

Township of Malahide 2025 Water Budget

Objectives

- Set water rates for 2025
- Approve budgeted expenditure and revenues
- Approve 2025 capital work plan
- Assess financial position of water services
- Approve the 2025 – 2030 Water Financial Plan for licence renewal

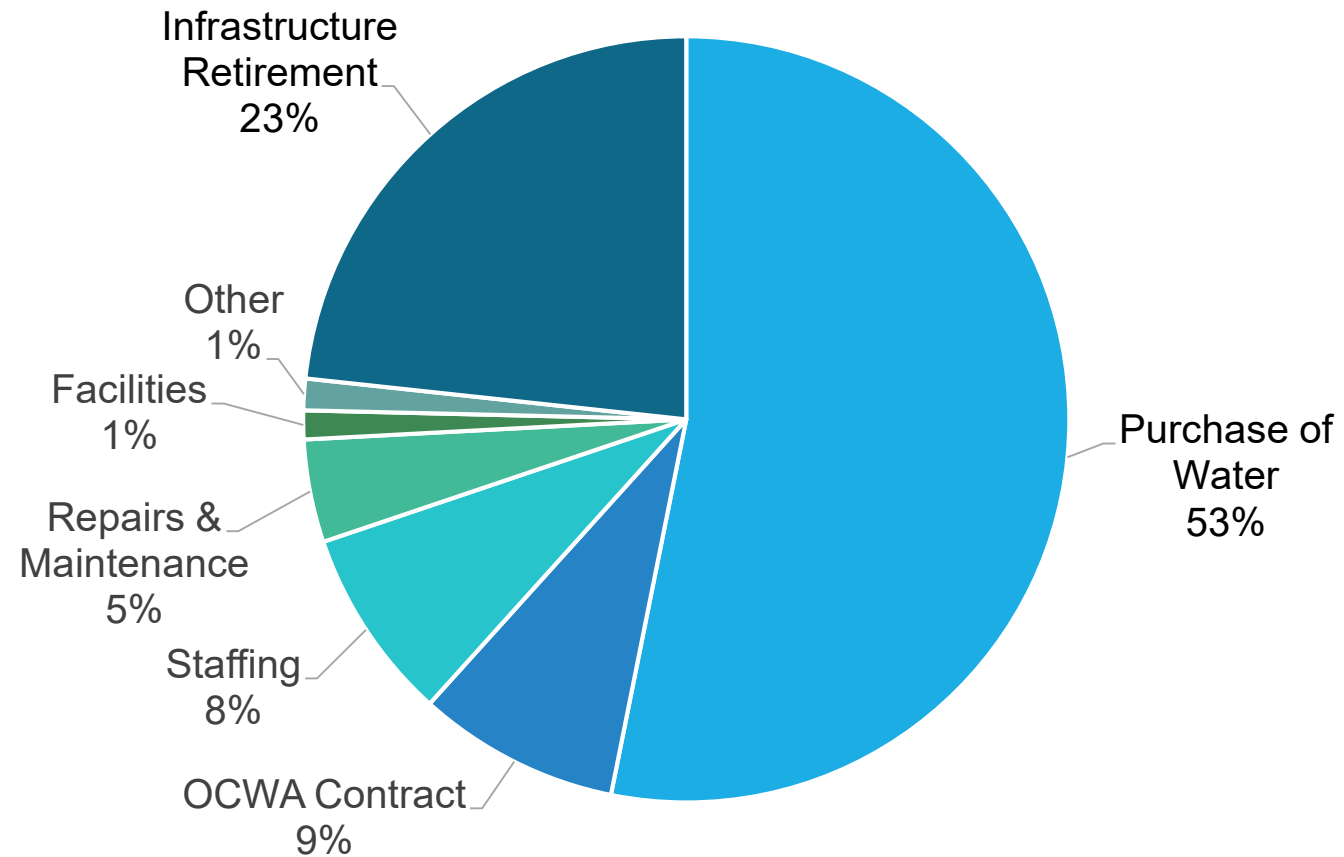
Background

- Water services are fully funded through water rates therefore no property taxes are used to subsidize this service.

- In 2023, the Township approved (in principle) a water rate study completed by Watsons & Associates which recommended 5% annual rate increases from 2023 to 2032.

- During 2024, the Township approved the 2024 Asset Management Plan which chartered a long-term financial strategy for asset replacement and further supported the need for annual 5% increases.

Water Service Costs



Purchases of Water

The Township doesn't have a water treatment facility and therefore must purchase water from other distribution systems.

Treated Water Supply Costs			
Category	Source	Users	Est. Rate Increase
Primary	Elgin Area Primary Water Supply System (EAPWSS)	Secondary water systems	3.5%
Secondary/ Intermediary	Port Burwell Secondary Water Supply System (PBSWSS)	Malahide tertiary system along the lake	5.0%
	Aylmer Area Secondary Water Supply System (AASWSS)	Users west of Aylmer	3.5%
	Town of Aylmer	Users east of Aylmer	6.0%

FUNDING STRATEGY

STRATEGY:

100% RESERVE FUNDING

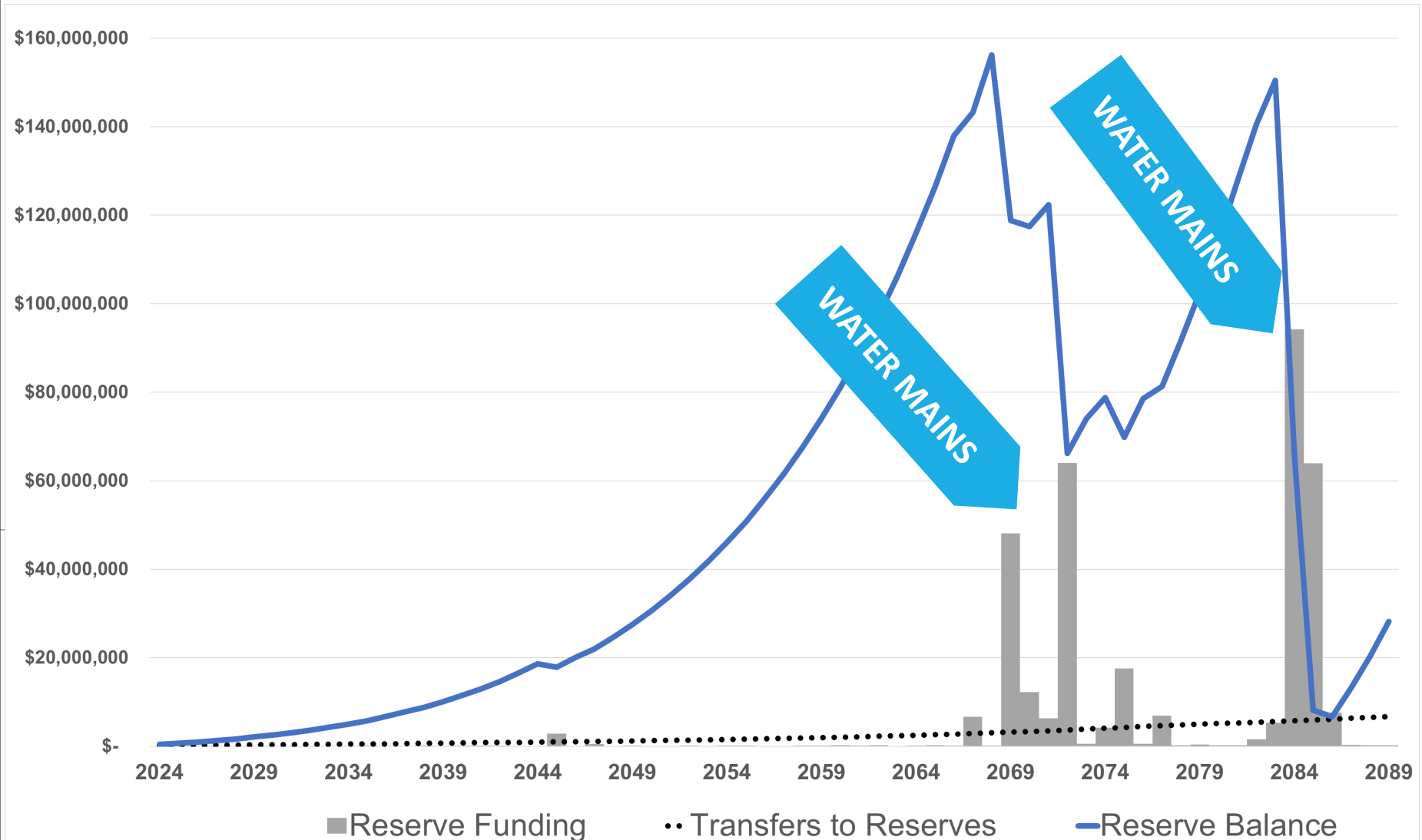
TOOLS:

1. TRANSFER TO RESERVES
2. INVESTMENTS

IMPACT:

5% ANNUAL INCREASE TO USER FEE RATES

Infrastructure Retirement



Capital Forecast

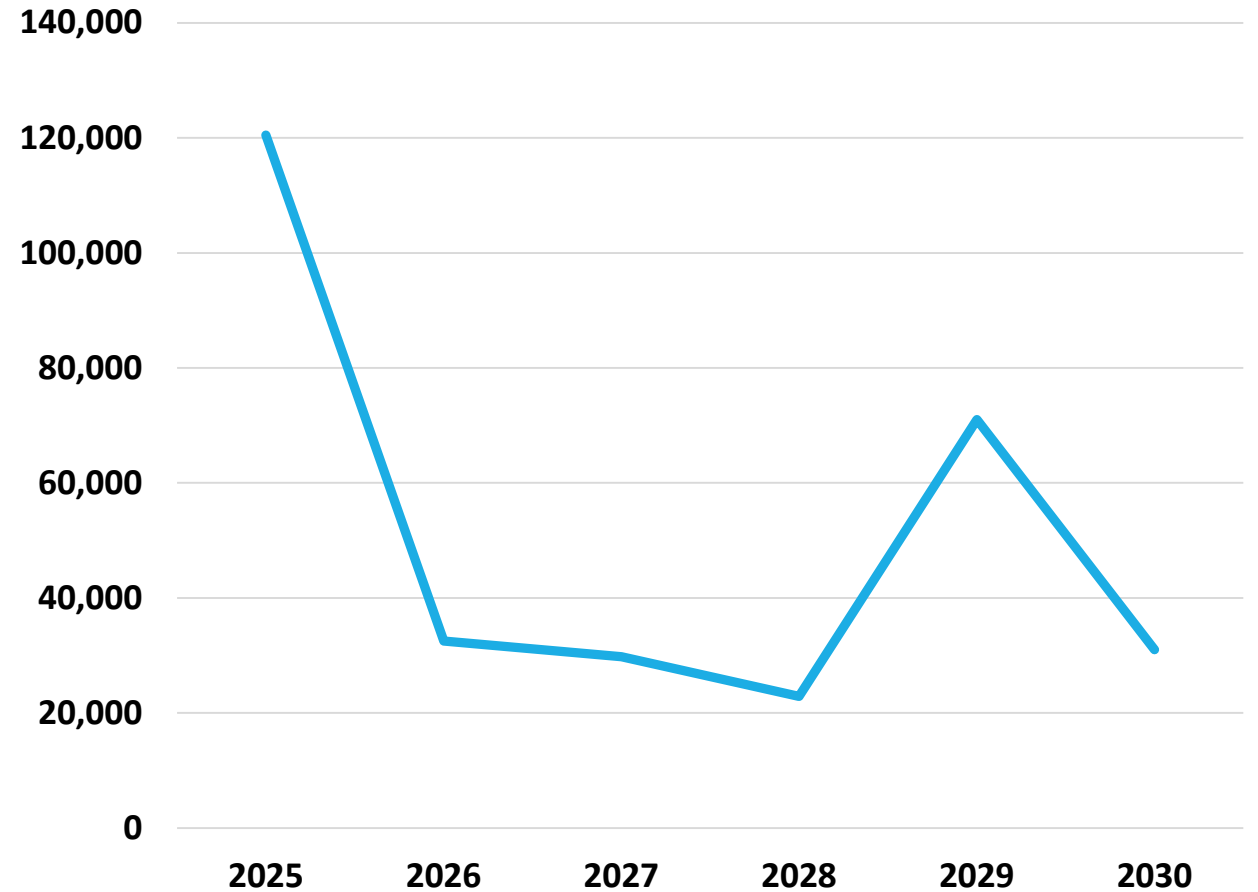
Recommendations from OCWA for 2025

Copenhagen Booster Station:

Generator	\$70,000
Pumps	\$11,500

Other Projects:

Water Meter Replacement	\$11,500
Hydrant Rehabilitation	\$2,000
PRV Refurbishment	<u>\$20,000</u>
	\$120,500



Water Reserve

	2025	2026	2027	2028	2029	2030
Opening	\$317,361	\$465,161	\$722,841	\$1,017,701	\$1,354,041	\$1,679,061
Contributions	\$268,300	\$290,180	\$324,660	\$359,240	\$396,020	\$438,000
Draws	(\$120,500)	(\$32,500)	(\$29,800)	(\$22,900)	(\$71,000)	(\$31,000)
Closing	\$465,161	\$722,841	\$1,017,701	\$1,354,041	\$1,679,061	\$2,086,061

Recommended Rate Changes

Recommendation: 5% rate increase as forecasted by the Township's rate study

Impact on Residents: \$69 per year increase (5.77 monthly) to average household

Rate Comparison	2025	2024
Quarterly Base Charge	90.76	86.44
Volumetric Rate	5.43/m ³	5.17/m ³
Average Household Cost	\$1,449	\$1,380

2025-2030 Water Financial Plan

- Form of water financial plan set forth in Ontario Regulation 453/07
- Requires a series of statements in Public Sector Accounting Standards including:
 - Statement of Financial Position
 - Statement of Operations
 - Statement of Cash Flows
- Staff have prepared this plan on the same basis as the 2025 Draft Water Budget