

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget



2025 RATE BUDGET

Snap Shot

Operating

- **\$327.8 M** Total Program and Financial Expenditures
- **\$324.6 M** Rate Revenue
- **\$3.2 M** Non-Rate Revenue

Capital

- **\$314.9 M** Rate Capital Program
 - 42% Water
 - 34% Wastewater
 - 24% Storm
- **\$4.52 B** capital investment forecast (2025 to 2034)
- **\$0.38 B** increase from last year's 10-year forecast

Note: Anomalies due to rounding

**Impact of Preliminary 2025 Rate
Increases on a Typical Residential**

Bill: 9.95%

*Based on annual water consumption of
200m³*

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
2025 RATE OPERATING BUDGET
 By the Numbers

Summary of the 2025 Budget				
(\$ millions)	2024 Restated Budget	2025 Preliminary Budget	2025 Preliminary / 2024 Restated Change	
Expenditures				
Program Expenditures	\$ 121.1	\$ 121.5	\$ 0.4	0.3%
Capital / Debt / Reserve Financing	\$ 182.2	\$ 206.3	\$ 24.1	13.2%
Total Expenditures	\$ 303.3	\$ 327.8	\$ 24.5	8.1%
Revenues				
Rate Revenue	\$ 295.7	\$ 324.6	\$ 28.9	9.8%
Non-Rate Revenue	\$ 7.7	\$ 3.2	\$ (4.5)	(58.4)%
Total Revenue	\$ 303.3	\$ 327.8	\$ 24.5	8.1%
Average Residential Water / Wastewater / Storm Bill	\$ 965.40	\$ 1,061.50	\$ 96.10	9.95%

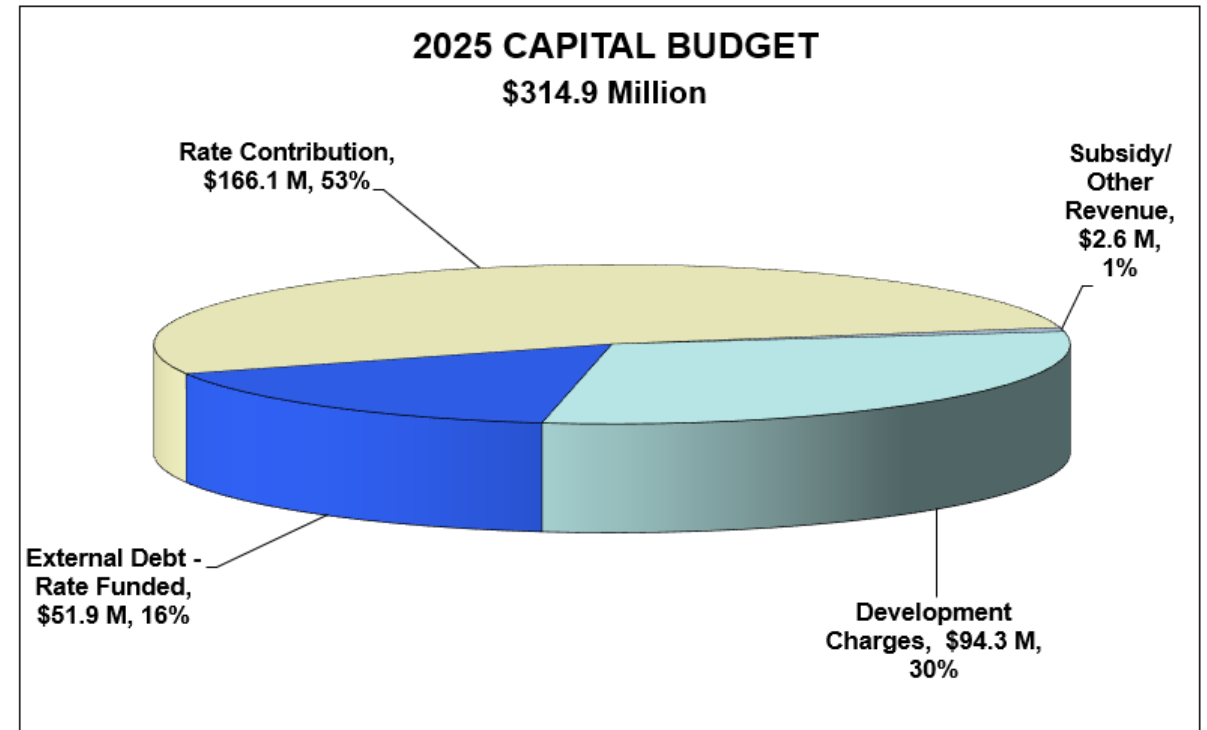
Note: Anomalies due to rounding

2025 RATE CAPITAL BUDGET

Sources of Funding

\$166.1 M from Operating
\$ 94.3 M Development Charges
\$ 51.9 M Debt
\$ 2.6 M Other Revenue

= \$314.9 M Gross Capital Funding

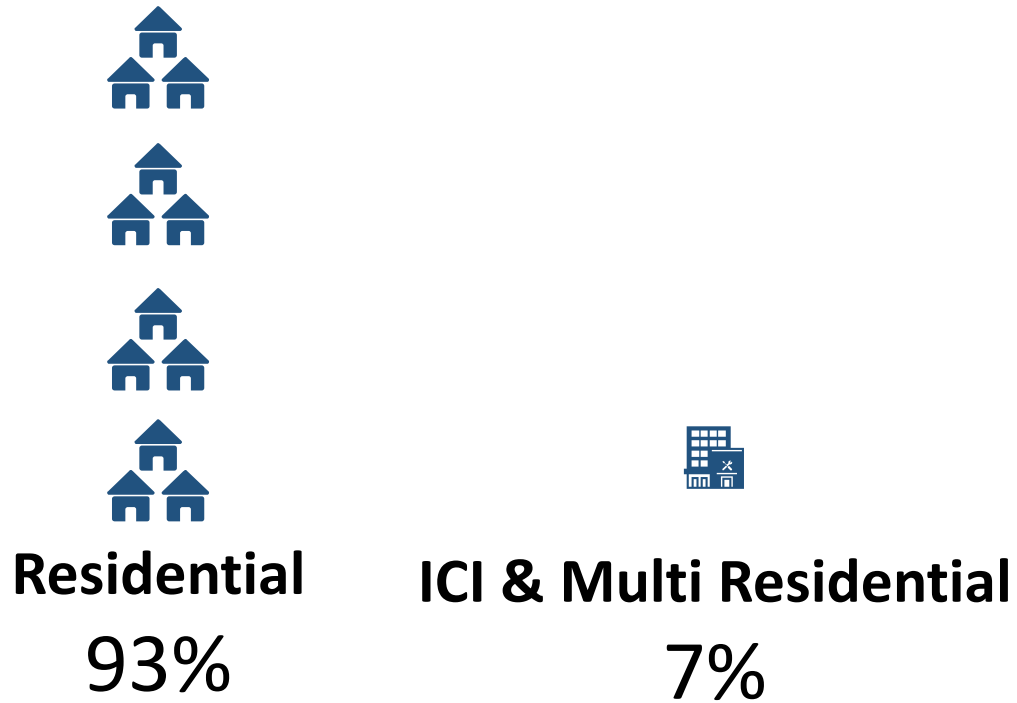


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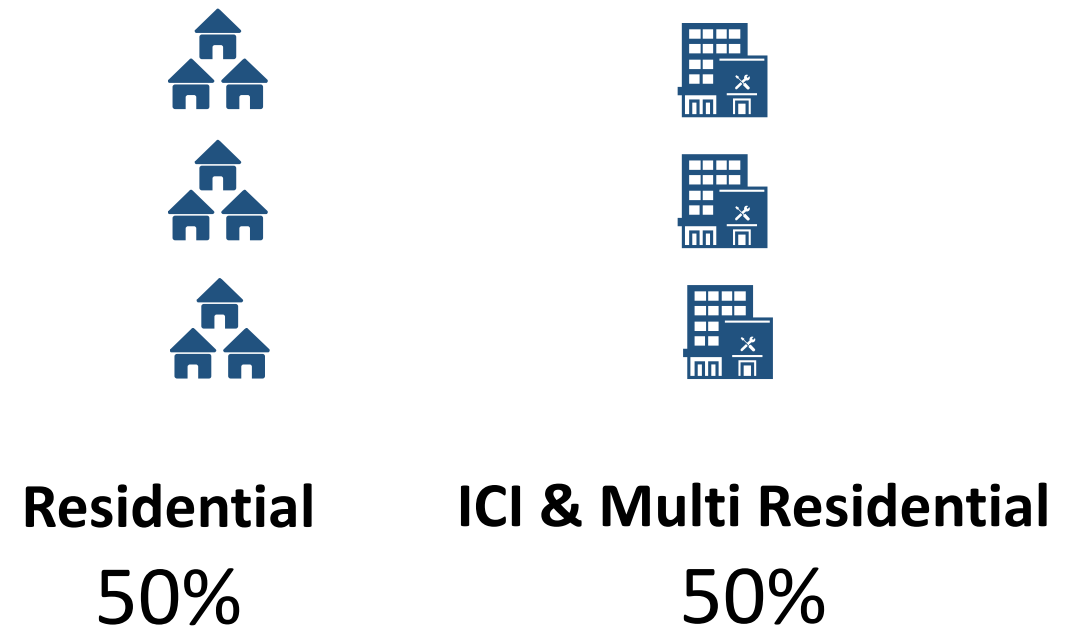
2025 METERED ACCOUNTS & REVENUE BY SECTOR

Where the \$ comes from

Metered Accounts by Sector

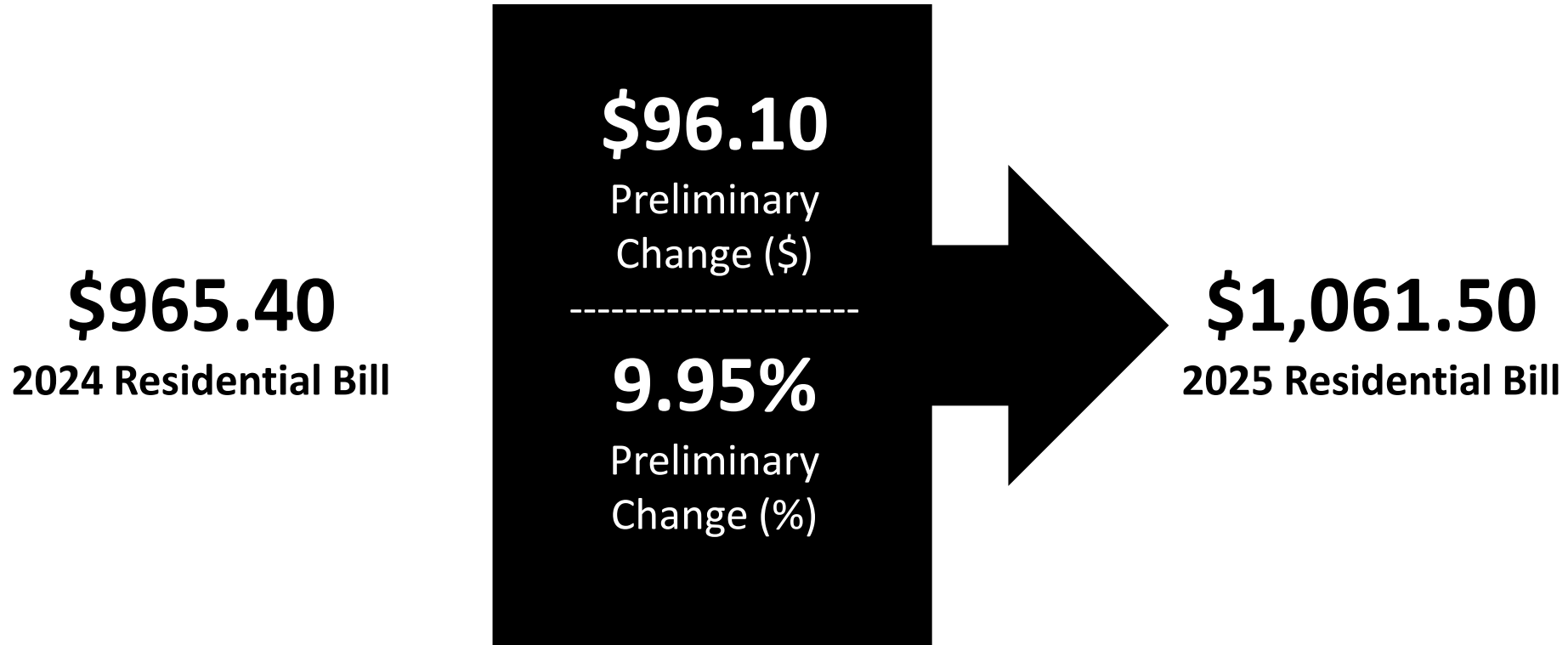


Consumption by Sector



FINANCING STRATEGY

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
2025 RESIDENTIAL AVERAGE BILL

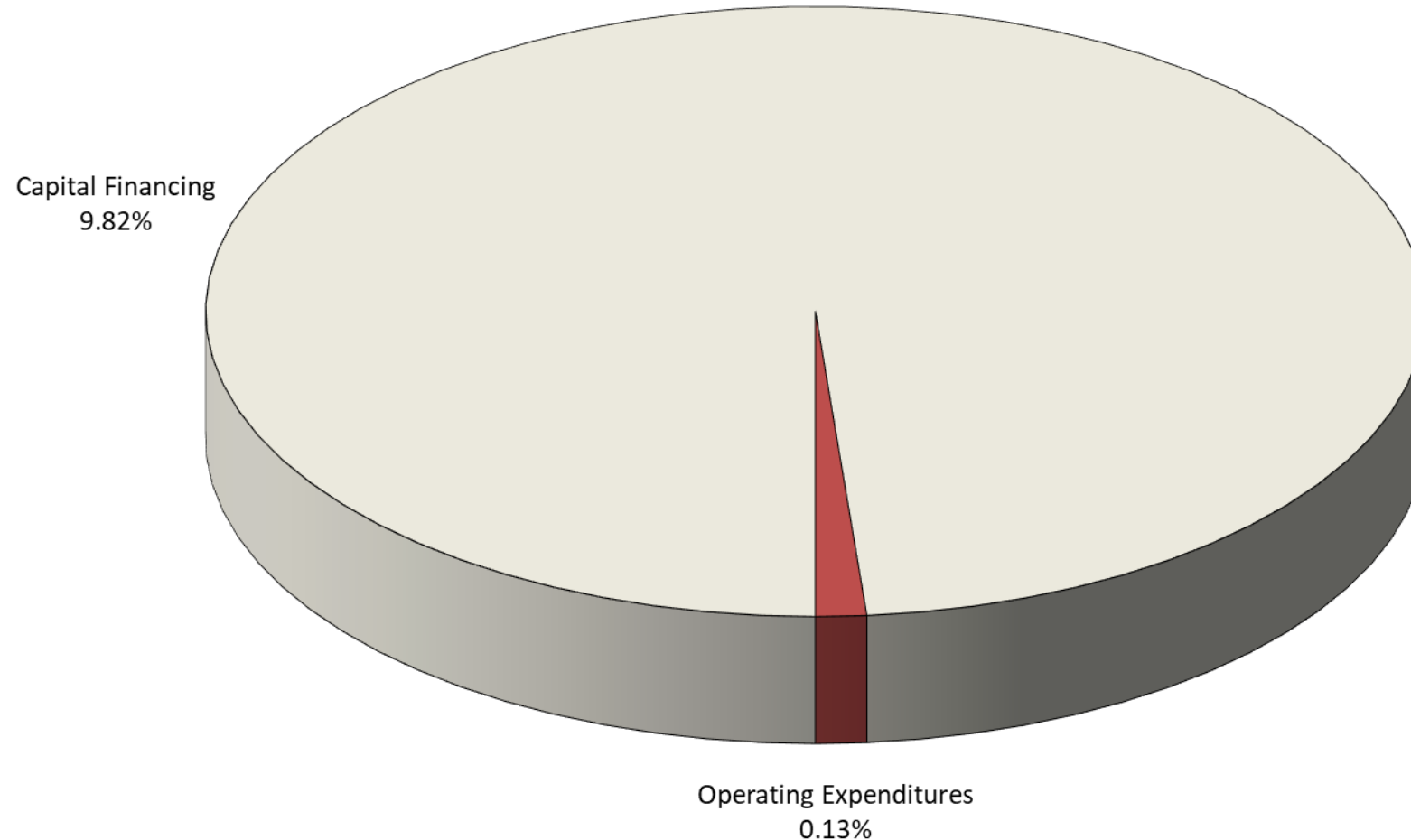


**Impact of Preliminary 2025 Water and Wastewater/Storm Rate Increases
on a Typical Residential Bill: 9.95%**
Based on annual water consumption of 200m³

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

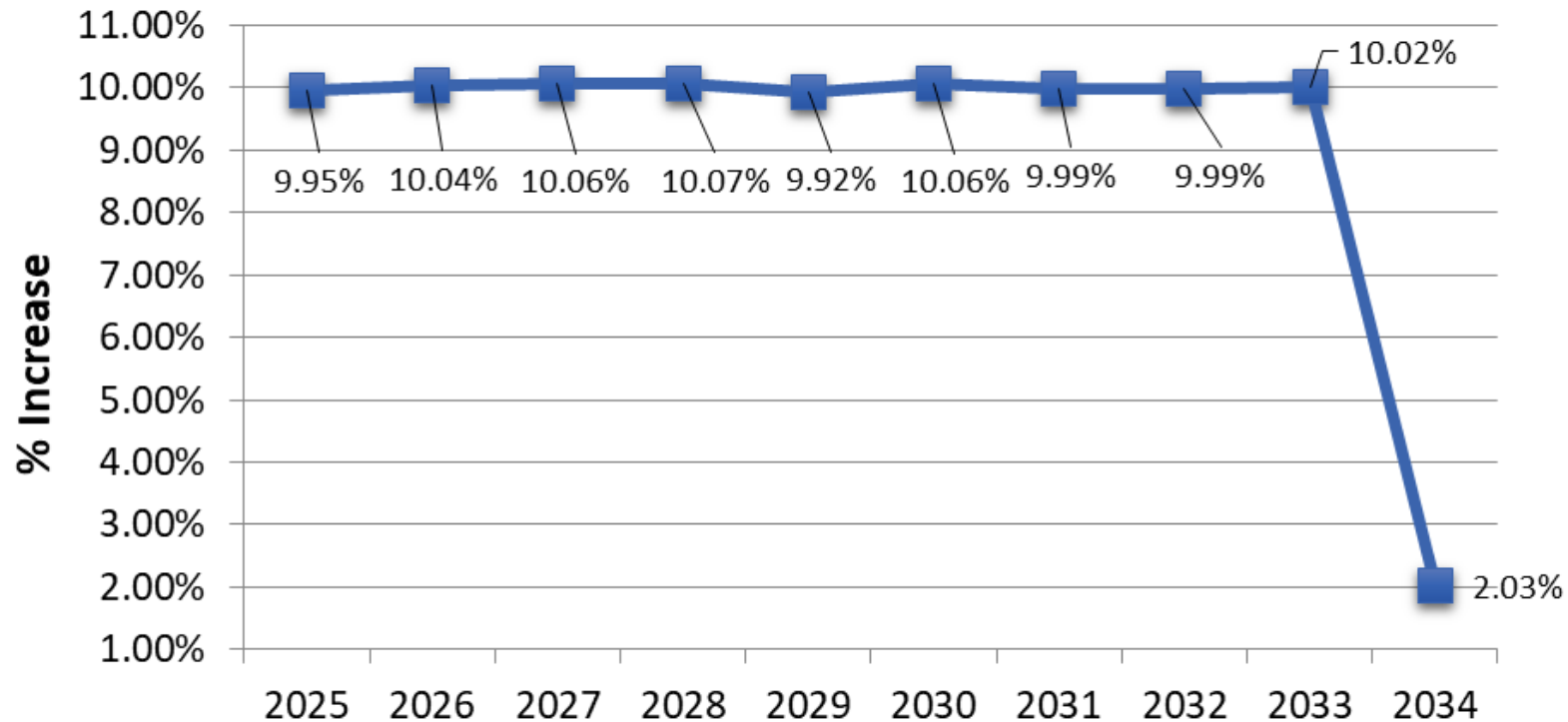
2025 RATE INCREASE DRIVERS

Drivers of 9.95% Rate Increase



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget 10 YEAR RATE SUPPORTED FINANCING STRATEGY

2025 - 2034 Financing Strategy Average Residential Increase



CONSUMPTION TRENDS AT A GLANCE

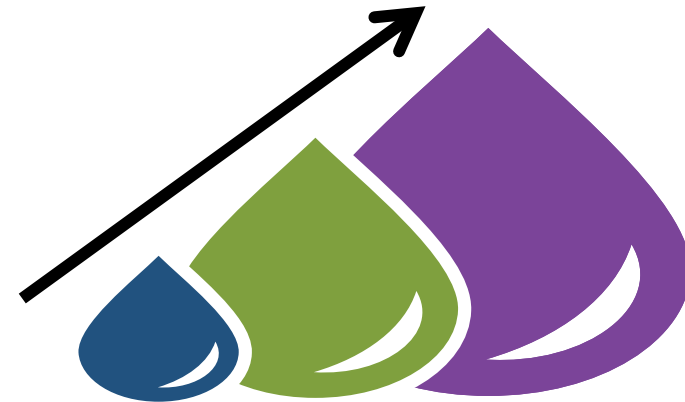
2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
RESIDENTIAL WATER CONSUMPTION



2016

2024

+ 12,300 accounts
9.0% increase



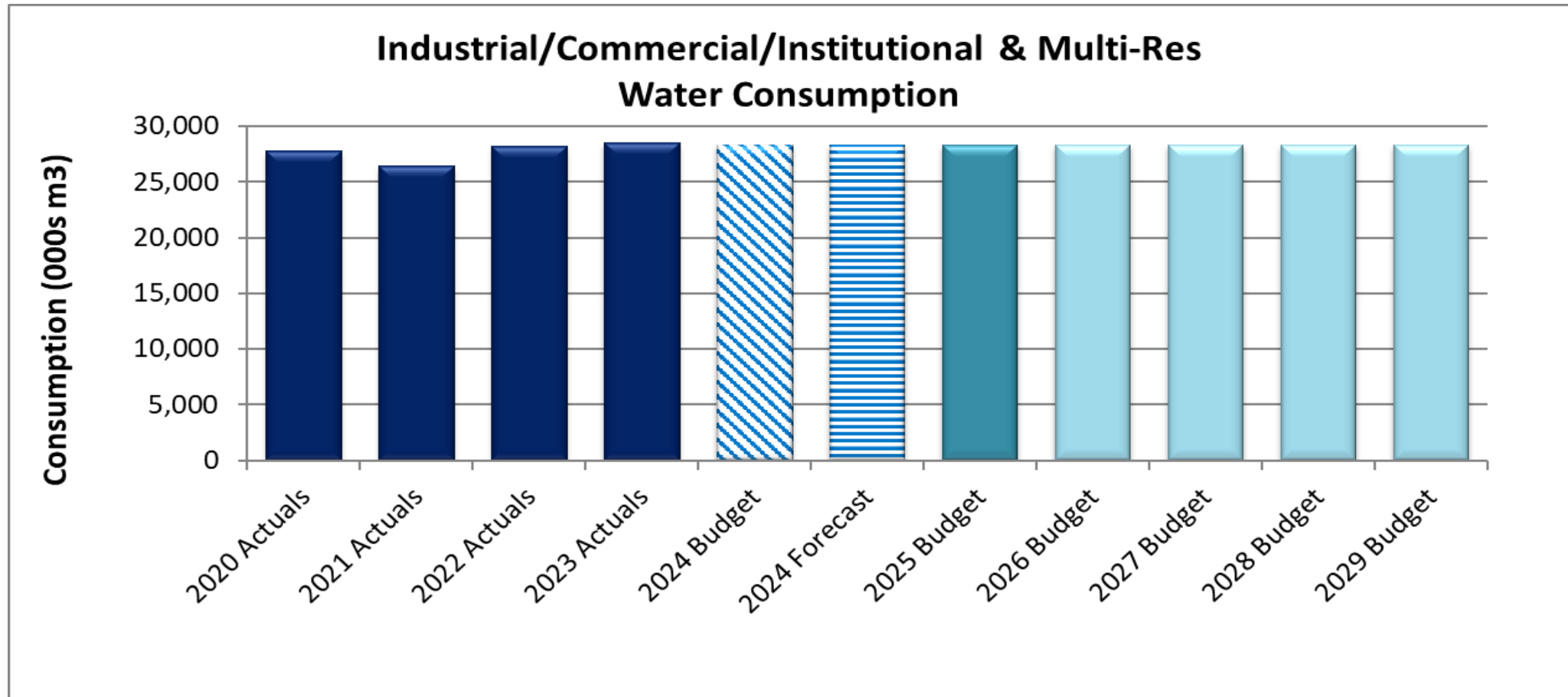
2016

2024

+ 1.3% increase
in consumption

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

ICI & MR CONSUMPTION FORECAST

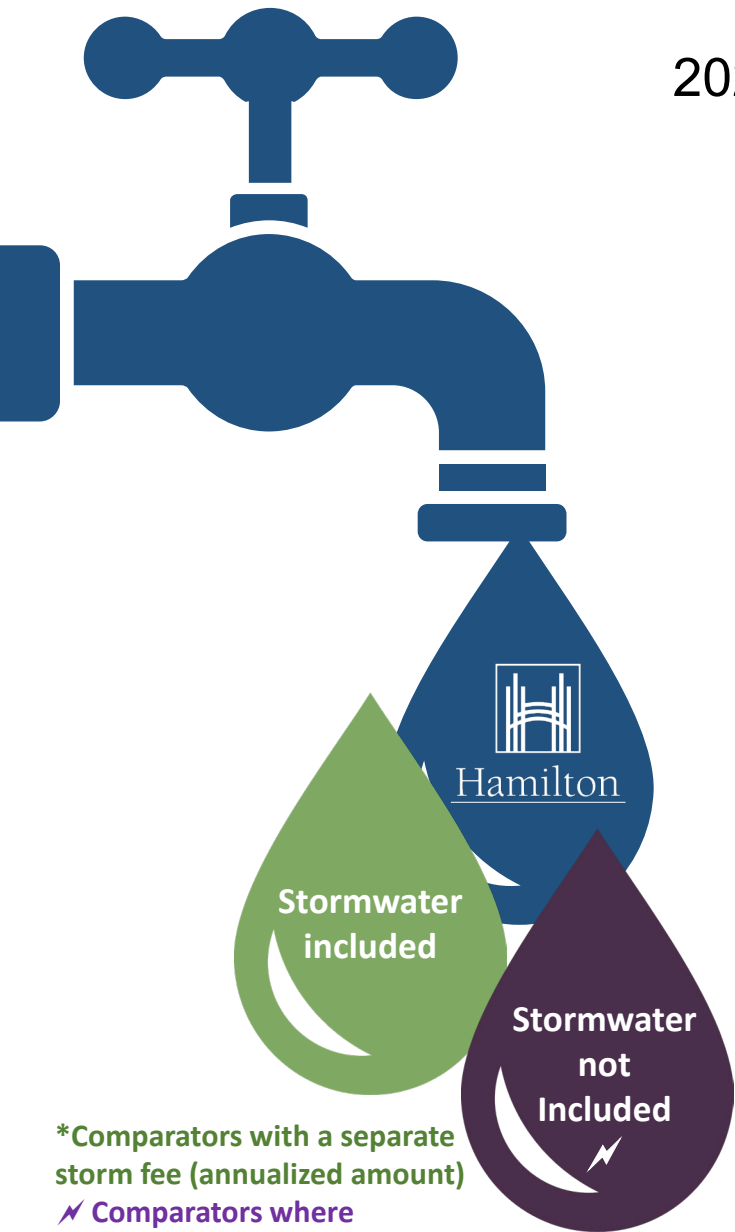


Budgeted consumption has remained flat for the 2025 Budget at just over 28M m³

MUNICIPAL COMPARATORS AFFORDABILITY

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

HOW DOES HAMILTON COMPARE?



*Comparators with a separate storm fee (annualized amount)
 ⚡ Comparators where Stormwater funded by property tax

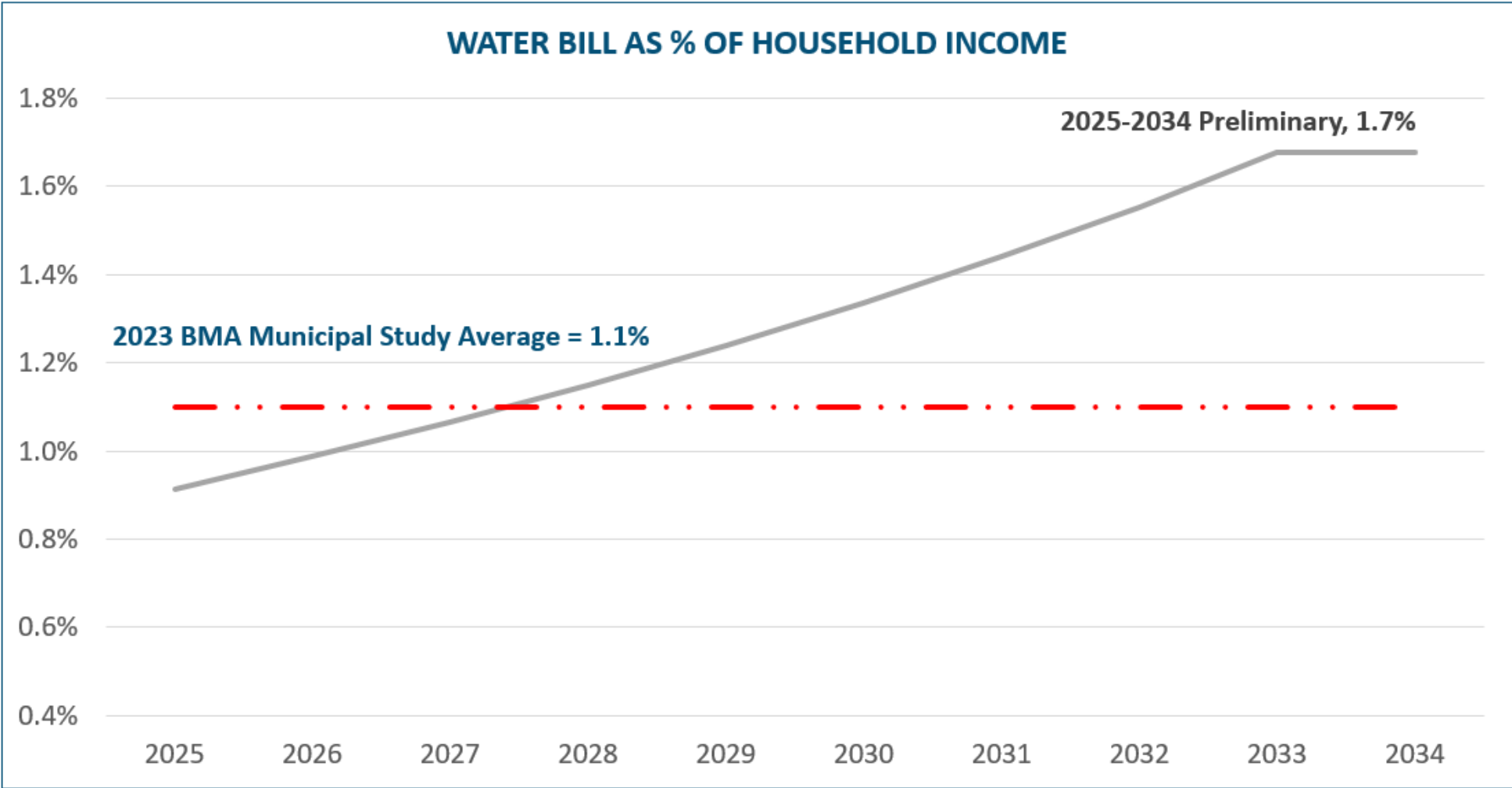
- ⚡ Norfolk: \$1,876
- *Kitchener: \$1,734 (\$242)
- ⚡ West-Lincoln: \$1,370
- ⚡ Cambridge: \$1,300
- *Waterloo: \$1,271 (\$201)
- *London: \$1,256 (\$231)
- ⚡ St. Catharines: \$1,254
- *Guelph: \$1,189 (\$106)
- ⚡ Haldimand: \$1,100
- ⚡ Durham: \$1,049
- ⚡ Halton: \$1,034
- ⚡ Brantford: \$1,027
- Hamilton: \$965**
- Toronto: \$904
- *Peel: \$823 (\$120)

2024 Water Bill
Residential
200m³/ (year)

Survey Average
\$1,210

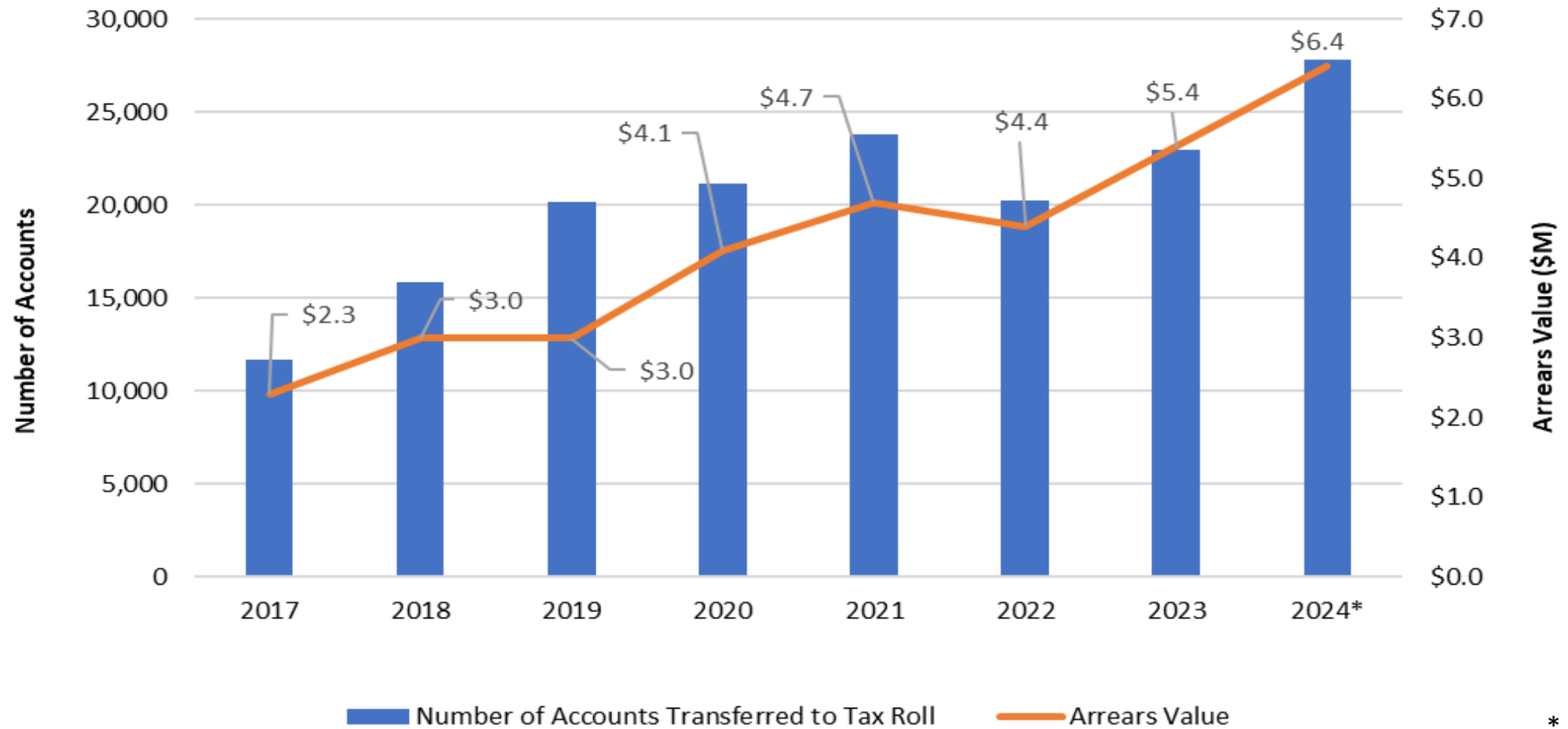
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AFFORDABILITY



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

ARREARS TAX ROLL TRANSFERS

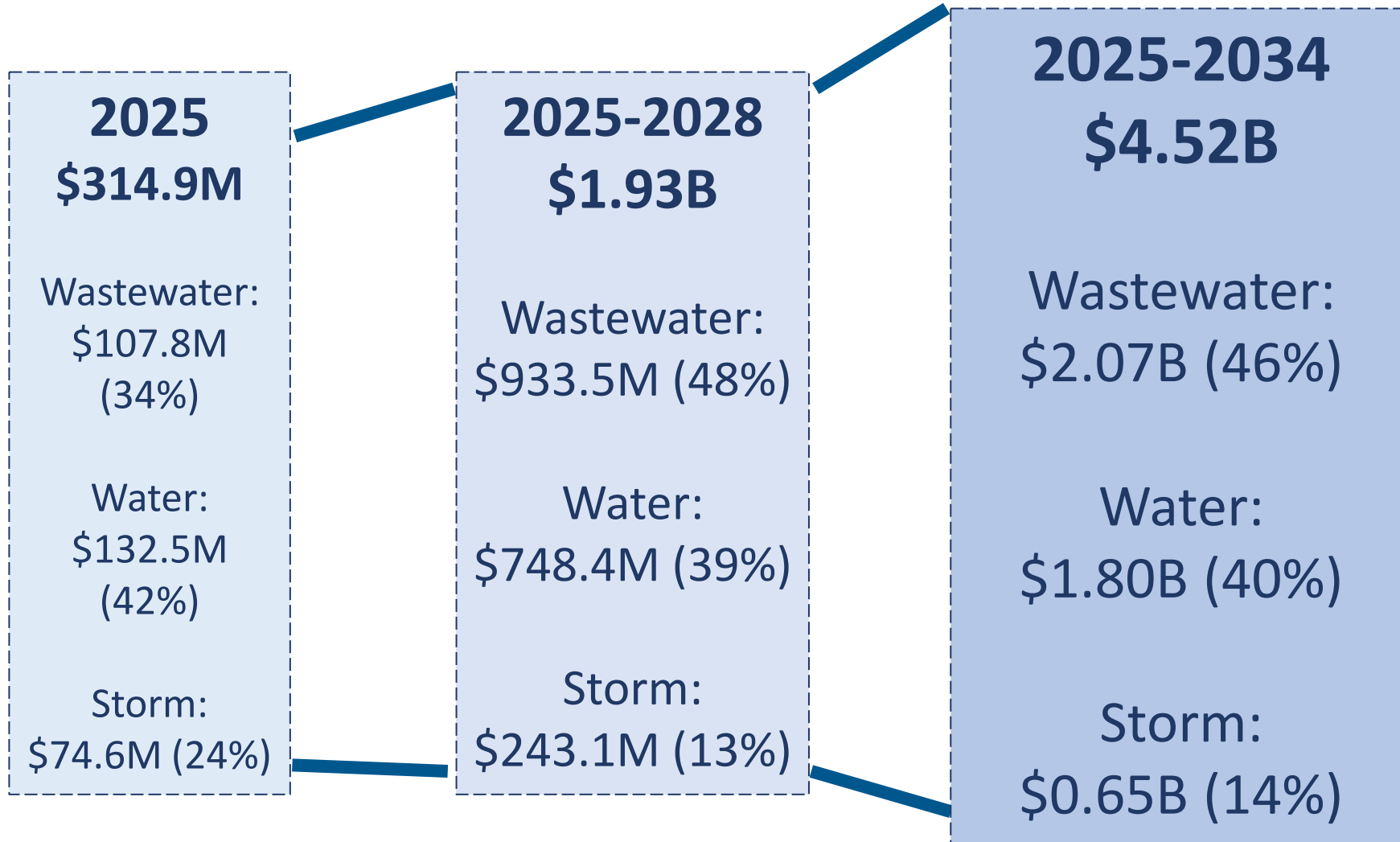


* Forecasted

CAPITAL INVESTMENTS AT A GLANCE

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
LONG TERM CAPITAL PROGRAM

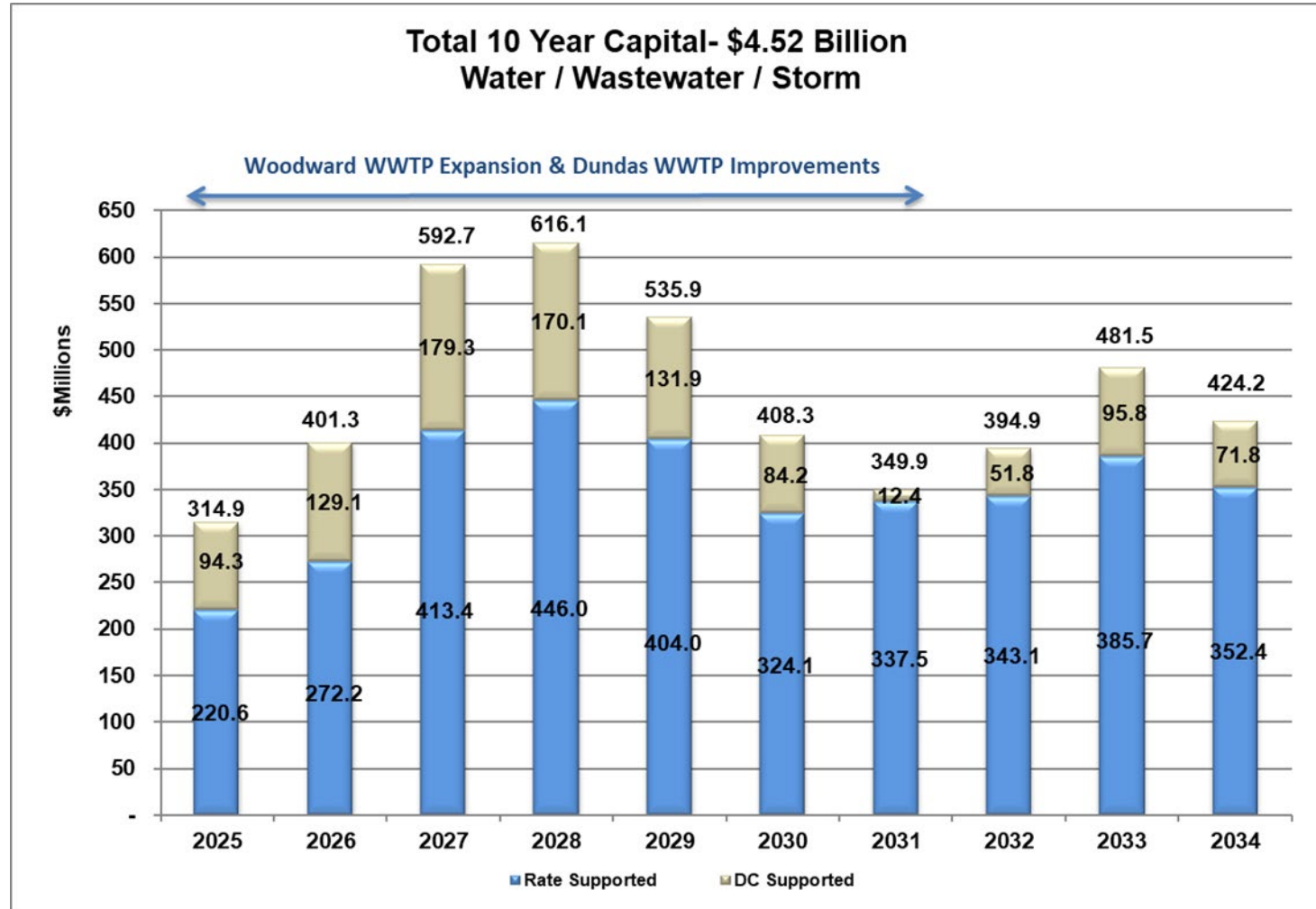
At a Glance



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

10 YEAR CAPITAL PROGRAM

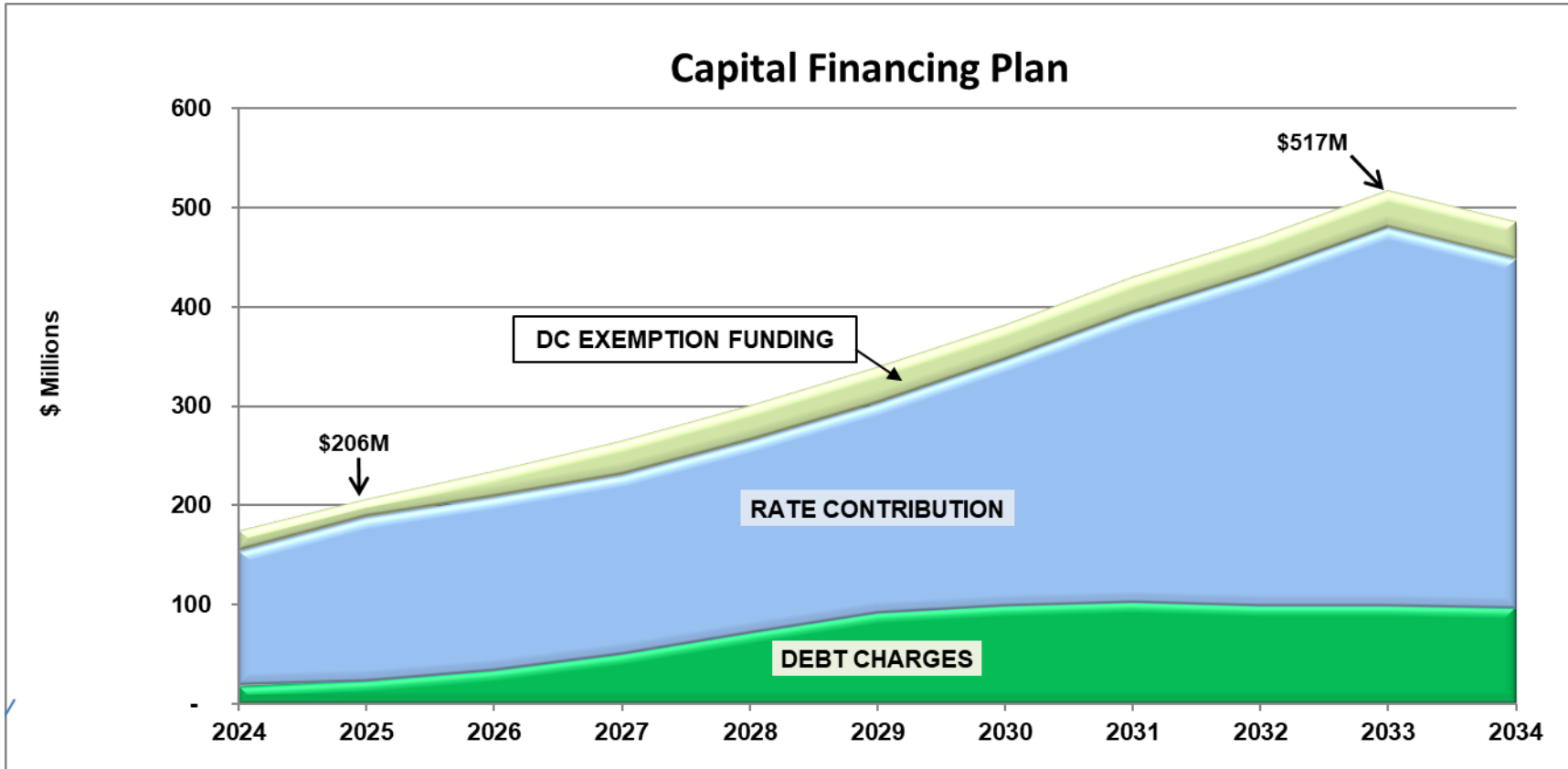
How much we plan to spend



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

10 YEAR CAPITAL STRATEGY

How will we pay for it



Contribution to capital increasing from \$206M in 2025 to \$517M in 2033

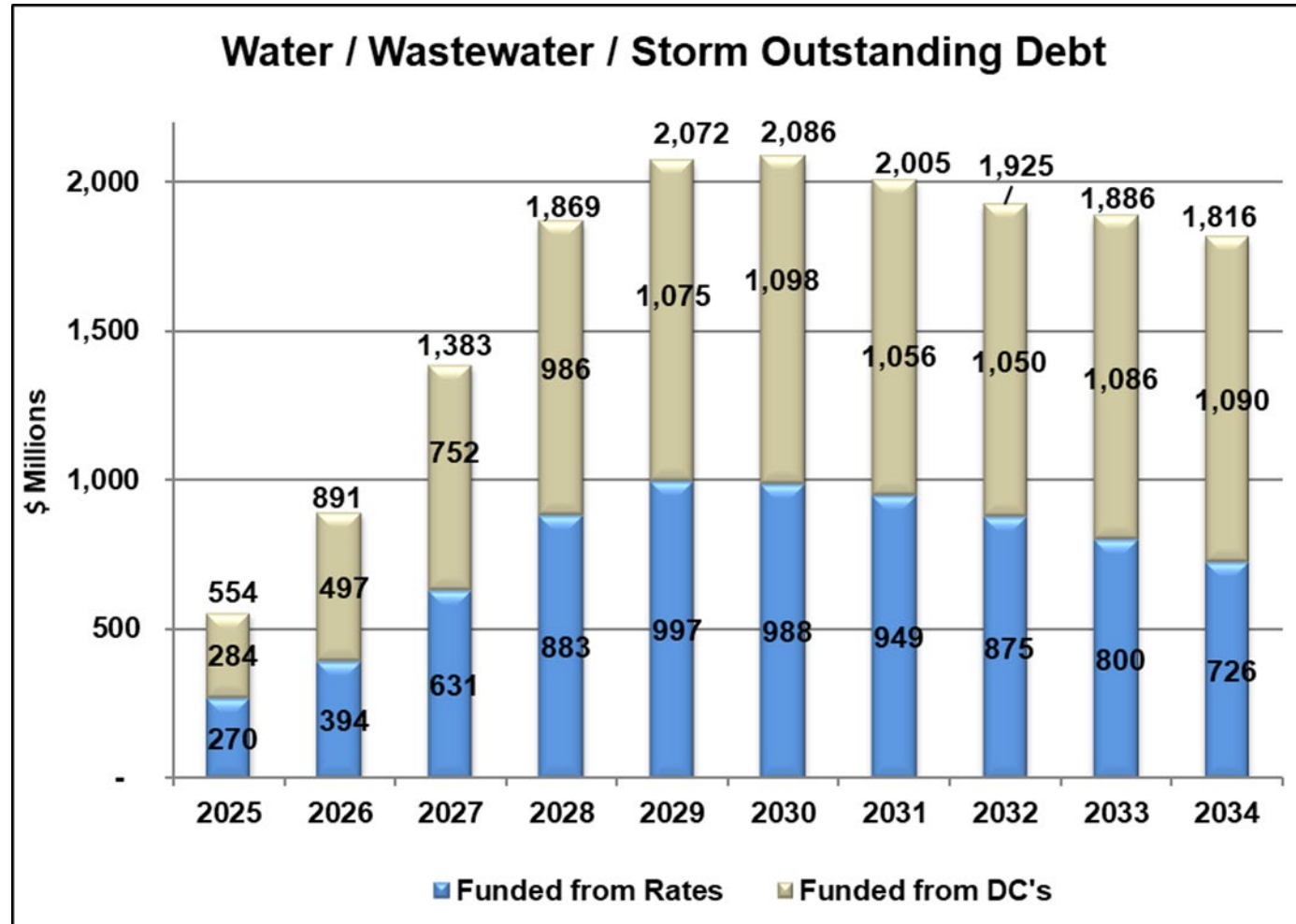
Largely due to increase in capital construction

DEBT AND RESERVE FUNDING

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

10 YEAR CAPITAL STRATEGY

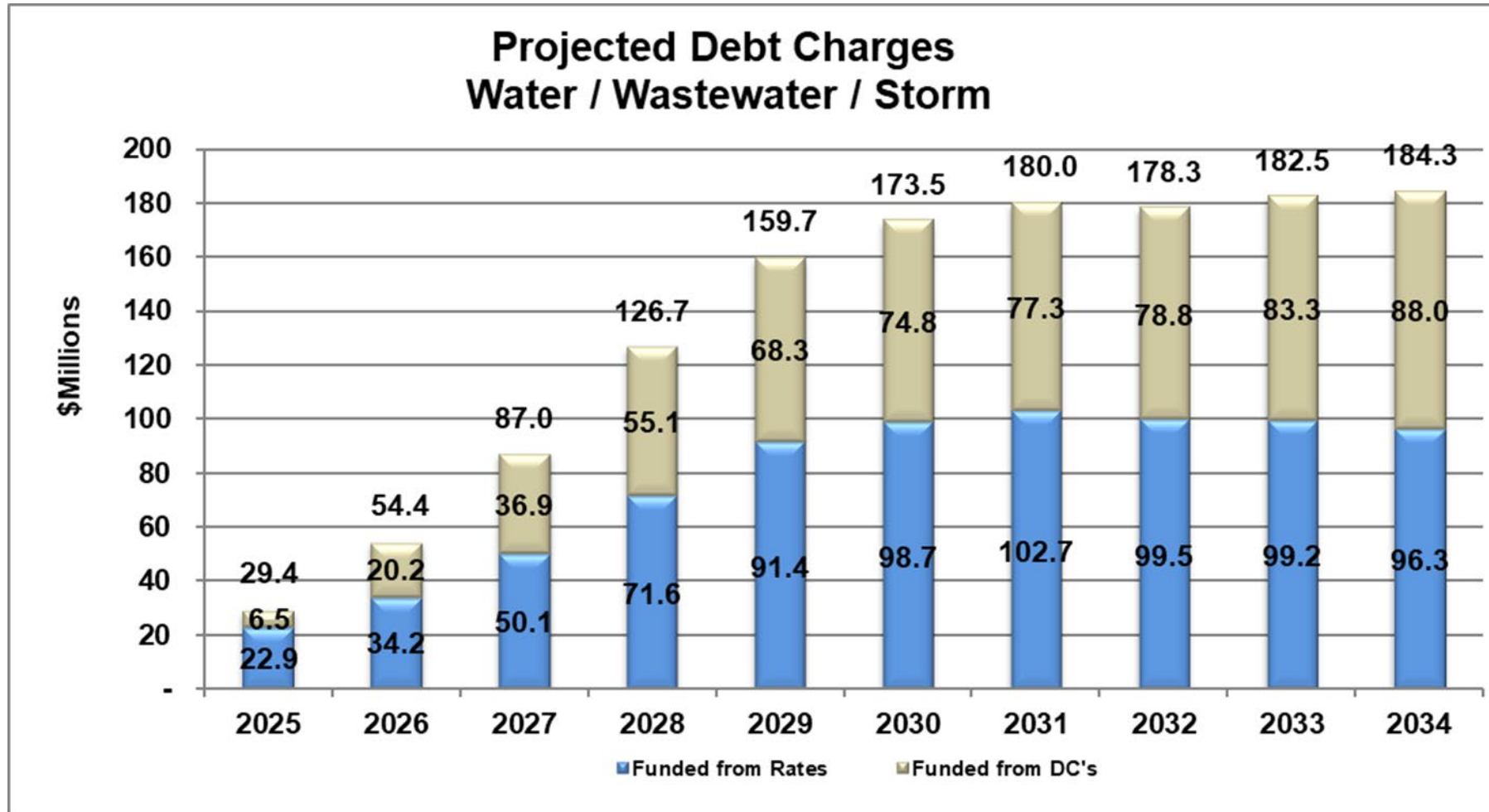
What does our debt look like?



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10 YEAR CAPITAL STRATEGY

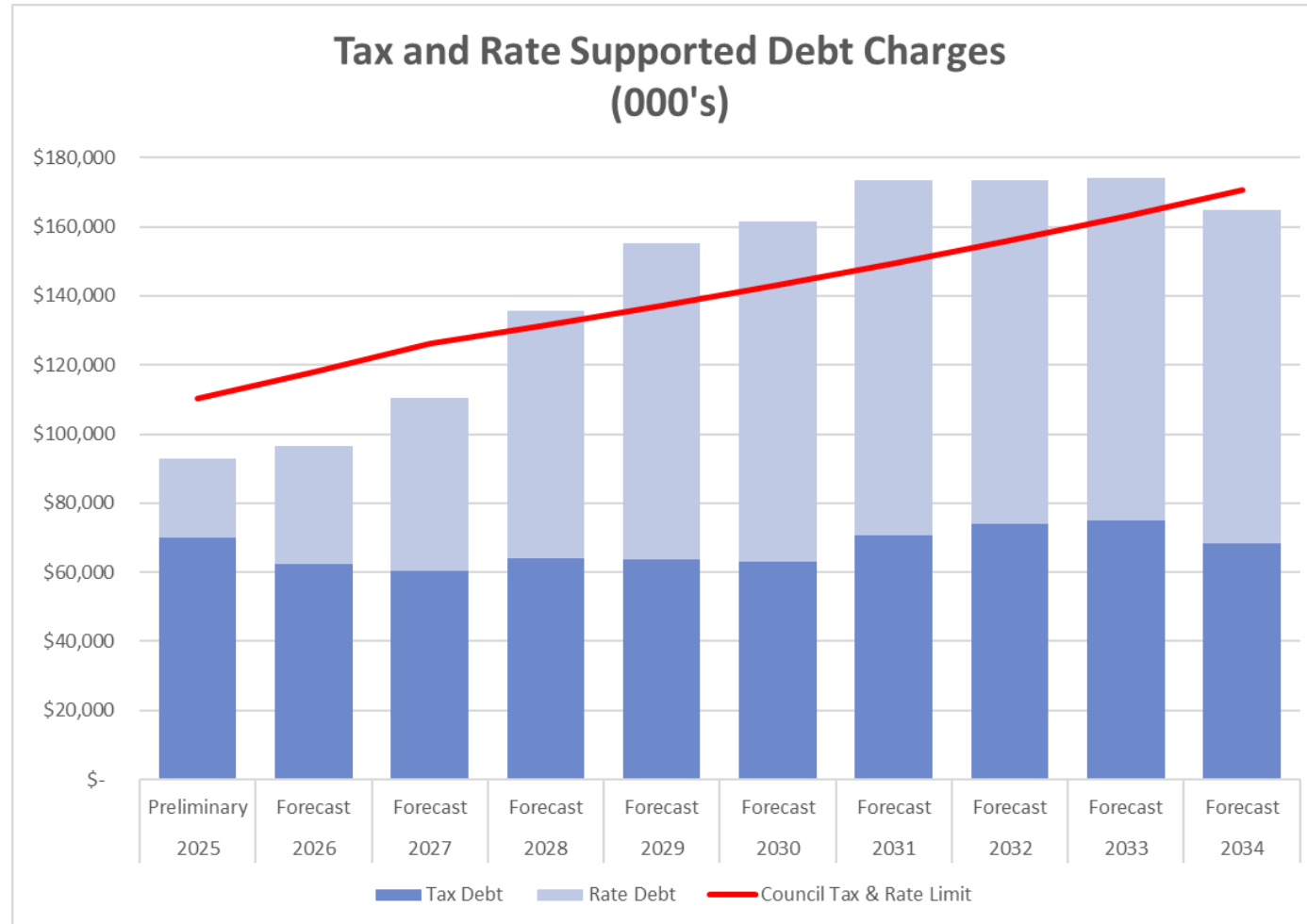
How much does our debt cost?



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10 YEAR CAPITAL STRATEGY

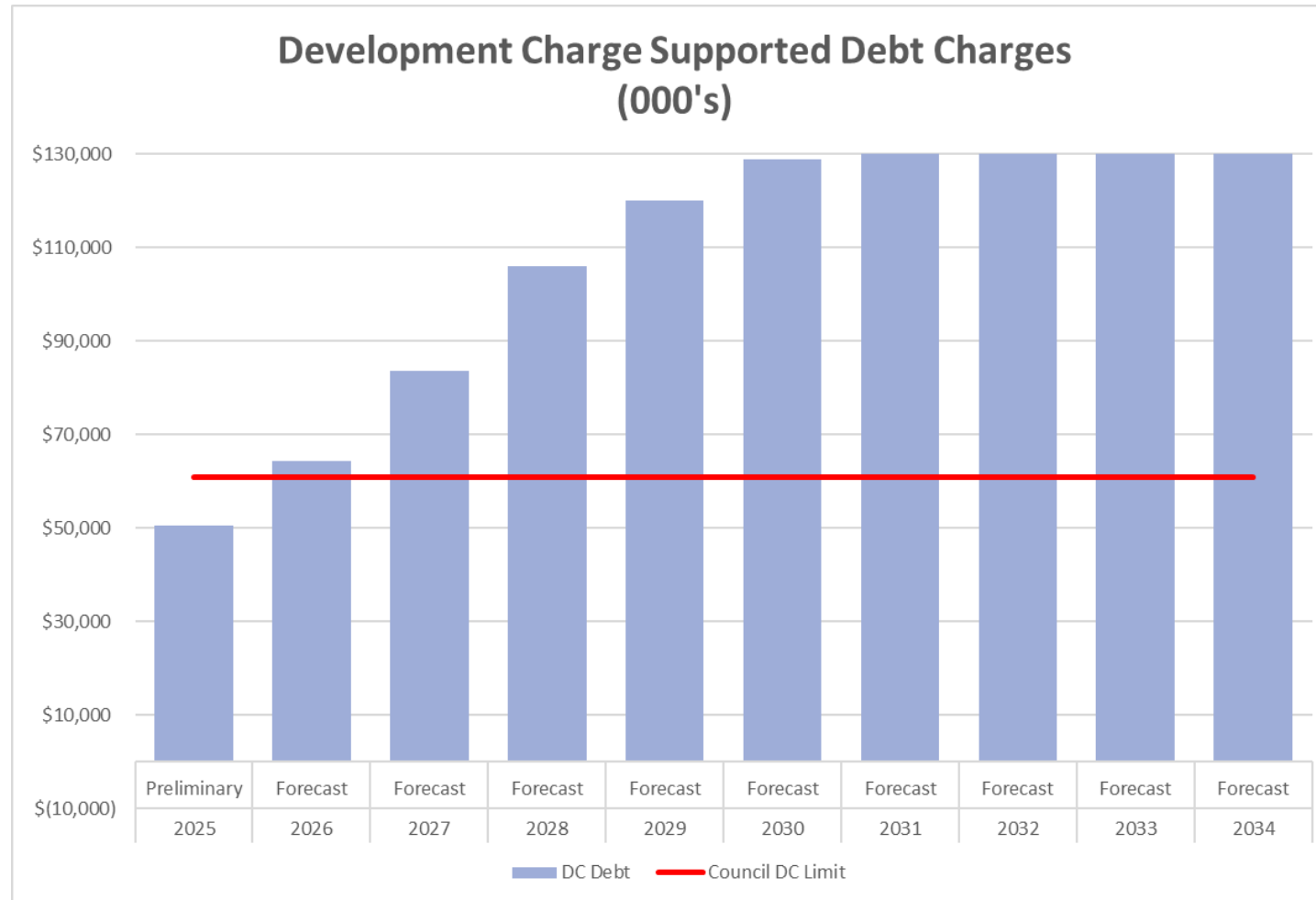
How much does our debt cost?



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10 YEAR CAPITAL STRATEGY

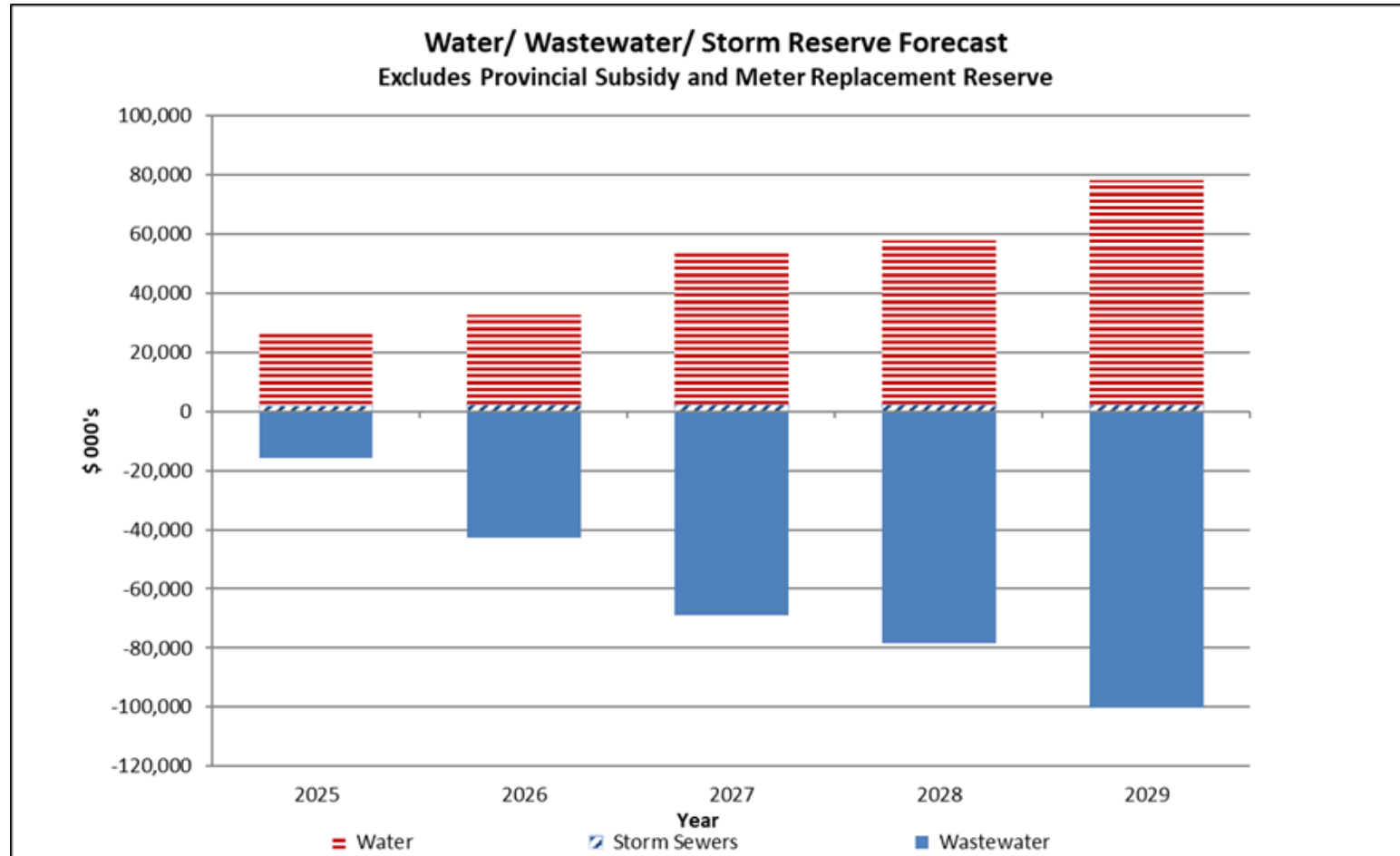
How much does our debt cost?



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

10 YEAR CAPITAL STRATEGY

How much reserves will we use?



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget On the Horizon

2026 Dedicated Stormwater Fee - Changes from \$170 to \$270 Single Family Unit (SFU)

- Increase to the 2026 Stormwater budget (grown from \$37M to \$54M) – increasing capital investment in the Stormwater system
- Approved Credit Program (grown from estimated \$1.5M to \$9.6M)
- Implementation date revised from September 1, 2025 to April 1, 2026

Utility Billing Transition

- Anticipated transition from Alectra – Q4 2025
- Systems and Staffing Infrastructure currently being implemented

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

FINANCE & AFFORDABILITY

Summary

- Alignment with Mayoral Directive to Staff (MDI-2024-03) on the 2025 Budget Process (October 28, 2024)
- Balances need for investments in infrastructure upgrades with affordability considerations
- Considered an equitable approach to debt and reserve management and not overburdening future generations of Hamiltonians
- Considers need for support from Provincial and Federal Governments
- Continues the strategy of 10% average increases over 10-years (the most balanced approach and ties the debt financing strategy to long-term investments that benefit multiple generations)

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PROPOSED NEXT STEPS

November 28, 2024	GIC Rate Budget Meeting (note 1)
December 11, 2024	Council Approval of 2025 Rate Budget

Note:

1. If needed



THANK YOU