



**City of Kingston
Mayor's Report to Council
Report Number 25-048**

To: Members of Council
From: Bryan Paterson, Mayor
Date of Meeting: January 20, 2025
**Subject: Proposed 2025 and 2026 Operating and Capital Budgets for
the Municipally Owned Utilities**

Executive Summary:

The purpose of this report is to provide Council with the proposed 2025 and 2026 municipal utilities operating and capital budgets for Council's consideration, in accordance with Section 284.16 of the *Municipal Act, 2001*.

Authorizing Signatures:

ORIGINAL SIGNED BY MAYOR

Mayor Bryan Paterson

January 20, 2024

Page 2 of 7

Options/Discussion:

Background

Under Section 284.16 of the *Municipal Act, 2001*, the powers and duties of a municipality with respect to proposing and adopting a budget are assigned to the head of council of the municipality and the head of council is required to prepare a proposed budget for the municipality and provide the proposed budget to Council for the Council’s consideration. This report will provide Council with a summary of the proposed 2025 and 2026 operating and capital budgets for the municipally owned utilities.

The following 2025 and 2026 operating and capital budgets for the municipal utilities are being proposed.

| Wastewater | 2025 | 2026 |
|--|----------------------|----------------------|
| Operating Budget | \$ 22,844,000 | \$ 23,911,000 |
| Debt Costs | \$ 5,337,000 | \$ 5,304,000 |
| Transfer to Facility Repair Fund –Debt 85 Lappan’s Lane | \$ 476,000 | \$ 476,000 |
| Transfer to Wastewater Capital Reserve Fund | <u>\$ 14,257,000</u> | <u>\$ 15,254,000</u> |
| Total Revenue | <u>\$ 42,914,000</u> | <u>\$ 44,945,000</u> |
| | | |
| Water | 2025 | 2026 |
| Operating Budget | \$ 17,002,000 | \$ 17,946,000 |
| Debt Costs | \$ 2,050,000 | \$ 2,042,000 |
| Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane | \$ 476,000 | \$ 476,000 |
| Transfer to Water Capital Reserve Fund | <u>\$ 17,342,000</u> | <u>\$ 18,157,000</u> |
| Total Revenue | <u>\$ 36,870,000</u> | <u>\$ 38,621,000</u> |

January 20, 2024

Page 3 of 7

| Natural Gas | 2025 | 2026 |
|--|----------------------|----------------------|
| Operating Budget | \$ 5,842,000 | \$ 6,259,000 |
| Commodity Purchase, Transportation & Storage | \$ 25,000,000 | \$ 25,000,000 |
| Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane | \$ 173,000 | \$ 173,000 |
| Transfer to Gas Capital Reserve Fund | \$ 4,941,000 | \$ 5,130,000 |
| Transfer to City Municipal Capital Reserve Fund | <u>\$ 2,020,000</u> | <u>\$ 2,020,000</u> |
| Total Revenue | <u>\$ 37,976,000</u> | <u>\$ 38,582,000</u> |

| Appliance Rental Business | 2025 | 2026 |
|---|---------------------|---------------------|
| Operating Budget | \$ 892,000 | \$ 884,000 |
| Transfer to Appliance Rental Capital Reserve Fund | \$ 1,626,000 | \$ 1,744,000 |
| Transfer to Municipal Capital Reserve Fund | \$ 981,000 | \$ 1,000,000 |
| Transfer to City Environmental Reserve Fund | <u>\$ 490,000</u> | <u>\$ 500,000</u> |
| Total Revenue | <u>\$ 3,989,000</u> | <u>\$ 4,128,000</u> |

The two-year municipal utility Capital Budgets are as follows:

| | |
|----------------------------------|----------------------|
| Wastewater | \$76,290,000 |
| Water | \$73,377,000 |
| Natural Gas | \$15,233,000 |
| Appliance Rental Business | <u>\$3,190,000</u> |
| Total | <u>\$168,090,000</u> |

January 20, 2024

Page 4 of 7

The funding for the two-year municipal utility Capital Budgets are as follows:

| | |
|--|----------------------|
| Wastewater Reserve Fund | \$43,392,000 |
| Development Charges Reserve Fund – Wastewater | \$32,898,000 |
| Water Reserve Fund | \$50,526,000 |
| Development Charges Reserve Fund – Water | \$2,851,000 |
| Development Charges Debt – Water | \$20,000,000 |
| Natural Gas Reserve Fund | \$12,733,000 |
| Natural Gas - Debt | \$2,500,000 |
| Appliance Rental Reserve Fund | <u>\$3,190,000</u> |
| Total | <u>\$168,090,000</u> |

Analysis

The 2025 gross operating expenses for the four municipally owned utility businesses are budgeted to increase 8% or \$3,507,000 over 2024. The 2026 gross operating expenses are budgeted to increase 5% or \$2,420,000 over 2025.

Costs that are impacting all utilities include the following:

- Commencement of work required to enable the transition of the current customer information system to a new system replacing the current 25-year-old system.
- Additional funding to support digital initiatives as we continue to leverage new and existing technology to meet evolving technological demands, increased customer expectations and to find efficiencies through streamlining and automating of business processes.
- Increased focus on the completion of a customer experience strategy by the end of 2025. This strategy is anticipated to play a crucial role in informing policies and updating practices and procedures throughout Utilities Kingston to enhance customer experience.
- Enhancement of the Enterprise Asset Management System including an improved maintenance management program
- Increased oversight and planning for SCADA operations and projects

January 20, 2024

Page 5 of 7

- New strategies and initiatives to ensure appropriate staffing levels to meet business demands. Enhanced internal and external communications continue to be a focus as we formalize communication strategies, programs and processes.
- Additional tools and resources to enable better financial analysis and reporting.
- Accounting for anticipated increased labour costs while ensuring a fair balance between personnel costs and ratepayer impacts.

Wastewater and Water Utilities

The proposed 2025 operating budget for the wastewater and water utilities is an increase of \$1,613,000 or 7.6% for the wastewater utility and an increase of \$1,266,000 or 8.0% for the water utility. The proposed 2026 operating budget for the wastewater and water utilities is an increase of \$1,067,000 or 4.7% for the wastewater utility and \$944,000 or 5.6% for the water utility.

The increase to the wastewater and water utilities is largely due to the increasing costs of contracted services, supplies (chemicals, tools, equipment, parts, etc.) and utilities to maintain existing service levels for the management, operation and maintenance of the City's water and wastewater infrastructure (i.e., facilities and underground pipes). The operating budget presented includes increased funding for water service and sewer lateral repairs, system valve inspections and repairs and leak detection to reduce system water loss. In addition, the budget also accounts for, and includes, costs associated with a growing inventory of assets. As the City continues to grow, funds to sustain the ongoing inspection, operation and maintenance of expanding and/or acquiring more wastewater and water assets is required.

There is also a notable increase in the insurance costs for wastewater and water infrastructure.

Included in the budget increase for wastewater is additional funding to support the sewer inspection program to ensure all sewers are inspected on the recommended cycle for asset management.

Natural Gas Distribution Business

The natural gas distribution business operating budget is projected to increase approximately \$560,000 or 10.6% in 2025 and projected to increase approximately \$417,000 or 7.1% in 2026.

Significant cost increases in parts, equipment and supplier cost escalations are affecting all aspects of the gas utility. Since 2022, there has been a 19% increase in fundamental parts and equipment used in maintaining the gas infrastructure, with a major supplier of parts recently giving notice of another across the board increase in parts for 2025 of 4%.

Utilities Kingston will increase its focus on asset management and maintenance programs over the next 2 years to ensure maximum life is achieved for current in-service assets and all new technologies are considered to extend the life of existing assets while ensuring they continue to operate in a safe and reliable manner.

January 20, 2024

Page 6 of 7

The utility is also experiencing increased regulations for operators to be deemed “fully qualified”. Consequently, additional costs have been included for training, licencing and certifications. In addition the utility is experiencing new costs for vehicle and heavy equipment training.

In the metering area the deployment of smart meters is creating transitional costs as we transition from our old metering system to a new metering system.

Included in the budget is an estimate for the purchase of gas commodity, transportation and storage of \$25 million. These costs are fully recovered from gas ratepayers, without markup, and are also shown in revenue. Included in the budget is an estimate for the purchase of gas commodity, transportation and storage of \$25 million. These costs are fully recovered from gas ratepayers, without markup, and are also shown in revenue.

Contributions to the Municipal Capital Reserve Fund are expected to be maintained at the 2024 level of \$2,020,000 for 2025 and 2026.

Appliance Rental Business

The proposed operating budget for the appliance rental business is an increase of approximately \$68,000 or 8% in 2025 and a decrease of approximately \$8,000 or 1% in 2026. In 2025 we will develop new marketing materials and launch new advertising campaigns that have not been completed in several years. We expect an increase in the number of new rentals due to this initiative. In 2026 there will be maintenance spending on advertising and marketing materials. We expect to sustain the momentum of new installs from 2025 into 2026.

Contributions to the Municipal Capital Reserve Fund are expected to increase from \$962,000 in 2024 to \$981,000 in 2025 and \$1,000,000 in 2026.

Contributions to the Environmental Reserve Fund are expected to increase from \$481,000 in 2024 to \$490,000 in 2025 and \$500,000 in 2026.

Across all utilities, Utilities Kingston continues to focus on corporate and municipal strategic goals with investments in asset management, climate action initiatives and sustainability, customer focus, technological improvements and risk management initiatives.

2 Year Municipal Capital Budgets

Proposed capital works for 2025 to 2026 for water, sewer, gas and appliance rental assets are guided by the following documents and programs:

- Water and Wastewater Master Plans,
- Our Asset Management program;
- Growth Management demands; and
- Operator input which provides a risk-based approach to prioritizing asset replacement and renewal activities

January 20, 2024

Page 7 of 7

Master plans provide critical asset management information in two specific areas:

1. Infrastructure assets required to facilitate growth within the community and
2. Infrastructure assets that are required to be renewed or replaced due to a combination of age, asset health and condition.

Existing Policy/By-Law

None.

Notice Provisions

Pursuant to the City of Kingston's Public Notice Policy, notice of the City of Kingston's 2025 budget meeting schedule was posted to the City website on Thursday, January 9, 2025.

Financial Considerations

As noted in this report.

Contacts:

David Fell, President and CEO, Utilities Kingston, 613-546-1181 x2319
Randy Murphy, Chief Financial Officer, Utilities Kingston, 613-546-1181 X2317

Other City of Kingston Staff Consulted:

Desiree Kennedy, CFO and City Treasurer, City of Kingston

Exhibits Attached:

Exhibit A – Utilities Kingston Memorandum for the Proposed 2025 and 2026 Operating and Capital Budgets for the Municipally Owned Utilities



Utilities Kingston Memorandum

To: Mayor Bryan Paterson
From: David Fell, President and CEO, Utilities Kingston
Resource Staff: Randy Murphy, Chief Financial Officer, Utilities Kingston
Date of Meeting: January 20, 2025
Subject: 2025-2026 Operating and Capital Budgets for the Municipally Owned Utilities

Executive Summary:

This report provides a summary and rationale for the two-year 2025 and 2026 Wastewater, Water, Natural Gas and Appliance Rental Operating Budgets as well as the two-year Capital Budgets for these utilities. The attached appendices provide details of the noted operating and capital budgets as well as five-year operating budget forecasts.

The 2025 and 2026 Municipal Utility Operating Budgets are in the amounts noted below:

| WASTEWATER | 2025 | 2026 |
|---|----------------------|----------------------|
| Operating Budget | \$ 22,844,000 | \$ 23,911,000 |
| Debt Costs | \$ 5,337,000 | \$ 5,304,000 |
| Transfer to Facility Repair Fund –Debt 85 Lappan’s Lane | \$ 476,000 | \$ 476,000 |
| Transfer to Wastewater Capital Reserve Fund | <u>\$ 14,257,000</u> | <u>\$ 15,254,000</u> |
| Total Revenue | <u>\$ 42,914,000</u> | <u>\$ 44,945,000</u> |

| WATER | 2025 | 2026 |
|--|----------------------|----------------------|
| Operating Budget | \$ 17,002,000 | \$ 17,946,000 |
| Debt Costs | \$ 2,050,000 | \$ 2,042,000 |
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| Total Revenue | <u>\$ 36,870,000</u> | <u>\$ 38,621,000</u> |
| | | |
| NATURAL GAS | 2025 | 2026 |
| Operating Budget | \$ 5,842,000 | \$ 6,259,000 |
| Commodity Purchase, Transportation & Storage | \$ 25,000,000 | \$ 25,000,000 |
| Transfer to Facility Repair Fund – Debt 85 Lappan’s Lane | \$ 173,000 | \$ 173,000 |
| Transfer to Gas Capital Reserve Fund | \$ 4,941,000 | \$ 5,130,000 |
| Transfer to City Municipal Capital Reserve Fund | <u>\$ 2,020,000</u> | <u>\$ 2,020,000</u> |
| Total Revenue | <u>\$ 37,976,000</u> | <u>\$ 38,582,000</u> |
| | | |
| APPLIANCE RENTAL BUSINESS | 2025 | 2026 |
| Operating Budget | \$ 892,000 | \$ 884,000 |
| Transfer to Appliance Rental Capital Reserve Fund | \$ 1,626,000 | \$ 1,744,000 |
| Transfer to Municipal Capital Reserve Fund | \$ 981,000 | \$ 1,000,000 |
| Transfer to City Environmental Reserve Fund | <u>\$ 490,000</u> | <u>\$ 500,000</u> |
| Total Revenue | <u>\$ 3,989,000</u> | <u>\$ 4,128,000</u> |

The two-year municipal utility Capital Budgets are as follows:

| | |
|----------------------------------|----------------------|
| WASTEWATER | \$76,290,000 |
| WATER | \$73,377,000 |
| NATURAL GAS | \$15,233,000 |
| APPLIANCE RENTAL BUSINESS | <u>\$3,190,000</u> |
| TOTAL | <u>\$168,090,000</u> |

The funding for the two-year municipal utility Capital Budgets are as follows:

| | |
|--|----------------------|
| Wastewater Reserve Fund | \$43,392,000 |
| Development Charges Reserve Fund – Wastewater | \$32,898,000 |
| Water Reserve Fund | \$50,526,000 |
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| Natural Gas Reserve Fund | \$12,733,000 |
| Natural Gas - Debt | \$2,500,000 |
| Appliance Rental Reserve Fund | <u>\$3,190,000</u> |
| Total | <u>\$168,090,000</u> |

Options/Discussion:

Attached are summary reports for the recommended 2025 and 2026 Operating Budgets and five-year operating budget forecasts for each of the municipally owned utilities: Wastewater, Water, Natural Gas, and Appliance Rental Business managed by 1425445 Ontario Limited (operating as Utilities Kingston) on behalf of the Corporation of the City of Kingston.

2025 OPERATING

| Operating – Gross | 2024 Budget | 2025 Budget |
|-------------------------------------|----------------------|----------------------|
| | | |
| Wastewater | \$ 21,231,000 | \$ 22,844,000 |
| Water | 15,736,000 | 17,002,000 |
| Gas | 5,282,000 | 5,842,000 |
| Appliance Rentals | 824,000 | 892,000 |
| Total – City-owned Utilities | \$ 43,073,000 | \$ 46,580,000 |

2026 OPERATING

| Operating – Gross | 2025 Budget | 2026 Budget |
|-------------------------------------|----------------------|----------------------|
| | | |
| Wastewater | \$ 22,844,000 | \$ 23,911,000 |
| Water | 17,002,000 | 17,946,000 |
| Gas | 5,842,000 | 6,259,000 |
| Appliance Rentals | 892,000 | 884,000 |
| Total – City-owned Utilities | \$ 46,580,000 | \$ 49,000,000 |

The 2025 gross operating expenses for the four municipally owned utility businesses are budgeted to increase 8% or \$3,507,000 over 2024. The 2026 gross operating expenses are budgeted to increase 5% or \$2,420,000 over 2025.

Costs that are impacting all utilities include the following:

- Commencement of work required to enable the transition of the current customer information system to a new system replacing the current 25-year-old system.
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expectations and to find efficiencies through streamlining and automating of business processes.

- Increased focus on the completion of a customer experience strategy by the end of 2025. This strategy is anticipated to play a crucial role in informing policies and updating practices and procedures throughout Utilities Kingston to enhance customer experience.
- Enhancement of the Enterprise Asset Management System including an improved maintenance management program
- Increased oversight and planning for SCADA operations and projects
- New strategies and initiatives to ensure appropriate staffing levels to meet business demands. Enhanced internal and external communications continue to be a focus as we formalize communication strategies, programs and processes.
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Wastewater and Water Utilities

The proposed 2025 operating budget for the wastewater and water utilities is an increase of \$1,613,000 or 7.6% for the wastewater utility and an increase of \$1,266,000 or 8.0% for the water utility. The proposed 2026 operating budget for the wastewater and water utilities is an increase of \$1,067,000 or 4.7% for the wastewater utility and \$944,000 or 5.6% for the water utility.

The increase to the wastewater and water utilities is largely due to the increasing costs of contracted services, supplies (chemicals, tools, equipment, parts, etc.) and utilities to maintain existing service levels for the management, operation and maintenance of the City's water and wastewater infrastructure (i.e., facilities and underground pipes). The operating budget presented includes increased funding for water service and sewer lateral repairs, system valve inspections and repairs and leak detection to reduce system water loss. In addition, the budget also accounts for, and includes, costs associated with a growing inventory of assets. As the City continues to grow, funds to sustain the ongoing inspection, operation and maintenance of expanding and/or acquiring more wastewater and water assets is required.

There is also a notable increase in the insurance costs for wastewater and water infrastructure.

Included in the budget increase for wastewater is additional funding to support the sewer inspection program to ensure all sewers are inspected on the recommended cycle for asset management.

Natural Gas Distribution Business

The natural gas distribution business operating budget is projected to increase approximately \$560,000 or 10.6% in 2025 and projected to increase approximately \$417,000 or 7.1% in 2026.

Significant cost increases in parts, equipment and supplier cost escalations are affecting all aspects of the gas utility. Since 2022, there has been a 19% increase in fundamental parts and equipment used in maintaining the gas infrastructure, with a major supplier of parts recently giving notice of another across the board increase in parts for 2025 of 4%.

Utilities Kingston will increase its focus on asset management and maintenance programs over the next 2 years to ensure maximum life is achieved for current in-service assets and all new technologies are considered to extend the life of existing assets while ensuring they continue to operate in a safe and reliable manner.

The utility is also experiencing increased regulations for operators to be deemed “fully qualified”. Consequently, additional costs have been included for training, licencing and certifications. In addition the utility is experiencing new costs for vehicle and heavy equipment training.

In the metering area the deployment of smart meters is creating transitional costs as we transition from our old metering system to a new metering system.

Included in the budget is an estimate for the purchase of gas commodity, transportation and storage of \$25 million. These costs are fully recovered from gas ratepayers, without markup, and are also shown in revenue. Included in the budget is an estimate for the purchase of gas commodity, transportation and storage of \$25 million. These costs are fully recovered from gas ratepayers, without markup, and are also shown in revenue.

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Appliance Rental Business

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Contributions to the Municipal Capital Reserve Fund are expected to increase from \$962,000 in 2024 to \$981,000 in 2025 and \$1,000,000 in 2026.

Contributions to the Environmental Reserve Fund are expected to increase from \$481,000 in 2024 to \$490,000 in 2025 and \$500,000 in 2026.

Across all utilities, Utilities Kingston continues to focus on corporate and municipal strategic goals with investments in asset management, climate action initiatives and sustainability, customer focus, technological improvements and risk management initiatives.

2 Year Municipal Capital Budgets

The capital works for 2025 to 2026 for water, sewer, gas and appliance rental assets are guided by the following documents and programs:

- Water and Wastewater Master Plans,
- Our Asset Management program;
- Growth Management demands; and
- Operator input which provides a risk-based approach to prioritizing asset replacement and renewal activities

Master plans provide critical asset management information in two specific areas:

1. Infrastructure assets required to facilitate growth within the community and
2. Infrastructure assets that are required to be renewed or replaced due to a combination of age, asset health and condition.

For detailed descriptions of the capital works planned for the next two years, please reference Exhibit A through Exhibit D.

Note

In the charts that follow, the data prior to 2024 is from audited financial statements.

For 2024, we show the approved 2024 operating budgets, and the approved 2024 capital budgets including carryover from prior years.

For 2025 and 2026, we show the recommended operating budget values and the capital budgets which have been proposed for 2025-2026 for the four municipally owned utilities.

WASTEWATER UTILITY

| Years | Capital Expenditures | Operating | Revenue |
|-------|----------------------|--------------|--------------|
| 2020 | \$19,163,000 | \$15,648,000 | \$35,080,000 |
| 2021 | \$40,145,000 | \$15,944,000 | \$37,810,000 |
| 2022 | \$26,899,000 | \$17,372,000 | \$39,717,000 |
| 2023 | \$15,725,000 | \$20,085,000 | \$41,123,000 |
| 2024 | \$69,365,000 | \$21,231,000 | \$42,123,000 |
| 2025 | \$47,594,000 | \$22,844,000 | \$42,914,000 |
| 2026 | \$28,696,000 | \$23,911,000 | \$44,945,000 |

WATER UTILITY

| Years | Capital Expenditures | Operating | Revenue |
|-------|----------------------|--------------|--------------|
| 2020 | \$7,941,000 | \$12,383,000 | \$30,399,000 |
| 2021 | \$13,727,000 | \$11,738,000 | \$32,622,000 |
| 2022 | \$8,760,000 | \$12,846,000 | \$34,334,000 |
| 2023 | \$13,946,000 | \$15,096,000 | \$35,330,000 |
| 2024 | \$78,675,000 | \$15,736,000 | \$36,379,000 |
| 2025 | \$33,752,000 | \$17,002,000 | \$36,870,000 |
| 2026 | \$39,625,000 | \$17,946,000 | \$38,621,000 |

GAS UTILITY

| Years | Capital Expenditures | Operating | Return to the City | Distribution Revenue |
|-------|----------------------|-------------|--------------------|----------------------|
| 2020 | \$1,584,000 | \$4,558,000 | \$2,580,000 | \$10,840,000 |
| 2021 | \$3,212,000 | \$4,060,000 | \$3,454,000 | \$11,219,000 |
| 2022 | \$3,846,000 | \$4,375,000 | \$3,033,000 | \$11,869,000 |
| 2023 | \$5,449,000 | \$4,963,000 | \$2,212,000 | \$11,627,000 |
| 2024 | \$14,708,000 | \$5,282,000 | \$2,020,000 | \$12,371,000 |
| 2025 | \$7,616,000 | \$5,842,000 | \$2,020,000 | \$12,976,000 |
| 2026 | \$7,617,000 | \$6,259,000 | \$2,020,000 | \$13,582,000 |

APPLIANCE RENTAL BUSINESS

| Years | Capital Expenditures | Operating | Return to other City reserve funds | Revenue | Operating Income |
|--------------|-----------------------------|------------------|---|----------------|-------------------------|
| 2020 | \$1,305,000 | \$722,000 | \$1,365,000 | \$3,107,000 | \$2,385,000 |
| 2021 | \$1,274,000 | \$661,000 | \$1,515,000 | \$3,293,000 | \$2,632,000 |
| 2022 | \$1,257,000 | \$708,000 | \$1,542,000 | \$3,376,000 | \$2,668,000 |
| 2023 | \$1,457,000 | \$758,000 | \$1,373,000 | \$3,631,000 | \$2,873,000 |
| 2024 | \$1,684,000 | \$824,000 | \$1,443,000 | \$3,709,000 | \$2,885,000 |
| 2025 | \$1,505,000 | \$892,000 | \$1,471,000 | \$3,989,000 | \$3,097,000 |
| 2026 | \$1,685,000 | \$884,000 | \$1,500,000 | \$4,128,000 | \$3,244,000 |

LOOKING FORWARD

The water and wastewater utilities continue to be closely monitored and regulated by both upper levels of government. Unexpected changes in regulations, standards or guidelines at any time can result in additional operating and capital expenses. For example, the province continues to explore reducing the maximum allowable concentration of lead in drinking water to 5ug/L from the existing limit of 10 ug/L, to match Health Canada's 2019 guideline. Existing Ontario regulations specify a lead limit of 10ug/L and require water supply providers to conduct community-based sampling at the tap for lead and require the implementation of corrosion control programs depending on results of the results of the program. Currently, based on the results of community-based sampling program, Kingston's drinking water system is not required to have a corrosion control program. However, if the limit for lead is reduced to 5ug/L, Utilities Kingston staff expect a corrosion control program will be required, and could include actions such as, the inclusion of corrosion inhibitors to the drinking water supply and/or a lead pipe removal program. The cost of implementing a corrosion control program for Kingston's drinking water system has not been explored or scoped and is not included in the operating or capital budgets. Utilities Kingston staff continue to monitor regulatory changes and make changes where necessary.

For long term financial planning purposes, all utilities have projected operating expense increases post 2026 modelled at inflation of 2.5%.

Future user rate increases for the period of 2027-2039 have been projected to average 3.5% for wastewater and 3.6% for water as these utilities continue to move toward stronger financial stability to sustain operations and proper asset management activities and the required capital reinvestment for long term sustainability.

Financial Considerations

Utilities Kingston has worked to refine a fifteen-year planning process and asset management principles for these municipal utilities. This budget has adopted sufficient operating and maintenance practices to ensure maximum life expectancy from the assets. A very important portion of this has been about managing the financing for this work and maintaining the proper balance between user rates, development charges (for growth related projects), debt, and working to obtain grant funding from upper levels of government.

Contacts:

Julie Runions, Director, Utilities Engineering, Utilities Kingston 613-546-1181 x2172

Laura Deak, Manager, Finance, Utilities Kingston, 613-546-1181 x2465

David Fell, President and CEO, Utilities Kingston, 613-546-1181 x2319

Kevin McCauley, Director, Telecommunications & Customer Care, Utilities Kingston, 613-546-1181 x2247

Kate Tindal, Director, Corporate Services, Utilities Kingston, 613-546-1181 x2079

Randy Murphy, Chief Financial Officer, Utilities Kingston, 613-546-1181 x2317

Heather Roberts, Director, Water and Wastewater, Utilities Kingston, 613-546-1181 x2400

Other City of Kingston Staff Consulted:

Desiree Kennedy, CFO and City Treasurer, City of Kingston

Exhibits Attached:

Tab 2 – Wastewater Utility Budget Summary

Tab 3 – Water Utility Budget Summary

Tab 4 – Natural Gas Distribution Business Budget Summary

Tab 5 – Appliance Rental Business Budget Summary



Wastewater Utility Budget Summary

(Rounded to Nearest Thousand)

| | <u>2025</u> | <u>2026</u> |
|---|----------------------|----------------------|
| Total Revenue | \$ 42,914,000 | \$ 44,945,000 |
| Less: Operating Expenses | <u>\$ 22,844,000</u> | <u>\$ 23,911,000</u> |
| Operating Surplus to Capital Reserve Funds | \$ 20,070,000 | \$ 21,034,000 |
| Less: Contribution to Facility Repair Fund | \$ 476,000 | \$ 476,000 |
| Less: Debt Repayment | <u>\$ 5,337,000</u> | <u>\$ 5,304,000</u> |
| Net Contribution to Wastewater Capital Reserve Fund | <u>\$ 14,257,000</u> | <u>\$ 15,254,000</u> |
| March 1, 2025 Annualized Average Rate Increase | <u>4.8%</u> | |
| January 1, 2026 Average Rate Increase | | <u>4.8%</u> |
| Two-year Capital Budget (2025-2026) | <u>\$ 47,594,000</u> | <u>\$ 28,696,000</u> |
| Total Capital Budget (2025-2026) | | <u>\$ 76,290,000</u> |

**Corporation of the City of Kingston Wastewater Utility
2025-2026 Budget
Revenue and Expenditure**

| | | Actuals as of 30-Sep-24 | Budget 2024 | Budget 2025 | Budget 2026 |
|--|---------------------|----------------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| | Sewer Rates | 30,700,389 | 41,522,648 | 42,314,048 | 44,345,122 |
| | Other Revenue | 709,532 | 600,000 | 600,000 | 600,000 |
| Total Revenue | | 31,409,921 | 42,122,648 | 42,914,048 | 44,945,122 |
| Operating Expenses | | | | | |
| | | 2,927,295 | 4,730,159 | 5,401,772 | 5,767,761 |
| | Administration | 646,220 | 837,068 | 1,050,493 | 1,131,351 |
| | Billing | 8,626,050 | 12,563,292 | 13,002,595 | 13,493,376 |
| | Pumping & Treatment | 820,217 | 688,214 | 692,175 | 704,788 |
| | Community Relations | 1,405,661 | 1,496,623 | 1,798,638 | 1,905,783 |
| | Collection | 239,659 | 915,166 | 898,515 | 908,072 |
| | Customer Service | 14,665,102 | 21,230,522 | 22,844,189 | 23,911,131 |
| Total Operating costs | | 14,665,102 | 21,230,522 | 22,844,189 | 23,911,131 |
| Contribution to Reserve Funds | | 16,744,819 | 20,892,126 | 20,069,859 | 21,033,992 |
| Debt Repayment | | 4,252,731 | 5,670,308 | 5,337,225 | 5,303,968 |
| Contribution to Facilities Repair Fund | | 357,323 | 476,431 | 476,431 | 476,431 |
| Net Increase to Wastewater Fund | | 11,059,040 | 14,745,387 | 14,256,203 | 15,253,593 |
| Net Surplus | | 1,075,725 | - | - | - |

Corporation of the City of Kingston
Wastewater Utility
Operating Budget Forecast
(Rounded to Nearest Thousand)

| | Budget 2025 | Budget 2026 | Forecast 2027 | Forecast 2028 | Forecast 2029 |
|---|----------------|----------------|------------------|------------------|------------------|
| Revenue | | | | | |
| Rates | 42,314,000 | 44,345,000 | 45,675,000 | 48,426,000 | 50,363,000 |
| Other | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 |
| Rates and Other | 42,914,000 | 44,945,000 | 46,275,000 | 49,026,000 | 50,963,000 |
| Operating Expense | | | | | |
| Contracted Services | 22,844,000 | 23,911,000 | 4,509,000 | 25,122,000 | 25,750,000 |
| Net operating to Reserve Funds | 20,070,000 | 21,034,000 | 21,766,000 | 23,904,000 | 25,213,000 |
| Debt Repayment | 5,337,000 | 5,304,000 | 4,967,000 | 4,486,000 | 4,452,000 |
| Contribution to Facilities Repair Fund | 476,000 | 476,000 | 476,000 | 476,000 | 476,000 |
| Net increase to Wastewater Capital Reserve Fund | 14,257,000 | 15,254,000 | 16,323,000 | 18,942,000 | 20,285,000 |
| | 20,070,000 | 21,034,000 | 21,766,000 | 23,904,000 | 25,213,000 |

**WASTE WATER CAPITAL BUDGET
2025 & 2026**



| | Total 2025 | Total 2026 |
|---|-------------------|-------------------|
| Facilities | | |
| Treatment Plants | | |
| Planning & Design | - | - |
| Construction | 1,000,000 | 3,800,000 |
| Equipment Upgrades or Replacement | | |
| Building Structure | 1,055,000 | 1,040,000 |
| Building Fixtures | 180,000 | 105,000 |
| Mechanical Equipment | 1,430,000 | 555,000 |
| Electrical Equipment | 500,000 | 575,000 |
| Pumping Stations | | |
| Planning & Design | - | - |
| Construction | - | 11,064,470 |
| Equipment Upgrades or Replacement | | |
| Building Structure | 140,000 | 140,000 |
| Building Fixtures | 20,000 | 20,000 |
| Mechanical Equipment | 375,000 | 125,000 |
| Electrical Equipment | 95,000 | 220,000 |
| CSO | | |
| Planning & Design | | |
| Construction | - | - |
| Equipment Upgrades or Replacement | | |
| Building Structure | 25,000 | 25,000 |
| Building Fixtures | 20,000 | 20,000 |
| Mechanical Equipment | 20,000 | 20,000 |
| Electrical Equipment | 10,000 | 10,000 |
| Tankage | 25,000 | - |
| Pipes | | |
| Trunks | | |
| Planning & Design | - | - |
| Construction | 33,470,000 | 5,365,000 |
| Remediation | 1,000,000 | 1,000,000 |
| Locals | | |
| Construction | 3,116,546 | 10,000 |
| Remediation | - | 1,500,000 |
| Appurtenance Upgrades or Replacement | | |
| Services | 725,000 | 805,000 |
| Meters | 1,759,000 | 825,000 |
| Structures | 132,000 | 139,000 |
| Valves | 50,000 | 50,000 |
| General | | |
| Property | | |
| Land | - | - |
| Office Building Improvements | 5,000 | - |
| Business Systems | | |
| SCADA | 215,000 | 65,000 |
| Business Systems City Transfers | 426,423 | 484,047 |
| Business Systems UK | 1,515,000 | 487,500 |
| Vehicles | | |
| New Vehicles | 75,000 | 127,500 |
| Vehicle Upgrades | 17,500 | 7,500 |
| Construction and Office Equipment | | |
| City Restoration Costs | 40,000 | - |
| Office Equipment | 7,500 | 11,000 |
| Tools, Locating Equipment, Radios | 145,400 | 100,400 |
| Total Budget | 47,594,369 | 28,696,417 |
| Total DC Funded | 18,307,546 | 14,590,753 |
| Total Rates Funded | 29,286,823 | 14,105,665 |



**2025, 2026 CAPITAL BUDGET PROPOSALS
WASTEWATER**

| | | |
|----------------------------------|-------------|---------------------|
| Total Capital Request for | 2025 | \$47,594,000 |
| | 2026 | \$28,696,000 |

FACILITIES

| | | |
|-------------------------|-------------|---------------------|
| Budget Sub Total | 2025 | \$4,895,000 |
| | 2026 | \$17,720,000 |

COMMENTS:

This area of the budget covers our 3 wastewater treatment plants, 36 pumping stations, 9 major combined sewer overflow (CSO) facilities and structures.

Wastewater is collected throughout the municipality by a network of approximately 680 km of force-main and gravity sanitary sewers. These sewers convey the wastewater by gravity and with strategically located pumping stations to one of the three treatment plants for processing. The sewage is then filtered and treated to remove contaminants and disinfected to meet strict effluent requirements. This results in clean water being returned to the environment, methane gas (used to produce heat and electricity at the plant) and nutrient rich biosolids (Non-agricultural source material (NASM), applied to agricultural land to provide a [beneficial use](#)).

Over the proposed two-year (2025-2026) capital program many of the wastewater capital projects are based on service levels established in our asset management plans, Master Planning exercise, Enterprise Risk Management plan, sewer modeling with risk-based criteria, facility condition assessments, and operator input which provides a real-time check approach to prioritizing asset replacement and renewal activities and to support development related activities in the City.

- **Treatment Plants: \$4,165,000 / \$6,075,000**

No major capital construction projects are planned at our wastewater treatment facilities. Planning and design work will begin for the expansion of the solids train at the Cataraqui Bay wastewater treatment plant. Other activities include maintenance and repair on items

2025 & 2026 PROPOSED CAPITAL BUDGET – WASTEWATER

Page 2

such as pumps, blowers, screens, ventilation systems, various valves, and odor control. In addition, funding is proposed to support energy reduction/climate action activities at the facilities.

- **Pumping Stations: \$630,000 / \$11,570,000**

Upgrades to increase capacity are planned at two of our pumping stations in 2026. The King-Portsmouth sewage pumping station will be upgraded as the final phase (Phase 3) of the Portsmouth Pumping Station flow redirection project. Additionally, upgrades are planned at the Bath Rd. pumping station to support development and growth in the area.

The remaining forecasted capital expenditures relate to ongoing asset management activities that include electrical improvements, control and monitoring equipment at various stations, pump rebuilds and replacements, valve replacements and various energy reduction activities.

- **CSO Facilities: \$100,000 / \$75,000**

No major works are currently contemplated at these facilities and as such the proposed budget deals with minor capital activities associated with their operation and maintenance such as electrical, mechanical, and minor building/structural matters.

PIPE NETWORKS

| | | |
|-------------------------|-------------|---------------------|
| Budget Sub Total | 2025 | \$40,253,000 |
| | 2026 | \$9,694,000 |

COMMENTS:

This area of the budget covers the linear (pipes) life cycle replacement, rehabilitation, and new expansion (funded from Development Charges) of the sewage collection network that has approximately 680 kilometers of pipe. Within the budget Trunks refer to our larger diameter pipes, Locals are typically the pipes found on residential streets. Wastewater pipes are evaluated, assessed, and prioritized for work based on the following factors, age, combined sewer or not, pipe size (capacity), material type and condition assessment and rating (based on CCTV – camera work). The decision to replace or remediate is based on these factors.

Remediation activity (in pipe work such as sealing, lining etc.) has become an increasingly important part of our management of the pipe networks. In pipe work has proved to be a cost-effective tool in extending the useful life of our wastewater collection assets.

2025 & 2026 PROPOSED CAPITAL BUDGET – WASTEWATER

Page 3

- **Trunks: \$34,470,000 / \$6,365,000**

For the 2025 – 2026 period, the focus in Trunk sewers is on the construction of the Portsmouth pumping station force main which is connected to the King-Portsmouth pumping station flow redirection; upgrade to the Princess St. collector, the Notch Hill collector and the Rideau St. collector.

- **Locals: \$3,117,000 / \$1,510,000**

Utilities Kingston and City of Kingston engineering groups coordinate projects and their timing as part of the annual road reconstruction projects over the next 2 years. This work is also done in conjunction with our other utilities (water, gas and electric). For the next 2 years proposed work includes sewer upgrades in and around the intersection of Montreal St. and John Counter Blvd., reconstruction of sewers on Main St., Anne St., Ellice St. and Vine St., combined sewer separation on Princess St., Queen's Cres. as well as on River St. and Orchard St. and lastly, sewer repair work in the Cana subdivision.

In addition to the traditional reconstruction of sanitary sewer mains this budget area includes remediation activities that involve activities such as relining, pipe bursting, tunneling etc. Remediation work is less intrusive in a neighbourhood and has proven to be cost effective in extending the life cycle of our wastewater collection assets.

- **Equipment Upgrades: \$2,666,000 / \$1,819,000**

This budget area involves the ongoing replacement and repair of following elements: smaller local pipes and service laterals, meters, and structures including maintenance holes.

GENERAL

| | | |
|-------------------------|-------------|--------------------|
| Budget Sub Total | 2025 | \$2,447,000 |
| | 2026 | \$1,283,000 |

This area of the budget covers capital expenditures related to Property, Business Systems, Equipment and Vehicles. For Property this includes land and facilities managed by Utilities Kingston (i.e., plants, pumping stations, easements for underground pipes) and the sewer utility's portion of changes or improvements to the administration building, warehouse, or outdoor storage yards. Business Systems includes IT services unique to the utilities environment (billing systems) and SCADA (Supervisory Control and Data Acquisition) both of which involve upgrades and replacement of equipment. Equipment relates to tools required by staff to perform work and office equipment. Vehicles cover only new additions to fleet.

2025 & 2026 PROPOSED CAPITAL BUDGET – WASTEWATER

Page 4

COMMENTS:

- **Property: \$5,000 / \$0**

No major works are contemplated in this area in the next two years.

- **Business Systems: \$2,156,000 / \$1,036,000**

This budget area involves the following elements: supervisory control and data acquisition (SCADA), Utilities Kingston computer hardware and software and business systems such as the replacement to our customer information system (billing system). This area also includes transfer payments to the City of Kingston for information technology related items.

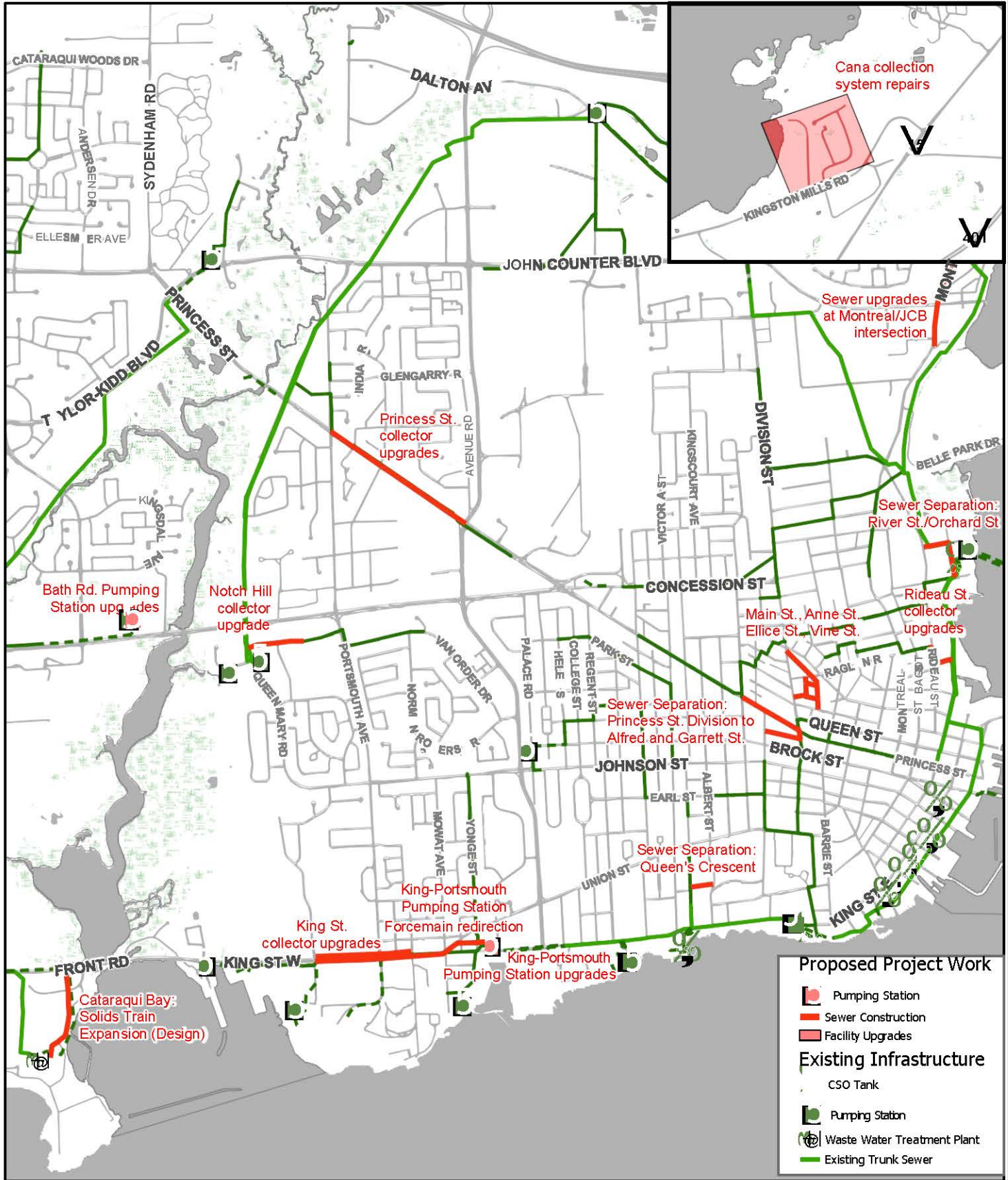
In 2025 we will be beginning the implementation of a new Enterprise Asset Management system across all of our utilities. In 2025 through 2026 we will be updating our Wastewater and Water Master Plan study which is a long-term plan/forecast of infrastructure needs for the City based on expected growth. This study shares the costs between the water and wastewater utilities.

- **Construction & Office Equipment: \$192,900 / \$111,400**

This area generally covers specialized equipment for working in confined spaces such as manholes and chambers, locating equipment, surveying/GPS, and radios. In addition, our management of the wastewater system includes flow monitors that assist in capacity management as well as combined sewer overflow monitoring and reporting activity. As this equipment reaches end of life this equipment is replaced.

- **Vehicles: \$92,500 / \$135,000**

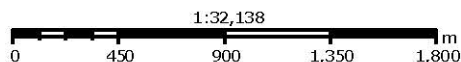
This area represents new vehicle additions or equipment upgrades to existing vehicles. The expense of acquiring new vehicles is often shared amongst the appropriate utilities and therefore the proposed budget represents the wastewater utilities portion, For 2025 the Treatment Group will be acquiring a new telehandler to enable safer and more efficient loading and unloading of materials and chemicals required for operation of the wastewater treatment facilities.



Utilities Engineering - GIS

**Capital Budget Proposed Projects
2025-2026 Sanitary**

Utilities Kingston - 85 Lapan's Lane, Kingston, ON PO Box 790
K7L 4X7 - Utilities_GIS@utiltieskingston.com - 613-546-0000



Revision: 2
Units: Meters
CRS: NAD 1983 UTM Zone 18N

Producer: stzaluski
Reviewer: J. Runions
Created: 12/11/24
Modified: 12/13/2024

Projects/CapitalMapForPublic/CapitalPlanningMap2025-27.aprx
 Utilities Kingston assumes no responsibility for inaccurate or inconsistent data set out in this map product. Utilities Kingston does not accept any responsibility for reliance thereon. Further, Utilities Kingston does not accept any responsibility for the accuracy of this information, nor is it responsible for any expenses or damages incurred, directly or indirectly, resulting from the use of this information. It is the responsibility of the user to verify map data in the field.
 Source Provider: Utilities Kingston, City of Kingston

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2025 | DC 2025 | Total 2025 | Rates 2026 | DC 2026 | Total 2026 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | 1,000,000 | 1,000,000 | | 3,800,000 | 3,800,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 1,055,000 | | 1,055,000 | 1,040,000 | | 1,040,000 |
| Building Fixtures | 180,000 | | 180,000 | 105,000 | | 105,000 |
| Mechanical Equipment | 1,430,000 | | 1,430,000 | 555,000 | | 555,000 |
| Electrical Equipment | 500,000 | | 500,000 | 575,000 | | 575,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | 2,766,118 | 8,298,353 | 11,064,470 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 140,000 | | 140,000 | 140,000 | | 140,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 375,000 | | 375,000 | 125,000 | | 125,000 |
| Electrical Equipment | 95,000 | | 95,000 | 220,000 | | 220,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Electrical Equipment | 10,000 | | 10,000 | 10,000 | | 10,000 |
| Tankage | 25,000 | | 25,000 | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 17,960,300 | 15,509,700 | 33,470,000 | 2,872,600 | 2,492,400 | 5,365,000 |
| Remediation | 1,000,000 | | 1,000,000 | 1,000,000 | | 1,000,000 |
| Locals | | | | | | |
| Construction | 2,253,700 | 862,846 | 3,116,546 | 10,000 | | 10,000 |
| Remediation | | | - | 1,500,000 | | 1,500,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 725,000 | | 725,000 | 805,000 | | 805,000 |
| Meters | 1,759,000 | | 1,759,000 | 825,000 | | 825,000 |
| Structures | 132,000 | | 132,000 | 139,000 | | 139,000 |
| Valves | 50,000 | | 50,000 | 50,000 | | 50,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 5,000 | | 5,000 | | | - |
| Business Systems | | | | | | |
| SCADA | 215,000 | | 215,000 | 65,000 | | 65,000 |
| Business Systems City Transfers | 426,423 | | 426,423 | 484,047 | | 484,047 |
| Business Systems UK | 580,000 | 935,000 | 1,515,000 | 487,500 | | 487,500 |
| Vehicles | | | | | | |
| New Vehicles | 75,000 | | 75,000 | 127,500 | | 127,500 |
| Vehicle Upgrades | 17,500 | | 17,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 40,000 | | 40,000 | | | - |
| Office Equipment | 7,500 | | 7,500 | 11,000 | | 11,000 |
| Tools, Locating Equipment, Radios | 145,400 | | 145,400 | 100,400 | | 100,400 |
| Total Budget | 29,286,823 | 18,307,546 | 47,594,369 | 14,105,665 | 14,590,753 | 28,696,417 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2027 | DC 2027 | Total 2027 | Rates 2028 | DC 2028 | Total 2028 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | 40,000,000 | 40,000,000 | | 34,543,000 | 34,543,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 390,000 | | 390,000 | 390,000 | | 390,000 |
| Building Fixtures | 225,000 | | 225,000 | 275,000 | | 275,000 |
| Mechanical Equipment | 530,000 | | 530,000 | 570,000 | | 570,000 |
| Electrical Equipment | 940,000 | | 940,000 | 970,000 | | 970,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | 150,000 | | 150,000 |
| Construction | | | - | 620,000 | | 620,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 140,000 | | 140,000 | 150,000 | | 150,000 |
| Building Fixtures | 100,000 | | 100,000 | 100,000 | | 100,000 |
| Mechanical Equipment | 800,000 | | 800,000 | 350,000 | | 350,000 |
| Electrical Equipment | 390,000 | | 390,000 | 100,000 | | 100,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Electrical Equipment | 50,000 | | 50,000 | 245,000 | | 245,000 |
| Tankage | 50,000 | | 50,000 | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | 800,000 | | 800,000 | | | - |
| Construction | 8,700,000 | | 8,700,000 | 6,345,500 | 197,100 | 6,542,600 |
| Remediation | 1,800,000 | | 1,800,000 | 1,800,000 | | 1,800,000 |
| Locals | | | | | | |
| Construction | 16,530,000 | 1,040,000 | 17,570,000 | 3,010,000 | | 3,010,000 |
| Remediation | 2,700,000 | | 2,700,000 | 2,000,000 | | 2,000,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 850,000 | | 850,000 | 850,000 | | 850,000 |
| Meters | 850,750 | | 850,750 | 1,127,019 | | 1,127,019 |
| Structures | 140,000 | | 140,000 | 140,000 | | 140,000 |
| Valves | 50,000 | | 50,000 | 50,000 | | 50,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | 150,000 | | 150,000 | | | - |
| Office Building Improvements | 5,000 | | 5,000 | | | - |
| Business Systems | | | | | | |
| SCADA | 15,000 | | 15,000 | 75,000 | | 75,000 |
| Business Systems City Transfers | 436,552 | | 436,552 | 327,729 | | 327,729 |
| Business Systems UK | 1,585,000 | | 1,585,000 | 230,000 | | 230,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Office Equipment | 17,500 | | 17,500 | 17,500 | | 17,500 |
| Tools, Locating Equipment, Radios | 60,400 | | 60,400 | 70,400 | | 70,400 |
| Total Budget | 38,487,702 | 41,040,000 | 79,527,702 | 20,145,648 | 34,740,100 | 54,885,748 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2029 | DC 2029 | Total 2029 | Rates 2030 | DC 2030 | Total 2030 |
|---|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | 500,000 | | 500,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 40,000 | | 40,000 | 400,000 | | 400,000 |
| Building Fixtures | 275,000 | | 275,000 | 275,000 | | 275,000 |
| Mechanical Equipment | 1,020,000 | - | 1,020,000 | 655,000 | - | 655,000 |
| Electrical Equipment | 970,000 | | 970,000 | 130,000 | | 130,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 710,000 | | 710,000 | 6,440,000 | 4,000,000 | 10,440,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 160,000 | | 160,000 | 165,000 | | 165,000 |
| Building Fixtures | 40,000 | | 40,000 | 30,000 | | 30,000 |
| Mechanical Equipment | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Electrical Equipment | 300,000 | | 300,000 | 50,000 | | 50,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 80,000 | | 80,000 | 80,000 | | 80,000 |
| Electrical Equipment | 65,000 | | 65,000 | 50,000 | | 50,000 |
| Tankage | | | - | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | 1,800,000 | 600,000 | 2,400,000 | | | - |
| Construction | | | - | 3,200,000 | 1,500,000 | 4,700,000 |
| Remediation | 1,900,000 | | 1,900,000 | 1,900,000 | | 1,900,000 |
| Locals | | | | | | |
| Construction | 6,643,800 | 1,034,600 | 7,678,400 | 3,393,800 | 684,600 | 4,078,400 |
| Remediation | 2,000,000 | | 2,000,000 | 1,000,000 | | 1,000,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 850,000 | | 850,000 | 895,000 | | 895,000 |
| Meters | 895,000 | | 895,000 | 917,375 | | 917,375 |
| Structures | 140,000 | | 140,000 | 150,000 | | 150,000 |
| Valves | 50,000 | | 50,000 | 55,000 | | 55,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 5,000 | | 5,000 | | | - |
| Business Systems | | | | | | |
| SCADA | 225,000 | | 225,000 | 15,000 | | 15,000 |
| Business Systems City Transfers | 326,829 | | 326,829 | 333,863 | | 333,863 |
| Business Systems UK | 45,000 | 255,000 | 300,000 | 120,000 | 680,000 | 800,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Office Equipment | 17,500 | | 17,500 | 17,500 | | 17,500 |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 | 45,400 | | 45,400 |
| Total Budget | 18,931,029 | 1,889,600 | 20,820,629 | 21,150,438 | 6,864,600 | 28,015,038 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2031 | DC 2031 | Total 2031 | Rates 2032 | DC 2032 | Total 2032 |
|---|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | 70,000 | | 70,000 | 2,000,000 | | 2,000,000 |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 225,000 | | 225,000 | 150,000 | | 150,000 |
| Building Fixtures | 325,000 | | 325,000 | 325,000 | | 325,000 |
| Mechanical Equipment | 635,000 | - | 635,000 | 885,000 | - | 885,000 |
| Electrical Equipment | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | 285,000 | | 285,000 |
| Construction | 1,020,000 | | 1,020,000 | 850,000 | | 850,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 165,000 | | 165,000 | 165,000 | | 165,000 |
| Building Fixtures | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Mechanical Equipment | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Electrical Equipment | 300,000 | | 300,000 | 850,000 | | 850,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 50,000 | | 50,000 | 60,000 | | 60,000 |
| Electrical Equipment | 50,000 | | 50,000 | 60,000 | | 60,000 |
| Tankage | | | - | 50,000 | | 50,000 |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 8,822,400 | 8,153,600 | 16,976,000 | 4,089,300 | 4,050,700 | 8,140,000 |
| Remediation | | | 2,000,000 | 2,000,000 | | 2,000,000 |
| Locals | | | | | | |
| Construction | 3,893,800 | 684,600 | 4,578,400 | 5,993,800 | 684,600 | 6,678,400 |
| Remediation | 2,600,000 | | 2,600,000 | 2,400,000 | | 2,400,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 895,000 | | 895,000 | 895,000 | | 895,000 |
| Meters | 940,309 | | 940,309 | 963,817 | | 963,817 |
| Structures | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Valves | 55,000 | | 55,000 | 55,000 | | 55,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 5,000 | | 5,000 | | | - |
| Business Systems | | | | | | |
| SCADA | 15,000 | | 15,000 | 20,000 | | 20,000 |
| Business Systems City Transfers | 347,501 | | 347,501 | 348,549 | | 348,549 |
| Business Systems UK | | | - | | | - |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 55,000 | | 55,000 | 55,000 | | 55,000 |
| Office Equipment | 17,500 | | 17,500 | 2,500 | | 2,500 |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 | 45,400 | | 45,400 |
| Total Budget | 23,144,410 | 8,838,200 | 31,982,610 | 23,160,866 | 4,735,300 | 27,896,166 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2033 | DC 2033 | Total 2033 | Rates 2034 | DC 2034 | Total 2034 |
|---|------------|-----------|------------|------------|-----------|------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 4,000,000 | | 4,000,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 750,000 | | 750,000 | 850,000 | | 850,000 |
| Building Fixtures | 325,000 | | 325,000 | 325,000 | | 325,000 |
| Mechanical Equipment | 1,060,000 | - | 1,060,000 | 860,000 | - | 860,000 |
| Electrical Equipment | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Pumping Stations | | | | | | |
| Planning & Design | 180,000 | | 180,000 | | | - |
| Construction | 2,150,000 | | 2,150,000 | 4,685,000 | | 4,685,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 165,000 | | 165,000 | 165,000 | | 165,000 |
| Building Fixtures | 10,000 | | 10,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Electrical Equipment | 205,000 | | 205,000 | 240,000 | | 240,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | 16,000 | | 16,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Electrical Equipment | 60,000 | | 60,000 | 40,000 | | 40,000 |
| Tankage | | | - | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,820,800 | 2,545,200 | 5,366,000 | 2,000,000 | | 2,000,000 |
| Remediation | 2,000,000 | | 2,000,000 | 2,100,000 | | 2,100,000 |
| Locals | | | | | | |
| Construction | 5,993,800 | 684,600 | 6,678,400 | 15,431,800 | 6,651,200 | 22,083,000 |
| Remediation | 2,400,000 | | 2,400,000 | 2,600,000 | | 2,600,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 895,000 | | 895,000 | 895,000 | | 895,000 |
| Meters | 987,913 | | 987,913 | 1,100,000 | | 1,100,000 |
| Structures | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Valves | 55,000 | | 55,000 | 55,000 | | 55,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 20,000 | | 20,000 | 270,000 | | 270,000 |
| Business Systems City Transfers | 356,213 | | 356,213 | 370,501 | | 370,501 |
| Business Systems UK | | | - | 45,000 | 255,000 | 300,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | 60,000 | | 60,000 |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 55,000 | | 55,000 | 60,000 | | 60,000 |
| Office Equipment | 2,500 | | 2,500 | 2,500 | | 2,500 |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 | 45,400 | | 45,400 |
| Total Budget | 25,195,126 | 3,229,800 | 28,424,926 | 32,862,701 | 6,906,200 | 39,768,901 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2035 | DC 2035 | Total 2035 | Rates 2036 | DC 2036 | Total 2036 |
|---|------------|---------|------------|------------|------------|------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,500,000 | | 2,500,000 | 2,000,000 | | 2,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 800,000 | | 800,000 | 800,000 | | 800,000 |
| Building Fixtures | 375,000 | | 375,000 | 375,000 | | 375,000 |
| Mechanical Equipment | 1,085,000 | - | 1,085,000 | 1,055,000 | - | 1,055,000 |
| Electrical Equipment | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 4,000,000 | | 4,000,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 180,000 | | 180,000 | 190,000 | | 190,000 |
| Building Fixtures | 15,000 | | 15,000 | 15,000 | | 15,000 |
| Mechanical Equipment | 600,000 | | 600,000 | 630,000 | | 630,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 460,000 | | 460,000 | 65,000 | | 65,000 |
| Electrical Equipment | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Tankage | | | - | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | | | - | 2,000,000 | | 2,000,000 |
| Construction | | | - | 1,284,700 | 52,642,300 | 53,927,000 |
| Remediation | 2,100,000 | | 2,100,000 | 2,100,000 | | 2,100,000 |
| Locals | | | | | | |
| Construction | 4,810,000 | | 4,810,000 | 4,910,000 | | 4,910,000 |
| Remediation | 2,600,000 | | 2,600,000 | 2,800,000 | | 2,800,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 940,000 | | 940,000 | 940,000 | | 940,000 |
| Meters | 1,127,500 | | 1,127,500 | 1,150,050 | | 1,150,050 |
| Structures | 175,000 | | 175,000 | 175,000 | | 175,000 |
| Valves | 60,000 | | 60,000 | 60,000 | | 60,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 320,000 | | 320,000 | 20,000 | | 20,000 |
| Business Systems City Transfers | 372,221 | | 372,221 | 377,637 | | 377,637 |
| Business Systems UK | 120,000 | 680,000 | 800,000 | | | - |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Office Equipment | 2,500 | | 2,500 | 2,500 | | 2,500 |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 | 45,400 | | 45,400 |
| Total Budget | 23,140,121 | 680,000 | 23,820,121 | 25,447,787 | 52,642,300 | 78,090,087 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2037 | DC 2037 | Total 2037 | Rates 2038 | DC 2038 | Total 2038 |
|---|------------|---------|------------|------------|---------|------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 900,000 | | 900,000 | 800,000 | | 800,000 |
| Building Fixtures | 115,000 | | 115,000 | 115,000 | | 115,000 |
| Mechanical Equipment | 630,000 | - | 630,000 | 630,000 | | 630,000 |
| Electrical Equipment | 220,000 | | 220,000 | 220,000 | | 220,000 |
| Pumping Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 190,000 | | 190,000 | 190,000 | | 190,000 |
| Building Fixtures | 15,000 | | 15,000 | 15,000 | | 15,000 |
| Mechanical Equipment | 300,000 | | 300,000 | 300,000 | | 300,000 |
| Electrical Equipment | 50,000 | | 50,000 | 60,000 | | 60,000 |
| CSO | | | | | | |
| Planning & Design | | | | | | |
| Construction | 4,000,000 | | 4,000,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 | 25,000 | | 25,000 |
| Mechanical Equipment | 65,000 | | 65,000 | 65,000 | | 65,000 |
| Electrical Equipment | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Tankage | 75,000 | | 75,000 | | | - |
| Pipes | | | | | | |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Remediation | 2,100,000 | | 2,100,000 | 2,100,000 | | 2,100,000 |
| Locals | | | | | | |
| Construction | 5,010,000 | | 5,010,000 | 5,010,000 | | 5,010,000 |
| Remediation | 2,800,000 | | 2,800,000 | 2,800,000 | | 2,800,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 940,000 | | 940,000 | 940,000 | | 940,000 |
| Meters | 1,173,051 | | 1,173,051 | 1,196,512 | | 1,196,512 |
| Structures | 175,000 | | 175,000 | 175,000 | | 175,000 |
| Valves | 60,000 | | 60,000 | 60,000 | | 60,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 20,000 | | 20,000 | 25,000 | | 25,000 |
| Business Systems City Transfers | | | - | | | - |
| Business Systems UK | | | - | 2,000 | | 2,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | 60,000 | | 60,000 |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 65,000 | | 65,000 | 65,000 | | 65,000 |
| Office Equipment | 2,500 | | 2,500 | 2,500 | | 2,500 |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 | 45,400 | | 45,400 |
| Total Budget | 19,093,451 | - | 19,093,451 | 15,018,912 | | 15,018,912 |

WASTE WATER - 15 YEAR CAPITAL



| | Rates 2039 | DC 2039 | Total 2039 |
|---|-------------------|----------------|-------------------|
| Facilities | | | |
| Treatment Plants | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 200,000 | | 200,000 |
| Building Fixtures | 115,000 | | 115,000 |
| Mechanical Equipment | 630,000 | - | 630,000 |
| Electrical Equipment | 220,000 | | 220,000 |
| Pumping Stations | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 190,000 | | 190,000 |
| Building Fixtures | 20,000 | | 20,000 |
| Mechanical Equipment | 300,000 | | 300,000 |
| Electrical Equipment | 60,000 | | 60,000 |
| CSO | | | |
| Planning & Design | | | |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 50,000 | | 50,000 |
| Building Fixtures | 25,000 | | 25,000 |
| Mechanical Equipment | 65,000 | | 65,000 |
| Electrical Equipment | 60,000 | | 60,000 |
| Tankage | | | - |
| Pipes | | | |
| Trunks | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Remediation | 2,300,000 | | 2,300,000 |
| Locals | | | |
| Construction | 5,010,000 | | 5,010,000 |
| Remediation | 3,000,000 | | 3,000,000 |
| Appurtenance Upgrades or Replacement | | | |
| Services | 940,000 | | 940,000 |
| Meters | 1,220,442 | | 1,220,442 |
| Structures | 200,000 | | 200,000 |
| Valves | 60,000 | | 60,000 |
| General | | | |
| Property | | | |
| Land | | | - |
| Office Building Improvements | | | - |
| Business Systems | | | |
| SCADA | 325,000 | | 325,000 |
| Business Systems City Transfers | | | - |
| Business Systems UK | 65,000 | 255,000 | 320,000 |
| Vehicles | | | |
| New Vehicles | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 |
| Construction and Office Equipment | | | |
| City Restoration Costs | 65,000 | | 65,000 |
| Office Equipment | 2,500 | | 2,500 |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 |
| Total Budget | 15,175,842 | 255,000 | 15,430,842 |

**City of Kingston
Wastewater Reserve Fund
Year End Projections 2025-2039**

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Municipal Utility | | | | | | | | | | | | | | | | |
| Opening Balance – January 1 | 54,204,086 | 57,607,454 | 24,301,717 | 13,544,893 | 8,537,079 | 6,678,767 | 5,666,081 | 4,930,177 | 3,252,724 | 3,186,429 | 3,463,424 | 2,440,080 | 4,630,845 | 7,490,855 | 15,610,802 | 24,862,669 |
| Contributions: | | | | | | | | | | | | | | | | |
| General Fund | 20,415,695 | 19,593,617 | 20,557,692 | 21,290,270 | 23,428,057 | 24,737,059 | 26,107,842 | 26,844,744 | 29,045,690 | 30,618,516 | 31,970,066 | 32,461,329 | 33,894,816 | 34,739,097 | 35,554,485 | 36,441,508 |
| Previous Years Surplus from General | 850,365 | | | | | | | | | | | | | | | |
| Total | 21,266,060 | 19,593,617 | 20,557,692 | 21,290,270 | 23,428,057 | 24,737,059 | 26,107,842 | 26,844,744 | 29,045,690 | 30,618,516 | 31,970,066 | 32,461,329 | 33,894,816 | 34,739,097 | 35,554,485 | 36,441,508 |
| Interest | 1,652,387 | 1,210,480 | 559,309 | 326,335 | 224,865 | 182,436 | 156,595 | 120,830 | 95,160 | 98,274 | 87,244 | 104,496 | 179,138 | 341,404 | 598,130 | 861,845 |
| Drawdowns: | | | | | | | | | | | | | | | | |
| Capital Expenditures | | | | | | | | | | | | | | | | |
| Cash Flow Adjustments | (45,000,000) | (26,000,259) | (14,037,073) | (11,383,671) | (11,035,262) | (10,488,202) | (11,073,524) | (11,976,277) | (12,298,000) | (13,122,594) | (14,694,853) | (13,242,241) | (13,541,510) | (11,422,236) | (5,288,230) | (4,092,814) |
| Prior Year Approvals | 39,892,214 | 45,000,000 | 26,000,259 | 14,037,073 | 11,383,671 | 11,035,262 | 10,488,202 | 11,073,524 | 11,976,277 | 12,298,000 | 13,122,594 | 14,694,853 | 13,242,241 | 13,541,510 | 11,422,236 | 5,288,230 |
| -Principal and Interest – Issued Debt | 5,670,308 | 5,337,225 | 5,303,968 | 4,967,276 | 4,485,658 | 4,451,815 | 4,417,208 | 4,383,453 | 4,349,985 | 4,051,246 | 3,772,196 | 3,764,311 | 3,756,447 | 3,438,850 | 3,438,850 | 3,363,603 |
| -Principal and Interest – Approved -Not Yet Issued | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 0 | 0 |
| -Principal and Interest – Planned – Not Yet Issued | - | - | - | - | - | 1,454,813 | 1,454,813 | 1,454,813 | 1,454,813 | 1,454,813 | 1,454,813 | 1,454,813 | 1,745,776 | 1,745,776 | 1,745,776 | 1,745,776 |
| DC Post Period benefits funded by wastewater | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 | 346,203 |
| DC Post Period benefits interest | 126,044 | 140,211 | 154,804 | 169,834 | 185,315 | 201,261 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 |
| Total | 19,515,079 | 54,109,835 | 31,873,825 | 26,624,418 | 25,511,234 | 25,932,181 | 27,000,340 | 28,643,127 | 29,207,144 | 30,439,795 | 33,080,654 | 30,375,060 | 31,213,944 | 26,980,554 | 26,900,748 | 22,043,840 |
| Closing Balance – December 31 | 57,607,454 | 24,301,717 | 13,544,893 | 8,537,079 | 6,678,767 | 5,666,081 | 4,930,177 | 3,252,724 | 3,186,429 | 3,463,424 | 2,440,080 | 4,630,845 | 7,490,855 | 15,610,802 | 24,862,669 | 40,222,182 |
| PAYG | 18,480,310 | 29,286,454 | 14,105,665 | 18,487,702 | 20,145,648 | 18,931,029 | 21,150,438 | 23,144,410 | 23,180,866 | 25,195,126 | 28,862,701 | 23,140,121 | 25,447,787 | 19,093,451 | 15,018,912 | 15,175,842 |
| Impost Reserve fund | 1,080,000 | 18,307,546 | 14,590,753 | 41,040,000 | 34,740,100 | 1,889,600 | 6,864,600 | 8,838,200 | 4,735,300 | 3,229,800 | 6,906,200 | 680,000 | 52,642,300 | - | - | 255,000 |
| Approved debt, not yet issued | | | | 20,000,000 | - | - | - | - | - | 4,000,000 | | | | | | |
| New Debt – Planned, Not Yet Issued | 19,560,310 | 47,594,000 | 28,696,417 | 79,527,702 | 54,885,748 | 20,820,629 | 28,015,038 | 31,982,610 | 27,896,166 | 28,424,926 | 39,768,901 | 23,820,121 | 78,090,087 | 19,093,451 | 15,018,912 | 15,430,842 |
| Total Capital Budget | 19,560,310 | 47,594,000 | 28,696,417 | 79,527,702 | 54,885,748 | 20,820,629 | 28,015,038 | 31,982,610 | 27,896,166 | 28,424,926 | 39,768,901 | 23,820,121 | 78,090,087 | 19,093,451 | 15,018,912 | 15,430,842 |
| Inflation | -0.8% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Rate Increases | 3.5% | 4.8% | 4.8% | 4.0% | 4.5% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 3.5% | 3.0% | 2.5% | 2.5% | 2.5% | 2.5% |
| Rate Revenue | 40,376,000 | 42,314,048 | 44,345,122 | 45,675,476 | 48,425,982 | 50,383,021 | 52,377,542 | 53,774,277 | 56,651,550 | 58,917,612 | 60,979,728 | 62,199,323 | 64,379,348 | 65,988,832 | 67,638,553 | 69,329,516 |
| Other Revenue | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 550,000 | 550,000 |
| Operating Expenses | 20,083,874 | 22,844,000 | 23,911,000 | 24,508,775 | 25,121,494 | 25,749,532 | 26,393,270 | 27,053,102 | 27,729,429 | 28,422,665 | 29,133,232 | 29,861,562 | 30,608,102 | 31,373,304 | 32,157,637 | 32,961,578 |
| Contribution to Facilities Repair Fund | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 |
| TOTAL | 20,415,695 | 19,593,617 | 20,557,692 | 21,290,270 | 23,428,057 | 24,737,059 | 26,107,842 | 26,844,744 | 29,045,690 | 30,618,516 | 31,970,066 | 32,461,329 | 33,894,816 | 34,739,097 | 35,554,485 | 36,441,508 |



**Water Utility
Budget Summary**
(Rounded to Nearest Thousand)

| | 2025 | 2026 |
|--|---------------|---------------|
| Total Revenue | \$ 36,870,000 | \$ 38,621,000 |
| Less: Operating Expenses | \$ 17,002,000 | \$ 17,946,000 |
| Operating Surplus to Capital Reserve Funds | \$ 19,868,000 | \$ 20,675,000 |
| Less: Contribution to Facility Repair Fund | 476,000 | 476,000 |
| Less: Debts Repayment | \$ 2,050,000 | \$ 2,042,000 |
| Net Contribution to Water Capital Reserve Fund | \$ 17,342,000 | \$ 18,157,000 |
| March 1, 2025 Annualized Average Rate Increase | 4.8% | |
| January 1, 2026 Average Rate Increase | | 4.8% |
| Two-year Capital Budget (2025-2026) | \$ 33,752,000 | \$ 39,625,000 |
| Total Capital Budget (2025-2026) | | \$ 73,377,000 |

**Corporation of the City of Kingston
Water Utility
2025-2026 Budget
Revenue and Expenditure**

| | Actuals as of 30-Sep-24 | Budget 2024 | Budget 2025 | Budget 2026 |
|---|----------------------------|-------------------|-------------------|-------------------|
| Revenue | | | | |
| Water rates | 26,284,415 | 35,979,188 | 36,470,400 | 38,220,979 |
| Other Revenue | 584,868 | 400,000 | 400,000 | 400,000 |
| Total Revenue | 26,869,283 | 36,379,188 | 36,870,400 | 38,620,979 |
| Operating Expenses | | | | |
| Administration | 2,823,132 | 4,144,359 | 4,602,204 | 4,951,841 |
| Billing | 649,060 | 837,068 | 1,050,493 | 1,131,351 |
| Pumping & Treatment | 3,437,197 | 5,158,111 | 5,158,908 | 5,353,256 |
| Community Relations | 464,507 | 187,521 | 175,212 | 174,609 |
| Distribution | 3,551,433 | 4,532,240 | 5,109,859 | 5,419,756 |
| Customer Service | 239,659 | 877,186 | 905,715 | 915,452 |
| Operating Expenses (Contracted Services) | 11,164,988 | 15,736,484 | 17,002,391 | 17,946,265 |
| Contribution to Reserve Funds | 15,704,295 | 20,642,704 | 19,868,009 | 20,674,714 |
| Debt Repayment | 1,547,876 | 2,063,835 | 2,049,912 | 2,042,121 |
| Contribution to Facilities Repair Fund | 357,323 | 476,431 | 476,431 | 476,431 |
| Net increase to Water Reserve Fund | 13,576,829 | 18,102,438 | 17,341,666 | 18,156,162 |
| Net Surplus | 222,267 | - | - | - |

**Corporation of the City of Kingston
Water Utility
Operating Budget Forecast**

(Rounded to Nearest Thousand)

| | Budget 2025 | Budget 2026 | Forecast 2027 | Forecast 2028 | Forecast 2029 |
|--|----------------|----------------|------------------|------------------|------------------|
| Revenue | | | | | |
| Rates | 36,470,000 | 38,221,000 | 39,444,000 | 41,858,000 | 43,532,000 |
| Other | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Rates and Other | 36,870,000 | 38,621,000 | 39,844,000 | 42,258,000 | 43,932,000 |
| Operating Expense Contracted Services | 17,002,000 | 17,946,000 | 18,395,000 | 18,855,000 | 19,326,000 |
| Net operating to Reserve Fund | 19,868,000 | 20,675,000 | 21,449,000 | 23,403,000 | 24,606,000 |
| Debt Repayment | 2,050,000 | 2,042,000 | 1,973,000 | 1,968,000 | 1,963,000 |
| Contribution to Facilities Repair Fund | 476,000 | 476,000 | 476,000 | 476,000 | 476,000 |
| Net increase to Water Capital Reserve Fund | 17,342,000 | 18,157,000 | 19,000,000 | 20,959,000 | 22,167,000 |
| Total | 19,868,000 | 20,675,000 | 21,449,000 | 23,403,000 | 24,606,000 |

**WATER CAPITAL BUDGET
2025 & 2026**



| | Total 2025 | Total 2026 |
|---|------------|------------|
| Facilities | | |
| Treatment Plants | | |
| Planning & Design | - | - |
| Construction | - | - |
| Equipment Upgrades or Replacement | | |
| Building Structure | 25,000 | 50,000 |
| Building Fixtures | 90,000 | 95,000 |
| Mechanical Equipment | 1,030,000 | 585,000 |
| Electrical Equipment | 165,000 | 295,000 |
| Booster Stations | | |
| Planning & Design | | |
| Construction | - | - |
| Equipment Upgrades or Replacement | | |
| Building Structure | 20,000 | 20,000 |
| Building Fixtures | 95,000 | 95,000 |
| Mechanical Equipment | 50,000 | 150,000 |
| Electrical Equipment | 20,000 | 20,000 |
| Storage | | |
| Planning & Design | | |
| Construction | - | - |
| Equipment Upgrades or Replacement | | |
| Building Structure | 70,000 | 70,000 |
| Building Fixtures | 45,000 | 30,000 |
| Mechanical Equipment | 40,000 | 640,000 |
| Electrical Equipment | 30,000 | 30,000 |
| Pipes | | |
| Locals | | |
| Planning & Design | | |
| Construction | 6,550,000 | 13,760,000 |
| Remediation | 3,000,000 | 3,000,000 |
| Trunks | | |
| Planning & Design | 1,500,000 | - |
| Construction | 14,612,912 | 15,800,000 |
| Remediation | 937,500 | 875,000 |
| Appurtenance Upgrades or Replacement | | |
| Services | 1,768,000 | 1,850,000 |
| Meters | 1,159,000 | 825,000 |
| Leak Testing | 105,000 | 110,000 |
| Valves | 105,000 | 104,500 |
| Hydrants | 68,250 | 72,000 |
| General | | |
| Property | | |
| Land | - | - |
| Office Building Improvements | 20,000 | - |
| Business Systems | | |
| SCADA | 15,000 | 65,000 |
| Business Systems City Transfers | 426,423 | 484,047 |
| Business Systems UK | 1,455,000 | 287,500 |
| Vehicles | | |
| New Vehicles | 85,000 | 77,500 |
| Vehicle Upgrades | 7,500 | 7,500 |
| Construction and Office Equipment | | |
| Tools, Locating Equipment, Radios | 110,400 | 80,400 |
| Office Equipment | 6,500 | 6,500 |
| City Restoration Costs | 140,000 | 140,000 |
| Total Budget | 33,751,485 | 39,624,947 |
| Total DC Funded | 10,254,556 | 12,596,000 |
| Total Rates Funded | 23,496,929 | 27,028,947 |



**2025 and 2026 CAPITAL BUDGET PROPOSALS
WATER**

| | | |
|----------------------------------|-------------|---------------------|
| Total Capital Request for | 2025 | \$33,751,000 |
| | 2026 | \$39,625,000 |
| FACILITIES | | |
| Budget Sub Total | 2026 | \$1,680,000 |
| | 2026 | \$2,080,000 |

COMMENTS:

This area of the budget covers our 3 water treatment facilities, 2 booster stations and 8 storage facilities.

Utilities Kingston draws the vast majority of the City’s drinking water supply directly from Lake Ontario, with a small amount coming from a well in the Cana community. This water is filtered at the treatment facilities and chlorine is added for disinfection. The treated water is distributed throughout the municipality utilizing approximately 750 km of watermains varying in size from 100mm to 1200mm in diameter and 185 km of water service laterals. To ensure adequate volumes and pressures are always available to residents and firefighters, booster stations, surface reservoirs and elevated storage facilities are located at various strategic locations throughout the system.

Over the proposed two-year (2025-2026) capital program many of the water capital projects are based on service levels established in our asset management plans, Master Planning exercise, Enterprise Risk Management plan, water modeling with risk-based criteria, facility condition assessments, and operator input which provides a real-time check approach to prioritizing asset replacement and renewal activities and to support development related activities in the City.

- **Treatment Plants: \$1,310,000 / \$1,025,000**

No major capital construction projects are planned at our water treatment facilities. The proposed budget allocations are for asset management related activities to ensure service levels and standards are being met. This would include items such as but not limited to,

2025 & 2026 PROPOSED CAPITAL BUDGET – WATER

Page 2

refurbishment of high lift and low lift pumps, programable logic controller (PLC) replacements, granular activated carbon (GAC) replacements, building repairs, etc. In addition, energy reduction/climate action activities are planned for the facilities.

- **Booster Stations: \$185,000 / \$285,000**

No major capital construction projects are planned at our booster stations. The proposed budget allocations are for asset management related activities related to normal electrical, mechanical, building structure repairs and maintenance including routine replacement of pump drive components.

- **Storage Towers/Reservoirs: \$185,000 / \$770,000**

No major capital construction projects are planned at our storage towers and reservoirs. The proposed budget allocations are for asset management related activities related to normal electrical, mechanical, building structure repairs and maintenance including building and process mechanical equipment replacements at Tower St. elevated tower.

PIPE NETWORKS

| | | |
|-------------------------|-------------|----------------------|
| Budget Sub Total | 2025 | \$ 29,134,000 |
| | 2026 | \$36,397,000 |

COMMENTS:

This area of the budget covers the linear (pipes) life cycle replacement, rehabilitation, and new expansion (funded from Development Charges) of the water distribution network that has approximately 750 kilometers of pipe (mains and laterals). Within the budget, trunks refer to the larger diameter pipes, locals are typically the pipes found on residential streets. Watermains are evaluated, assessed, and prioritized for work based on the following factors: age, history of breaks, pipe size, available water flow and pressure and material type. The decision to replace or remediate is based on those factors.

- **Trunks: \$17,050,000 / \$16,675,000**

Trunk watermains reflect the large diameter water pipes (450mm to 1200mm) that are intended to transmit large volumes of water throughout the city and form the backbone of the distribution system. For the 2025 – 2026 period, the focus in trunk watermains is on the construction of the Front Rd. interconnection watermain from Sand Bay Lane to Sir John A. MacDonald Blvd. along with planning, design and construction of a second

2025 & 2026 PROPOSED CAPITAL BUDGET – WATER

watermain feeding the Westbrook area. Funding in this area originates from both rates and development charges.

- **Locals: \$9,550,000 / \$16,760,000**

Utilities Kingston and City of Kingston engineering groups coordinate projects and their timing as part of the annual road reconstruction projects over the next 2 years. This work is done in conjunction with our other utilities (wastewater, gas and electric) along with the City of Kingston. For the next 2 years proposed work includes watermain replacement in conjunction with combined sewer separation projects (i.e. Princess St., Garret St. and Queen’s Cres.) along with watermain replacement due to condition and age (Princess St. between Portsmouth and Sir John A McDonald Blvd. as well as Main St., Anne St., Ellice St. and Vine St.).

In addition to the traditional reconstruction of underground watermains this budget area includes remediation activities that involve relining, pipe bursting, tunneling etc. Remediation work is less intrusive in a neighbourhood and has proven to be cost effective in extending the life cycle of our distribution assets.

- **Equipment Upgrades: \$3,205,000 / \$2,962,000**

This budget area involves the following elements: pipes and service laterals, meters, leak testing, valves and hydrants and cathodic protection.

In conjunction with the watermain replacement and renewal programs, significant resources are being focused on the upgrading of these components of the existing water system. Leak detection is also a major area of activity intended to reduce water losses in the system.

GENERAL

| | | |
|-------------------------|-------------|--------------------|
| Budget Sub Total | 2025 | \$2,266,000 |
| | 2026 | \$1,148,000 |

COMMENTS:

This area of the budget covers capital expenditures related to Property, Business Systems, Equipment and Vehicles. For Property this includes land and facilities managed by Utilities Kingston (i.e., plants, booster stations, reservoirs, easements for underground pipes) and the water utility’s portion of changes of improvements to the administration building, warehouse, or outdoor storage yards. Business Systems includes IT services unique to the utilities environment (billing systems) and SCADA (Supervisory Control and Data Acquisition) both

2025 & 2026 PROPOSED CAPITAL BUDGET – WATER

Page 4

of which involve upgrades and replacement of equipment. Equipment relates to tools required by staff to perform work and office equipment. Vehicles cover only new additions to fleet.

- **Property: \$20,000 / \$0**

No significant expenditures in this area are contemplated and the proposed budget is for miscellaneous activities such as a survey or easement issue that may arise over the next two years.

- **Business Systems: \$1,896,000 / \$837,000**

This budget area involves the following elements: supervisory control and data acquisition (SCADA) systems, Utilities Kingston computer hardware and software and business systems such as the replacement to our customer information system (billing system). This area also includes transfer payments to the City of Kingston for information technology related items. We continue to focus on our SCADA systems that allow accurate on site and remote monitoring and system operation controls of the water system.

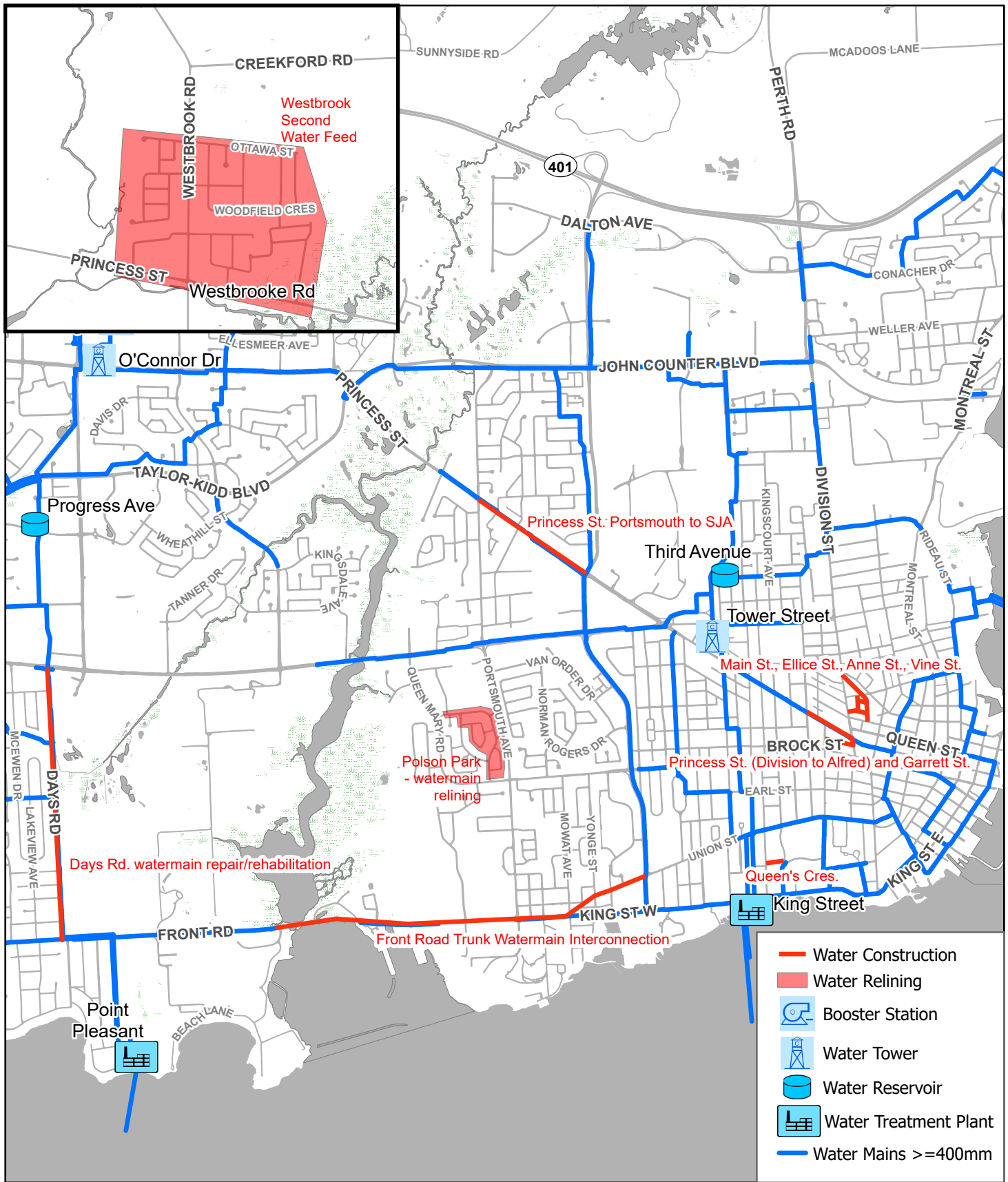
In 2025 we will be beginning the implementation of a new Enterprise Asset Management system across all of our utilities. In 2025 through 2026 we will be updating our Wastewater and Water Master Plan study which is a long-term plan/forecast of infrastructure needs for the City based on expected growth. This study shares the costs between the water and wastewater utilities.

- **Construction & Office Equipment: \$256,900 / \$226,900**

Many of the expenditures in this area are for specialized tools including replacement of monitoring equipment for working in confined spaces such as maintenance holes locators, surveying/GPS and radios.

- **Vehicles: \$92,500 / \$85,000**

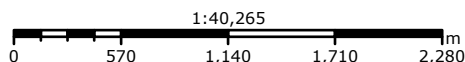
This area represents new vehicle additions or equipment upgrades to existing vehicles. The expense of acquiring new vehicles is often shared amongst the appropriate utilities and therefore the proposed budget represents the water utilities portion.



Utilities Engineering - GIS

**Capital Budget Proposed Projects
2025-2026 Water**

Utilities Kingston - 85 Lappan's Lane, Kingston, ON PO Box 790
K7L 4X7 - Utilities_GIS@utilitieskingston.com - 613-546-0000



Revision: 2
Units: Meters
CRS: NAD 1983 UTM Zone 18N

Producer: stzaluski
Reviewer: J. Runions
Created: 12/11/24
Modified: 12/12/2024

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WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2025 | DC 2025 | Total 2025 | Rates 2026 | DC 2026 | Total 2026 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 25,000 | | 25,000 | 50,000 | | 50,000 |
| Building Fixtures | 90,000 | | 90,000 | 95,000 | | 95,000 |
| Mechanical Equipment | 1,030,000 | | 1,030,000 | 585,000 | | 585,000 |
| Electrical Equipment | 165,000 | | 165,000 | 295,000 | | 295,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Building Fixtures | 95,000 | | 95,000 | 95,000 | | 95,000 |
| Mechanical Equipment | 50,000 | | 50,000 | 150,000 | | 150,000 |
| Electrical Equipment | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 70,000 | | 70,000 | 70,000 | | 70,000 |
| Building Fixtures | 45,000 | | 45,000 | 30,000 | | 30,000 |
| Mechanical Equipment | 40,000 | | 40,000 | 640,000 | | 640,000 |
| Electrical Equipment | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 5,386,900 | 1,163,100 | 6,550,000 | 10,644,000 | 3,116,000 | 13,760,000 |
| Remediation | 3,000,000 | | 3,000,000 | 3,000,000 | | 3,000,000 |
| Trunks | | | | | | |
| Planning & Design | 600,000 | 900,000 | 1,500,000 | | | - |
| Construction | 7,356,456 | 7,256,456 | 14,612,912 | 6,320,000 | 9,480,000 | 15,800,000 |
| Remediation | 937,500 | | 937,500 | 875,000 | | 875,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 1,768,000 | | 1,768,000 | 1,850,000 | | 1,850,000 |
| Meters | 1,159,000 | | 1,159,000 | 825,000 | | 825,000 |
| Leak Testing | 105,000 | | 105,000 | 110,000 | | 110,000 |
| Valves | 105,000 | | 105,000 | 104,500 | | 104,500 |
| Hydrants | 68,250 | | 68,250 | 72,000 | | 72,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | | | - |
| Business Systems | | | | | | |
| SCADA | 15,000 | | 15,000 | 65,000 | | 65,000 |
| Business Systems City Transfers | 426,423 | | 426,423 | 484,047 | | 484,047 |
| Business Systems UK | 520,000 | 935,000 | 1,455,000 | 287,500 | | 287,500 |
| Vehicles | | | | | | |
| New Vehicles | 85,000 | | 85,000 | 77,500 | | 77,500 |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 110,400 | | 110,400 | 80,400 | | 80,400 |
| Office Equipment | 6,500 | | 6,500 | 6,500 | | 6,500 |
| City Restoration Costs | 140,000 | | 140,000 | 140,000 | | 140,000 |
| Total Budget | 23,496,929 | 10,254,556 | 33,751,485 | 27,028,947 | 12,596,000 | 39,624,947 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2027 | DC 2027 | Total 2027 | Rates 2028 | DC 2028 | Total 2028 |
|---|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | 1,093,750 | | 1,093,750 | 1,875,000 | | 1,875,000 |
| Construction | | | - | 2,000,000 | | 2,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 60,000 | | 60,000 | 80,000 | | 80,000 |
| Building Fixtures | 90,000 | | 90,000 | 90,000 | | 90,000 |
| Mechanical Equipment | 865,000 | | 865,000 | 1,010,000 | | 1,010,000 |
| Electrical Equipment | 30,000 | | 30,000 | 40,000 | | 40,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | 2,000,000 | | 2,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 250,000 | | 250,000 | 50,000 | | 50,000 |
| Electrical Equipment | 20,000 | | 20,000 | 30,000 | | 30,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | 4,800,000 | | 4,800,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 70,000 | | 70,000 | 70,000 | | 70,000 |
| Building Fixtures | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Mechanical Equipment | 40,000 | | 40,000 | 50,000 | | 50,000 |
| Electrical Equipment | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 21,814,500 | 265,500 | 22,080,000 | 8,767,300 | 645,700 | 9,413,000 |
| Remediation | 3,000,000 | | 3,000,000 | 3,000,000 | | 3,000,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 4,000,000 | | 4,000,000 | 5,300,000 | 10,010,000 | 15,310,000 |
| Remediation | 900,000 | | 900,000 | 900,000 | | 900,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 1,890,000 | | 1,890,000 | 1,875,000 | | 1,875,000 |
| Meters | 850,750 | | 850,750 | 1,127,019 | | 1,127,019 |
| Leak Testing | 110,000 | | 110,000 | 110,000 | | 110,000 |
| Valves | 104,500 | | 104,500 | 104,500 | | 104,500 |
| Hydrants | 75,000 | | 75,000 | 75,000 | | 75,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 215,000 | | 215,000 | 72,200 | | 72,200 |
| Business Systems City Transfers | 436,552 | | 436,552 | 327,729 | | 327,729 |
| Business Systems UK | 1,585,000 | | 1,585,000 | 230,000 | | 230,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 | 35,400 | | 35,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 150,000 | | 150,000 | 135,000 | | 135,000 |
| Total Budget | 37,817,952 | 265,500 | 38,083,452 | 34,281,648 | 10,655,700 | 44,937,348 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2029 | DC 2029 | Total 2029 | Rates 2030 | DC 2030 | Total 2030 |
|---|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | 437,500 | | 437,500 | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 60,000 | | 60,000 | 80,000 | | 80,000 |
| Building Fixtures | 90,000 | | 90,000 | 90,000 | | 90,000 |
| Mechanical Equipment | 840,000 | | 840,000 | 695,000 | | 695,000 |
| Electrical Equipment | 40,000 | | 40,000 | 50,000 | | 50,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 50,000 | | 50,000 | 60,000 | | 60,000 |
| Electrical Equipment | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 70,000 | | 70,000 | 730,000 | | 730,000 |
| Building Fixtures | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Mechanical Equipment | 55,000 | | 55,000 | 50,000 | | 50,000 |
| Electrical Equipment | 35,000 | | 35,000 | 35,000 | | 35,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 8,149,160 | 2,465,640 | 10,614,800 | 10,613,960 | 3,144,840 | 13,758,800 |
| Remediation | 3,500,000 | | 3,500,000 | 3,500,000 | | 3,500,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 4,000,000 | | 4,000,000 | 4,000,000 | | 4,000,000 |
| Remediation | 900,000 | | 900,000 | 950,000 | | 950,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 1,875,000 | | 1,875,000 | 1,875,000 | | 1,875,000 |
| Meters | 895,000 | | 895,000 | 917,375 | | 917,375 |
| Leak Testing | 110,000 | | 110,000 | 125,000 | | 125,000 |
| Valves | 104,500 | | 104,500 | 104,500 | | 104,500 |
| Hydrants | 75,000 | | 75,000 | 80,000 | | 80,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 22,400 | | 22,400 | 222,400 | | 222,400 |
| Business Systems City Transfers | 326,829 | | 326,829 | 333,863 | | 333,863 |
| Business Systems UK | 45,000 | 255,000 | 300,000 | 120,000 | 680,000 | 800,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,500 | | 7,500 | 7,750 | | 7,750 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 45,400 | | 45,400 | 35,400 | | 35,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 150,000 | | 150,000 | 135,000 | | 135,000 |
| Total Budget | 22,003,289 | 2,720,640 | 24,723,929 | 24,930,248 | 3,824,840 | 28,755,088 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2031 | DC 2031 | Total 2031 | Rates 2032 | DC 2032 | Total 2032 |
|---|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | 9,375,000 | | 9,375,000 | | | - |
| Construction | | | - | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 75,000 | | 75,000 | 95,000 | | 95,000 |
| Building Fixtures | 95,000 | | 95,000 | 95,000 | | 95,000 |
| Mechanical Equipment | 525,000 | | 525,000 | 1,130,000 | | 1,130,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 20,000 | | 20,000 | 40,000 | | 40,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 60,000 | | 60,000 | 60,000 | | 60,000 |
| Electrical Equipment | 30,000 | | 30,000 | 30,000 | | 30,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | 900,000 | | 900,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 80,000 | | 80,000 | 80,000 | | 80,000 |
| Building Fixtures | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Mechanical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Electrical Equipment | 35,000 | | 35,000 | 35,000 | | 35,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 6,737,760 | 1,388,040 | 8,125,800 | 6,837,760 | 1,388,040 | 8,225,800 |
| Remediation | 3,500,000 | | 3,500,000 | 3,500,000 | | 3,500,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Remediation | 950,000 | | 950,000 | 1,000,000 | | 1,000,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 1,875,000 | | 1,875,000 | 1,875,000 | | 1,875,000 |
| Meters | 940,309 | | 940,309 | 963,817 | | 963,817 |
| Leak Testing | 125,000 | | 125,000 | 125,000 | | 125,000 |
| Valves | 104,500 | | 104,500 | 104,500 | | 104,500 |
| Hydrants | 80,000 | | 80,000 | 80,000 | | 80,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 22,400 | | 22,400 | 22,400 | | 22,400 |
| Business Systems City Transfers | 347,501 | | 347,501 | 348,549 | | 348,549 |
| Business Systems UK | | | - | | | - |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,750 | | 7,750 | 7,750 | | 7,750 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 35,400 | | 35,400 | 40,400 | | 40,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 140,000 | | 140,000 | 140,000 | | 140,000 |
| Total Budget | 25,340,620 | 1,388,040 | 26,728,660 | 21,690,176 | 1,388,040 | 23,078,216 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2033 | DC 2033 | Total 2033 | Rates 2034 | DC 2034 | Total 2034 |
|---|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 30,000,000 | | 30,000,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 75,000 | | 75,000 | 140,000 | | 140,000 |
| Building Fixtures | 95,000 | | 95,000 | 95,000 | | 95,000 |
| Mechanical Equipment | 1,160,000 | | 1,160,000 | 780,000 | | 780,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 60,000 | | 60,000 | 75,000 | | 75,000 |
| Electrical Equipment | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 80,000 | | 80,000 | 80,000 | | 80,000 |
| Building Fixtures | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Mechanical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Electrical Equipment | 35,000 | | 35,000 | 35,000 | | 35,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 6,837,760 | 1,388,040 | 8,225,800 | 18,694,700 | 8,654,300 | 27,349,000 |
| Remediation | 3,500,000 | | 3,500,000 | 3,500,000 | | 3,500,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,059,200 | 3,700,800 | 5,760,000 | | | - |
| Remediation | 1,000,000 | | 1,000,000 | 1,000,000 | | 1,000,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 1,870,000 | | 1,870,000 | 1,870,000 | | 1,870,000 |
| Meters | 987,903 | | 987,903 | 1,100,000 | | 1,100,000 |
| Leak Testing | 125,000 | | 125,000 | 125,000 | | 125,000 |
| Valves | 104,500 | | 104,500 | 104,500 | | 104,500 |
| Hydrants | 80,000 | | 80,000 | 80,000 | | 80,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 22,600 | | 22,600 | 22,600 | | 22,600 |
| Business Systems City Transfers | 356,213 | | 356,213 | 370,501 | | 370,501 |
| Business Systems UK | | | - | 45,000 | 255,000 | 300,000 |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 7,750 | | 7,750 | 7,750 | | 7,750 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 | 40,400 | | 40,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 140,000 | | 140,000 | 145,000 | | 145,000 |
| Total Budget | 48,896,326 | 5,088,840 | 53,985,166 | 32,570,451 | 8,909,300 | 41,479,751 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2035 | DC 2035 | Total 2035 | Rates 2036 | DC 2036 | Total 2036 |
|---|-------------------|----------------|-------------------|-------------------|---------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | 6,250,000 | | 6,250,000 | | | - |
| Construction | | | - | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 90,000 | | 90,000 | 115,000 | | 115,000 |
| Building Fixtures | 95,000 | | 95,000 | 100,000 | | 100,000 |
| Mechanical Equipment | 510,000 | | 510,000 | 1,100,000 | | 1,100,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 40,000 | | 40,000 | 90,000 | | 90,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 75,000 | | 75,000 | 75,000 | | 75,000 |
| Electrical Equipment | 40,000 | | 40,000 | 116,000 | | 116,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 80,000 | | 80,000 | 170,000 | | 170,000 |
| Building Fixtures | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Mechanical Equipment | 75,000 | | 75,000 | 75,000 | | 75,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 5,010,000 | | 5,010,000 | 5,010,000 | | 5,010,000 |
| Remediation | 3,500,000 | | 3,500,000 | 3,500,000 | | 3,500,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | 2,400,000 | | 2,400,000 |
| Remediation | 1,000,000 | | 1,000,000 | 1,000,000 | | 1,000,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 2,000,000 | | 2,000,000 | 2,000,000 | | 2,000,000 |
| Meters | 1,127,500 | | 1,127,500 | 1,150,050 | | 1,150,050 |
| Leak Testing | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Valves | 120,000 | | 120,000 | 120,000 | | 120,000 |
| Hydrants | 90,000 | | 90,000 | 90,000 | | 90,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 22,600 | | 22,600 | 22,600 | | 22,600 |
| Business Systems City Transfers | 372,221 | | 372,221 | 377,637 | | 377,637 |
| Business Systems UK | 120,000 | 680,000 | 800,000 | | | - |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 8,000 | | 8,000 | 8,000 | | 8,000 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 | 40,400 | | 40,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 145,000 | | 145,000 | 145,000 | | 145,000 |
| Total Budget | 21,140,721 | 680,000 | 21,820,721 | 22,034,687 | | 22,034,687 |

WATER - 15 YEAR CAPITAL BUDGET



| | Rates 2037 | DC 2037 | Total 2037 | Rates 2038 | DC 2038 | Total 2038 |
|---|-------------------|---------------|-------------------|-------------------|---------|-------------------|
| Facilities | | | | | | |
| Treatment Plants | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 60,000,000 | | 60,000,000 | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 90,000 | | 90,000 | 115,000 | | 115,000 |
| Building Fixtures | 100,000 | | 100,000 | 100,000 | | 100,000 |
| Mechanical Equipment | 930,000 | | 930,000 | 815,000 | | 815,000 |
| Electrical Equipment | 50,000 | | 50,000 | 50,000 | | 50,000 |
| Booster Stations | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Building Fixtures | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Mechanical Equipment | 275,000 | | 275,000 | 75,000 | | 75,000 |
| Electrical Equipment | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Storage | | | | | | |
| Planning & Design | | | | | | |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 90,000 | | 90,000 | 90,000 | | 90,000 |
| Building Fixtures | 40,000 | | 40,000 | 50,000 | | 50,000 |
| Mechanical Equipment | 75,000 | | 75,000 | 75,000 | | 75,000 |
| Electrical Equipment | 480,000 | | 480,000 | 290,000 | | 290,000 |
| Pipes | | | | | | |
| Locals | | | | | | |
| Planning & Design | | | | | | |
| Construction | 5,010,000 | | 5,010,000 | 5,010,000 | | 5,010,000 |
| Remediation | 3,500,000 | | 3,500,000 | 3,500,000 | | 3,500,000 |
| Trunks | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Remediation | 1,100,000 | | 1,100,000 | 1,100,000 | | 1,100,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 2,000,000 | | 2,000,000 | 2,000,000 | | 2,000,000 |
| Meters | 1,173,051 | | 1,173,051 | 1,196,512 | | 1,196,512 |
| Leak Testing | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Valves | 120,000 | | 120,000 | 120,000 | | 120,000 |
| Hydrants | 90,000 | | 90,000 | 90,000 | | 90,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | 20,000 | | 20,000 | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 322,800 | 20,000 | 342,800 | 22,800 | | 22,800 |
| Business Systems City Transfers | | | - | | | - |
| Business Systems UK | | | - | | | - |
| Vehicles | | | | | | |
| New Vehicles | | | - | | | - |
| Vehicle Upgrades | 8,000 | | 8,000 | 8,000 | | 8,000 |
| Construction and Office Equipment | | | | | | |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 | 40,400 | | 40,400 |
| Office Equipment | | | - | | | - |
| City Restoration Costs | 150,000 | | 150,000 | 180,000 | | 180,000 |
| Total Budget | 75,914,251 | 20,000 | 75,934,251 | 19,197,712 | | 19,197,712 |



| | Rates 2039 | DC 2039 | Total 2039 |
|---|-------------------|----------------|-------------------|
| Facilities | | | |
| Treatment Plants | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 90,000 | | 90,000 |
| Building Fixtures | 100,000 | | 100,000 |
| Mechanical Equipment | 645,000 | | 645,000 |
| Electrical Equipment | 50,000 | | 50,000 |
| Booster Stations | | | |
| Planning & Design | | | |
| Construction | 4,000,000 | | 4,000,000 |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 40,000 | | 40,000 |
| Building Fixtures | 20,000 | | 20,000 |
| Mechanical Equipment | 75,000 | | 75,000 |
| Electrical Equipment | 40,000 | | 40,000 |
| Storage | | | |
| Planning & Design | | | |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 90,000 | | 90,000 |
| Building Fixtures | 50,000 | | 50,000 |
| Mechanical Equipment | 75,000 | | 75,000 |
| Electrical Equipment | 50,000 | | 50,000 |
| Pipes | | | |
| Locals | | | |
| Planning & Design | | | |
| Construction | 5,010,000 | | 5,010,000 |
| Remediation | 3,500,000 | | 3,500,000 |
| Trunks | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Remediation | 1,100,000 | | 1,100,000 |
| Appurtenance Upgrades or Replacement | | | |
| Services | 2,020,000 | | 2,020,000 |
| Meters | 1,220,442 | | 1,220,442 |
| Leak Testing | 150,000 | | 150,000 |
| Valves | 120,000 | | 120,000 |
| Hydrants | 90,000 | | 90,000 |
| General | | | |
| Property | | | |
| Land | | | - |
| Office Building Improvements | 20,000 | | 20,000 |
| Business Systems | | | |
| SCADA | 22,800 | | 22,800 |
| Business Systems City Transfers | | | - |
| Business Systems UK | 45,000 | 255,000 | 300,000 |
| Vehicles | | | |
| New Vehicles | | | - |
| Vehicle Upgrades | 8,000 | | 8,000 |
| Construction and Office Equipment | | | |
| Tools, Locating Equipment, Radios | 40,400 | | 40,400 |
| Office Equipment | | | - |
| City Restoration Costs | 180,000 | | 180,000 |
| Total Budget | 18,851,642 | 255,000 | 19,106,642 |

**City of Kingston
Water Reserve Fund
Year End Projections 2025-2039**

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Municipal Utility | | | | | | | | | | | | | | | | |
| Opening Balance – January 1 | 80,231,366 | 86,094,793 | 64,266,747 | 52,004,335 | 36,397,558 | 23,300,000 | 19,479,756 | 17,631,798 | 16,386,052 | 19,222,055 | 18,690,149 | 15,588,331 | 17,562,726 | 23,109,471 | 20,066,217 | 27,403,102 |
| Contributions | 20,166,273 | 19,391,969 | 20,198,548 | 20,972,970 | 22,927,141 | 24,130,101 | 25,170,589 | 25,726,671 | 27,376,873 | 27,795,858 | 28,992,209 | 29,632,754 | 31,528,888 | 32,872,875 | 34,233,846 | 34,795,852 |
| General Fund | | | | | | | | | | | | | | | | |
| Previous Years Surplus from General | 325,576 | | | | | | | | | | | | | | | |
| Total | 20,491,849 | 19,391,969 | 20,198,548 | 20,972,970 | 22,927,141 | 24,130,101 | 25,170,589 | 25,726,671 | 27,376,873 | 27,795,858 | 28,992,209 | 29,632,754 | 31,528,888 | 32,872,875 | 34,233,846 | 34,795,852 |
| Interest | 2,458,022 | 2,222,092 | 1,718,292 | 1,306,432 | 882,230 | 632,213 | 548,447 | 502,727 | 526,228 | 560,279 | 506,579 | 489,917 | 601,067 | 638,064 | 701,517 | 939,906 |
| Drawdowns: | | | | | | | | | | | | | | | | |
| Capital Expenditures | 19,258,810 | 23,496,929 | 27,028,947 | 37,817,952 | 34,281,648 | 22,003,289 | 24,930,248 | 25,340,620 | 21,690,176 | 28,896,326 | 32,570,451 | 21,140,721 | 22,034,687 | 38,414,251 | 19,197,712 | 18,851,642 |
| Cash Flow Adjustments | (40,000,000) | (22,223,925) | (17,238,505) | (19,269,760) | (18,742,993) | (14,261,198) | (13,717,006) | (13,670,169) | (12,376,121) | (14,445,356) | (16,455,533) | (13,158,689) | (12,317,682) | (17,756,176) | (12,933,861) | (11,124,926) |
| Prior Year Approvals | 35,648,080 | 40,000,000 | 22,223,925 | 17,238,505 | 19,269,760 | 18,742,993 | 14,261,198 | 13,717,006 | 13,670,169 | 12,376,121 | 14,445,356 | 16,455,533 | 13,158,689 | 12,317,682 | 17,756,176 | 12,933,861 |
| - Principal and Interest - Issued Debt | 2,063,835 | 2,049,912 | 2,042,121 | 1,973,034 | 1,968,267 | 1,963,329 | 1,958,408 | 1,953,542 | 1,948,731 | 1,926,810 | 1,906,190 | 1,902,985 | 1,899,789 | 1,770,713 | 1,770,713 | 1,335,347 |
| - Principal and Interest - Approved - Not Yet Issued | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - Principal and Interest - planned - not yet issued | - | - | - | - | - | - | - | - | - | - | - | 1,673,587 | 1,673,587 | 1,673,587 | 1,673,587 | 4,811,561 |
| DC Post Period interest funded by water | 115,719 | 119,191 | 122,766 | 126,449 | 130,243 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 | 134,150 |
| Total | 17,086,444 | 43,442,106 | 34,179,253 | 37,886,179 | 36,906,928 | 28,582,558 | 27,566,994 | 27,475,143 | 25,067,099 | 28,888,042 | 32,600,606 | 28,148,277 | 26,583,209 | 36,554,193 | 27,598,478 | 26,941,637 |
| Closing Balance - December 31 | 86,094,793 | 64,266,747 | 52,004,335 | 36,397,558 | 23,300,000 | 19,479,756 | 17,631,798 | 16,386,052 | 19,222,055 | 18,690,149 | 15,588,331 | 17,562,726 | 23,109,471 | 20,066,217 | 27,403,102 | 36,197,223 |
| Capital Budget Approval Year | | | | | | | | | | | | | | | | |
| Funded By Water Capital Reserve Fund | 19,258,810 | 23,496,929 | 27,028,947 | 37,817,952 | 34,281,648 | 22,003,289 | 24,930,248 | 25,340,620 | 21,690,176 | 28,896,326 | 32,570,451 | 21,140,721 | 22,034,687 | 38,414,251 | 19,197,712 | 18,851,642 |
| Funded by Impost Reserve Fund Approved, Not Yet Issued | 5,500,000 | 10,254,556 | 12,596,000 | 265,500 | 10,655,700 | 2,720,640 | 3,824,840 | 1,388,040 | 1,388,040 | 5,088,840 | 8,909,300 | 680,000 | - | 20,000 | - | 255,000 |
| New Debt - Planned, Not Yet Issued | | | | | | | | | | - | 20,000,000 | | | | 37,500,000 | |
| Total Capital Budget | 24,758,810 | 33,751,485 | 39,624,947 | 38,083,452 | 44,937,348 | 24,723,929 | 28,755,088 | 26,728,660 | 23,078,216 | 53,985,166 | 41,479,751 | 21,820,721 | 22,034,687 | 75,934,251 | 19,197,712 | 19,106,642 |
| Inflation | -3.0% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% | 2.5% |
| Rate Increases | 3.5% | 4.8% | 4.8% | 4.8% | 4.5% | 4.0% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 3.5% | 2.0% |
| Rate Revenue | 34,800,000 | 36,470,400 | 38,220,979 | 39,444,051 | 41,858,088 | 43,532,411 | 45,056,045 | 46,107,353 | 48,265,162 | 49,954,443 | 51,702,848 | 52,909,248 | 55,385,364 | 57,323,872 | 59,330,208 | 60,516,812 |
| Other Revenue | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 364,000 | 364,000 |
| Operating Expenses | 14,557,296 | 17,002,000 | 17,946,000 | 18,394,650 | 18,854,516 | 19,325,879 | 19,809,026 | 20,304,252 | 20,811,858 | 22,082,155 | 22,634,208 | 23,200,064 | 23,780,065 | 24,374,567 | 24,983,931 | 25,608,529 |
| Contribution to Facilities Repair fund | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 | 476,431 |
| TOTAL | 20,166,273 | 19,391,969 | 20,198,548 | 20,972,970 | 22,927,141 | 24,130,101 | 25,170,589 | 25,726,671 | 27,376,873 | 27,795,858 | 28,992,209 | 29,632,754 | 31,528,888 | 32,872,875 | 34,233,846 | 34,795,852 |



Natural Gas Distribution Business Budget Summary

(Rounded to Nearest Thousand)

| | 2025 | 2026 |
|--|---------------|---------------|
| Total Revenue | \$ 37,976,000 | \$ 38,582,000 |
| Less: Operating Expenses | \$ 30,842,000 | \$ 31,259,000 |
| Net Earnings | \$ 7,134,000 | \$ 7,323,000 |
| Less: Debt Costs | \$ - | \$ - |
| Less: Contribution to Facility Repair Fund | \$ 173,000 | \$ 173,000 |
| Less: Contribution to Municipal Capital Reserve Fund | \$ 2,020,000 | \$ 2,020,000 |
| Net Contribution to Gas Capital Reserve Fund | \$ 4,941,000 | \$ 5,130,000 |
| March 1, 2025 Distribution Rate Increase | 7.0% | |
| January 1, 2026 Distribution Rate Increase | | 3.0% |
| Two-year Capital Budget (2025-2026) | \$ 7,616,000 | \$ 7,617,000 |
| Total Capital Budget (2025-2026) | | \$ 15,233,000 |

**Corporation of the City of Kingston
Natural Gas Distribution Business
2025-2026 Budget
Revenue and Expenditures**

| | Actuals as of 30-Sep-24 | Budget 2024 | Budget 2025 | Budget 2026 |
|--|----------------------------|----------------|----------------|----------------|
| Energy & Transportation | | | | |
| Sales | 10,115,166 | 25,000,000 | 25,000,000 | 25,000,000 |
| Cost of Sales | 10,115,166 | 25,000,000 | 25,000,000 | 25,000,000 |
| | - | - | - | - |
| Local Distribution Revenue | 8,944,401 | 12,171,118 | 12,775,500 | 13,381,500 |
| Other Operating Revenues | | | | |
| Account setup charge | 28,533 | 30,766 | 31,689 | 32,640 |
| Late payment charges | 55,115 | 24,450 | 25,183 | 25,938 |
| Miscellaneous | 167,671 | 144,784 | 143,128 | 141,422 |
| Other Revenue | 251,319 | 200,000 | 200,000 | 200,000 |
| Total Revenue | 9,195,720 | 12,371,118 | 12,975,500 | 13,581,500 |
| Operating Revenues | | | | |
| Administration | 1,768,682 | 2,701,584 | 2,968,137 | 3,228,502 |
| Billing | 317,947 | 398,667 | 503,699 | 538,588 |
| Distribution | 1,360,853 | 1,611,260 | 1,802,411 | 1,890,952 |
| Customer service | 289,952 | 570,970 | 567,433 | 600,643 |
| Operating Expenses (Contracted Services) | 3,737,434 | 5,282,481 | 5,841,680 | 6,258,685 |
| Net Earnings | 5,458,286 | 7,088,637 | 7,133,820 | 7,322,815 |
| Contribution to Facilities Repair Reserve Fund | 129,968 | 173,290 | 173,290 | 173,290 |
| Contribution to Municipal Capital Reserve Fund | 1,515,000 | 2,020,000 | 2,020,000 | 2,020,000 |
| Net increase to Gas Capital Reserve Fund | 3,671,510 | 4,895,347 | 4,940,530 | 5,129,525 |
| Net Surplus | 141,808 | - | - | - |

**Corporation of the City of Kingston
Natural Gas Distribution Business
Operating Budget Forecast**

(Rounded to Nearest Thousand)

| | Budget 2025 | Budget 2026 | Forecast 2027 | Forecast 2028 | Forecast 2029 |
|--|----------------|----------------|------------------|------------------|------------------|
| Revenue | | | | | |
| Rates | 12,776,000 | 13,382,000 | 13,716,000 | 13,922,000 | 14,270,000 |
| Other | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Rates and Other | 12,976,000 | 13,582,000 | 13,916,000 | 14,122,000 | 14,470,000 |
| Operating Expense | | | | | |
| Contracted Services | 5,842,000 | 6,259,000 | 6,415,000 | 6,575,000 | 6,740,000 |
| Net Earnings | 7,134,000 | 7,323,000 | 7,500,000 | 7,546,000 | 7,729,000 |
| Contribution to City of Kingston | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 |
| Contribution to Gas Capital Reserve Fund | 5,114,000 | 5,303,000 | 5,480,000 | 5,526,000 | 5,709,000 |
| Contribution to Facilities Repair Fund | 173,000 | 173,000 | 173,000 | 173,000 | 173,000 |
| Net Contribution to Gas Capital Reserve Fund | 4,941,000 | 5,130,000 | 5,307,000 | 5,353,000 | 5,536,000 |

**GAS CAPITAL BUDGET
2025 & 2026**



| | Total 2025 | Total 2026 |
|--------------------------------------|-------------------|-------------------|
| Regulating Stations | | |
| Planning and Design | - | 250,000 |
| Construction | | |
| Equipment Upgrades or Replacement | | |
| Building Structure | 25,000 | 20,000 |
| Building Fixtures | 10,000 | 10,000 |
| Mechanical Equipment | 110,000 | 100,000 |
| Electrical Equipment | 35,000 | 20,000 |
| Pipes | | |
| Planning & Design | - | - |
| Construction | 3,225,000 | 1,900,000 |
| Appurtenance Upgrades or Replacement | | |
| Services | 50,000 | 450,000 |
| Meters | 2,273,000 | 3,000,000 |
| Pipe | 400,000 | 200,000 |
| Valves | 110,000 | 175,000 |
| General | | |
| Property | | |
| Land | - | - |
| Office Building Improvements | - | - |
| Business Systems | | |
| SCADA | 100,000 | 110,000 |
| Business Systems City Transfers | 321,460 | 388,625 |
| Business Systems UK | 350,000 | 487,500 |
| Vehicles | | |
| New | 25,000 | - |
| Upgrades | 10,000 | 7,500 |
| Construction and Office Equipment | | |
| City Restoration Costs | 250,000 | 240,000 |
| Office Equipment | 17,500 | 5,000 |
| Tools, Locating Equipment, Radios | 303,800 | 253,800 |
| Total Budget | 7,615,760 | 7,617,425 |
| Total DC Funded | - | - |
| Total Rates Funded | 7,615,760 | 7,617,425 |



**2025 and 2026 CAPITAL BUDGET PROPOSALS
GAS**

| | | |
|----------------------------------|-------------|--------------------|
| Total Capital Request for | 2025 | \$7,616,000 |
| | 2026 | \$7,617,000 |
| <hr/> | | |
| REGULATING STATIONS | | |
| Budget Sub Total | 2025 | \$ 180,000 |
| | 2026 | \$ 400,000 |

COMMENTS:

City Gate Station and the Railway St. regulating station are our two largest facilities with 7 smaller regulating stations in our gas distribution system. Our City Gate gas regulating station for the City of Kingston receives natural gas from the TC Energy Pipeline system and distributes it to our customers within our distribution territory (Central Kingston only). Natural Gas arrives at our City Gate Station in Glenburnie at a pressure of approximately 6200 kPa (900 psi). Here the pressure is reduced to between 2240 and 3100 kPa (325 – 450 psi) and a chemical (mercaptan) is added to give the gas its distinct odour. Pressure is then further reduced (Railway St) to 415 kPa (60 psi) at our district regulating stations before delivery to our customers premises.

- **Planning and Design: \$0 / \$250,000**

In 2026 we will initiate a condition assessment of the structure containing the Railway Street Regulating Station as it approaches it's end of life. This work is expected to result in the renewal of an existing asset through the design & planned the renewal/replacement of aging regulating building. Timing for work is estimated to begin in 2027 and be completed in 2028

- **Construction: \$0/\$0**

No construction work is contemplated at the regulating stations over the next two years

- **Equipment Upgrades: \$180,000 / \$150,000**

Budget allocations in this area cover capital expenditures related to repair and maintenance of facilities covering areas such as building structures, building fixtures,

2025 & 2026 PROPOSED CAPITAL BUDGET – GAS

Page 2

generators, alarm system mechanical and electrical equipment. These maintenance and operational activities are part of our asset management activities intended to ensure the safe and reliable delivery of natural gas to our customers.

PIPE NETWORKS

| | | |
|-------------------------|-------------|--------------------|
| Budget Sub Total | 2025 | \$5,785,000 |
| | 2026 | \$5,725,000 |

COMMENTS:

This area of the budget covers the life cycle replacement and rehabilitation of the gas distribution linear (pipes) network. That network includes the gas mains located in the street and includes responsibility for the gas service lateral (from street to the building) up to the meter, some 259 kilometers of distribution pipe and 231 kilometers of gas service laterals. This also includes corrosion program to extend the life of the assets. Within this asset category an emphasis on the replacement of steel gas mains installed in the 1960's occurs due to asset management analysis.

- **Planning and Design: \$0 / \$0**

No planning and design work is forecasted for the next two years.

- **Construction: \$3,225,000/ \$1,900,000**

Condition assessment, leak history and life cycle planning assist in directing gas main replacement activity that form part of this budget area. In addition, new gas service installations for new customers complete the activities associated with pipe networks and construction. Over this two-year cycle gas main renewal will be focused on older steel gas mains that are aging in the following general areas of the city: Raglan, Kingscourt, Carleton, Howard, Smithfield and a service replacement at 945 Princess St. In 2025 we will perform an assessment on a section of the 65-year-old City line to extend life as part of asset management plan.

- **Equipment Upgrades: \$ 2,833,000 / \$3,825,000**

This budget area involves the following elements: Valve replacement and maintenance (1400 valves in the system), gas service upgrades/replacement, and meter replacement activity. To meet and address regulatory requirements for gas meters (15,868 meters in the system) we have implemented a program of meter replacements which are reflected in the proposed budgets for next two years. Meter replacement in 2025 & 2026 impacting

2025 & 2026 PROPOSED CAPITAL BUDGET – GAS

Page 3

the meter budget with an average of 4,200 gas meters a year for the next 2 years. The gas meter replacement program, required to meet regulatory requirements, account for most of this budget area. Associated with the metering costs are one time initial deployment cost of establishing a new communication network to enable automated meter reads (Smart Meter 2.0 deployment) of \$844,000 which is part of the total budget.

GENERAL

| | | |
|-------------------------|-------------|--------------------|
| Budget Sub Total | 2025 | \$1,378,000 |
| | 2026 | \$1,492,000 |

COMMENTS:

This area of the budget covers capital expenditures related to Property, Business Systems, Equipment and Vehicles. For Property this includes land and facilities managed by Utilities Kingston (i.e., regulator stations such as Railway Street) and the gas utility's portion of changes or improvements to the administration building, warehouse, or outdoor storage yards. Business Systems include IT services unique to the utilities environment (billing systems) and SCADA (Supervisory Control and Data Acquisition) both of which involve upgrades and replacement of equipment. The equipment relates to tools required by staff to perform work and office equipment. Vehicles cover only new additions to fleet.

- **Property: \$0 / \$0**

There are forecasted expenditures.

- **Business Systems: \$771,000 / \$986,000**

This budget area involves the following elements: supervisory control and data acquisition (SCADA), Utilities Kingston computer hardware and software and business systems such as the replacement to our customer information system (billing system). This area also includes transfer payments to the City of Kingston for information technology related items. SCADA systems continue to be a focus however Asset Management (software), IT hardware and GIS systems (software) are also included in the budget forecast.

- **Construction and Office Equipment: \$ 571,000/ \$499,000**

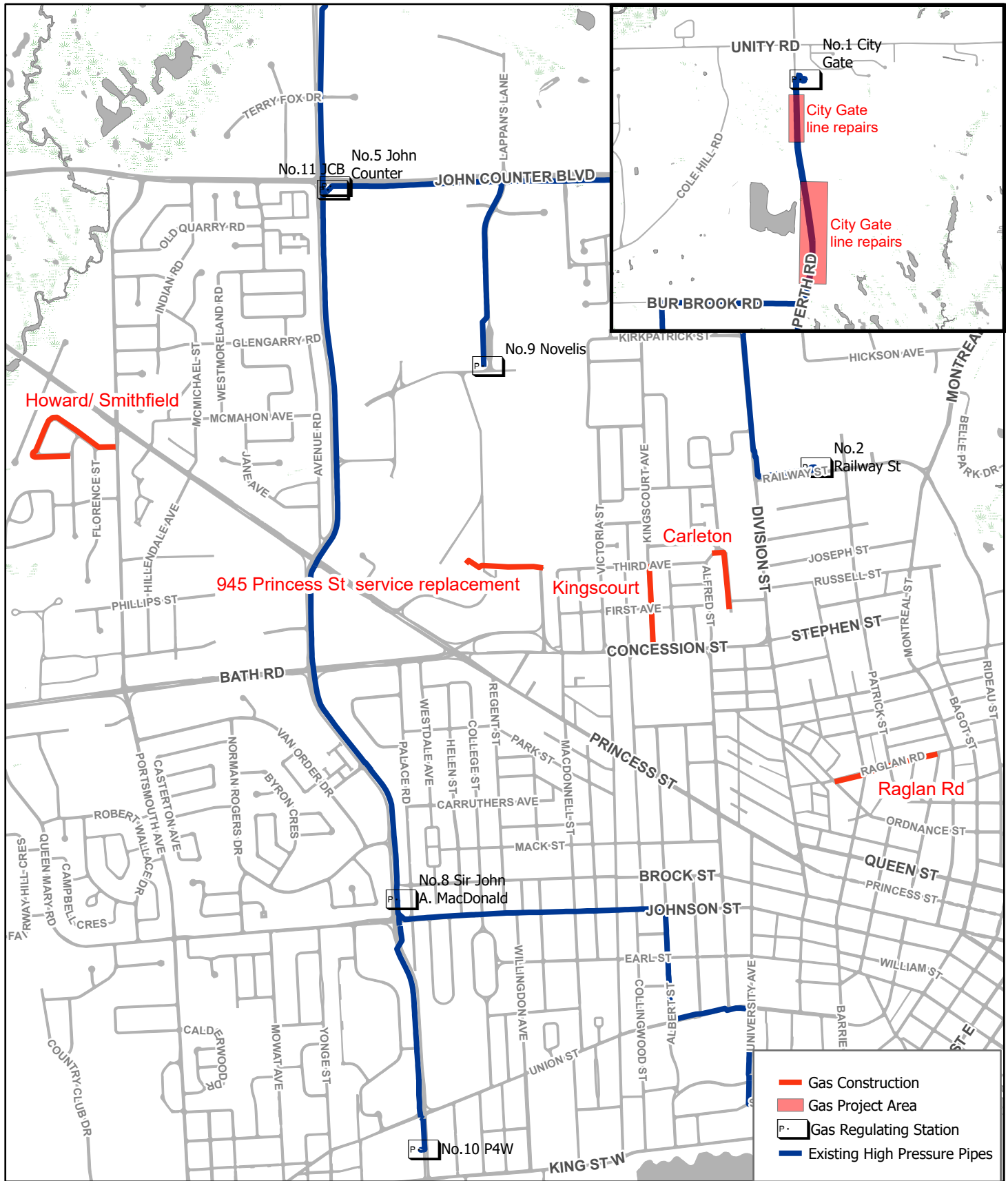
Activities in this are for specialized tools including replacement of monitoring equipment for working around gas mains, survey and GPS equipment and radios.

- **Vehicles: \$35,000 / \$7,500**

2025 & 2026 PROPOSED CAPITAL BUDGET – GAS

Page 4

This area of the budget covers new vehicle purchases as well as retrofitting or upgrading vehicles to serve changing needs. In 2025 a new four-by-four vehicle is required due to staff changes in responsibilities.



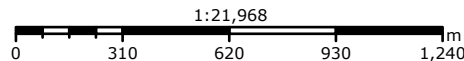
- Gas Construction
- Gas Project Area
- P Gas Regulating Station
- Existing High Pressure Pipes



Utilities Engineering - GIS

Capital Budget Proposed Projects 2025-2026 Gas

Utilities Kingston - 85 Lappan's Lane, Kingston, ON PO Box 790
K7L 4X7 - Utilities_GIS@utilitieskingston.com - 613-546-0000



Revision: 2
Units: Meters
CRS: NAD 1983 UTM Zone 18N

Producer: stzaluski
Reviewer: J. Ingram
Created: 12/13/24
Modified: 12/13/2024

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2025 | DC 2025 | Total 2025 | Rates 2026 | DC 2026 | Total 2026 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | | | - | 250,000 | | 250,000 |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 25,000 | | 25,000 | 20,000 | | 20,000 |
| Building Fixtures | 10,000 | | 10,000 | 10,000 | | 10,000 |
| Mechanical Equipment | 110,000 | | 110,000 | 100,000 | | 100,000 |
| Electrical Equipment | 35,000 | | 35,000 | 20,000 | | 20,000 |
| Pipes | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 3,225,000 | | 3,225,000 | 1,900,000 | | 1,900,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 50,000 | | 50,000 | 450,000 | | 450,000 |
| Meters | 2,273,000 | | 2,273,000 | 3,000,000 | | 3,000,000 |
| Pipe | 400,000 | | 400,000 | 200,000 | | 200,000 |
| Valves | 110,000 | | 110,000 | 175,000 | | 175,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | | | | - |
| Office Building Improvements | | | | | | - |
| Business Systems | | | | | | |
| SCADA | 100,000 | | 100,000 | 110,000 | | 110,000 |
| Business Systems City Transfers | 321,460 | | 321,460 | 388,625 | | 388,625 |
| Business Systems UK | 350,000 | | 350,000 | 487,500 | | 487,500 |
| Vehicles | | | | | | |
| New | 25,000 | | 25,000 | | | - |
| Upgrades | 10,000 | | 10,000 | 7,500 | | 7,500 |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 250,000 | | 250,000 | 240,000 | | 240,000 |
| Office Equipment | 17,500 | | 17,500 | 5,000 | | 5,000 |
| Tools, Locating Equipment, Radios | 303,800 | | 303,800 | 253,800 | | 253,800 |
| Total Budget | 7,615,760 | | 7,615,760 | 7,617,425 | | 7,617,425 |

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2027 | DC 2027 | Total 2027 | Rates 2028 | DC 2028 | Total 2028 |
|--------------------------------------|-------------------|----------------|-------------------|-------------------|----------------|-------------------|
| Regulating Stations | | | | | | |
| Planning & Design | 5,000 | | 5,000 | | | - |
| Construction | 385,000 | | 385,000 | 375,000 | | 375,000 |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 10,000 | | 10,000 | 15,000 | | 15,000 |
| Building Fixtures | 10,000 | | 10,000 | 15,000 | | 15,000 |
| Mechanical Equipment | 40,000 | | 40,000 | 25,000 | | 25,000 |
| Electrical Equipment | 20,000 | | 20,000 | 10,000 | | 10,000 |
| Pipes | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,785,000 | | 2,785,000 | 2,810,000 | | 2,810,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Meters | 1,100,000 | | 1,100,000 | 1,200,000 | | 1,200,000 |
| Pipe | 200,000 | | 200,000 | 225,000 | | 225,000 |
| Valves | 175,000 | | 175,000 | 200,000 | | 200,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 40,000 | | 40,000 | 40,000 | | 40,000 |
| Business Systems City Transfers | 390,000 | | 390,000 | 390,000 | | 390,000 |
| Business Systems UK | 1,280,000 | | 1,280,000 | 1,130,000 | | 1,130,000 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 220,000 | | 220,000 | 220,000 | | 220,000 |
| Office Equipment | 7,500 | | 7,500 | | | - |
| Tools, Locating Equipment, Radios | 125,000 | | 125,000 | 120,000 | | 120,000 |
| Total Budget | 6,992,500 | | 6,992,500 | 6,975,000 | | 6,975,000 |

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2029 | DC 2029 | Total 2029 | Rates 2030 | DC 2030 | Total 2030 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 15,000 | | 15,000 | 10,000 | | 10,000 |
| Building Fixtures | 15,000 | | 15,000 | 10,000 | | 10,000 |
| Mechanical Equipment | 10,000 | | 10,000 | 30,000 | | 30,000 |
| Electrical Equipment | 10,000 | | 10,000 | 30,000 | | 30,000 |
| Pipes | | | | | | |
| Planning & Design | - | | - | | | - |
| Construction | 3,175,000 | | 3,175,000 | 2,975,000 | | 2,975,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 150,000 | | 150,000 | 250,000 | | 250,000 |
| Meters | 1,200,000 | | 1,200,000 | 1,200,000 | | 1,200,000 |
| Pipe | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Valves | 300,000 | | 300,000 | 300,000 | | 300,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | 20,000 | | 20,000 |
| Office Building Improvements | | | - | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 10,400 | | 10,400 | 10,400 | | 10,400 |
| Business Systems City Transfers | 200,000 | | 200,000 | 200,000 | | 200,000 |
| Business Systems UK | 250,000 | | 250,000 | 255,000 | | 255,000 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 210,000 | | 210,000 | 200,000 | | 200,000 |
| Office Equipment | | | - | | | - |
| Tools, Locating Equipment, Radios | 120,000 | | 120,000 | 125,000 | | 125,000 |
| Total Budget | 5,865,400 | | 5,865,400 | 5,835,400 | | 5,835,400 |



GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2031 | DC 2031 | Total 2031 | Rates 2032 | DC 2032 | Total 2032 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 10,000 | | 10,000 | | | - |
| Building Fixtures | 10,000 | | 10,000 | 15,000 | | 15,000 |
| Mechanical Equipment | 75,000 | | 75,000 | 270,000 | | 270,000 |
| Electrical Equipment | 30,000 | | 30,000 | 15,000 | | 15,000 |
| Pipes | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,975,000 | | 2,975,000 | 2,975,000 | | 2,975,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 250,000 | | 250,000 | 250,000 | | 250,000 |
| Meters | 1,225,000 | | 1,225,000 | 1,100,000 | | 1,100,000 |
| Pipe | 225,000 | | 225,000 | 200,000 | | 200,000 |
| Valves | 275,000 | | 275,000 | 250,000 | | 250,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 10,600 | | 10,600 | 10,600 | | 10,600 |
| Business Systems City Transfers | 221,970 | | 221,970 | 221,000 | | 221,000 |
| Business Systems UK | 260,100 | | 260,100 | 260,000 | | 260,000 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 200,000 | | 200,000 | 180,000 | | 180,000 |
| Office Equipment | | | - | 10,000 | | 10,000 |
| Tools, Locating Equipment, Radios | 125,000 | | 125,000 | 100,000 | | 100,000 |
| Total Budget | 5,892,670 | | 5,892,670 | 5,856,600 | | 5,856,600 |

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2033 | DC 2033 | Total 2033 | Rates 2034 | DC 2034 | Total 2034 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | 45,000 | | 45,000 | | | - |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 5,000 | | 5,000 | 20,000 | | 20,000 |
| Building Fixtures | 5,000 | | 5,000 | 5,125 | | 5,125 |
| Mechanical Equipment | 450,000 | | 450,000 | 25,000 | | 25,000 |
| Electrical Equipment | 5,000 | | 5,000 | 10,000 | | 10,000 |
| Pipes | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 2,975,000 | | 2,975,000 | 3,035,000 | | 3,035,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 170,000 | | 170,000 | 250,000 | | 250,000 |
| Meters | 1,200,000 | | 1,200,000 | 1,224,000 | | 1,224,000 |
| Pipe | 200,000 | | 200,000 | 225,000 | | 225,000 |
| Valves | 250,000 | | 250,000 | 275,000 | | 275,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | 10,000 | | 10,000 |
| Office Building Improvements | | | - | 20,000 | | 20,000 |
| Business Systems | | | | | | |
| SCADA | 10,600 | | 10,600 | 10,600 | | 10,600 |
| Business Systems City Transfers | 221,000 | | 221,000 | 225,000 | | 225,000 |
| Business Systems UK | 260,000 | | 260,000 | 265,200 | | 265,200 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Office Equipment | | | - | | | - |
| Tools, Locating Equipment, Radios | 90,000 | | 90,000 | 100,000 | | 100,000 |
| Total Budget | 6,036,600 | | 6,036,600 | 5,849,925 | | 5,849,925 |

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2035 | DC 2035 | Total 2035 | Rates 2036 | DC 2036 | Total 2036 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | | | - | | | - |
| Construction | 245,000 | | 245,000 | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 15,000 | | 15,000 | 15,375 | | 15,375 |
| Building Fixtures | 5,200 | | 5,200 | 5,330 | | 5,330 |
| Mechanical Equipment | 20,000 | | 20,000 | 25,000 | | 25,000 |
| Electrical Equipment | 10,250 | | 10,250 | 10,506 | | 10,506 |
| Pipes | | | | | | |
| Planning & Design | 50,000 | | 50,000 | | | - |
| Construction | 3,010,000 | | 3,010,000 | 3,110,000 | | 3,110,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 200,000 | | 200,000 | 150,000 | | 150,000 |
| Meters | 1,235,000 | | 1,235,000 | 1,248,000 | | 1,248,000 |
| Pipe | 225,000 | | 225,000 | 250,000 | | 250,000 |
| Valves | 275,000 | | 275,000 | 300,000 | | 300,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 10,800 | | 10,800 | 10,800 | | 10,800 |
| Business Systems City Transfers | 225,000 | | 225,000 | 242,900 | | 242,900 |
| Business Systems UK | 260,000 | | 260,000 | 270,000 | | 270,000 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Office Equipment | | | - | | | - |
| Tools, Locating Equipment, Radios | 100,000 | | 100,000 | 100,000 | | 100,000 |
| Total Budget | 6,036,250 | | 6,036,250 | 5,887,911 | | 5,887,911 |

GAS - 15 YEAR CAPITAL BUDGET

| | Rates 2037 | DC 2037 | Total 2037 | Rates 2038 | DC 2038 | Total 2038 |
|--------------------------------------|------------------|---------|------------------|------------------|---------|------------------|
| Regulating Stations | | | | | | |
| Planning & Design | | | - | 50,000 | | 50,000 |
| Construction | | | - | | | - |
| Equipment Upgrades or Replacement | | | | | | |
| Building Structure | 10,000 | | 10,000 | 10,250 | | 10,250 |
| Building Fixtures | 10,000 | | 10,000 | 10,250 | | 10,250 |
| Mechanical Equipment | 10,000 | | 10,000 | 10,250 | | 10,250 |
| Electrical Equipment | 10,000 | | 10,000 | 10,250 | | 10,250 |
| Pipes | | | | | | |
| Planning & Design | - | | - | | | - |
| Construction | 3,140,000 | | 3,140,000 | 3,142,000 | | 3,142,000 |
| Appurtenance Upgrades or Replacement | | | | | | |
| Services | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Meters | 1,279,000 | | 1,279,000 | 1,300,000 | | 1,300,000 |
| Pipe | 250,000 | | 250,000 | 250,000 | | 250,000 |
| Valves | 300,000 | | 300,000 | 300,000 | | 300,000 |
| General | | | | | | |
| Property | | | | | | |
| Land | | | - | | | - |
| Office Building Improvements | | | - | | | - |
| Business Systems | | | | | | |
| SCADA | 10,800 | | 10,800 | 10,800 | | 10,800 |
| Business Systems City Transfers | 247,000 | | 247,000 | 252,000 | | 252,000 |
| Business Systems UK | 276,000 | | 276,000 | 280,000 | | 280,000 |
| Vehicles | | | | | | |
| New | | | - | | | - |
| Upgrades | | | - | | | - |
| Construction and Office Equipment | | | | | | |
| City Restoration Costs | 150,000 | | 150,000 | 150,000 | | 150,000 |
| Office Equipment | | | - | | | - |
| Tools, Locating Equipment, Radios | 100,000 | | 100,000 | 100,000 | | 100,000 |
| Total Budget | 5,942,800 | | 5,942,800 | 6,025,800 | | 6,025,800 |

GAS - 15 YEAR CAPITAL BUDGET



| | Rates 2039 | DC 2039 | Total 2039 |
|--------------------------------------|-------------------|----------------|-------------------|
| Regulating Stations | | | |
| Planning & Design | | | - |
| Construction | | | - |
| Equipment Upgrades or Replacement | | | |
| Building Structure | 25,000 | | 25,000 |
| Building Fixtures | 25,000 | | 25,000 |
| Mechanical Equipment | 30,000 | | 30,000 |
| Electrical Equipment | 25,000 | | 25,000 |
| Pipes | | | |
| Planning & Design | | | - |
| Construction | 3,093,000 | | 3,093,000 |
| Appurtenance Upgrades or Replacement | | | |
| Services | 150,000 | | 150,000 |
| Meters | 1,330,000 | | 1,330,000 |
| Pipe | 225,000 | | 225,000 |
| Valves | 300,000 | | 300,000 |
| General | | | |
| Property | | | |
| Land | | | - |
| Office Building Improvements | | | - |
| Business Systems | | | |
| SCADA | 11,000 | | 11,000 |
| Business Systems City Transfers | 255,000 | | 255,000 |
| Business Systems UK | 280,000 | | 280,000 |
| Vehicles | | | |
| New | | | - |
| Upgrades | | | - |
| Construction and Office Equipment | | | |
| City Restoration Costs | 200,000 | | 200,000 |
| Office Equipment | | | - |
| Tools, Locating Equipment, Radios | 100,000 | | 100,000 |
| Total Budget | 6,049,000 | | 6,049,000 |

**City of Kingston
Gas Reserve Fund
Year End Projections 2023-2037**

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Municipal Utility | | | | | | | | | | | | | | | | |
| Opening Balance – January 1 | 6,233,664 | 3,552,782 | 3,334,804 | 1,968,543 | 1,718,485 | 1,536,163 | 2,118,003 | 2,718,049 | 3,117,655 | 3,455,136 | 3,700,118 | 4,116,715 | 4,339,729 | 4,688,287 | 4,969,006 | 5,192,572 |
| Contributions: | | | | | | | | | | | | | | | | |
| General Fund | 4,895,710 | 4,941,210 | 5,130,210 | 5,308,297 | 5,354,011 | 5,537,693 | 5,725,968 | 5,699,546 | 5,967,195 | 6,166,207 | 6,370,195 | 6,339,458 | 6,630,116 | 6,845,698 | 6,971,471 | 7,177,568 |
| Subtotal | 4,895,710 | 4,941,210 | 5,130,210 | 5,308,297 | 5,354,011 | 5,537,693 | 5,725,968 | 5,699,546 | 5,967,195 | 6,166,207 | 6,370,195 | 6,339,458 | 6,630,116 | 6,845,698 | 6,971,471 | 7,177,568 |
| Interest | 144,627 | 101,787 | 78,375 | 54,488 | 48,098 | 54,002 | 71,469 | 86,242 | 97,135 | 105,743 | 115,520 | 124,972 | 133,419 | 142,719 | 150,171 | 153,881 |
| Drawdowns: | | | | | | | | | | | | | | | | |
| Capital Expenditures | 7,357,700 | 7,615,760 | 5,117,425 | 4,492,500 | 4,975,000 | 3,865,400 | 4,435,400 | 4,492,670 | 4,856,600 | 5,036,600 | 4,849,925 | 5,036,250 | 5,137,911 | 5,442,800 | 5,525,800 | 6,049,000 |
| Cash Flow Adjustments | (6,985,864) | (5,840,650) | (4,383,230) | (3,550,292) | (3,410,117) | (2,910,207) | (2,938,243) | (2,972,365) | (3,131,586) | (3,267,274) | (3,246,880) | (3,313,252) | (3,380,465) | (3,529,306) | (3,622,042) | (3,868,417) |
| Prior Year Approvals | 7,349,383 | 6,985,864 | 5,840,650 | 4,383,230 | 3,550,292 | 3,410,117 | 2,910,207 | 2,938,243 | 2,972,365 | 3,131,586 | 3,267,274 | 3,246,880 | 3,313,252 | 3,380,465 | 3,529,306 | 3,622,042 |
| less approved prior year debt not yet issued | - | 3,500,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers to Reserves | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - Principal and Interest - Issued Debt | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| - Principal and interest - approved - not yet issued | - | - | - | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 | 254,592 |
| - Principal and interest - planned - not yet issued | - | - | - | - | 181,852 | 363,703 | 509,185 | 654,666 | 756,503 | 858,340 | 931,080 | 1,003,821 | 1,076,562 | 1,149,302 | 1,203,858 | 1,240,228 |
| Short term Interest | - | - | - | 32,813 | 32,813 | 26,250 | 26,250 | 18,375 | 18,375 | 13,125 | 13,125 | 13,125 | 13,125 | 9,844 | 6,563 | 6,563 |
| | 7,721,219 | 5,260,975 | 6,574,845 | 5,612,843 | 5,584,432 | 5,009,856 | 5,197,391 | 5,386,181 | 5,726,849 | 6,026,969 | 6,069,117 | 6,241,416 | 6,414,977 | 6,707,698 | 6,898,076 | 7,304,008 |
| Closing Balance - December 31 | 3,552,782 | 3,334,804 | 1,968,543 | 1,718,485 | 1,536,163 | 2,118,003 | 2,718,049 | 3,117,655 | 3,455,136 | 3,700,118 | 4,116,715 | 4,339,729 | 4,688,287 | 4,969,006 | 5,192,572 | 5,220,011 |
| PAYG | 7,357,700 | 7,615,760 | 5,117,425 | 4,492,500 | 4,975,000 | 3,865,400 | 4,435,400 | 4,492,670 | 4,856,600 | 5,036,600 | 4,849,925 | 5,036,250 | 5,137,911 | 5,442,800 | 5,525,800 | 6,049,000 |
| New Debt – Issued | - | 3,500,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| New Debt - Approved, not yet issued | - | - | 2,500,000 | 2,500,000 | 2,000,000 | 2,000,000 | 1,400,000 | 1,400,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 750,000 | 500,000 | 500,000 | - |
| New Debt - Planned, Not Yet Issued 5.3% | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Budget | 7,357,700 | 7,615,760 | 7,617,425 | 6,992,500 | 6,975,000 | 5,865,400 | 5,835,400 | 5,892,670 | 5,856,600 | 6,036,600 | 5,849,925 | 6,036,250 | 5,887,911 | 5,942,800 | 6,025,800 | 6,049,000 |
| Inflation | 3.25% | 2.25% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| Rate Increases | 5.00% | 7.00% | 3.00% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| Rate Revenue | 12,171,000 | 12,775,500 | 13,381,500 | 13,716,038 | 13,922,113 | 14,270,165 | 14,626,920 | 14,773,189 | 15,217,847 | 15,598,293 | 15,988,251 | 16,148,133 | 16,634,176 | 17,050,030 | 17,476,281 | 17,913,188 |
| Other Revenue | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 125,000 | 125,000 |
| Operating Expenses | 5,282,000 | 5,841,000 | 6,258,000 | 6,414,450 | 6,574,811 | 6,739,182 | 6,907,661 | 7,080,353 | 7,257,361 | 7,438,795 | 7,624,765 | 7,815,384 | 8,010,769 | 8,211,038 | 8,416,314 | 8,626,722 |
| Contribution to City General Fund - Dividend | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,020,000 | 2,040,200 | 2,060,602 |
| Contribution to Facilities Repair fund | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,290 | 173,294 | 173,295 | 173,296 |
| TOTAL | 4,895,710 | 4,941,210 | 5,130,210 | 5,308,297 | 5,354,011 | 5,537,693 | 5,725,968 | 5,699,546 | 5,967,195 | 6,166,207 | 6,370,195 | 6,339,458 | 6,630,116 | 6,845,698 | 6,971,471 | 7,177,568 |



Appliance Rental Business Budget Summary

(Rounded to Nearest Thousand)

| | 2025 | 2026 |
|--|--------------|--------------|
| Total Revenue | \$ 3,989,000 | \$ 4,128,000 |
| Less: Operating Expenses | \$ 892,000 | \$ 884,000 |
| Net Earnings | \$ 3,097,000 | \$ 3,244,000 |
| Less: Contribution to Environmental Reserve Fund | \$ 490,000 | \$ 500,000 |
| Less: Contribution to Municipal Capital Reserve Fund | \$ 981,000 | \$ 1,000,000 |
| Net Contribution to Appliance Rental Reserve Fund | \$ 1,626,000 | \$ 1,744,000 |
| Two-year Capital Budget (2025-2026) | \$ 1,505,000 | \$ 1,685,000 |
| Total Capital Budget (2025-2026) | | \$ 3,190,000 |

**Corporation of the City of Kingston
Appliance Rental Business
2025-2026 Budget
Revenue and Expenditures**

| | Actuals as of 30-Sep-24 | Budget 2024 | Budget 2025 | Budget 2026 |
|--|----------------------------|------------------|------------------|------------------|
| Revenue | | | | |
| Rental Revenue | 2,878,928 | 3,689,000 | 3,969,000 | 4,108,000 |
| Other Revenue | 36,443 | 20,000 | 20,000 | 20,000 |
| Total Revenue | <u>2,915,371</u> | <u>3,709,000</u> | <u>3,989,000</u> | <u>4,128,000</u> |
| Operating Expenses (Contracted Services) | <u>519,326</u> | <u>823,967</u> | <u>892,410</u> | <u>883,769</u> |
| Net Earnings | 2,396,045 | 2,885,033 | 3,096,590 | 3,244,231 |
| Contribution to Environment Reserve Fund | 360,629 | 480,839 | 490,389 | 500,130 |
| Contribution to Municipal Capital Reserve Fund | 721,259 | 961,678 | 980,778 | 1,000,260 |
| Contribution to Appliance Rental Reserve Fund | <u>1,081,500</u> | <u>1,442,516</u> | <u>1,625,423</u> | <u>1,743,841</u> |
| Net Surplus | <u><u>232,657</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

**Corporation of the City of Kingston
Appliance Rental Business
Operating Budget Forecast**

(Rounded to Nearest Thousand)

| | Budget 2025 | Budget 2026 | Forecast 2027 | Forecast 2028 | Forecast 2029 |
|--|----------------|----------------|------------------|------------------|------------------|
| Revenue | | | | | |
| Rates | 3,969,000 | 4,108,000 | 4,252,000 | 4,401,000 | 4,555,000 |
| Other | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Rates and Other | 3,989,000 | 4,128,000 | 4,272,000 | 4,421,000 | 4,575,000 |
| Operating Expense | | | | | |
| Contracted Services | 892,000 | 884,000 | 906,000 | 929,000 | 952,000 |
| Net Earnings | 3,097,000 | 3,244,000 | 3,366,000 | 3,492,000 | 3,623,000 |
| Contribution to Environmental Reserve Fund | 490,000 | 500,000 | 505,000 | 510,000 | 515,000 |
| Contribution to Municipal Capital Reserve Fund | 981,000 | 1,000,000 | 1,010,000 | 1,020,000 | 1,031,000 |
| Contribution to Appliance Rental Reserve Fund | 1,626,000 | 1,744,000 | 1,851,000 | 1,962,000 | 2,077,000 |
| | 3,097,000 | 3,244,000 | 3,366,000 | 3,492,000 | 3,623,000 |

HOT WATER TANK RENTAL BUDGETS - 2025 and 2026



| | | Total 2025 | Total 2026 |
|-------------------------|--|-------------------|-------------------|
| Appliance Rental | | | |
| Hot Water Tank Rental | | \$ 1,505,000.00 | \$ 1,685,000.00 |
| | | | |
| | | | |
| Total Budget | | \$ 1,505,000.00 | \$ 1,685,000.00 |



2025-2026 CAPITAL BUDGET PROPOSALS
Appliance rentals – Hot Water Tanks

| | | |
|----------------------------------|-------------|--------------------|
| Total Capital Request for | 2025 | \$1,505,000 |
| | 2026 | \$1,685,000 |

COMMENTS:

Budget allocations for the appliance rental program for hot water tanks (HWT) covers the acquisition of HWT for new customers, the replacement of failed or end of life HWT and the associated labour to install new or replacement tanks for customers.

Gas Appliance Rental – 15 Year Capital Budget

| Water Heater Rentals Budget | |
|------------------------------------|-------------------------|
| Total 2025 Budget (rates) | \$ 1,505,000.00 |
| Total 2026 Budget (rates) | \$ 1,685,000.00 |
| Total 2027 Budget (rates) | \$ 1,996,000.00 |
| Total 2028 Budget (rates) | \$ 2,085,000.00 |
| Total 2029 Budget (rates) | \$ 2,179,000.00 |
| Total 2030 Budget (rates) | \$ 2,277,000.00 |
| Total 2031 Budget (rates) | \$ 2,380,000.00 |
| Total 2032 Budget (rates) | \$ 2,487,000.00 |
| Total 2033 Budget (rates) | \$ 2,599,000.00 |
| Total 2034 Budget (rates) | \$ 2,716,000.00 |
| Total 2035 Budget (rates) | \$ 2,838,000.00 |
| Total 2036 Budget (rates) | \$ 2,966,000.00 |
| Total 2037 Budget (rates) | \$ 3,099,000.00 |
| Total 2038 Budget (rates) | \$ 3,238,000.00 |
| Total 2039 Budget (rates) | \$ 3,384,000.00 |
| TOTAL | \$ 37,434,000.00 |

**City of Kingston
Appliance Rentals Reserve Fund
Year End Projects 2023-2037**

| | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> | <u>2029</u> | <u>2030</u> | <u>2031</u> | <u>2032</u> | <u>2033</u> | <u>2034</u> | <u>2035</u> | <u>2036</u> | <u>2037</u> | <u>2038</u> | <u>2039</u> |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Municipal Utility | | | | | | | | | | | | | | | | |
| Opening Balance – January 1 | 570,563 | 671,414 | 813,786 | 897,688 | 776,943 | 675,101 | 592,002 | 528,479 | 485,372 | 464,547 | 465,878 | 491,247 | 542,576 | 619, | 723,829 | 856,627 |
| Contributions: | 3,125,014 | 3,096,590 | 3,244,000 | 3,365,900 | 3,492,248 | 3,623,029 | 3,758,229 | 3,898,835 | 4,044,831 | 4,195,202 | 4,351,932 | 4,515,005 | 4,683,405 | 4,857,115 | 5,038,118 | 5,225,396 |
| General Fund | | | | | | | | | | | | | | | | |
| Previous Years Surplus from General | | | | | | | | | | | | | | | | |
| Total | 3,125,014 | 3,096,590 | 3,244,000 | 3,365,900 | 3,492,248 | 3,623,029 | 3,758,229 | 3,898,835 | 4,044,831 | 4,195,202 | 4,351,932 | 4,515,005 | 4,683,405 | 4,857,115 | 5,038,118 | 5,225,396 |
| Interest | 18,354 | 21,949 | 25,293 | 24,748 | 21,459 | 18,726 | 16,559 | 14,983 | 14,038 | 13,750 | 14,145 | 15,278 | 17,178 | 19,857 | 23,356 | 27,706 |
| Drawdowns: | | | | | | | | | | | | | | | | |
| Capital Expenditures | 1,600,000 | 1,505,000 | 1,685,000 | 1,996,000 | 2,085,000 | 2,179,000 | 2,277,000 | 2,380,000 | 2,487,000 | 2,599,000 | 2,716,000 | 2,838,000 | 2,966,000 | 3,099,000 | 3,238,000 | 3,384,000 |
| Prior Years Approvals | | | | | | | | | | | | | | | | |
| Transfers to Environment Reserve | 480,839 | 490,389 | 500,130 | 505,131 | 510,183 | 515,284 | 520,437 | 525,642 | 530,898 | 536,207 | 541,569 | 546,985 | 552,455 | 557,979 | 563,559 | 569,195 |
| Transfers to MCRF | 961,678 | 980,778 | 1,000,260 | 1,010,263 | 1,020,365 | 1,030,569 | 1,040,875 | 1,051,283 | 1,061,796 | 1,072,414 | 1,083,138 | 1,093,970 | 1,104,909 | 1,115,958 | 1,127,118 | 1,138,389 |
| Total | 3,042,517 | 2,976,167 | 3,185,390 | 3,511,394 | 3,615,548 | 3,724,853 | 3,838,312 | 3,956,925 | 4,079,694 | 4,207,621 | 4,340,707 | 4,478,954 | 4,623,364 | 4,772,938 | 4,928,677 | 5,091,584 |
| Closing Balance - December 31 | 671,414 | 813,786 | 897,688 | 776,943 | 675,101 | 592,002 | 528,479 | 485,372 | 464,547 | 465,878 | 491,247 | 542,576 | 619,795 | 723,829 | 856,627 | 1,018,145 |
| PAYG | 1,600,000 | 1,505,000 | 1,685,000 | 1,996,000 | 2,085,000 | 2,179,000 | 2,277,000 | 2,380,000 | 2,487,000 | 2,599,000 | 2,716,000 | 2,838,000 | 2,966,000 | 3,099,000 | 3,238,000 | 3,384,000 |
| Total Capital Budget | 1,600,000 | 1,505,000 | 1,685,000 | 1,996,000 | 2,085,000 | 2,179,000 | 2,277,000 | 2,380,000 | 2,487,000 | 2,599,000 | 2,716,000 | 2,838,000 | 2,966,000 | 3,099,000 | 3,238,000 | 3,384,000 |
| Inflation | (0) | 0 | 0 | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% | 2.50% |
| Rate Revenue | 3,838,571 | 3,969,000 | 4,108,000 | 4,252,000 | 4,401,000 | 4,555,000 | 4,714,000 | 4,879,000 | 5,050,000 | 5,226,000 | 5,409,000 | 5,599,000 | 5,795,000 | 5,997,000 | 6,207,000 | 6,424,000 |
| Other Revenue | 36,443 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Operating Expenses | 750,000 | 892,410 | 884,000 | 906,100 | 928,753 | 951,971 | 975,771 | 1,000,165 | 1,025,169 | 1,050,798 | 1,077,068 | 1,103,995 | 1,131,595 | 1,159,885 | 1,188,882 | 1,218,604 |
| Total | 3,125,014 | 3,096,590 | 3,244,000 | 3,365,900 | 3,492,248 | 3,623,029 | 3,758,229 | 3,898,835 | 4,044,831 | 4,195,202 | 4,351,932 | 4,515,005 | 4,683,405 | 4,857,115 | 5,038,118 | 5,225,396 |