96	24.03
4 INCH	570.93	608.44	37.51
6 INCH	1,141.86	1,216.88	75.02

Variable Rate	1.8	1.88	0.08
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*Per M3 of water consumed.

Wastewater Surcharge	102.56%	99.30%	-3.26%
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*% of the total of the Monthly Fixed Rate for Supply of Water and the calculated Volumetric charge for that month.

APPENDIX B

RESIDENTIAL

2025 Approved Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption	14	16	20
	m3	m3	m3
Fixed rate	\$ 22.04	\$ 22.04	\$ 22.04
Variable	\$ 1.80	\$ 25.20	\$ 28.80
Water cost	\$ 47.24	\$ 50.84	\$ 58.04
Wastewater Rate	102.56%	\$ 48.45	\$ 52.14
Filtration Plant		\$ 59.53	
Total Monthly Invoice	\$ 95.69	\$ 102.98	\$ 117.57
Total Yearly Fixed and Variable	\$ 1,148.28	\$ 1,235.76	\$ 1,410.84

2026 Preliminary Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Enter Rate Split

Fixed	Variable
40%	60%

Monthly Consumption	14	16	20
	m3	m3	m3
Fixed rate	\$ 23.49	\$ 23.49	\$ 23.49
Variable	\$ 1.88	\$ 26.32	\$ 30.08
Water cost	\$ 49.81	\$ 53.57	\$ 61.09
Wastewater Rate	99.30%	\$ 49.46	\$ 53.20
Filtration Plant			\$ 60.66
Total Monthly Invoice	\$ 99.27	\$ 106.77	\$ 121.75
Monthly Dollar Change	\$ 3.58	\$ 3.79	\$ 4.18
Percentage Change	3.74%	3.68%	3.56%
Total Yearly Fixed and Variable	\$ 1,191.24	\$ 1,281.24	\$ 1,461.00

ICI - 1 INCH METER

2025 Approved Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		70	140	280
		m3	m3	m3
Fixed rate based on meter size	1 Inch	\$ 57.31	\$ 57.31	\$ 57.31
Variable	\$ 1.80	\$ 126.00	\$ 252.00	\$ 504.00
Water cost		\$ 183.31	\$ 309.31	\$ 561.31
Wastewater Rate	102.56%	\$ 188.00	\$ 317.23	\$ 575.68
Filtration Plant				
Total Monthly Invoice		\$ 371.31	\$ 626.54	\$ 1,136.99
Total Yearly Fixed and Variable		\$ 4,455.72	\$ 7,518.48	\$ 13,643.88

2026 Preliminary Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		70	140	280
		m3	m3	m3
Fixed rate	1 Inch	\$ 61.08	\$ 61.08	\$ 61.08
Variable	\$ 1.88	\$ 131.60	\$ 263.20	\$ 526.40
Water cost		\$ 192.68	\$ 324.28	\$ 587.48
Wastewater Rate	99.30%	\$ 191.33	\$ 322.01	\$ 583.37
Filtration Plant				
Total Monthly Invoice		\$ 384.01	\$ 646.29	\$ 1,170.85
Monthly Dollar Change		\$ 12.70	\$ 19.75	\$ 33.86
Percentage Change		3.42%	3.15%	2.98%
Total Yearly Fixed and Variable		\$ 4,608.12	\$ 7,755.48	\$ 14,050.20

ICI - 1.5 INCH METER

2025 Approved Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		112	224	448
		m3	m3	m3
Fixed rate based on meter size	1.5 Inch	\$ 114.63	\$ 114.63	\$ 114.63
Variable	\$ 1.80	\$ 201.60	\$ 403.20	\$ 806.40
Water cost		\$ 316.23	\$ 517.83	\$ 921.03
Wastewater Rate	102.56%	\$ 324.33	\$ 531.09	\$ 944.61
Filtration Plant				
Total Monthly Invoice		\$ 640.56	\$ 1,048.92	\$ 1,865.64
Total Yearly Fixed and Variable		\$ 7,686.72	\$ 12,587.04	\$ 22,387.68

2026 Preliminary Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		112	224	448
		m3	m3	m3
Fixed rate	1.5 Inch	\$ 122.15	\$ 122.15	\$ 122.15
Variable	\$ 1.88	\$ 210.56	\$ 421.12	\$ 842.24
Water cost		\$ 332.71	\$ 543.27	\$ 964.39
Wastewater Rate	99.30%	\$ 330.38	\$ 539.47	\$ 957.64
Filtration Plant				
Total Monthly Invoice		\$ 663.09	\$ 1,082.74	\$ 1,922.03
Monthly Dollar Change		\$ 22.53	\$ 33.82	\$ 56.39
Percentage Change		3.52%	3.22%	3.02%
Total Yearly Fixed and Variable		\$ 7,957.08	\$ 12,992.88	\$ 23,064.36

ICI - 2 INCH METER

2025 Approved Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		212	424	848
		m3	m3	m3
Fixed rate based on meter size	2 Inch	\$ 182.96	\$ 182.96	\$ 182.96
Variable	\$ 1.80	\$ 381.60	\$ 763.20	\$ 1,526.40
Water cost		\$ 564.56	\$ 946.16	\$ 1,709.36
Wastewater Rate	102.56%	\$ 579.01	\$ 970.38	\$ 1,753.12
Filtration Plant				
Total Monthly Invoice		\$ 1,143.57	\$ 1,916.54	\$ 3,462.48
Total Yearly Fixed and Variable		\$ 13,722.84	\$ 22,998.48	\$ 41,549.76

2026 Preliminary Rates

Basic Customer Bill with Water and Sanitary usage

Fixed / Variable Split:

Fixed	Variable
40%	60%

Monthly Consumption (m3)		212	424	848
		m3	m3	m3
Fixed rate	2 Inch	\$ 194.98	\$ 194.98	\$ 194.98
Variable	\$ 1.88	\$ 398.56	\$ 797.12	\$ 1,594.24
Water cost		\$ 593.54	\$ 992.10	\$ 1,789.22
Wastewater Rate	99.30%	\$ 589.39	\$ 985.16	\$ 1,776.70
Filtration Plant				
Total Monthly Invoice		\$ 1,182.93	\$ 1,977.26	\$ 3,565.92
Monthly Dollar Change		\$ 39.36	\$ 60.72	\$ 103.44
Percentage Change		3.44%	3.17%	2.99%
Total Yearly Fixed and Variable		\$ 14,195.16	\$ 23,727.12	\$ 42,791.04

Council Meeting

Resolution Number 2025-418
Title: 2026 Water and Wastewater Calculated Rates
Date: Tuesday, December 9, 2025

That General Government Committee Report No. 2025-19 relating to:

- 2026 Water and Wastewater Calculated Rates

be adopted as presented.

General Government Committee Report No. 2025-19

December 9, 2025

To The Council
Of The Corporation
Of The City Of North Bay

Your Worship and Councillors:

The General Government Committee presents Report No. 2025-19 and recommends:

“That:

1. In accordance with Provincial Legislation and the City’s Sustainable Financial Plan for Water and Wastewater Systems approved by Council, the current policy of recovering all Water and Wastewater operating, capital and financial costs from user rates be maintained;
2. the Water and Wastewater Calculated Rates, as calculated on a 40% Fixed/60% Variable methodology, be approved by Council effective January 1st, 2026, and that a by-law be presented to Council for three (3) readings on December 9th, 2025; and
3. Council continue to support the residential low-flow toilet replacement rebate

program, and maintain the per account limit at two (2) toilets until such time as the \$100,000 initial program funding is spent.”

All of which is respectfully submitted.

Carried

Karen McIsaac
Digitally signed by Karen McIsaac
DN: CN = Karen McIsaac email = karen.
mcsaac@northbay.ca C = CA
Date: 2025.12.10 10:36:07 -05'00'

Karen McIsaac, City Clerk

Net Operating Budget Summary

Budget Year: 2026

YTD End Date: December 2025

Execution Date: February 9, 2026

	2024 Actuals	2025 Actuals YTD *	2025 Budget	2026 Approved	Variance Increase / (Decrease)	Change %
Wastewater System						
WASTEWATER RATE REVENUE	(13,047,464)	(14,006,184)	0	0	0	0.00%
SANITARY SEWER DISTRIBUTION	10,118,684	10,384,145	10,797,400	11,159,920	362,520	3.36%
SANITARY SEWER PLANT	2,928,780	2,931,819	2,982,265	3,090,669	108,404	3.63%
Total Wastewater System:	0	(690,220)	13,779,665	14,250,589	470,924	3.42%
Water System						
WATER RATE REVENUE	(13,517,798)	(14,000,146)	0	0	0	0.00%
WATER DISTRIBUTION	10,920,548	11,687,995	11,169,074	11,934,282	765,208	6.85%
WATER PLANT	2,597,250	2,872,351	2,589,517	2,803,590	214,073	8.27%
Total Water System:	0	560,200	13,758,591	14,737,872	979,281	7.12%
Water and Wastewater Total:	0	(130,020)	27,538,256	28,988,461 ***	1,450,205	5.27%

* Actuals subject to year-end adjustments and accrual

** Totals may vary slightly from computer generated budget reports due to rounding

*** This represents the net cost of the water and wastewater operating budget expenditures that must be funded through the collection of water and wastewater rates.

Executive Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): All

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
PERSONNEL						
SALARIES & WAGES	3,394,866	4,037,771	3,609,248	3,830,924	221,676	6.14%
FRINGE BENEFITS	1,225,965	1,407,698	1,575,146	1,713,875	138,729	8.81%
PERSONNEL TOTAL	4,620,831	5,445,469	5,184,394	5,544,799	360,405	6.95%
GOODS & SERVICES						
MATERIALS - OPERATING EXPENSES	1,609,331	1,647,475	1,573,748	1,602,418	28,670	1.82%
FUEL	204,575	197,889	223,610	191,297	(32,313)	-14.45%
UTILITIES	1,291,937	1,445,474	1,248,717	1,375,524	126,807	10.15%
ADMINISTRATION EXPENSES	597,755	653,537	597,675	622,346	24,671	4.13%
PROFESSIONAL FEES	4,689	2,075	1,290	1,290	0	0.00%
LEASES & RENTS	8,658	10,157	11,000	11,000	0	0.00%
MAINTENANCE EXPENSES	169,299	163,874	177,523	175,720	(1,803)	-1.02%
CONTRACTS	933,172	868,072	860,786	916,831	56,045	6.51%
INSURANCE	634,409	709,644	708,970	785,881	76,911	10.85%
OTHER SERVICES	252,303	197,774	204,500	210,635	6,135	3.00%
GOODS & SERVICES TOTAL	5,706,128	5,895,971	5,607,819	5,892,942	285,123	5.08%
FINANCIAL EXPENSES						
FINANCING EXPENSES	2,707,138	2,551,713	3,502,071	2,709,044	(793,027)	-22.64%
FINANCIAL EXPENSES TOTAL	2,707,138	2,551,713	3,502,071	2,709,044	(793,027)	-22.64%
CAPITAL/RESERVE TRANSACTIONS						
CAPITAL PURCHASES	50,284	121,811	25,500	30,000	4,500	17.65%
CAPITAL FINANCING	11,931,335	12,025,510	12,025,510	13,638,486	1,612,976	13.41%
TRANSFER TO RESERVES	25,108	0	0	0	0	0.00%
CAPITAL/RESERVE TRANSACTIONS TOTAL	12,006,727	12,147,321	12,051,010	13,668,486	1,617,476	13.42%
INTERNAL TRANSFERS						
INTERNAL TRANSFERS	2,888,238	3,002,600	3,044,186	3,284,840	240,654	7.91%
INTERNAL TRANSFERS TOTAL	2,888,238	3,002,600	3,044,186	3,284,840	240,654	7.91%
EXPENSE TOTAL	27,929,062	29,043,074	29,389,480	31,100,111	1,710,631	5.82%
REVENUE						
WATER & WASTEWATER RATES REVENUE	26,565,262	28,006,330	0	0	0	0.00%
LICENSES, PERMITS & FINES	87,705	69,114	70,000	75,000	5,000	7.14%
OTHER REVENUE	44,606	38,351	24,500	24,500	0	0.00%
TRANSFER FROM RESERVES	814,636	481,672	1,306,672	1,575,152	268,480	20.55%
GRANTS	30,583	12,205	8,750	0	(8,750)	-100.00%

Executive Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): *Wastewater System, Water System*

Division(s): *SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT*

Costing Center(s): *All*

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
USER FEES/SERVICE CHARGES	386,268	565,425	441,300	437,000	(4,300)	-0.97%
REVENUE TOTAL	27,929,060	29,173,097	1,851,222	2,111,652	260,430	14.07%
GRAND TOTAL:	2	(130,023)	27,538,258	28,988,459	1,450,201	5.27%

Expanded Executive Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): All

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
PERSONNEL						
1001 REGULAR SALARIES	2,293,682	2,921,824	3,474,412	3,666,242	191,830	5.52%
1002 TEMPORARY SALARIES	96,692	76,082	77,634	79,439	1,805	2.33%
1003 SHIFT PREMIUM	3,562	4,575	3,300	7,152	3,852	116.73%
1004 OTHER/STANDBY	104,091	119,622	108,746	129,642	20,896	19.22%
1010 MODIFIED/ACCOMMODATED	0	43	0	0	0	0.00%
1011 SALARIES CAPITAL/Special Projects	0	0	881,716	949,069	67,353	7.64%
1101 OVERTIME FULLTIME	340,884	353,344	257,443	298,638	41,195	16.00%
1102 OVERTIME PART TIME	12	0	0	0	0	0.00%
1201 VACATION other	3,000	3,150	0	0	0	0.00%
1202 VACATION	224,673	227,947	5,637	4,994	(643)	-11.41%
1203 COMPASSIONATE LEAVE	5,941	4,633	0	0	0	0.00%
1204 STATUTORY HOLIDAYS	134,472	129,021	0	0	0	0.00%
1207 SICK LEAVE	121,744	131,992	0	0	0	0.00%
1299 OTHER LABOUR COSTS	30	0	0	0	0	0.00%
1301 WSIB LEAVE	(861)	(4,279)	0	0	0	0.00%
1401 TRAINING & SAFETY	66,125	67,549	0	0	0	0.00%
1499 OTHER EMP ALLOWANCES	818	2,266	500	0	(500)	-100.00%
1801 FRINGE BENEFITS-FULLTIME	1,199,738	1,385,103	1,546,852	1,685,333	138,481	8.95%
1802 FRINGE BENEFITS-PARTTIME	26,226	22,595	28,293	28,541	248	0.88%
1900 CAPITAL WAGES CONTRA	0	0	(1,200,139)	(1,304,250)	(104,111)	-8.67%
PERSONNEL TOTAL	4,620,829	5,445,467	5,184,394	5,544,800	360,406	6.95%
GOODS & SERVICES						
2001 SAND	9,474	3,684	2,000	2,000	0	0.00%
2002 SALT	9	9	200	200	0	0.00%
2006 ASPHALT - COLD MIX	28,929	25,580	20,297	23,638	3,341	16.46%
2007 CONSTRUCTION SUPPLIES	77	639	0	0	0	0.00%
2008 CEMENT	0	0	1,000	500	(500)	-50.00%
2009 METALS	71	2,361	2,000	2,000	0	0.00%
2020 SEWER/WATER PIPE & PARTS	161,528	303,510	180,000	185,400	5,400	3.00%
2030 GRAVEL	77,471	50,731	90,758	90,758	0	0.00%
2055 CHEMICALS	813,307	789,973	834,286	859,179	24,893	2.98%
2099 MISC. MATERIALS	8,462	7,493	2,500	6,000	3,500	140.00%
2401 GAS FUEL	78,643	70,566	80,900	73,462	(7,438)	-9.19%
2405 DIESEL FUEL	87,493	82,433	108,220	78,530	(29,690)	-27.43%
2407 COLOURED/DYED DIESEL	38,386	44,682	34,490	39,305	4,815	13.96%
2410 PROPANE	52	209	0	0	0	0.00%

Expanded Executive Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): All

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
2415 LUBRICANTS	3,648	2,433	8,500	8,500	0	0.00%
2425 REPAIR PARTS	91,361	110,561	75,750	75,750	0	0.00%
2430 MECHANIC SHOP SUPPLIES	1,785	2,085	4,500	1,500	(3,000)	-66.67%
2435 TOOLS	54,096	47,417	53,514	49,055	(4,459)	-8.33%
2440 MAINTENANCE SUPPLIES	19,590	22,637	13,085	15,692	2,607	19.92%
2601 OFFICE SUPPLIES	14,420	16,143	11,400	11,000	(400)	-3.51%
2615 JANITORIAL SUPPLIES	2,368	3,276	2,200	1,700	(500)	-22.73%
2625 BUILDING MAINT SUPPLIES	6,743	10,480	8,150	5,000	(3,150)	-38.65%
2650 CLOTHING / UNIFORM	16,326	15,468	20,248	19,478	(770)	-3.80%
2655 SAFETY SUPPLIES	58,736	39,818	45,000	45,585	585	1.30%
2660 SAFETY BOOT ALLOWANCE	10,046	8,193	13,220	13,220	0	0.00%
2699 MISC GENERAL SUPPLIES	188	0	500	0	(500)	-100.00%
2701 HYDRO	1,203,567	1,354,247	1,149,061	1,301,987	152,926	13.31%
2705 NATURAL GAS	70,885	74,221	81,333	54,902	(26,431)	-32.50%
2715 WATER	17,485	17,006	18,323	18,635	312	1.70%
2720 MUNICIPAL TAXES	292,966	300,152	301,755	309,156	7,401	2.45%
2975 LAB TESTING	87,122	94,429	74,420	75,302	882	1.19%
2977 LABORATORY CONSUMABLES	34,745	27,420	24,720	25,461	741	3.00%
2980 INSTRUMENTATION	82,496	43,754	55,000	55,000	0	0.00%
2985 LAB EQUIPMENT	8,184	6,275	9,500	9,500	0	0.00%
2987 ELECTRICAL SUPPLIES	18,146	13,105	21,000	21,000	0	0.00%
3001 POSTAGE	111,102	142,877	115,000	115,000	0	0.00%
3005 COURIER & DELIVERY	4,852	5,075	2,000	2,000	0	0.00%
3007 ONTARIO 1 CALL CENTER	2,673	16,486	8,000	8,000	0	0.00%
3010 TELEPHONE	62,184	62,762	52,220	59,780	7,560	14.48%
3014 TELECOMMUNICATIONS	4,674	12,483	15,260	17,860	2,600	17.04%
3030 TRAVEL	0	126	0	0	0	0.00%
3035 MILEAGE	10,863	4,710	6,200	8,200	2,000	32.26%
3045 CONFERENCES & SEMINARS	662	0	0	0	0	0.00%
3055 MEETING COSTS	6,280	1,965	1,200	1,450	250	20.83%
3060 MEALS	901	437	0	500	500	100.00%
3065 MEMBERSHIPS/LICENSES/CERTIFICATIO NS	6,483	10,800	10,940	10,800	(140)	-1.28%
3070 TRAINING	76,547	65,759	61,600	66,100	4,500	7.31%
3088 REBATES/REFUNDS	6,017	4,800	10,000	10,000	0	0.00%
3089 CONSUMPTION CREDITS	11,550	25,108	13,500	13,500	0	0.00%
3170 LEGAL SEARCHES	24	0	0	0	0	0.00%

Expanded Executive Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): All

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
3199 MISC PROFESSIONAL FEES	4,665	2,075	1,290	1,290	0	0.00%
3205 VEHICLE LEASE/RENTAL	8,658	9,873	11,000	11,000	0	0.00%
3299 MISC LEASES & RENTS	0	284	0	0	0	0.00%
3301 RADIO MAINTENANCE	76,214	64,176	74,000	69,000	(5,000)	-6.76%
3305 BUILDING MAINTENANCE	1,435	1,436	0	0	0	0.00%
3325 WATER METER MAINTENANCE	674	2,110	10,000	5,000	(5,000)	-50.00%
3340 SOFTWARE MAINTENANCE	90,708	96,152	91,023	99,220	8,197	9.01%
3350 DRY CLEANING/LAUNDERING	269	0	2,500	2,500	0	0.00%
3412 INTERNET FEES	2,124	398	2,000	2,000	0	0.00%
3418 WATER ANALYSIS	0	295	0	0	0	0.00%
3425 CONSTRUCTION CONTRACT	83,252	39,786	72,081	72,081	0	0.00%
3426 PATCHING	636,466	617,298	634,849	653,894	19,045	3.00%
3427 HYDROSEEDING	22,347	34,596	49,638	50,408	770	1.55%
3428 CONCRETE RESTORATION	17,442	13,562	21,218	21,854	636	3.00%
3445 SNOW REMOVAL CONTRACT	0	763	0	15,000	15,000	100.00%
3455 SECURITY SERVICES	4,017	7,850	1,800	1,800	0	0.00%
3480 CLEANING CONTRACT	19,487	19,538	19,800	20,394	594	3.00%
3489 CONTRACT/OUTSIDE SERVICES	147,804	133,985	59,400	79,400	20,000	33.67%
3499 MISC CONTRACTS	234	0	0	0	0	0.00%
3601 INSURANCE PREMIUMS	634,409	709,644	708,970	785,881	76,911	10.85%
3969 SLUDGE DISPOSAL	252,303	197,774	204,500	210,635	6,135	3.00%
GOODS & SERVICES TOTAL	5,706,125	5,895,973	5,607,819	5,892,942	285,123	5.08%
FINANCIAL EXPENSES						
4015 DEBENTURE PRINCIPAL	2,411,772	2,278,940	2,953,104	2,329,347	(623,757)	-21.12%
4020 DEBENTURE INTEREST	295,366	272,774	548,967	379,698	(169,269)	-30.83%
FINANCIAL EXPENSES TOTAL	2,707,138	2,551,714	3,502,071	2,709,045	(793,026)	-22.64%
CAPITAL/RESERVE TRANSACTIONS						
5010 MACHINERY & EQUIPMENT	0	604	0	0	0	0.00%
5015 OFFICE FURNITURE & EQUIP	5,064	499	500	0	(500)	-100.00%
5020 WATER METERS	45,220	120,708	25,000	30,000	5,000	20.00%
5101 CAPITAL LEVY	11,931,335	12,025,510	12,025,510	13,638,486	1,612,976	13.41%
5115 TRANSFER TO RESERVE FUND	25,108	0	0	0	0	0.00%
CAPITAL/RESERVE TRANSACTIONS TOTAL	12,006,727	12,147,321	12,051,010	13,668,486	1,617,476	13.42%
INTERNAL TRANSFERS						
7001 VEH & EQUIPMENT USAGE FEE	888,929	1,016,415	1,067,046	1,139,815	72,769	6.82%
7010 ADMINISTRATION & OVERHEAD	1,989,825	1,975,640	1,975,640	2,143,525	167,885	8.50%

Expanded Executive Report

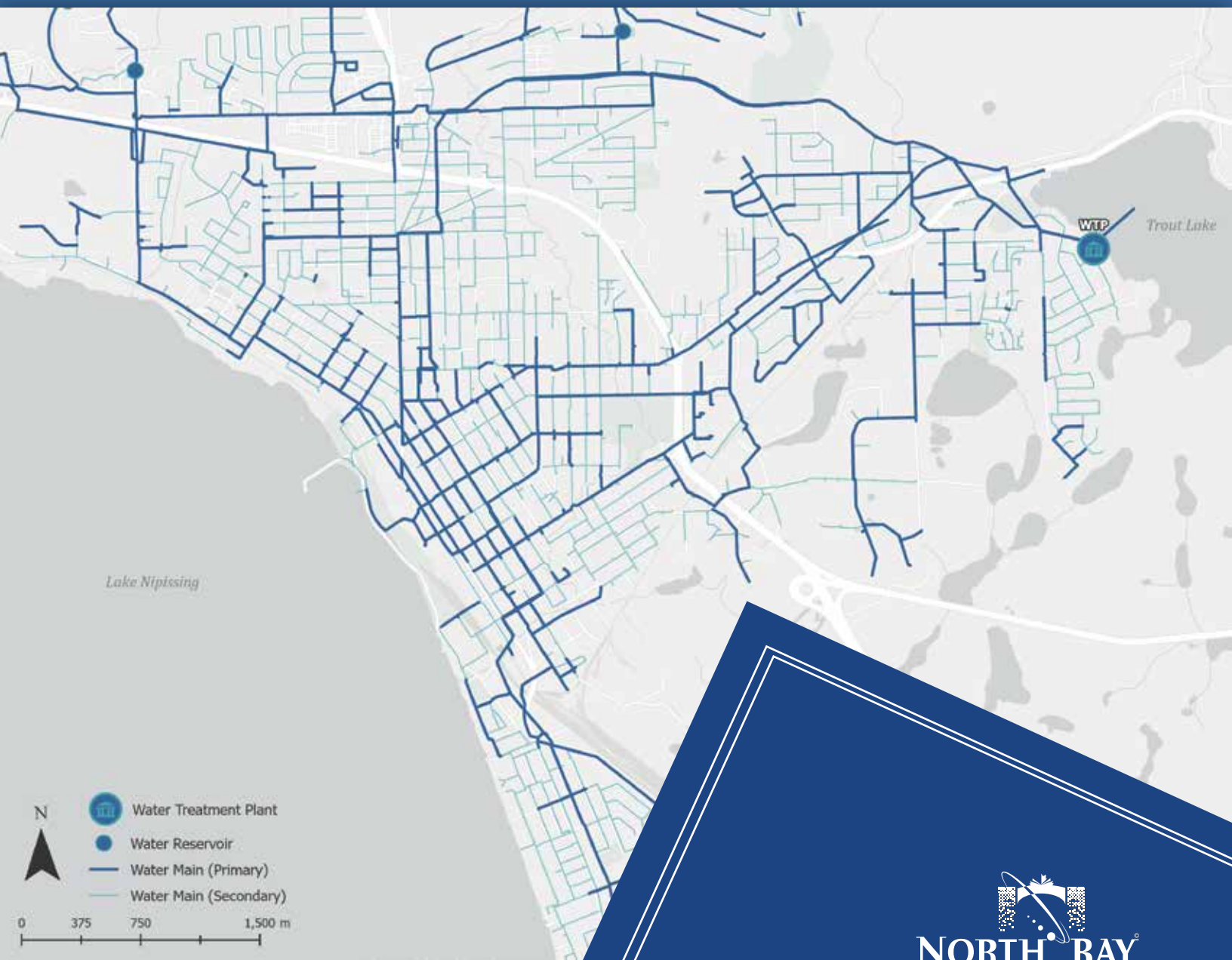
Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT, WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): All

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
7050 FLEET CHARGEBACK CHARGES	9,484	10,545	1,500	1,500	0	0.00%
INTERNAL TRANSFERS TOTAL	2,888,238	3,002,600	3,044,186	3,284,840	240,654	7.91%
EXPENSE TOTAL	27,929,057	29,043,075	29,389,480	31,100,113	1,710,633	5.82%
REVENUE						
0175 DIRECT WATER BILLINGS	7,486,119	8,514,982	0	0	0	0.00%
0178 CONSTRUCTION WATER	24,956	29,216	35,000	35,000	0	0.00%
0179 FIXED WATER	6,031,679	5,485,164	0	0	0	0.00%
0180 SEWER SURCHARGE	13,047,464	14,006,184	0	0	0	0.00%
0431 PENALTIES/WATER ACCOUNTS	87,705	69,114	70,000	75,000	5,000	7.14%
0456 SALE OF SCRAP METALS	8,613	5,134	7,000	7,000	0	0.00%
0468 METER REPLACEMENT	3,949	6,575	7,500	7,500	0	0.00%
0470 TSF FROM RESERVE FUND	814,636	481,672	1,306,672	1,575,152	268,480	20.55%
0472 REIMB - CUPE BENEFITS	4,974	2,318	0	0	0	0.00%
0476 REIMBURSEMENT-CUPE WAGES	12,161	7,260	0	0	0	0.00%
0480 SUNDRY REVENUE	14,909	17,064	10,000	10,000	0	0.00%
0607 FEDNOR GRANT	25,203	9,797	8,750	0	(8,750)	-100.00%
0621 SUMMER STUD PROG GRANT	5,380	2,408	0	0	0	0.00%
0856 RETURN ITEM CHARGE	6,518	10,094	5,800	6,500	700	12.07%
0860 ACCOUNT ADJ./METER READS	31,040	35,506	40,000	32,500	(7,500)	-18.75%
0873 SANITARY SEWER CONNECTION	10,290	44,800	12,500	15,000	2,500	20.00%
0874 SEWER RODDINGS	23,173	18,234	20,000	20,000	0	0.00%
0876 WATER CONNECTIONS	34,092	77,012	30,000	40,000	10,000	33.33%
0877 WATER THAWS	52	2,348	3,000	3,000	0	0.00%
0878 WATER TURN ON/OFF	34,463	35,047	35,000	35,000	0	0.00%
0897 PATTON BULK WATER	27,035	34,073	30,000	30,000	0	0.00%
0899 OTHER SERVICE CHARGES	12,743	35,334	30,000	20,000	(10,000)	-33.33%
0985 SEPTAGE TREATMENT	181,907	243,759	200,000	200,000	0	0.00%
REVENUE TOTAL	27,929,061	29,173,095	1,851,222	2,111,652	260,430	14.07%
GRAND TOTAL:	(4)	(130,020)	27,538,258	28,988,461	1,450,203	5.27%



Water & Wastewater 2026 Operating Budget

Water

Water Report

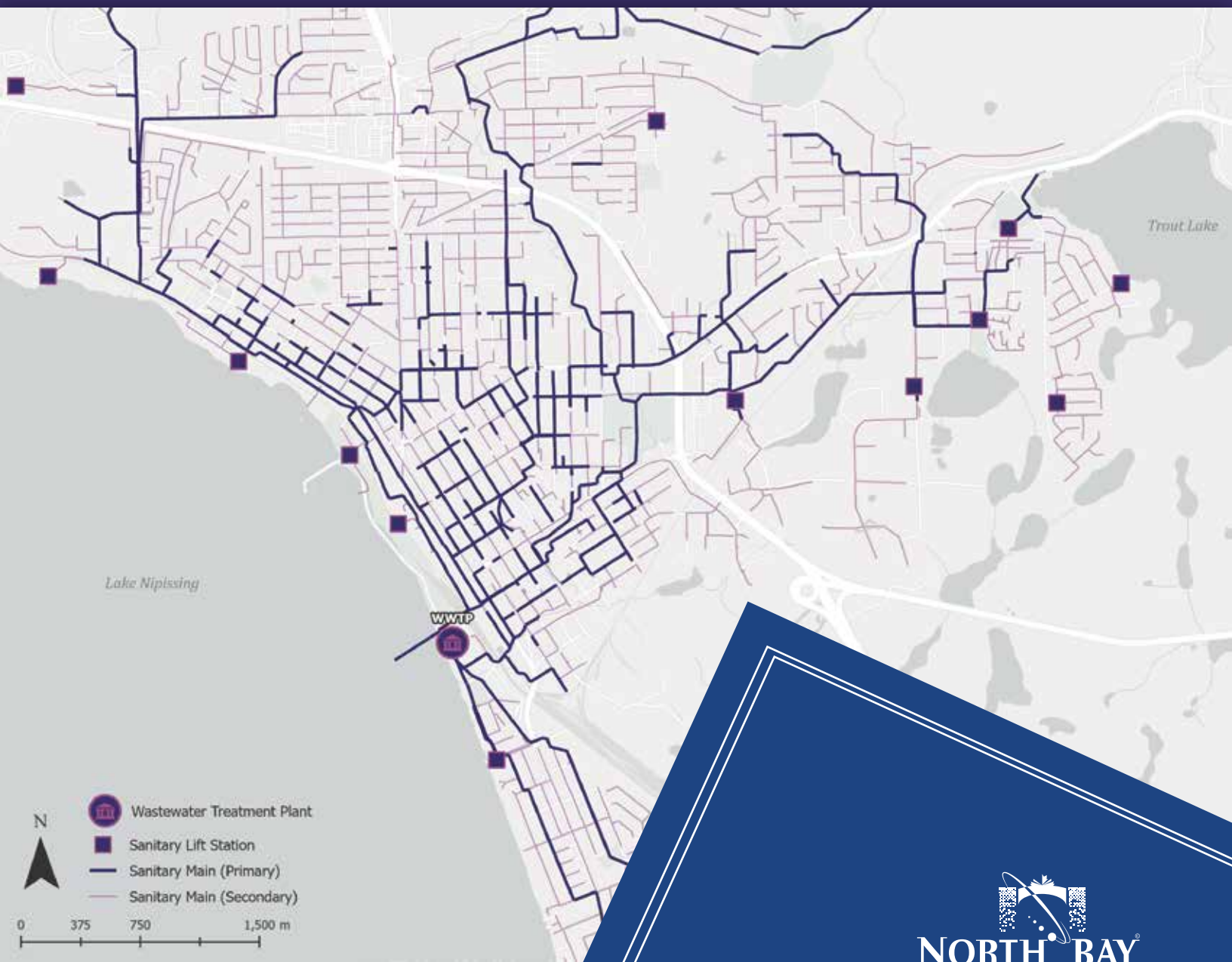
Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): WATER DISTRIBUTION, WATER FINANCE ADMIN, WATER PLANT

Costing Center(s): WATER - ADMIN / OPERATIONS / GG (50% WATER, 40% SEWER, 10% STORM), WATER - ADMINISTRATION / FINANCE, WATER PLANT - ADMIN, WATER PLANT - OPERATIONS, WATER PLANT - RESERVOIRS

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
PERSONNEL						
SALARIES & WAGES	1,963,369	2,308,087	1,938,969	2,067,826	128,857	6.65%
FRINGE BENEFITS	663,865	759,592	842,432	914,573	72,141	8.56%
PERSONNEL TOTAL	2,627,234	3,067,679	2,781,401	2,982,399	200,998	7.23%
GOODS & SERVICES						
MATERIALS - OPERATING EXPENSES	875,676	1,005,014	874,235	893,678	19,443	2.22%
FUEL	108,375	101,414	117,860	101,206	(16,654)	-14.13%
UTILITIES	815,795	946,954	762,543	900,657	138,114	18.11%
ADMINISTRATION EXPENSES	405,539	433,080	402,089	412,532	10,443	2.60%
PROFESSIONAL FEES	0	1,758	0	0	0	0.00%
LEASES & RENTS	6,153	5,485	6,000	6,000	0	0.00%
MAINTENANCE EXPENSES	123,321	115,029	131,750	125,110	(6,640)	-5.04%
CONTRACTS	599,894	590,804	421,555	446,670	25,115	5.96%
INSURANCE	261,200	291,621	292,161	322,534	30,373	10.40%
GOODS & SERVICES TOTAL	3,195,953	3,491,159	3,008,193	3,208,387	200,194	6.65%
FINANCIAL EXPENSES						
FINANCING EXPENSES	1,304,001	1,138,582	1,468,570	1,264,123	(204,447)	-13.92%
FINANCIAL EXPENSES TOTAL	1,304,001	1,138,582	1,468,570	1,264,123	(204,447)	-13.92%
CAPITAL/RESERVE TRANSACTIONS						
CAPITAL PURCHASES	45,220	121,811	25,000	30,000	5,000	20.00%
CAPITAL FINANCING	5,965,668	6,012,755	6,012,755	6,819,243	806,488	13.41%
CAPITAL/RESERVE TRANSACTIONS TOTAL	6,010,888	6,134,566	6,037,755	6,849,243	811,488	13.44%
INTERNAL TRANSFERS						
INTERNAL TRANSFERS	1,497,827	1,546,007	1,578,020	1,671,371	93,351	5.92%
INTERNAL TRANSFERS TOTAL	1,497,827	1,546,007	1,578,020	1,671,371	93,351	5.92%
EXPENSE TOTAL	14,635,903	15,377,993	14,873,939	15,975,523	1,101,584	7.41%
REVENUE						
WATER & WASTEWATER RATES REVENUE	13,517,798	14,000,146	0	0	0	0.00%
LICENSES, PERMITS & FINES	68,718	40,328	40,000	40,000	0	0.00%
OTHER REVENUE	44,606	36,259	20,500	20,500	0	0.00%
TRANSFER FROM RESERVES	814,636	481,672	856,672	985,152	128,480	15.00%
GRANTS	25,203	9,797	4,375	0	(4,375)	-100.00%
USER FEES/SERVICE CHARGES	164,941	249,591	193,800	192,000	(1,800)	-0.93%
REVENUE TOTAL	14,635,902	14,817,793	1,115,347	1,237,652	122,305	10.97%
GRAND TOTAL:	1	560,200	13,758,592	14,737,871	979,279	7.12%



Water & Wastewater
2026 Operating Budget

Wastewater

Wastewater Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): Wastewater System, Water System

Division(s): SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT

Costing Center(s): SANITARY - ADMIN / OPERATIONS / GG (50% WATER, 40% SEWER, 10% STORM), SEWAGE TREATMENT PLANT - ADMIN, SEWAGE TREATMENT PLANT - OPERATIONS

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
PERSONNEL						
SALARIES & WAGES	1,431,497	1,729,684	1,670,279	1,763,098	92,819	5.56%
FRINGE BENEFITS	562,100	648,106	732,714	799,302	66,588	9.09%
PERSONNEL TOTAL	1,993,597	2,377,790	2,402,993	2,562,400	159,407	6.63%
GOODS & SERVICES						
MATERIALS - OPERATING EXPENSES	733,655	642,461	699,513	708,740	9,227	1.32%
FUEL	96,200	96,475	105,750	90,091	(15,659)	-14.81%
UTILITIES	476,142	498,520	486,174	474,867	(11,307)	-2.33%
ADMINISTRATION EXPENSES	192,216	220,457	195,586	209,814	14,228	7.27%
PROFESSIONAL FEES	4,689	317	1,290	1,290	0	0.00%
LEASES & RENTS	2,505	4,672	5,000	5,000	0	0.00%
MAINTENANCE EXPENSES	45,978	48,845	45,773	50,610	4,837	10.57%
CONTRACTS	333,278	277,268	439,231	470,161	30,930	7.04%
INSURANCE	373,209	418,023	416,809	463,347	46,538	11.17%
OTHER SERVICES	252,303	197,774	204,500	210,635	6,135	3.00%
GOODS & SERVICES TOTAL	2,510,175	2,404,812	2,599,626	2,684,555	84,929	3.27%
FINANCIAL EXPENSES						
FINANCING EXPENSES	1,403,137	1,413,131	2,033,501	1,444,921	(588,580)	-28.94%
FINANCIAL EXPENSES TOTAL	1,403,137	1,413,131	2,033,501	1,444,921	(588,580)	-28.94%
CAPITAL/RESERVE TRANSACTIONS						
CAPITAL PURCHASES	5,064	0	500	0	(500)	-100.00%
CAPITAL FINANCING	5,965,667	6,012,755	6,012,755	6,819,243	806,488	13.41%
TRANSFER TO RESERVES	25,108	0	0	0	0	0.00%
CAPITAL/RESERVE TRANSACTIONS TOTAL	5,995,839	6,012,755	6,013,255	6,819,243	805,988	13.40%
INTERNAL TRANSFERS						
INTERNAL TRANSFERS	1,390,411	1,456,593	1,466,166	1,613,469	147,303	10.05%
INTERNAL TRANSFERS TOTAL	1,390,411	1,456,593	1,466,166	1,613,469	147,303	10.05%
EXPENSE TOTAL	13,293,159	13,665,081	14,515,541	15,124,588	609,047	4.20%
REVENUE						
WATER & WASTEWATER RATES REVENUE	13,047,464	14,006,184	0	0	0	0.00%
LICENSES, PERMITS & FINES	18,987	28,786	30,000	35,000	5,000	16.67%
OTHER REVENUE	0	2,092	4,000	4,000	0	0.00%
TRANSFER FROM RESERVES	0	0	450,000	590,000	140,000	31.11%
GRANTS	5,380	2,408	4,375	0	(4,375)	-100.00%

Wastewater Report

Budget Year: 2026; YTD End Date: December 2025

Department(s): *Wastewater System, Water System*

Division(s): *SANITARY SEWER DISTRIBUTION, SANITARY SEWER PLANT*

Costing Center(s): *SANITARY - ADMIN / OPERATIONS / GG (50% WATER, 40% SEWER, 10% STORM), SEWAGE TREATMENT PLANT - ADMIN, SEWAGE TREATMENT PLANT - OPERATIONS*

	2024 Actuals	2025 Actuals YTD	2025 Budget	2026 Approved	Variance	Variance %
USER FEES/SERVICE CHARGES	221,327	315,834	247,500	245,000	(2,500)	-1.01%
REVENUE TOTAL	13,293,158	14,355,304	735,875	874,000	138,125	18.77%
GRAND TOTAL:	1	(690,223)	13,779,666	14,250,588	470,922	3.42%

