



2019 Water, Wastewater and Stormwater Budget

2019 RATE BUDGET

Snap Shot

Operating

- **\$222.3 M** Total Program Expenditures
- **\$219.3 M** Rate Revenue
- **\$3 M** Non-Rate Revenue

Capital

- **\$273.1 M** Rate Capital Program
 - 55% Wastewater
 - 30% Water
 - 15% Storm
- **\$2.34 B** capital investment forecast (2019 to 2028)
- **\$0.42 B** increase from last year's 10-year forecast

2019 RATE BUDGET

2019 RATE BUDGET - What your dollars buy you



2019 RATE OPERATING BUDGET (000's)

By the Numbers

Summary of the 2019 Operating Budget

| (\$ millions) | 2018 Restated Budget | 2019 Requested Budget | 2019 Requested / 2018 Restated Change | |
|--|----------------------------|-----------------------------|--|--------------|
| | | | \$ | % |
| <u>Expenditures</u> | | | | |
| Program Expenditures | \$ 93.3 | \$ 95.7 | \$ 2.4 | 2.6% |
| Capital/Debt / Reserve Financing | \$ 117.6 | \$ 126.6 | \$ 9.0 | 7.6% |
| Total Expenditures | \$ 210.9 | \$ 222.3 | \$ 11.4 | 5.4% |
| <u>Revenues</u> | | | | |
| Rate Revenue | \$ 207.8 | \$ 219.3 | \$ 11.5 | 5.5% |
| Non-Rate Revenue | \$ 3.1 | \$ 3.0 | (\$ 0.1) | (0.3%) |
| Total Revenue | \$ 210.9 | \$ 222.3 | \$ 11.4 | 5.4% |
| Average Residential Water / Wastewater / Storm Bill | \$ 690.70 | \$ 722.90 | \$ 32.20 | 4.66% |

2019 CAPITAL BUDGET

The Source of Funding

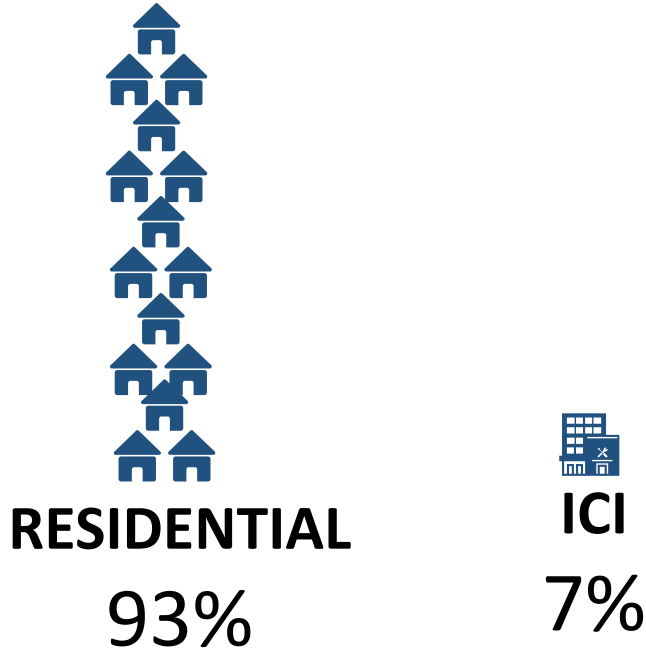
\$43.6 M Revenues, Grants & Subsidies +
\$70.4 M Development Charges +
\$97.8 M from operating +
\$26.0 M Reserves +
\$21.0 M Work-in-progress (WIP) +
\$14.3 M Debt +

= \$273.1 M Gross Capital Expenditure

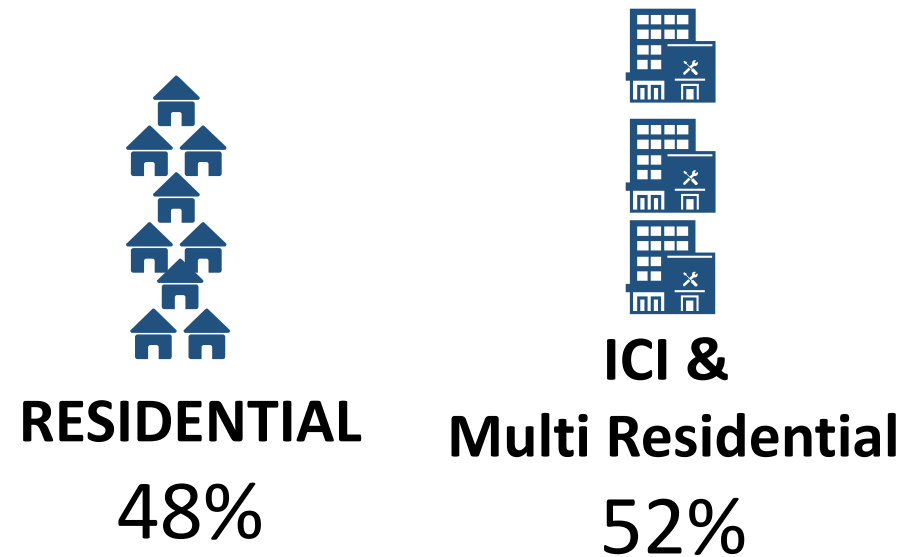
2019 METERED ACCOUNTS & REVENUE BY SECTOR

Where the \$ comes from

Metered Accounts by Sector



Revenue by Sector

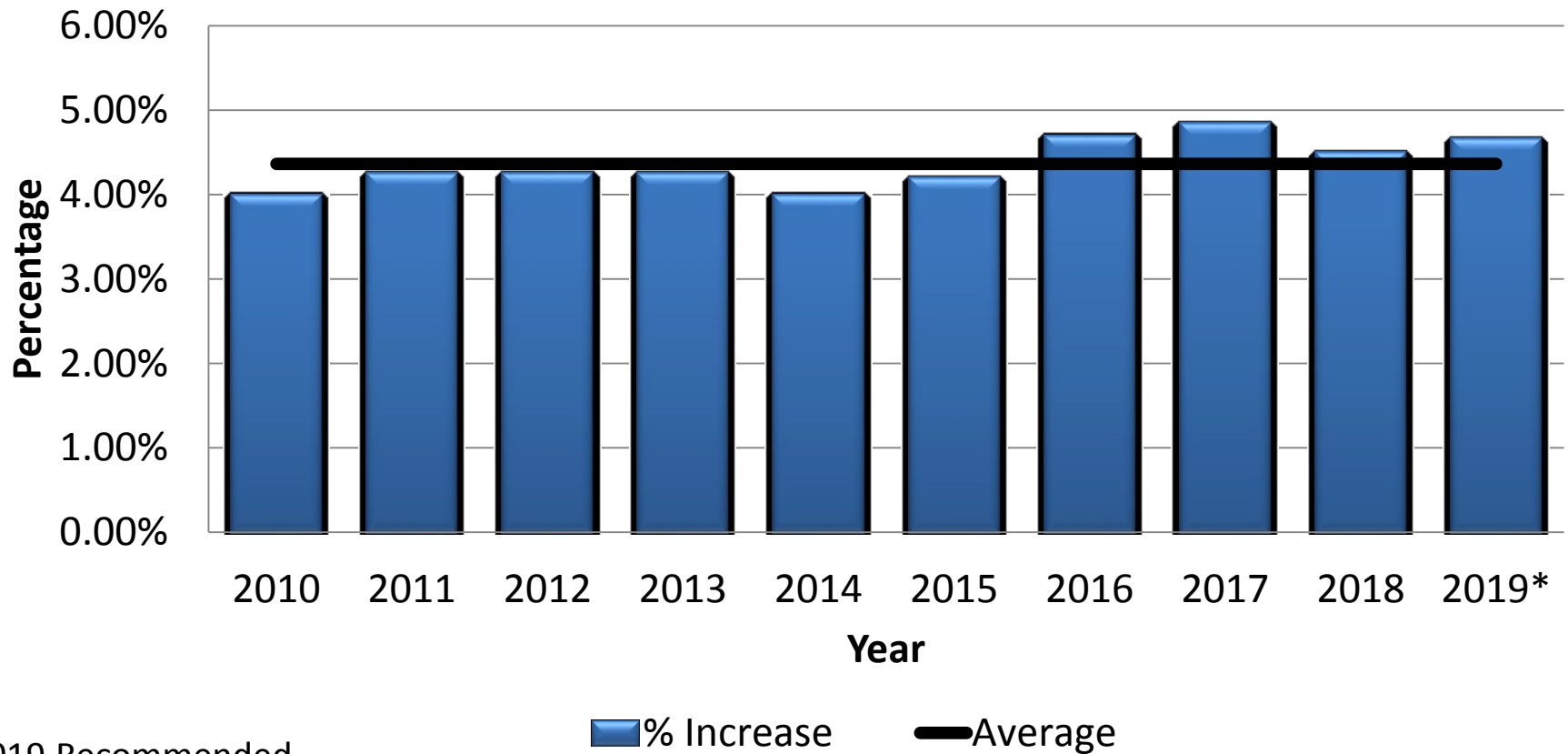


RATE INFORMATION AT A GLANCE

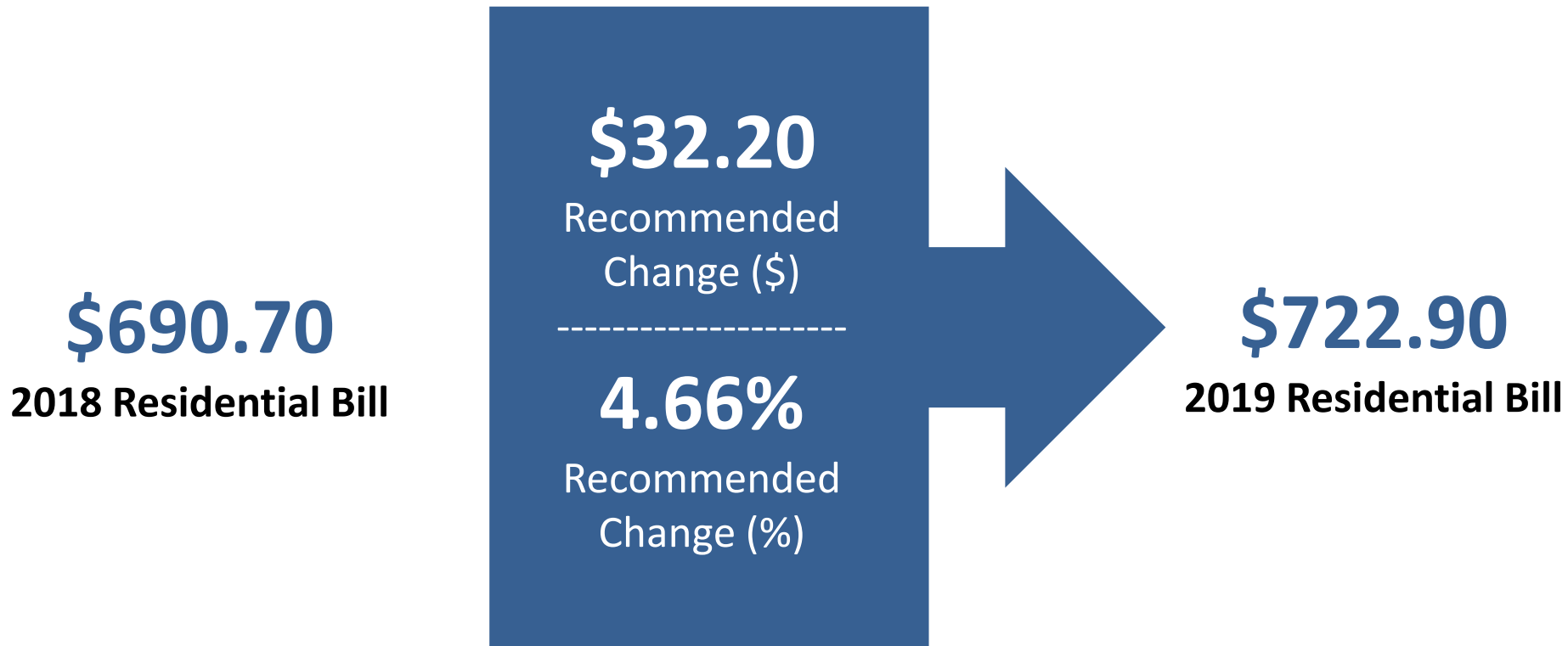
10 Year Rate Increase Trend

By the numbers

Annual Rate Increases



2019 RESIDENTIAL AVERAGE BILL



**Impact of Recommended 2019 Water and Wastewater/Storm Rate
Increases on a Typical Residential Bill: 4.66%**

Based on annual water consumption of 200m³

CONSUMPTION TRENDS AT A GLANCE

4 YEAR WATER CONSUMPTION FORECAST (M³)



2019 → 2022
CONSISTENT
Residential



2019 → 2022
CONSISTENT
ICI/ Multi Res



(Aldershot
Water Only)

2019 → 2022
CONSISTENT



(Caledonia & Cayuga
Water Only)

2019 → 2022
SLIGHT GROWTH

RESIDENTIAL WATER CONSUMPTION



2011

2017

+ 11,000 accounts



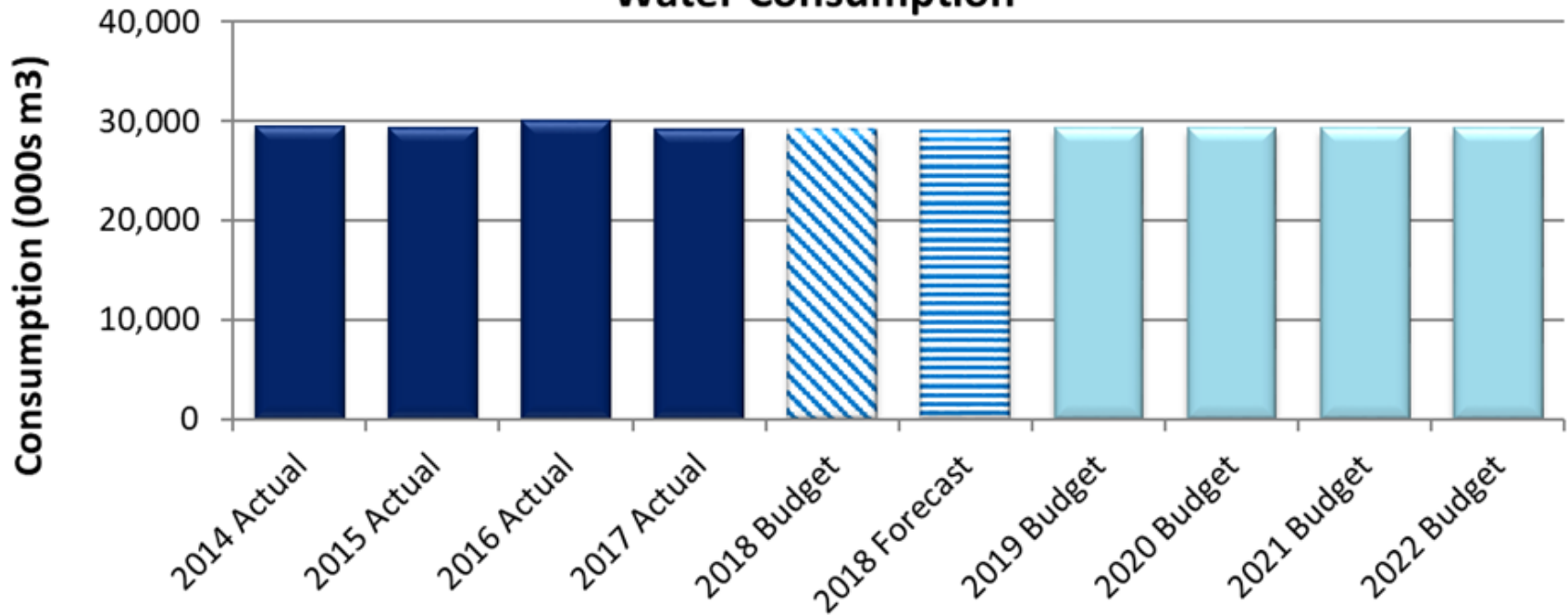
2011

2017

over 6% decrease
in consumption

ICI & MR CONSUMPTION FORECAST

Industrial/Commercial/Institutional & Multi-Res Water Consumption

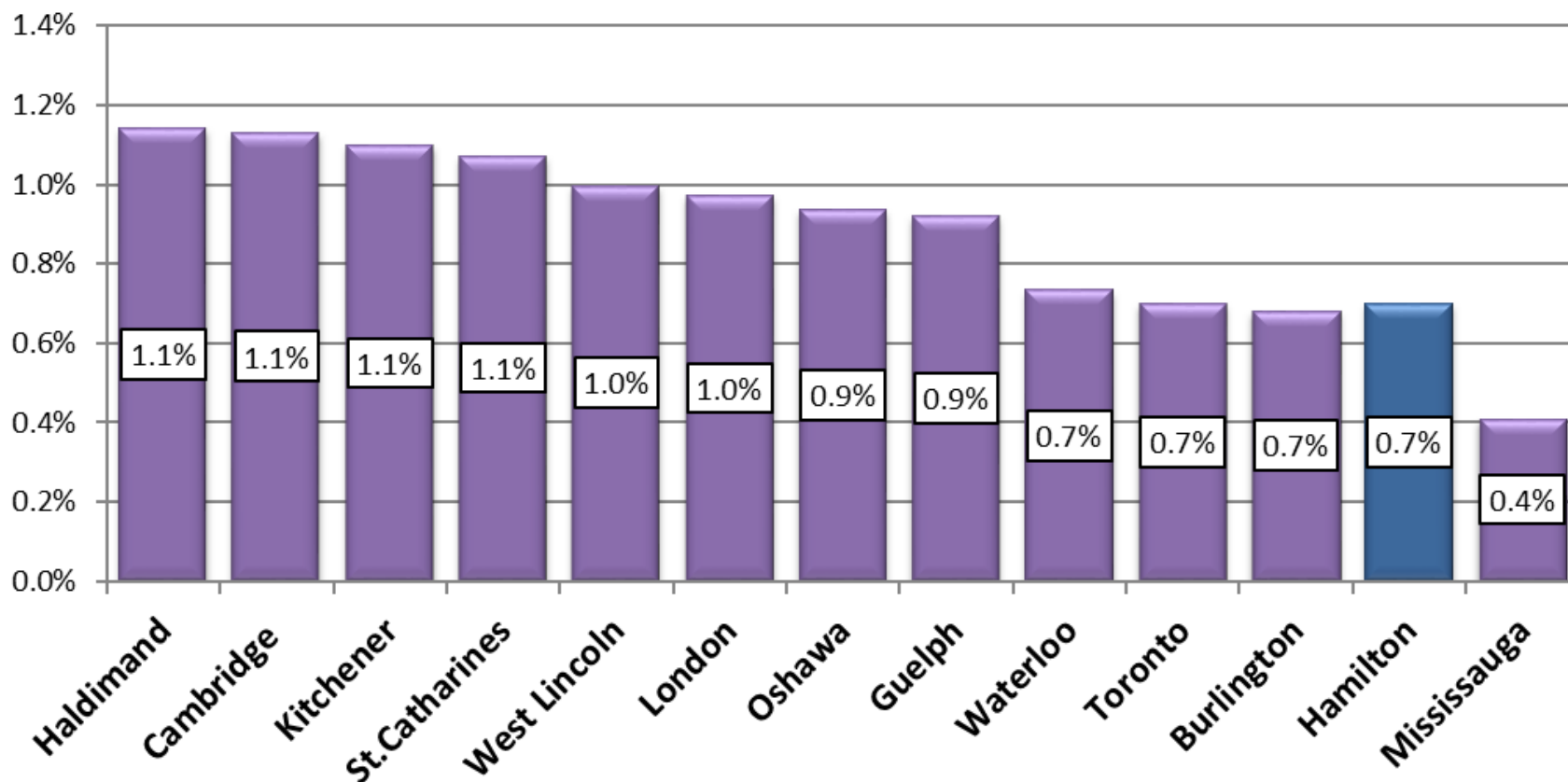


Consumption remains very consistent at just under 30M m³

MUNICIPAL COMPARATORS

HOW DOES HAMILTON COMPARE?

2017 Water/WW as a % of Household Income



Source: BMA Management Consulting Inc. – Municipal Study 2017

HOW DOES HAMILTON COMPARE?

2018 Water Bill Residential

200m³/ (year)

Survey Average
\$948

Kitchener: \$1,361

⚡ Norfolk: \$1,167

⚡ Cambridge: \$1,086

⚡ West-Lincoln: \$1,059

London: \$1,054

⚡ Haldimand: \$1,043

Guelph: \$972

Waterloo: \$959

⚡ Brantford: \$905

⚡ Durham: \$877

⚡ St. Catharines: \$875

⚡ Halton: \$842

Toronto: \$761

Hamilton: \$690

Peel: \$567

Stormwater
included

Stormwater
not
Included

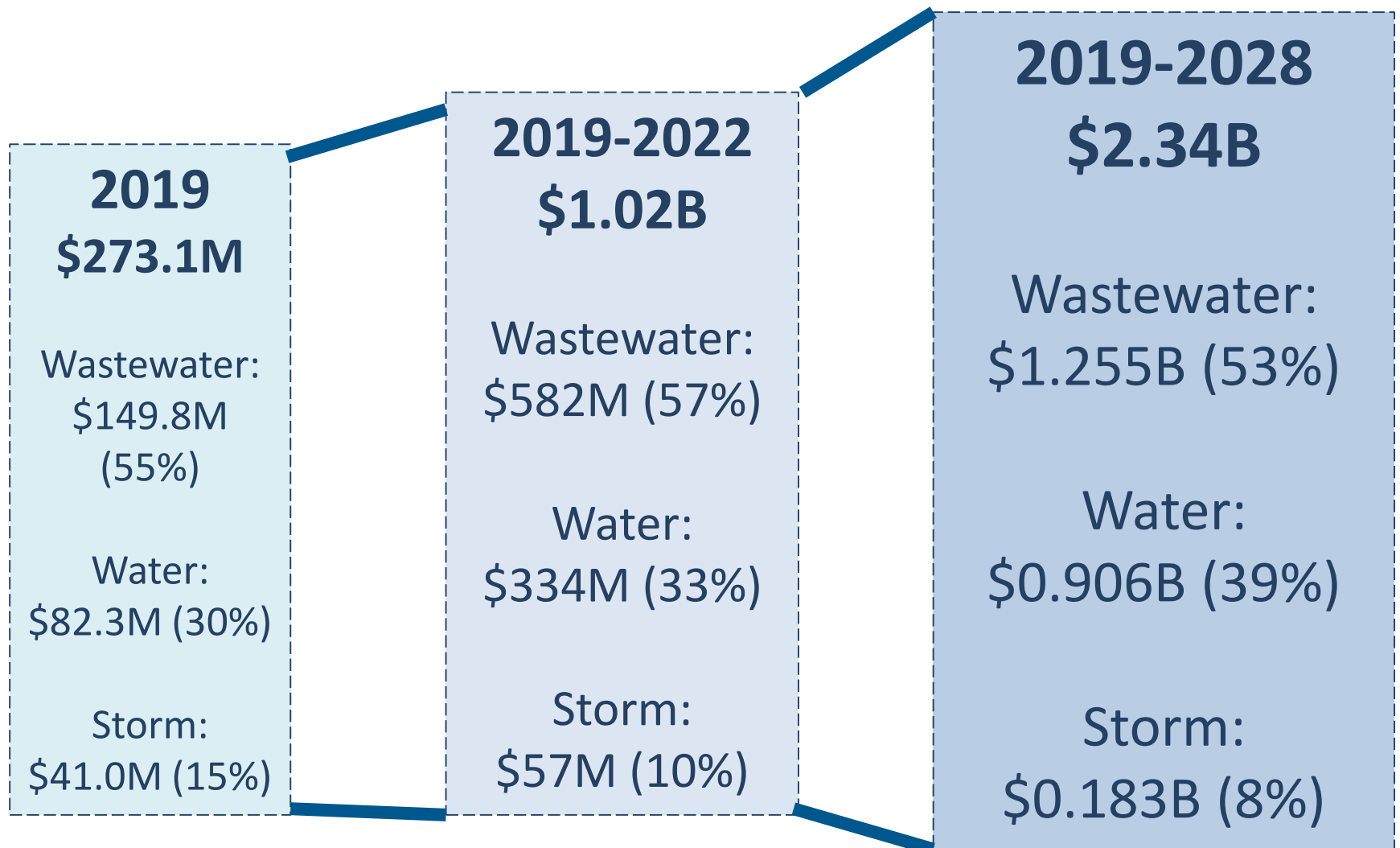
⚡ Comparators where Stormwater
funded by property tax

Hamilton provides **three**
services for less than some
municipalities which offer
two

CAPITAL INVESTMENT AT A GLANCE

LONG TERM CAPITAL PROGRAM

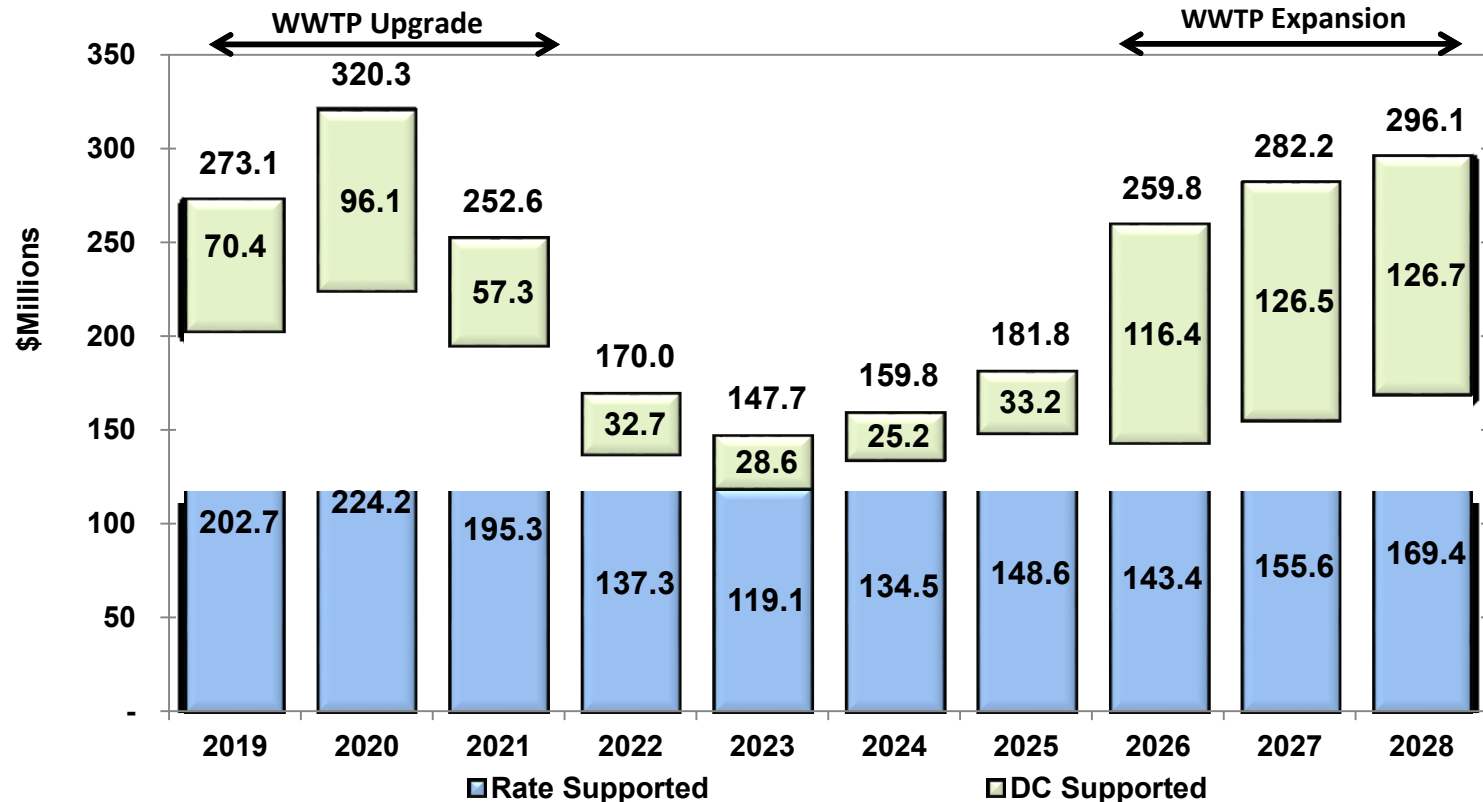
At a Glance



10 YEAR CAPITAL PROGRAM

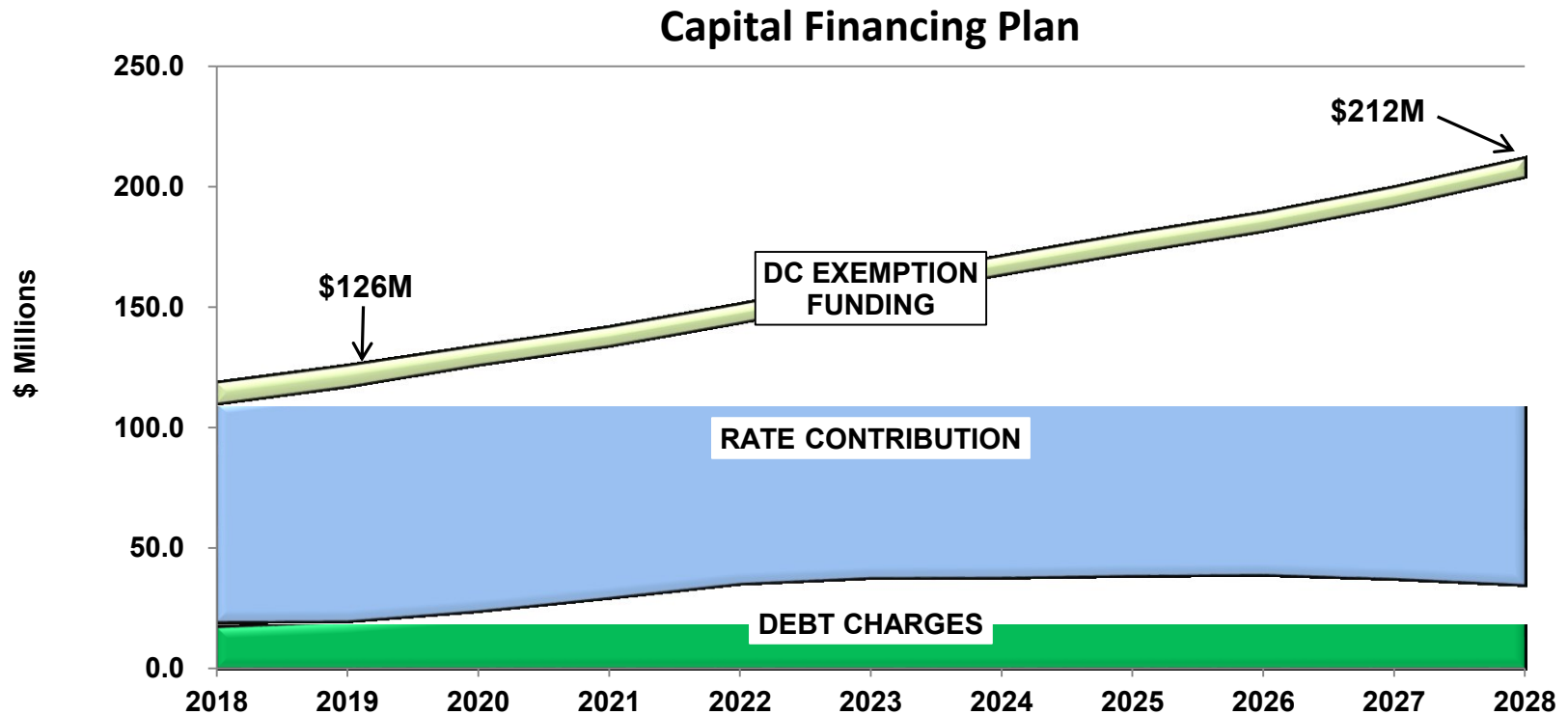
How much we plan to spend

Total 10 Year Capital- \$2.34 Billion
Water / Wastewater / Storm



10 YEAR CAPITAL STRATEGY

How will we pay for it



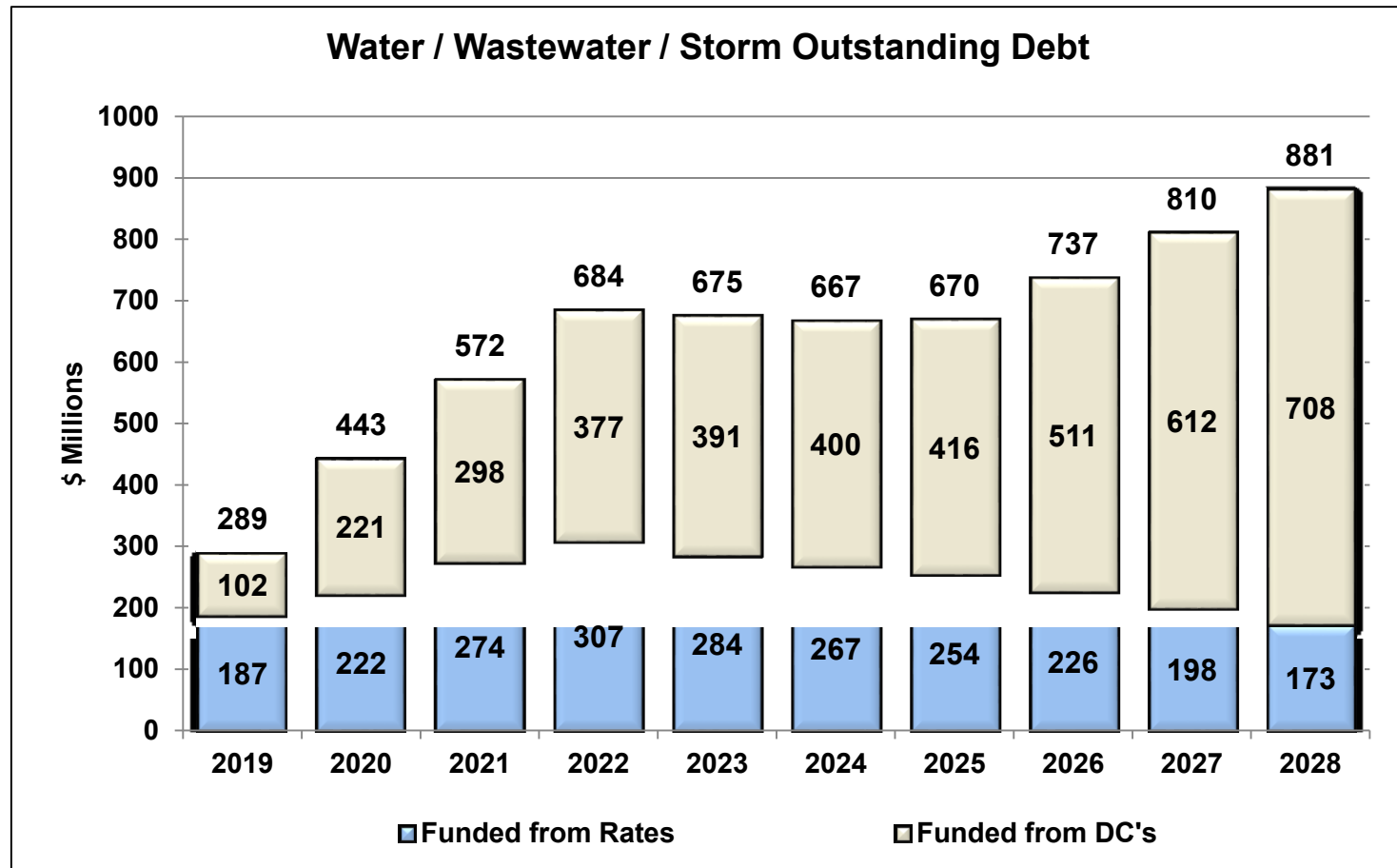
Contribution to capital increasing from \$126M in 2019 to \$212M in 2028

Largely due to capital construction

DEBT FUNDING AT A GLANCE

10 YEAR CAPITAL STRATEGY

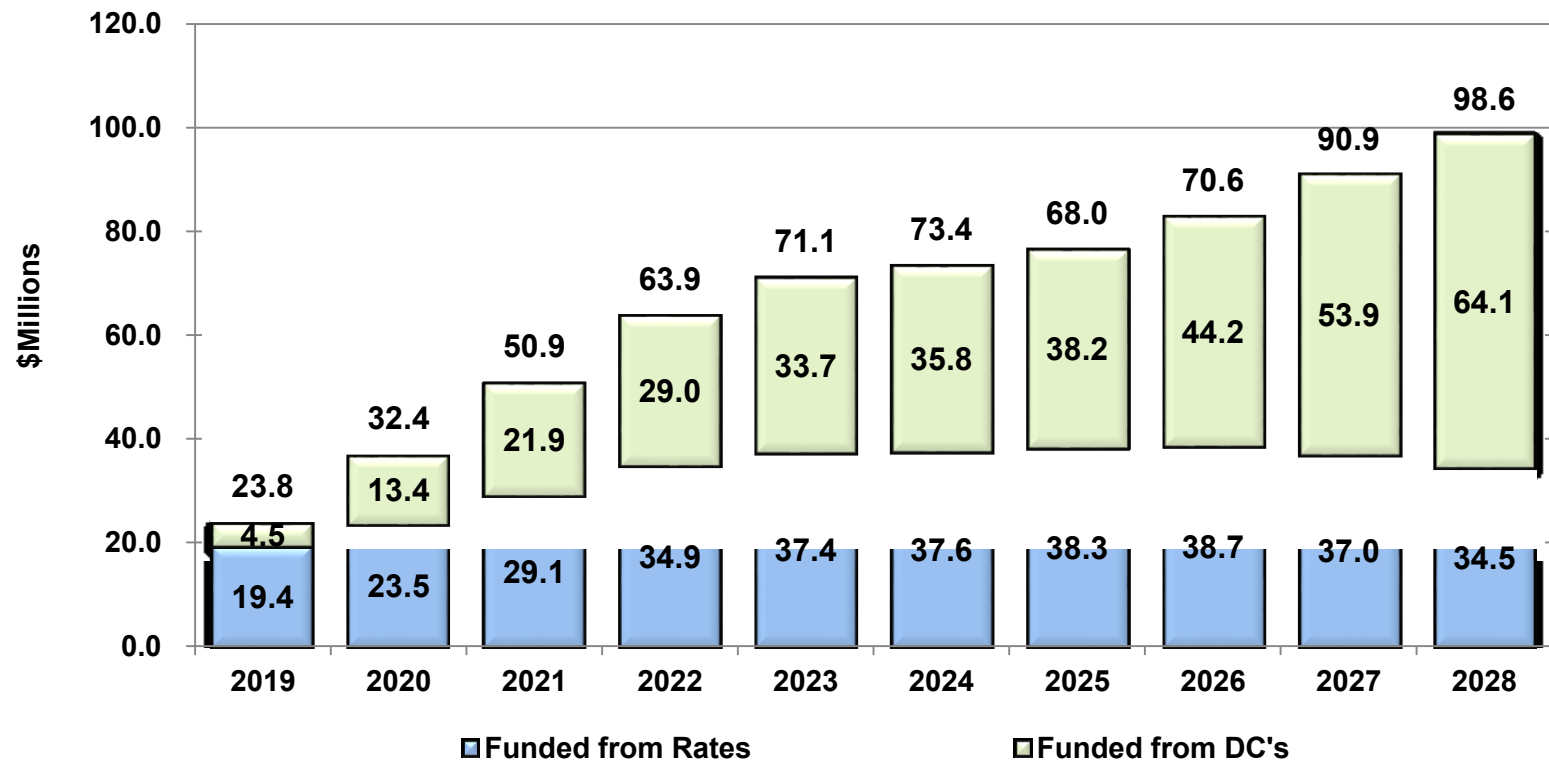
What does our debt look like?



10 YEAR CAPITAL STRATEGY

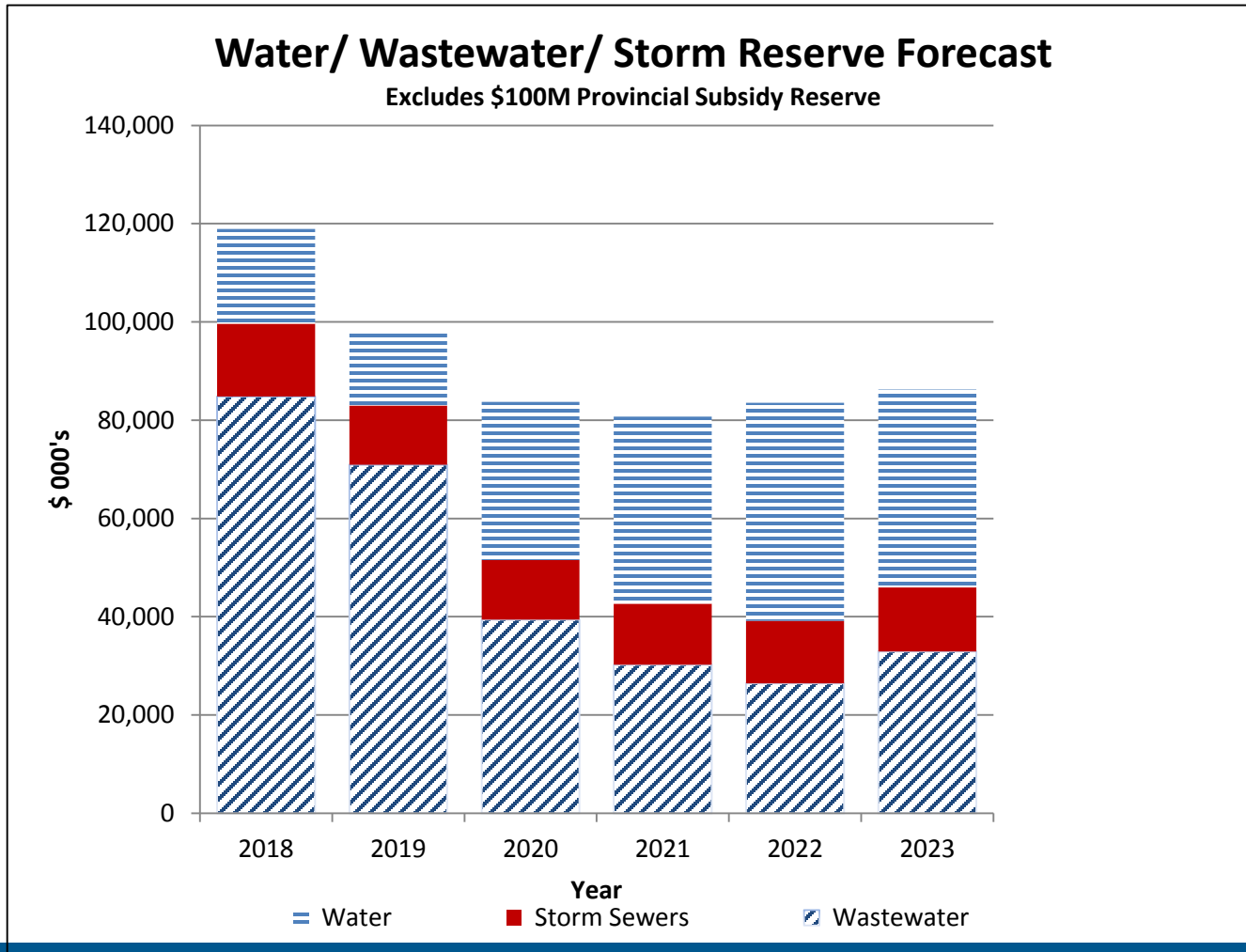
How much does our debt cost?

Projected Debt Charges
Water / Wastewater / Storm



10 YEAR CAPITAL STRATEGY

How much reserves will we use?





THANK YOU