



Agenda
The Township of Cavan Monaghan
Regular Council Meeting

Monday, November 3, 2025

1:00 p.m.

Council Chambers

Members in attendance are asked to please turn off all electronic devices during the Council Meeting. Any special needs requirements pertaining to accessibility may be directed to the Clerk's Office prior to the meeting. A link to the livestreaming is available at www.cavanmonaghan.net. Council Members may be participating remotely.

Pages

1. Call to Order

2. Land Acknowledgement

We respectfully acknowledge that the Township of Cavan Monaghan is located on the Treaty 20 Michi Saagiig territory, in the traditional territory of the Michi Saagiig Anishnaabeg. We offer our gratitude to First Nations for their care for and teachings about these lands. May we honour these teachings.

3. Approval of the Agenda

4. Disclosure of Pecuniary Interest and the General Nature Thereof

5. Closed Session

6. Presentation

6.1	Daryl Abbs, Watson & Associates - 2025 Water and Wastewater Rate Study and Financial Plan	4 - 41
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7. Delegations

7.1	Nancy Hurley, Managing Director Old Millbrook School EarlyON Child and Family Centre Re: Working with Families	42 - 55
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8. Minutes

8.1	Minutes of the Regular Meeting held October 20, 2025	56 - 61
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9. Minutes from Committees and Boards

9.1	Cavan Monaghan Public Library Board Meeting Minutes of September 9, 2025	62 - 65
10.	Reports	
10.1	Report - Finance 2025-11 2025 Water & Wastewater Rate Study, User Fees and Charges By-law and Financial Plan (KP)	66 - 196
10.2	Report - Building and Planning 2025-39 Development Statistics - Third Quarter 2025 (KP)	197 - 199
10.3	Report - Public Works 2025-17 Unassumed Subdivision Road Winter Maintenance Agreement 2025 - Springville Heights Subdivision (WH/DH)	200 - 208
10.4	Council/Committee Verbal Reports	
11.	General Business	
12.	Correspondence for Information	
13.	Correspondence for Action	
13.1	ROMA 2026 Conference - Delegation request	209 - 210
14.	By-laws	
14.1	By-law No. 2025-49 being a by-law to execute an Unassumed Subdivision Road Winter Maintenance Agreement between the Township of Cavan Monaghan and Woodview Properties Inc., for winter maintenance services of unassumed subdivision roads within the Springville Heights Subdivision	211 - 217
14.2	By-law No. 2025-50 being a by-law to impose Water and Wastewater User Fees and Charges	218 - 220
15.	Unfinished Business	
16.	Notice of Motion	
17.	Confirming By-law	
17.1	By-law No. 2025-51 being a by-law to confirm the proceedings of the meeting held November 3, 2025	221 - 221

18. Adjournment

19. Upcoming Events/Meetings

- 19.1 Regular Council Meeting Monday, November 17, 2025 at 1:00 p.m.
- 19.2 Cavan Monaghan Public Library Board Meeting Tuesday, November 18 at 7:00 p.m. at the Millbrook Branch Library
- 19.3 Millbrook Valley Trails Advisory Meeting Monday, November 24, 2025 at 4:00 p.m.
- 19.4 Regular Council Meeting Monday, December 1, 2025 at 1:00 p.m.
- 19.5 Special Budget Meeting Thursday, December 11, 2025 at 9:00 a.m.
- 19.6 Santa Claus Parade, December 13, 2025 at 1:00 p.m.
- 19.7 Regular Council Meeting Monday, December 15, 2025 at 1:00 p.m.



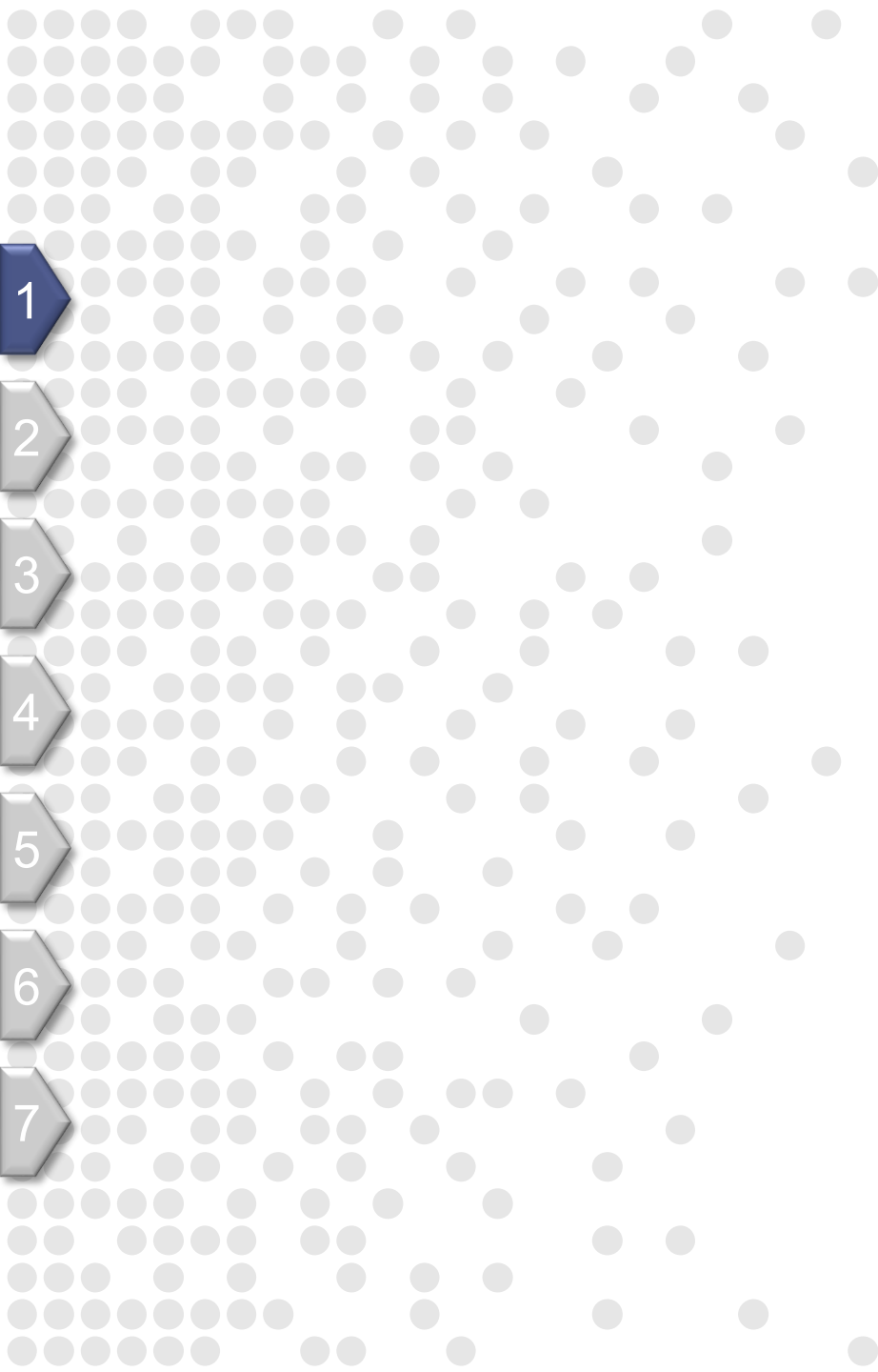
Township of Cavan Monaghan 2025 Water and Wastewater Rate Study and Financial Plan

Council Presentation
November 3, 2025

Agenda



- 1 Study Purpose
- 2 Current Rates, Customer Profile, System Growth
- 3 Rate Calculation Overview
- 4 Capital Needs and Financing, Lifecycle Costs
- 5 Proposed Rates & Rate Scenarios
- 6 Ontario Regulation 453/07: Water Financial Plan
- 7 Questions



Study Purpose

Township of Cavan Monaghan
2025 Council Presentation

Study Purpose



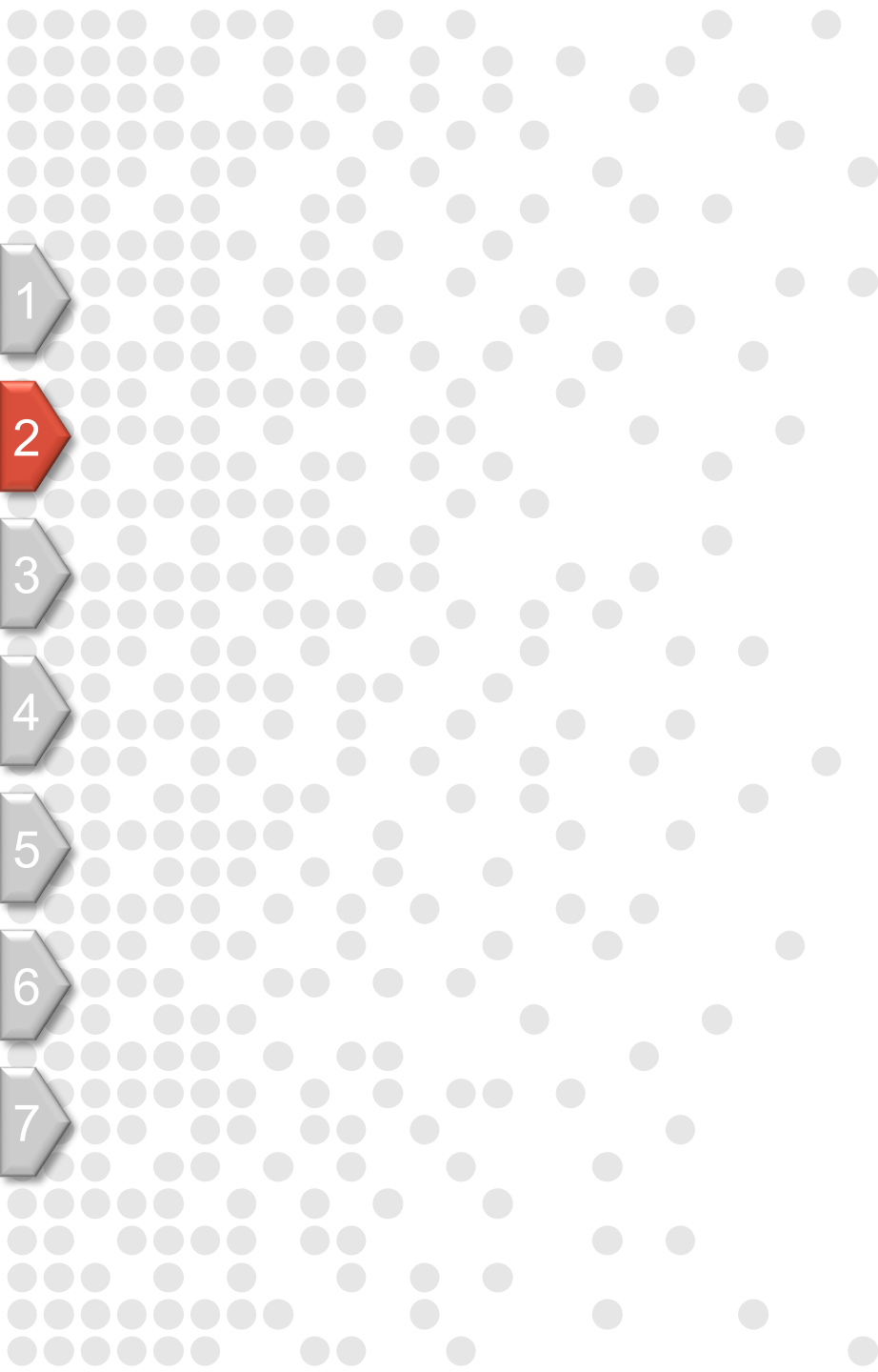
- 1 • Identify all current and future water and wastewater system capital needs;
- 2 • Identify cost recovery options for capital;
- 3 • Estimate future operating costs over the next 10 years;
- 4 • Review rate structure and rate scenarios; and
- 5 • Recommend new rates to recover the cost of the water and wastewater systems.
- 6
- 7

Legislation for Water and Wastewater



- 1 • Since Walkerton, new legislation has been passed by the Province to enhance the provision of services. These include the following:
 - 2 ○ Safe Drinking Water Act;
 - 3 ○ Sustainable Water and Sewage Systems Act;
 - 4 ○ O.Reg. 453/07 - Safe Drinking Water Act;
 - 5 ○ Clean Water Act; and
 - 6 ○ Water Opportunities Act.
- 7 • Further Requirements:
 - Municipal Infrastructure Strategy
 - Infrastructure for Jobs and Prosperity Act, 2015

Principal of
Full Cost
Recovery



Current Rates, Customer Profile, and System Growth

Township of Cavan Monaghan
2025 Council Presentation

2025 Water and Wastewater Rates



Township of Cavan Monaghan	
2025 - Water Billing Rates	
Millbrook Bi-Monthly Base Charge	
15 mm/18 mm	69.35
25 mm	126.66
40 mm	288.14
50 mm	671.26
75 mm	1,386.18
100 mm	2,458.25
Volume Charge	
\$ 1.940	per m ³
Bulk Water Rate	
\$ 3.280	per m ³

Township of Cavan Monaghan	
2025 - Wastewater Billing Rates	
Millbrook Bi-Monthly Charge Charge	
15 mm/18 mm	128.36
25 mm	238.44
40 mm	592.91
50 mm	1,405.96
75 mm	2,916.08
100 mm	5,182.11
Volume Charge	
\$ 2.650	per m ³

Existing Customer Profile



1

2

3

4

5

6

7

Metered	Water	Wastewater
15 mm/18 mm	973	962
25 mm	3	3
40 mm	1	1
50 mm	4	4
75 mm	1	1
100 mm	2	2
Total	984	973

Water Users Forecast



Water Customer Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	984	984	984	984	984	984	984	984	984	984	984
New - Growth	25	74	123	173	246	346	444	542	641	739	839
Total	1,009	1,058	1,107	1,157	1,230	1,330	1,428	1,526	1,625	1,723	1,823

Water Volume Forecast (m³)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook											
Existing	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640
Bulk Water	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187
New - Growth	3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790
Total	186,577	193,942	201,307	208,822	219,787	234,667	249,397	264,127	279,007	293,737	308,617

Assuming an average of 150 cu.m per customer for future flows



Wastewater Users Forecast

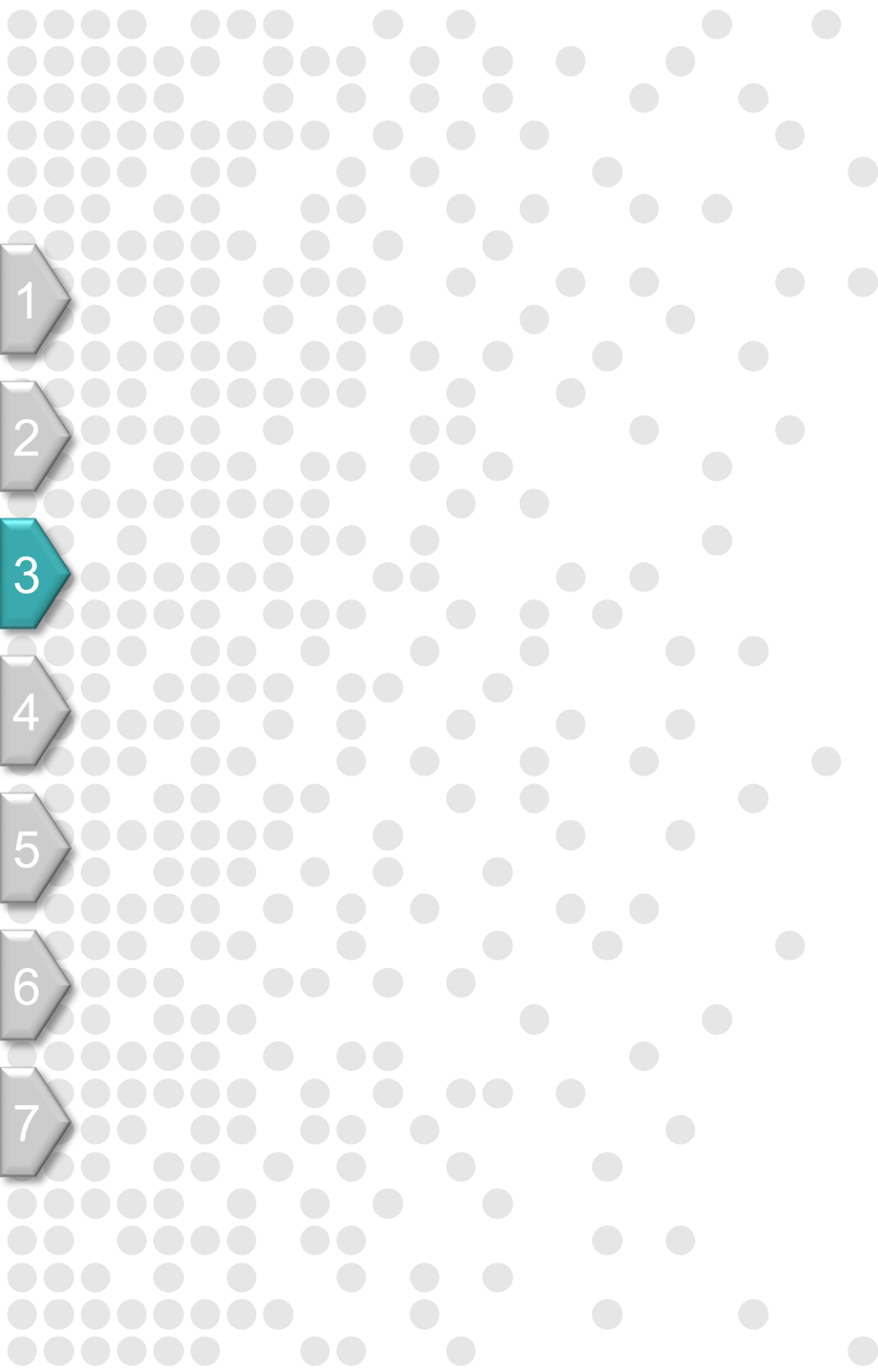


Wastewater Customer Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	973	973	973	973	973	973	973	973	973	973	973
New - Growth	25	74	123	173	246	346	444	542	641	739	839
Total	998	1,047	1,096	1,146	1,219	1,319	1,417	1,515	1,614	1,712	1,812

Wastewater Flows Forecast (m³)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook											
Existing	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606
New - Growth	3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790
Total	159,356	166,721	174,086	181,601	192,566	207,446	222,176	236,906	251,786	266,516	281,396

Assuming an average of 150 cu.m per customer for future flows





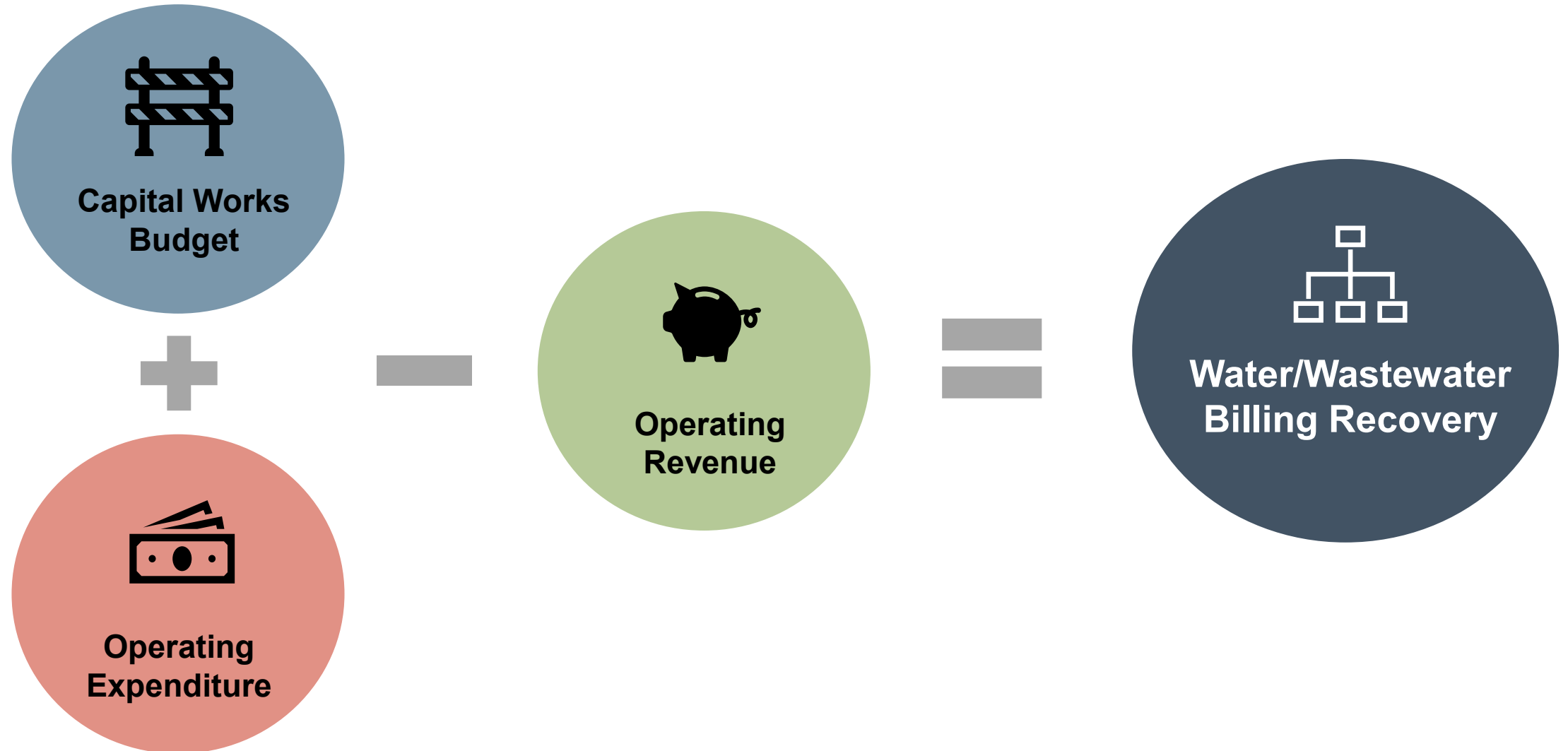
Rate Calculation Overview

Township of Cavan Monaghan
2025 Council Presentation

Main Inputs for Rate Calculation



- 1
- 2
- 3
- 4
- 5
- 6
- 7

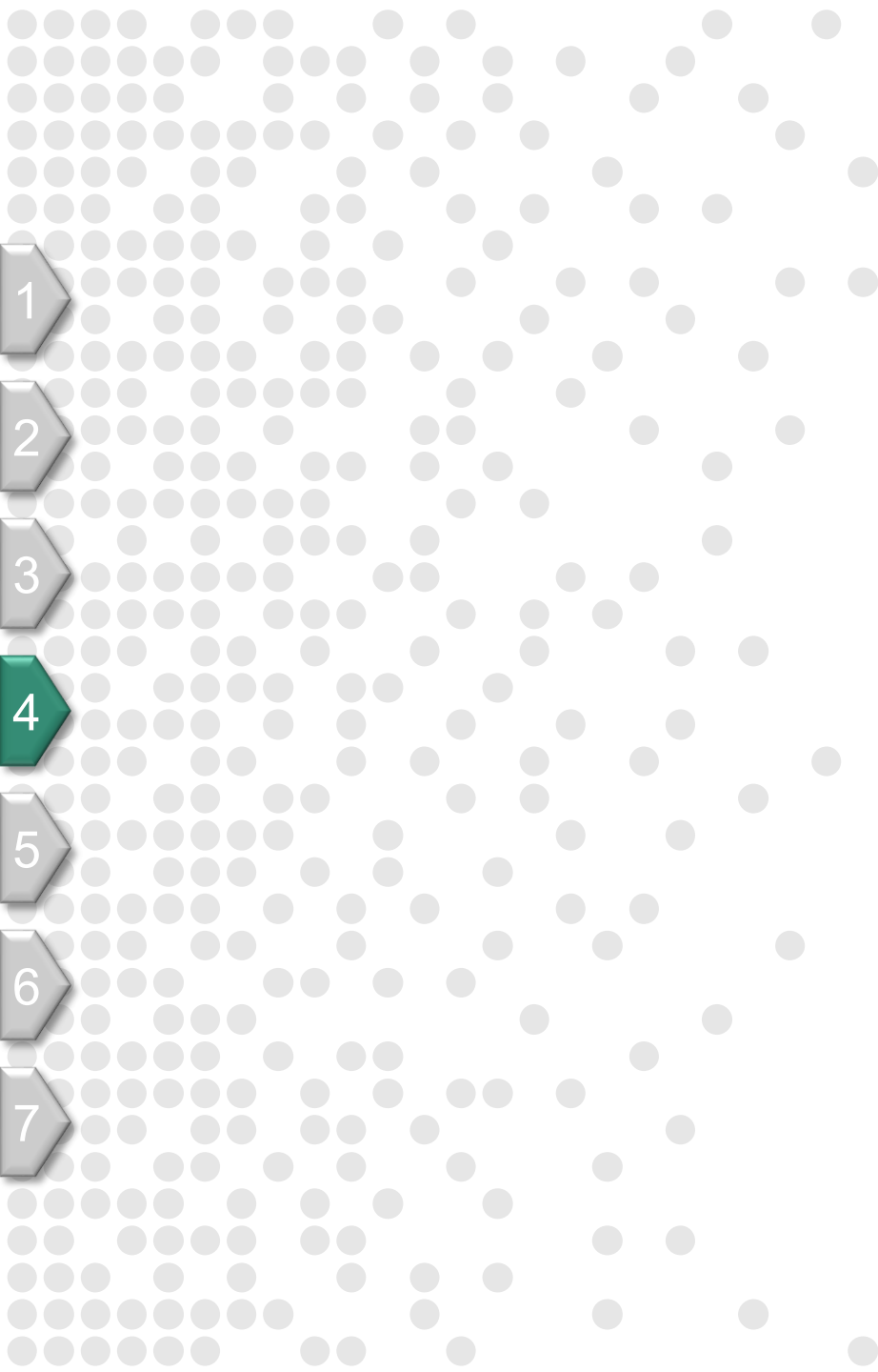


Rate Calculation Process



- 1
 - 2
 - 3
 - 4
 - 5
 - 6
 - 7
- The resulting water and wastewater billing recovery is divided by the total metered volume (i.e., number of customers x average volume usage) to calculate a volumetric rate.

$$\frac{\text{Water/Wastewater Billing Recovery}}{\text{Total Metered Volume}} = \begin{matrix} \text{Constant Volumetric Water Rate} \\ \text{Constant Volumetric Wastewater Rate} \end{matrix}$$



Capital Needs and Financing, Lifecycle Costs

Township of Cavan Monaghan
2025 Council Presentation

Capital Infrastructure



- 1
 - 2
 - 3
 - 4
 - 5
 - 6
 - 7
- Capital needs were identified based on the 2025 capital budget, review of capital infrastructure replacement needed based on recommendations in the Township's 2025 Asset Management Plan, and discussions with staff.
 - Capital works were identified by
 - Need;
 - Timing; and
 - Costs.



Water System Capital Needs 2026 – 2035 (Inflated \$)

Description	Total 2026 to 2035	Years Undertaken
Capital Expenditures		
Watermain Replacement - Anne Street	482,000	2026-2027
Watermain Replacement - Bank Street North	228,000	2029
Watermain Replacement - Bank Street South	174,000	2030
Watermain Replacement - Cavan Street	306,000	2026
Watermain Replacement - Centre Street	490,000	2029
Watermain Replacement - Distillery Street	172,000	2027
Watermain Replacement - Frederick Street	452,000	2026
Watermain Replacement - Gravel Road	211,000	2027
Watermain Replacement - Hunter Street	150,000	2030
Watermain Replacement - Huston Street	252,000	2030
Watermain Replacement - King Street	803,000	2028
Watermain Replacement - Needler's Lane	171,000	2027
Watermain Replacement - Prince Street	106,000	2027
Watermain Replacement - Princess Street	119,000	2027
Watermain Replacement - Turner Street	153,000	2030
Watermain Replacement - Union Street	191,000	2029
Watermain Replacement - Queen Street	128,000	2030
Watermain Replacement - Wing Street	90,000	2030
Studies:		
Water Servicing Study - Future Development Areas	110,000	2029
Rates Study	35,000	2030, 2035
Growth Related:		
Duke Street from King Street Southwards	156,000	2026
Second Booster Pumping Station Design	200,000	2026
Second Booster Pumping Station Construction	820,000	2026
Second Water Storage Facility Design	408,000	2026
Second Water Storage Facility Construction	9,493,000	2027
Land for storage facility	408,000	2026
Water Distribution Network Extension Design	516,000	2026-2027
Water Distribution Network Extension Construction	6,250,500	2028
Total	23,074,500	

Capital Financing

Grants – \$12,911,875

D.C. Reserve Fund – \$1,040,636

Growth-related Debt – \$4,408,989

Water Reserve – \$4,713,000



Wastewater System Capital Needs 2026 – 2035

(Inflated \$)

Description	Total 2026 to 2035	Years Undertaken
Lifecycle:		
Provision for AMP Requirements	6,031,000	2026-2035
Studies:		
Rates Study	35,000	2030, 2035
Wastewater Servicing Studies - Future Development Areas	217,000	2030
Growth Related:		
Tupper St Pumping Station Upgrade Design	306,000	2026
Tupper St Pumping Station Upgrade Construction	2,289,000	2027
Tupper St Pumping Station Upgrade - Land	408,000	2026
Wastewater Treatment Plant Upgrade Investigation	204,000	2026
Wastewater Treatment Plant Upgrade Design	1,082,000	2029
Wastewater Treatment Plant Upgrade Construction	22,974,000	2032
Sanitary Sewer Trunk (East of County Road 10)	238,000	2028
I&I Solutions	1,436,000	2028-2032
Duke Street from King Street Southwards	333,000	2026
Coldbrook Drive Sanitary Sewer Oversizing	147,000	2026
New Sewage Pumping Station & Forcemain for northern employment land	11,296,000	2033
Total	46,996,000	

Capital Financing

D.C. Reserve Fund – \$4,445,000

Growth-related Debt – \$36,126,000

Wastewater Reserve – \$6,425,000

Capital Financing Options



1

✓ Reserves

2

✓ Development Charges

3

✓ Debt

4

✓ Operating Budget Transfers (Funding Reserves)

5

✓ Grants

6

- Municipal Act (Part 12)

7

Reserve Balances – As of December 31, 2024



Reserve	Dec. 31 2024
Water	
Capital Reserve	1,731,340
Development Charges Reserve Fund	(619,050)
Wastewater	
Capital Reserve	1,803,400
Development Charges Reserve Fund	(643,758)

Note: numbers in brackets represent a deficit

Proposed Capital Financing Programs 2026 to 2035

(Inflated \$)



Description	Water	Wastewater
<u>Capital Financing</u>		
Provincial/Federal Grants	12,911,875	-
Development Charges Reserve Fund	1,040,636	4,445,000
Non-Growth Related Debenture Requirements	-	-
Growth Related Debenture Requirements	4,408,989	36,126,000
Operating Contributions	-	-
Water Reserve	4,713,000	-
Wastewater Reserve	-	6,425,000
Total Capital Financing	23,074,500	46,996,000

Lifecycle Infrastructure Costs



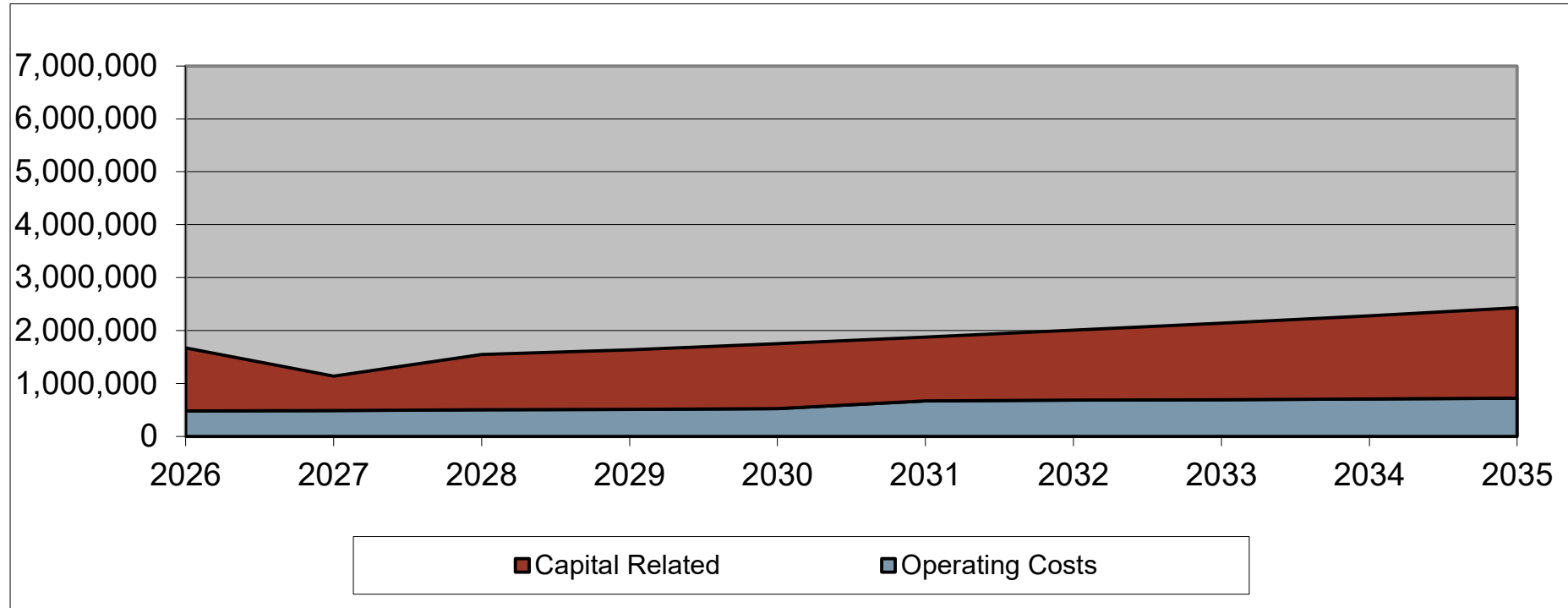
- 1 • The Township's Asset Management Plan (AMP) outlines the following:
 - 2 ○ The total replacement cost of the existing water network assets is approximately \$26.8 million;
 - 3 ○ The total replacement cost of the existing wastewater networks assets is approximately \$43.2 million;
- 4 • The **average annual** level of investment recommended for linear water asset lifecycle rehabilitation and replacement needs is approximately **\$381,000**;
- 5 • The **average annual** level of investment recommended for linear wastewater asset lifecycle rehabilitation and replacement needs is **\$741,000**.
 - 6 ○ Through discussions with staff, the annual level of investment for wastewater has been revised to \$540,000, based on an average expected asset useful life of 80.25 years.
 - 7

Operating Budgets



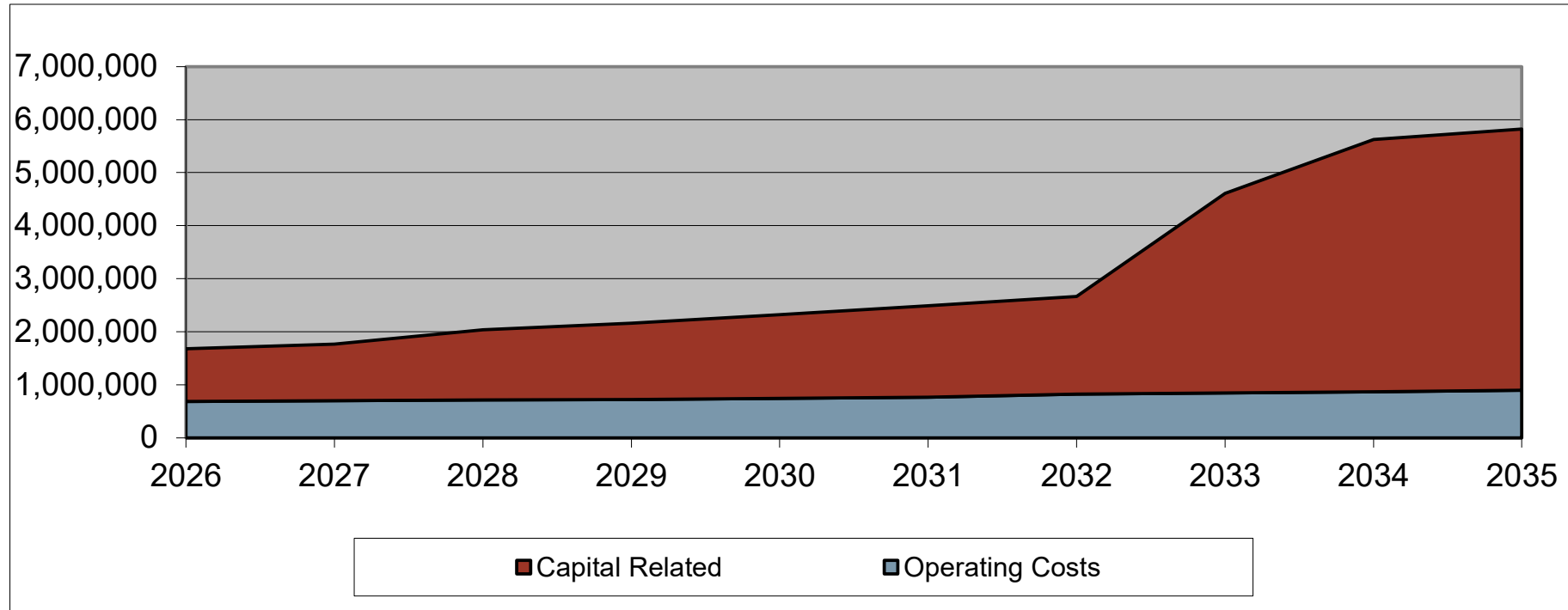
- 1 • Operating expenditures are increasing over the forecast to recognize:
 - 2 ○ Inflationary impacts
 - 3 ➤ 5% for hydro, utilities, materials and chemicals
 - 4 ➤ 2% for all other

Water Operating Budget

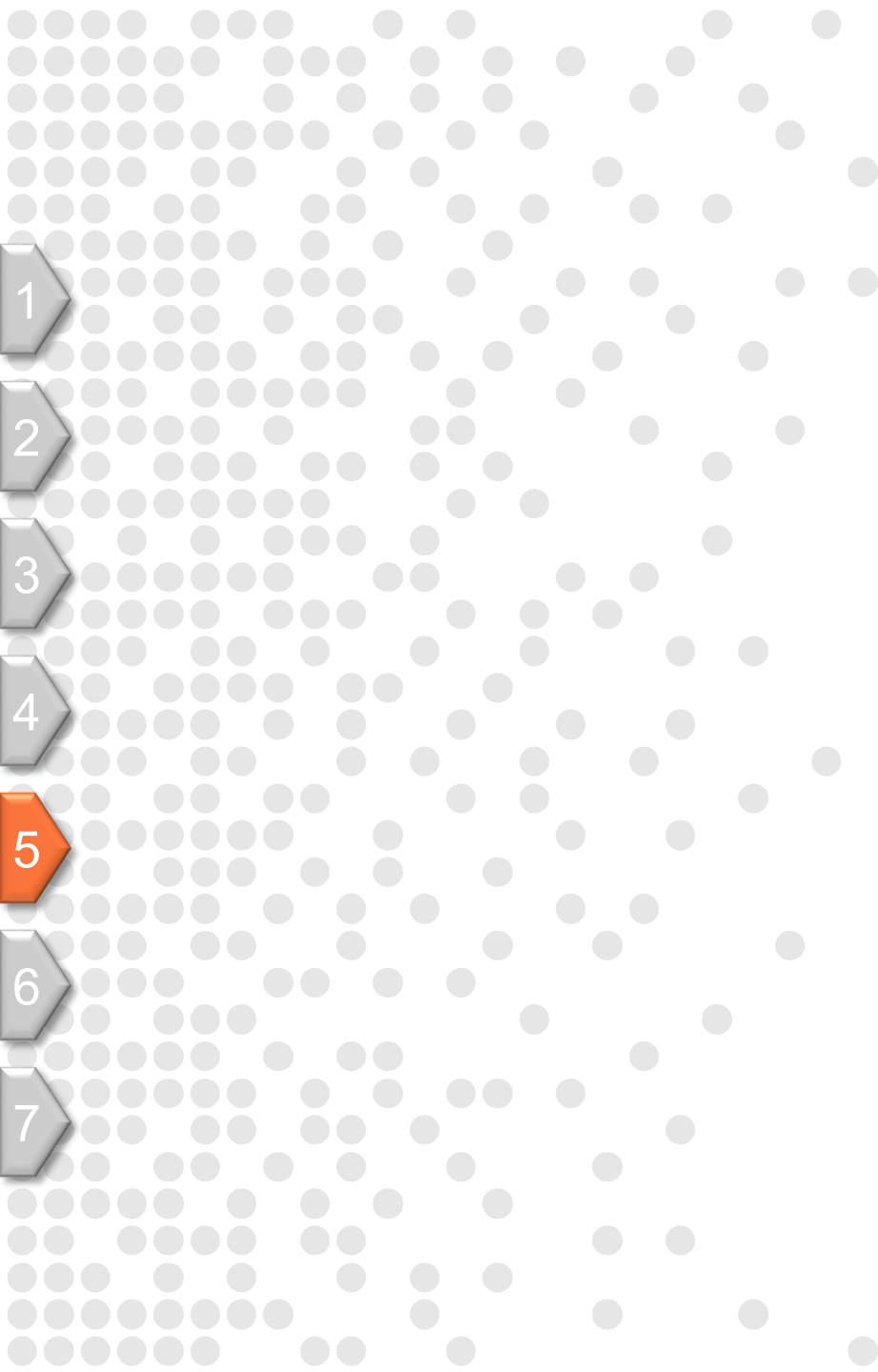


Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Costs	477,481	485,335	499,432	509,425	521,047	670,061	682,484	695,178	708,112	721,507
Capital Related	1,195,957	653,446	1,046,489	1,126,353	1,232,618	1,206,306	1,322,308	1,444,708	1,572,028	1,709,026
Total	1,673,437	1,138,781	1,545,921	1,635,777	1,753,665	1,876,367	2,004,792	2,139,886	2,280,140	2,430,533

Wastewater Operating Budget



Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Operating Costs	688,495	700,419	711,774	724,065	743,850	764,298	823,304	846,089	869,712	894,237
Capital Related	992,146	1,067,469	1,324,773	1,437,498	1,580,676	1,727,584	1,841,707	3,762,298	4,757,175	4,924,933
Total	1,680,641	1,767,888	2,036,547	2,161,563	2,324,526	2,491,882	2,665,011	4,608,387	5,626,887	5,819,170



Proposed Rates & Rate Scenarios

Township of Cavan Monaghan
2025 Council Presentation

Proposed 2026 Rates



- It is recommended that the Township continue the same rate structure in the future (i.e. a bi-monthly base charge and volume charge on a per cubic meter basis)
- The recommended rate increases are as follows:
 - Water – 3% annual increases**
 - Wastewater – 2% annual increases**
- The proposed 2026 rates are as follows:

Combined annual increase of 2.35% - 2.44%

Township of Cavan Monaghan	
2026 - Water Billing Rates	
Millbrook Bi-Monthly Base Charge	
15 mm/18 mm	71.43
25 mm	130.46
40 mm	296.78
50 mm	691.40
75 mm	1427.77
100 mm	2532.00
Volume Charge	
\$ 2.000	per m ³
Bulk Water Rate	
\$ 3.381	per m ³

Township of Cavan Monaghan	
2026 - Wastewater Billing Rates	
Millbrook Bi-Monthly Charge Charge	
15 mm/18 mm	130.93
25 mm	243.21
40 mm	604.77
50 mm	1434.08
75 mm	2974.40
100 mm	5285.75
Volume Charge	
\$ 2.700	per m ³

Rate Scenarios - Water



As a part of the study process, three rate scenarios were proposed to analyze the impacts on the reserve/reserve fund balances. These scenarios are based on moving the ten (10) watermain forecast to a five (5) year forecast" as per staff's report PW 2025-16.

Recommended

- **Recommended scenario**
- Smooth rate increases (3% annually)
- Minimum balance in 2030 – approx. \$1M
- Assumes \$600,000 internal loan in 2026 with payback from 2031 to 2035



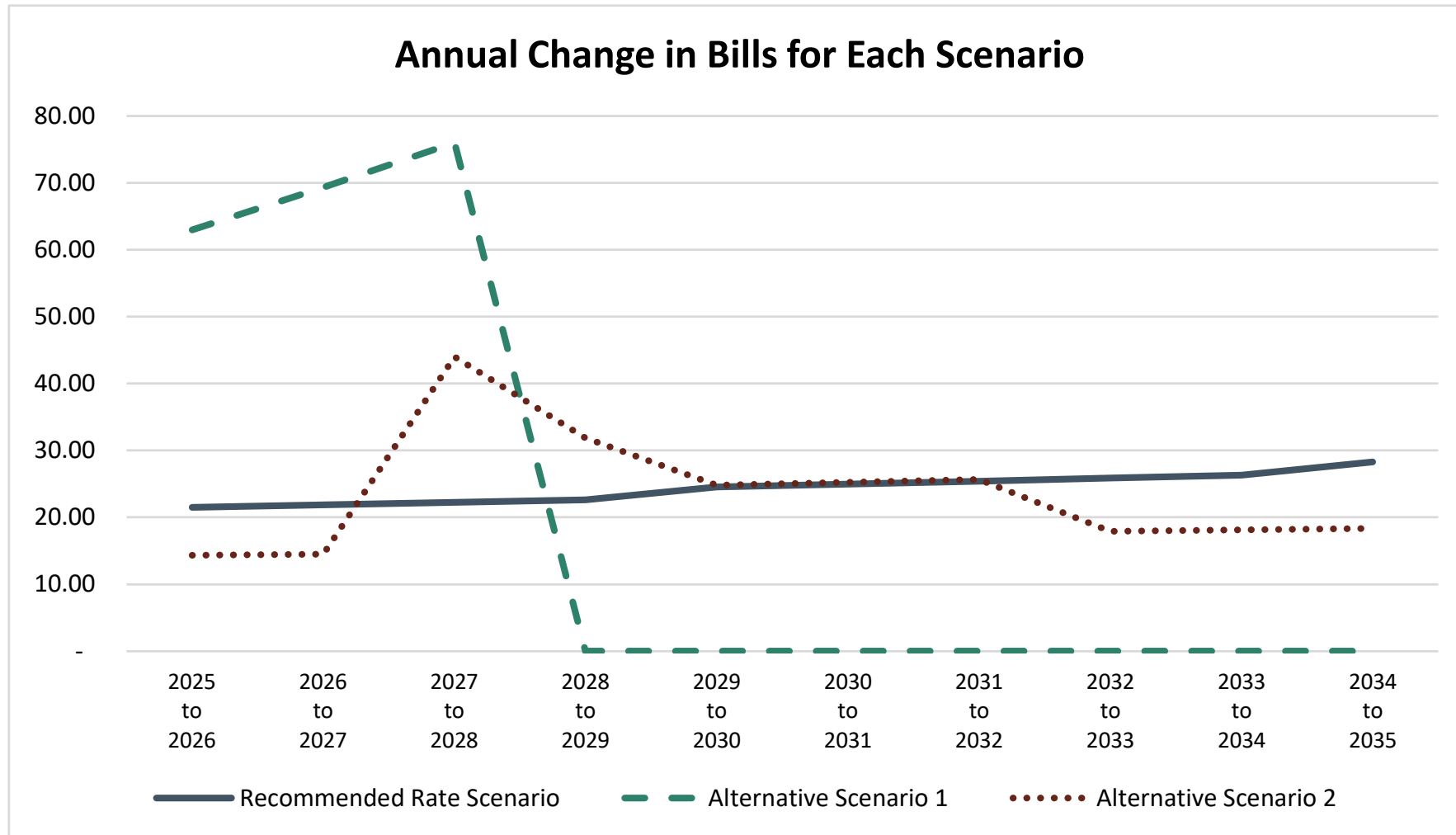
Alternative Scenario 1

- **No \$600,000 internal loan**
- What rates would be required to “get back” to recommended?
- High rate increases from 2026 to 2028 (9%), then 0% every year thereafter

Alternative Scenario 2

- **Keep internal loan but have 2% increases for 2026 and 2027**
- What rates would be required to “get back” to recommended?
- 6% in 2028, 4% in 2029, 3% to 2032, then 2%

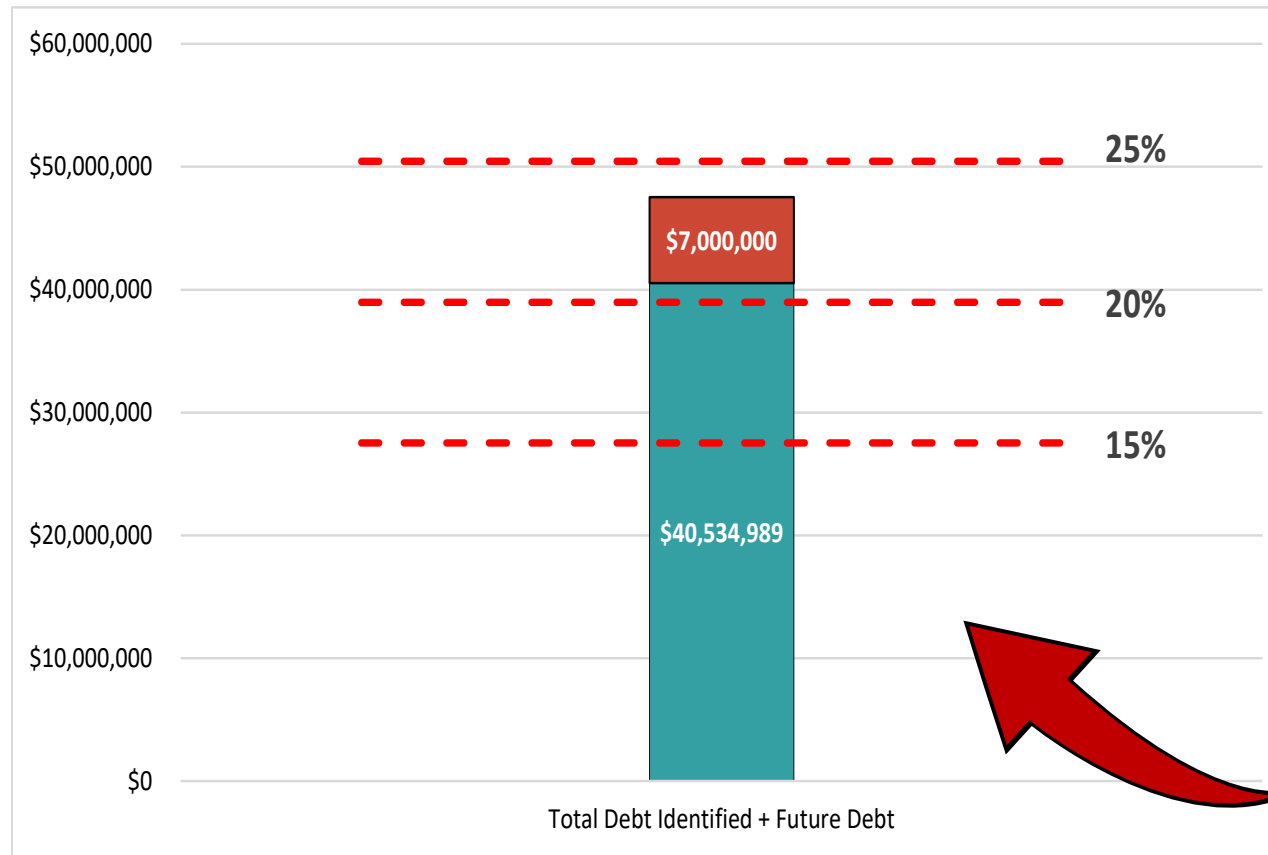
Rate Scenarios – Water – Annual Changes



Debt Capacity

- 1 Provincially mandated upper-limit for debt is 25% of your own revenues (taxes, user fees, etc.)
- 2
- 3
- 4 Most municipalities set targets below – approximately 15%
- 5
- 6 Township's debt repayment limits:
 - 7 ○ 25% - \$50,446,659
 - 20% - \$38,981,707
 - 15% - \$27,516,754

Additional Debt Issuances



Total existing external annual debt payment:
\$506,102



Future Debt
Needs for
Water and
Wastewater

**Water Plant
Expansion: \$7M**

**Water Storage
Facility: \$4.4M**

**Wastewater
Pumping Station:
\$2.3M**

**Wastewater
Treatment Plant
Upgrade: \$22.8M**

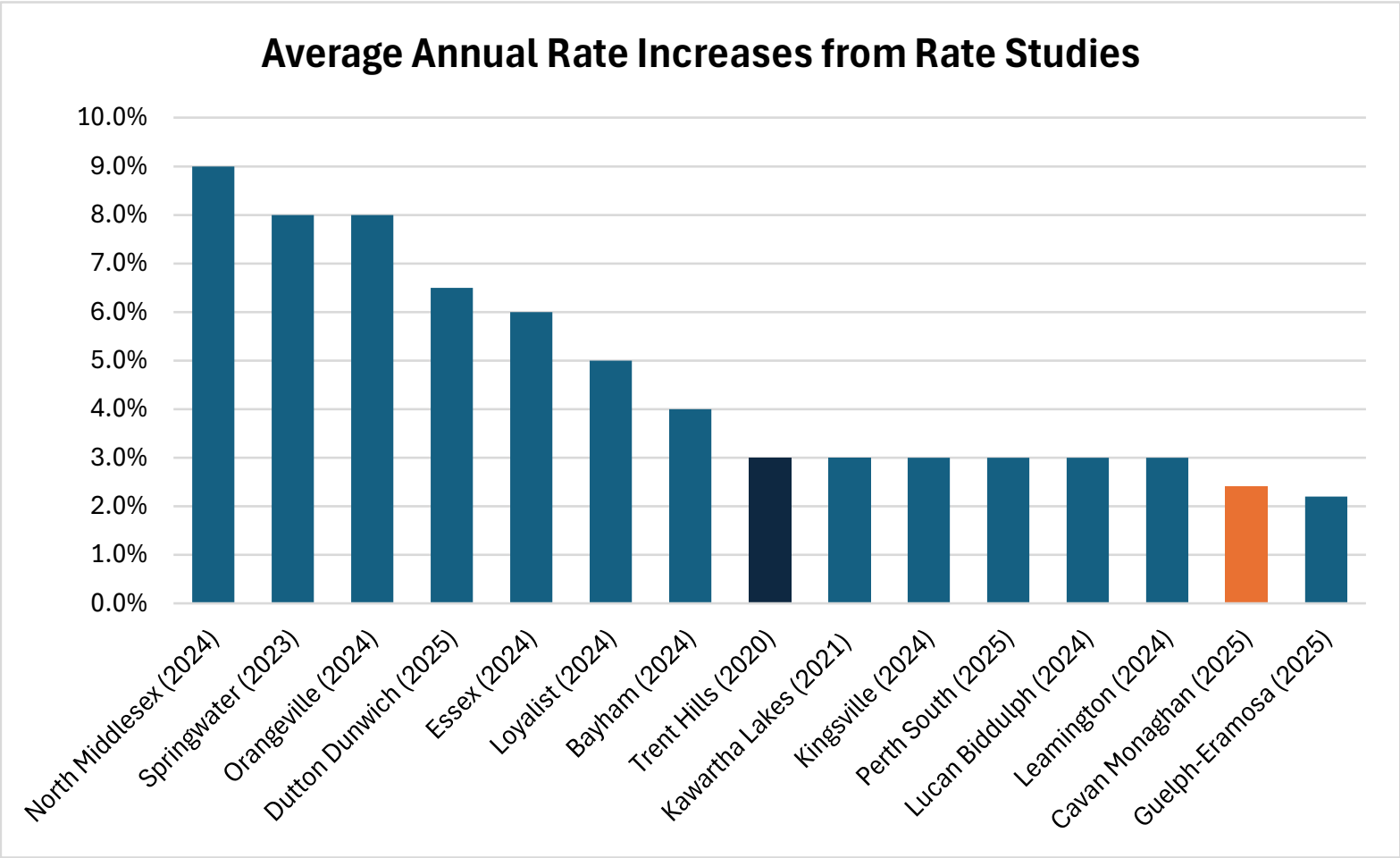
**Sewage Pumping
Station: \$10.9M**

Average Annual Residential Bill – Based on 150 cu.m



Annual Bill for Residential Users (5/8" or 3/4" Meter Size)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water											
Bi-monthly Base Charge	\$69.35	\$71.43	\$73.57	\$75.78	\$78.05	\$80.40	\$82.81	\$85.29	\$87.85	\$90.49	\$93.20
Volume Rate	\$1.94	\$2.00	\$2.06	\$2.12	\$2.18	\$2.25	\$2.32	\$2.39	\$2.46	\$2.53	\$2.61
Annual Base Charge Bill	\$416.10	\$428.58	\$441.44	\$454.68	\$468.32	\$482.37	\$496.85	\$511.75	\$527.10	\$542.92	\$559.20
Annual Volume Bill	\$291.00	\$300.00	\$309.00	\$318.00	\$327.00	\$337.50	\$348.00	\$358.50	\$369.00	\$379.50	\$391.50
Total Water Bill	\$707.10	\$728.58	\$750.44	\$772.68	\$795.32	\$819.87	\$844.85	\$870.25	\$896.10	\$922.42	\$950.70
Annual % Increase - Water Bill		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Wastewater											
Bi-monthly Base Charge	\$128.36	\$130.93	\$133.55	\$136.22	\$138.94	\$141.72	\$144.55	\$147.45	\$150.39	\$153.40	\$156.47
Volume Rate	\$2.65	\$2.70	\$2.75	\$2.81	\$2.87	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17	\$3.23
Annual Base Charge Bill	\$770.16	\$785.56	\$801.27	\$817.30	\$833.65	\$850.32	\$867.33	\$884.67	\$902.37	\$920.41	\$938.82
Annual Volume Bill	\$397.50	\$405.00	\$412.50	\$421.50	\$430.50	\$439.50	\$448.50	\$457.50	\$466.50	\$475.50	\$484.50
Total Wastewater Bill	\$1,167.66	\$1,190.56	\$1,213.77	\$1,238.80	\$1,264.15	\$1,289.82	\$1,315.83	\$1,342.17	\$1,368.87	\$1,395.91	\$1,423.32
Annual % Increase - Wastewater Bill		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Total Combined Bill	\$1,874.76	\$1,919.15	\$1,964.21	\$2,011.48	\$2,059.47	\$2,109.69	\$2,160.67	\$2,212.42	\$2,264.97	\$2,318.33	\$2,374.02
Annual % Increase - Combined Bill		2.37%	2.35%	2.41%	2.39%	2.44%	2.42%	2.40%	2.38%	2.36%	2.40%

Average Rate Increases in Other Municipalities



Sample Water and Wastewater Bill Based on Annual Usage of 150 cu.m



Note:
Water & sewer billing is on a bi-monthly basis

WATER & SEWER BILLING

Customer Number:
0000099999
WATER & SEWER RECEIVABLE

Invoice Number: 085862
Billing Date: OCT 13, 2020
Due Date: NOV 30, 2020
Amount Due: 286.89
Amount Enclosed \$ _____

Residential (Example Bill)
123 Street Address
Millbrook, ON
L0A 1G0

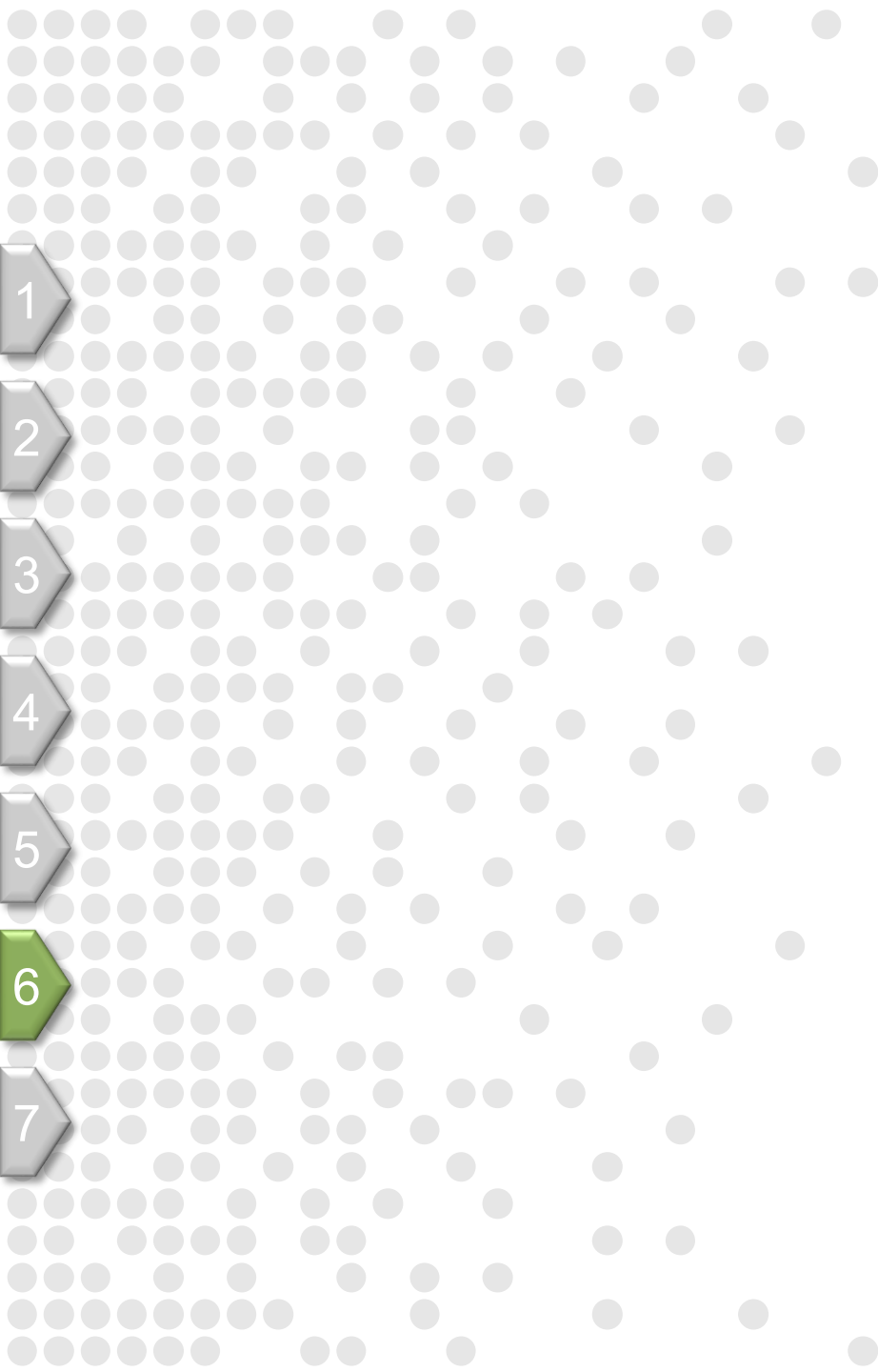
Please detach and return this portion with your payment.

Invoice	Description	Amount
085862 Route # 8 - October 2020 Billing Service		
Address: 123 Street Address		
Meter: 99999999		
	<u>Reading</u>	
Current:	37,978.0 OCT 13, 2020	Actual
Prior:	37,744.0 AUG 13, 2020	X Multiplier 0.1000
Consumption:	23.34 Cubic Metres	Billing Days: 60
Sewer Charges		58.12
23.34 Cubic Metres at 2.49 =	58.12	
Sewer Fixed Charge 15 Mm Meter		120.94
Water Charges		42.48
23.34 Cubic Metres at 1.82 =	42.48	
Water Fixed Charge 15 Mm Meter		65.35
		<u>Billing Amount</u> 286.89

Account
0000099999
Residential (Example Bill)
123 Street Address
Millbrook, ON
L0A 1G0

New Charges 286.89
Balance Due 286.89
Due Date NOV 30, 2020
After Due Date 315.58

A finance charge of 10.00% is added to balances not paid before due date.



Ontario Regulation 453/07: Water Financial Plan

Township of Cavan Monaghan
2025 Council Presentation

Ontario Regulation 453/07 Water Financial Plan



- 1
 - 2
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- All municipalities providing water services are required to be licensed to operate the water system(s)
 - Part of the licensing requirement is for the Township to submit a Financial Plan to the Province

Summary of O.Reg. 453/07 Requirements



- 1 • The plan is considered a living document but will need to be undertaken at a minimum every five years
- 2 • The plans are generally consistent with the "Watson" Approach in forecasting the capital, operating and reserve fund positions, providing detailed inventories, forecasting future volumes and calculation of the rates.
- 3 • The additional requirements include the PSAB information for each year of the forecast (i.e. total non-financial assets, tangible capital assets acquisitions, tangible capital asset construction, betterments, write downs, disposals, total liabilities and net debt)
- 4 • The financial plans must be made available upon request to the public (without charge) and on the Township's web site. The availability of this information must also be advertised
- 5
- 6
- 7

What Does All of This Mean?



- 1 • Reporting is mandatory for Water and encouraged for Wastewater services
- 2 • The intent of the legislation is for:
 - 3 ○ municipalities to project future activities for capital (including inventory renewal), operating, reserves and customers (and usage) and then
 - 4 ○ report it to the Province in PSAB 3150 financial statement format (projected into the future)
- 5 • The O. Reg. 453/07 Study must be approved but the forecasted rates (i.e. beyond 2026) do not have to be approved at this time (may be reviewed in detail during next budget cycle)
- 6 • The Rate study provides the basis projecting the financial information on which the O. Reg. report will be prepared
- 7

Rate Study vs. O.Reg 453.07 Reporting Format



Significant Revision Areas	Rate Study	O.Reg 453.07 Financial Plan
Approach	"Modified Cash Basis"	"Full Accrual Basis"
Capital Requirements	Capital Forecast	Tangible Capital Assets
Previously acquired assets	Lifecycle Cost Analysis (Future Replacement)	Tangible Capital Assets (Historical Cost)
Debt Payments	Principal & Interest Expense	Interest Expense Principal: Debt reduction
Amortization	Not Applicable	Included in Operating Expenses
Reserve Transfers	Included as an expense	Part of "Accumulated Surplus"
Development Charge Reserve Fund Balances	Reserve Fund Continuity Schedule	Deferred Revenue

Questions



1

2

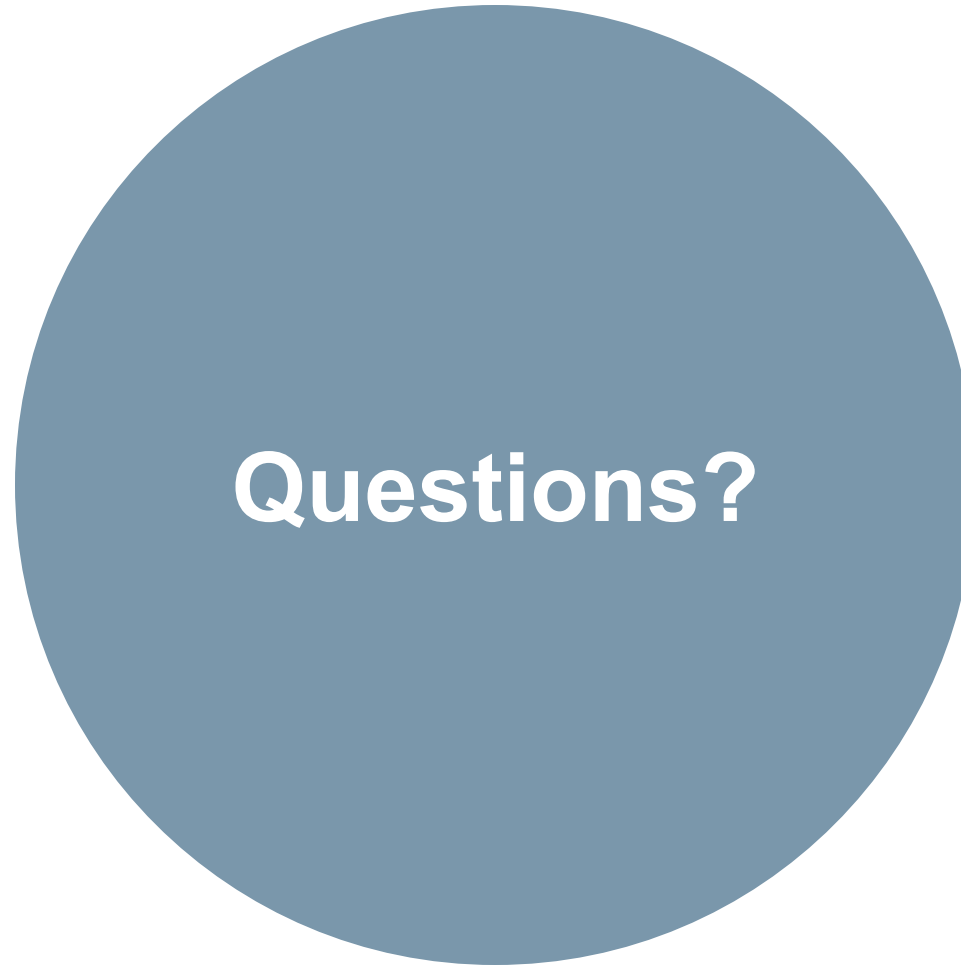
3

4

5

6

7



Questions?



The Old Millbrook School EarlyON Child and Family Centre; Working with Families.

November 3, 2025

Presented by Nancy Hurley; Managing Director



Our Mandate

- Supporting Early Learning and Development
- Engaging Parents and Caregivers
- Making Connections for Families

**Data Collected between
January 1, 2025 and October 24, 2025**

Number of Unique Visits (Children): 640

Number of Unique Visits (Adults): 489

Total Number of Visits (Children): 4495

Total Number of Visits (Adults): 3603

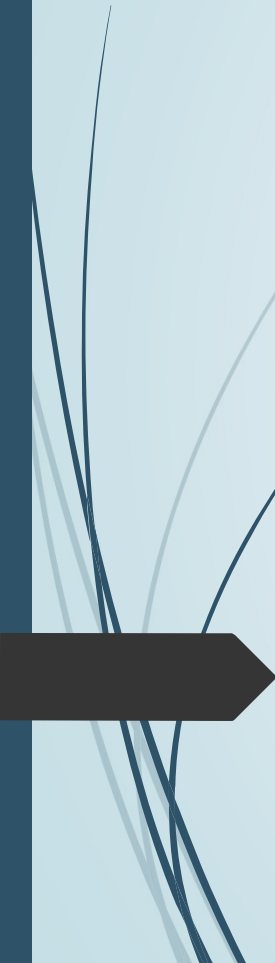


“Love Builds Brains” ~ Dr. Jean Clinton



We currently offer programs in two locations; The Old Millbrook School and Keene United Church

New Storage Shed Build Permission Request on behalf of OMSFC and Compass ELCC



We are proposing the placement of a small, 40x40', purpose-built shed on municipal property near the Millbrook Valley Trails. This initiative is part of a collaborative funding application designed to support increased outdoor engagement and nature-based learning in our community.

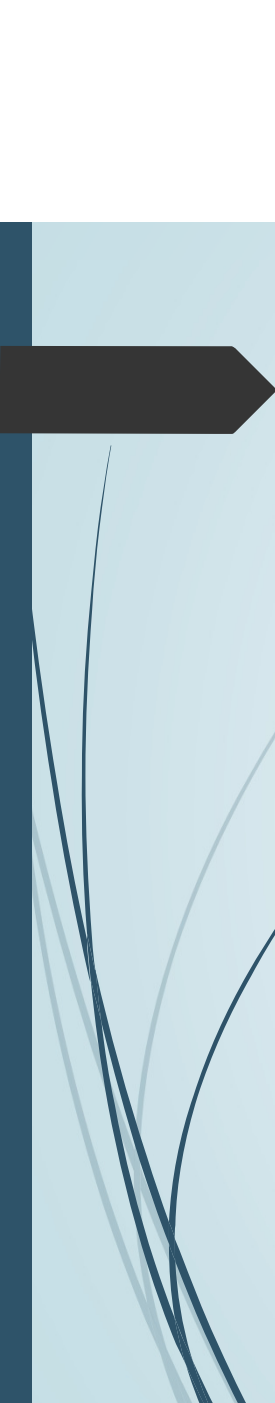


Details

The shed will serve several important functions:

- **Storage & Accessibility:** It will house materials and equipment used for outdoor education and nature exploration, making it easier to access and use these resources regularly.
- **Weather Shelter:** It will offer a small, sheltered space for children and adults in the event of sudden or severe weather, ensuring safety and continuity of outdoor activities.
- **Community Benefit:** The shed will support more accessible material for outdoor programs, encouraging greater use of the trails and fostering environmental stewardship and healthy outdoor lifestyles.

- 
- We are fortunate to have several local businesses already committed to supporting the build:
 - • Timmermans Excavating – contributing excavation services.
 - • Havelock Metals – providing materials and support.
 - • Monaghan Lumber – offering building supplies.



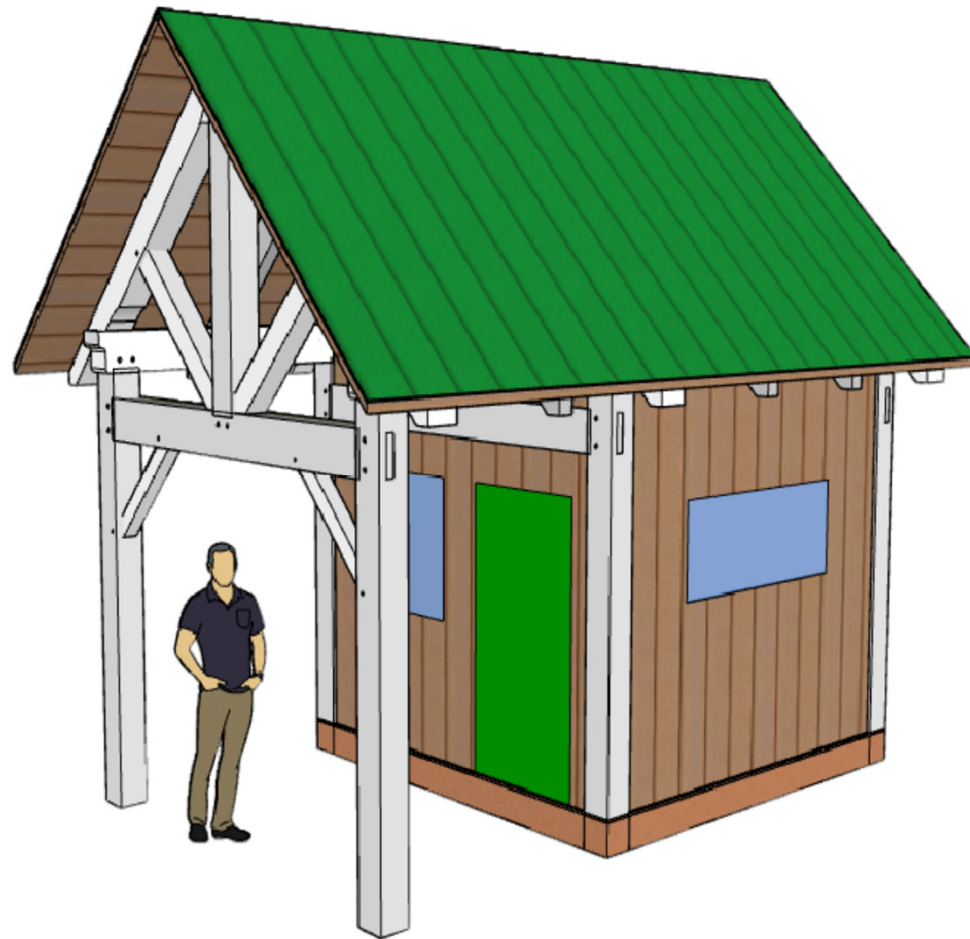
Timeline:

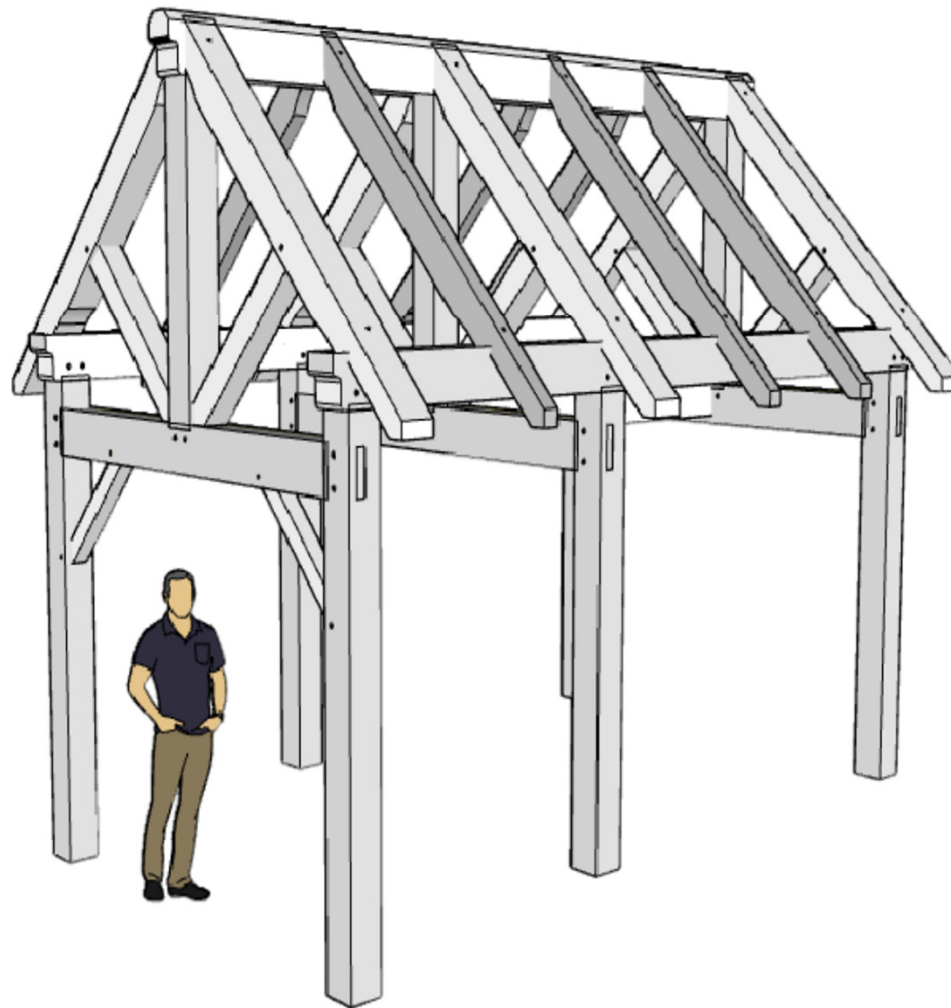
Would appreciate this project being given immediate consideration as the request is for land and not financial support.



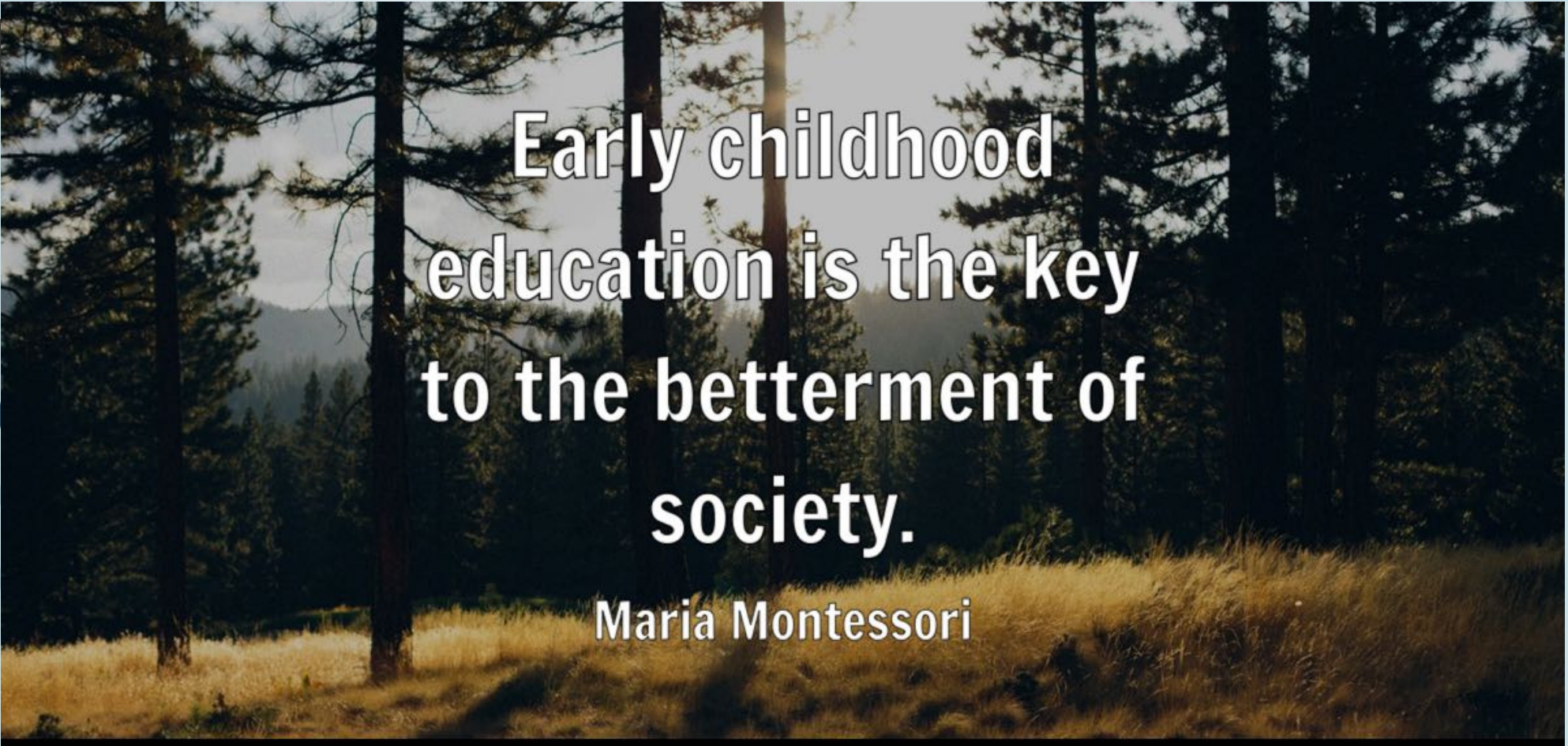
Almost there.....

At this stage, the only missing piece is a suitable location. We respectfully request the municipality's support in identifying and approving a site near Old Millbrook School playground that is close the Millbrook Valley Trails as place for the shed to live and be used by many. With this approval, we can move forward with the build and funding application, bringing this valuable community resource to life.





- 
- Thank you to The Township of Cavan Monaghan for the continued support of the invaluable programs and services we are able to offer to the residents of Millbrook, Cavan and the greater Peterborough County.
 - All families have the right to access free, high quality programs as they raise their children
 - For a tour of our amazing programs and/or learn more, please contact, Nancy Hurley at nhurleyomsfc@outlook.com



**Early childhood
education is the key
to the betterment of
society.**

Maria Montessori

**The Township of Cavan Monaghan
Regular Council Meeting**

**Monday, October 20, 2025
1:00 p.m.
Council Chambers**

Those members in attendance were:

Council	Matthew Graham	Mayor
	Ryan Huntley	Deputy Mayor
	Nelson Edgerton	Councillor
	Gerry Byrne	Councillor
	Lance Nachoff	Councillor
Staff	Yvette Hurley	CAO
	Cindy Page	Clerk
	Mark Froment	Deputy Clerk
	Wayne Hancock	Director of Public Works
	Kimberley Pope	Director of Finance/Treasurer
	Drew Hutchison	Engineering Technologist
	Matt Wilkinson	Planner

1. Call to Order

Mayor Graham called the meeting to order at 1:00 p.m.

2. Land Acknowledgement

Mayor Graham recited the land acknowledgement.

3. Approval of the Agenda

R-2025-251

Moved by: Byrne

Seconded by: Nachoff

That the agenda for the Regular Council Meeting be approved as presented.

Carried

4. Disclosure of Pecuniary Interest and the General Nature Thereof

There were no pecuniary interests noted.

5. Closed Session

There was no Closed Session.

6. Presentation

6.1 Daryl Abbs, Watson & Associates - 2025 Water and Wastewater Rate Study and Financial Plan - Rate Study Education Session

R-2025-252

Moved by: Byrne

Seconded by: Huntley

That Council approve the addition of the revised presentation by Daryl Abbs, Watson & Associates, on the 2025 Water and Wastewater Rate Study and Financial Plan - Rate Study Education Session.

Carried

R-2025-253

Moved by: Byrne

Seconded by: Edgerton

That Council receive the presentation from Daryl Abbs, of Watson & Associates, on the 2025 Water and Wastewater Rate Study and Financial Plan - Rate Study Education Session for information.

Carried

7. Minutes

7.1 Minutes of the Regular Meeting held October 6, 2025

R-2025-254

Moved by: Byrne

Seconded by: Huntley

That the minutes of the Regular Meeting held October 6, 2025 be approved as presented.

Carried

8. Minutes from Committees and Boards.

8.1 Millbrook Downtown BIA Board of Management Meeting Minutes of February 13, 2025

R-2025-255

Moved by: Byrne

Seconded by: Huntley

That the minutes of the Millbrook Downtown BIA Board of Management Meeting held February 13, 2025 be received for information.

Carried

9. Reports

9.1 Report - Finance 2025-10 Municipal Ice Storm Assistance (MISA) Program

R-2025-256

Moved by: Byrne

Seconded by: Huntley

That Council requests assistance under the Municipal Ice Storm Assistance Program; and

That Council delegates authority to Kimberley Pope, Director of Finance, to verify and attest to the accuracy of the attached application package submitted to the Ministry:

Whereas the municipality of the Township of Cavan Monaghan has incurred eligible costs directly linked to the March 2025 ice storm; and Whereas these costs meet the criteria outlined under the Municipal Ice Storm Assistance (MISA) Program administered by the Ministry of Municipal Affairs and Housing.

Therefore be it resolved that the Council of the Corporation of the Township of Cavan Monaghan hereby requests assistance under the Municipal Ice Storm Assistance Program; and

Further that Kimberley Pope, Director of Finance, is hereby delegated authority to verify and attest to the accuracy of the attached application package submitted to the Ministry.

Carried

9.2 Report - Public Works 2025-16 Proposed Five (5) Year Watermain and Corresponding Roads Capital Program

R-2025-257

Moved by: Huntley

Seconded by: Edgerton

That Council approve the Five (5) Year Capital Program for the watermain replacement; and

That Council approve the Five (5) Year Capital Program for road replacement to coincide with the watermain program; and

That Council approve the survey, design & tendering of these projects by Valdor Engineering Ltd. in the amount of \$224,500.00; and

That the Water Wastewater User Fees and Charges Study utilize \$600,000 from the sale of the surplus lands as a loan to be repaid starting in year six (6), over five (5) year term, as part of the next Water Wastewater By-law update.

Carried

9.3 Report - Planning 2025-35 Pristine Homes Part Lot Control Exemption By-law - Block 238, Plan 45M-266

R-2025-258

Moved by: Nachoff

Seconded by: Huntley

That By-law No. 2025-46 be approved to temporarily remove Part Lot

Control from Block 238 on Plan 45M-266 as permitted under Section 50(7) of the Planning Act; and
That By-law No. 2025-46 be forwarded to Peterborough County for approval.

Carried

9.4 Report - Planning 2025-36 Pristine Homes Part Lot Control Exemption By-law - Block 239, Plan 45M-266

R-2025-259

Moved by: Nachoff

Seconded by: Huntley

That By-law No. 2025-47 be approved to temporarily remove Part Lot Control from Block 239 on Plan 45M-266 as permitted under Section 50(7) of the Planning Act; and

That By-law No. 2025-47 be forwarded to Peterborough County for approval.

Carried

9.5 Report - Corporate Services 2025-12 Integrated Accessibility Standards Regulation (IASR) Multi Year Plan Update

R-2025-260

Moved by: Edgerton

Seconded by: Nachoff

That Council for the Township of Cavan Monaghan approve both the Integrated Accessibility Standards Regulation (IASR) Multi-Year Plan Update 2025 and the Integrated Accessibility Standards Regulation (IASR) Multi-Year Plan 2025-2029.

Carried

9.6 Report - CAO Report and Capital Status

R-2025-261

Moved by: Edgerton

Seconded by: Nachoff

That Council receive CAO Report and Capital Status for information.

Carried

9.7 Council/Committee Verbal Reports

Councillor Nachoff spoke to the Ganaraska Conservation Authority Board meeting where they discussed the preliminary budget and a presentation on the integrated AI network GIS Mapping software for the Conservation Authority. Councillor Nachoff spoke to the great feedback that he has received on the Remembrance Day Veteran Banners and the new crosswalk.

Mayor Graham spoke to his attendance at the Grand Opening Ceremony of the Rangbala Thangka Art Exhibition at Wutai Shan Buddhist Temple, noting it was well attended with many dignitaries.

Mayor Graham also cautioned residents of the increase in ticks this year and to be aware when on the Millbrook Valley Trails System and out walking.

R-2025-262

Moved by: Byrne

Seconded by: Edgerton

That Council receive the Council/Committee verbal reports for information.

Carried

10. General Business

There was no General Business.

11. Correspondence for Information

There was no Correspondence for Information.

12. Correspondence for Action

There was no Correspondence for Action.

13. By-laws

13.1 By-law No. 2025-46 being a by-law to temporarily exempt certain lands within Registered Plan 45M-266 for the Township of Cavan Monaghan from Part Lot Control (Block 238)

13.2 By-law No. 2025-47 being a by-law to temporarily exempt certain lands within Registered Plan 45M-266 for the Township of Cavan Monaghan from Part Lot Control (Block 239)

R-2025-263

Moved by: Byrne

Seconded by: Huntley

That By-law No. 2025-46 being a by-law to temporarily exempt certain lands within Registered Plan 45M-266 for the Township of Cavan Monaghan from Part Lot Control (Block 238) and that By-law No. 2025-47 being a by-law to temporarily exempt certain lands within Registered Plan 45M-266 for the Township of Cavan Monaghan from Part Lot Control (Block 239) be read a first, second and third time and passed this 20th day of October signed by the Mayor and Clerk and the Corporate Seal attached.

Carried

14. Unfinished Business

There was no Unfinished Business.

15. Notice of Motion

There were no Notices of Motion.

16. Confirming By-law

16.1 By-law No. 2025-48 being a by-law to confirm the proceedings of the meeting held October 20, 2025

R-2025-264

Moved by: Byrne

Seconded by: Nachoff

That By-law No. 2025-48 being a by-law to confirm the proceedings of the meeting held October 20, 2025 be read a first, second and third time and passed this 20th day of October signed by the Mayor and Clerk and the Corporate Seal attached.

Carried

17. Adjournment

R-2025-265

Moved by: Edgerton

Seconded by: Huntley

That the Regular Council Meeting of the Township of Cavan Monaghan adjourn at 2:55 p.m.

Carried

Matthew Graham
Mayor

Cindy Page
Clerk

CAVAN MONAGHAN PUBLIC LIBRARY BOARD

Date: September 9th, 2025

Place: Millbrook Branch @ 7:00pm (meeting may be recorded)

Mission Statement: Empowering residents to read, learn and connect through quality resources, safe and welcoming spaces, innovative programs, and creative services.

Vision: Enriching the lives of residents through books and beyond.

PRESENT:	Matthew Graham	Council Representative
	Karen Graham	Financial Oversight Officer
	Earl McLeod	Chair
	Tony Parks	
	Monica Schjott	
	Rob Swaffield	
	Denise Williams	
	Karla Buckborough	CEO/Librarian
	Erin Stewart	Branch Librarian/Secretary

REGRETS: Chandra Tremblay

1. Earl called the meeting to order at 7:03pm.
2. Earl read the Land Acknowledgement
3. Disclosure of pecuniary interest and the general nature thereof - none
4. Agenda
Motion: 35/25 Moved by: Karen
Agenda approved as amended with the removal of closed session for Report from CEO.
Carried.
5. Minutes
Motion: 36/25 Moved by: Monica
Approve minutes of the Library Board meeting held on June 17th, 2025.
Carried.
6. Report from CEO
Motion: 37/25 Moved by: Denise
Accept Karla's report to the Library Board.
Carried.
7. Library Activity Highlights and Statistics
 - a. Library Activity Highlights
It was a very busy summer at the library. Kimberly's retirement tea party was well attended with 51 people stopping by to wish her well. We received word in June that we were successful in securing our third Seniors Community Grant. This will allow us to increase the programmer's hours until March 26 and continue to offer programming aimed at the senior population. Through an ICIP grant, the Township received funding for upgrades to the Old Millbrook School. The roof was replaced in August, along with the replacement of designated a/c units.

b. 2025 Statistics

Motion: 38/25 Moved by: Tony
Accept the Library Activity Highlights and 2025 Statistics.
Carried.

8. 2025 Library Project Status Report

Motion: 39/25 Moved by: Denise
Accept the Library Project Status Report.
Carried.

9. Marketing Committee (Chandra, Rob, Karla, Courtney, Earl, Erin)

- a. Minutes from July 11th, 2025
- b. Terms of reference
- c. Verbal report of meeting held on August 22nd, 2025
- d. Calendar update: Rob and Tony met to discuss the cost of printing calendars. Board members suggested greeting cards would be more cost effective.

Motion: 40/25 Moved by: Monica
Accept the Marketing Report as presented.
Carried.

10. Human Resources (Tony, Monica, Karen, Denise, Earl, Chandra, Karla)

- a. Draft terms of reference - created by Denise – to be reviewed by committee at a later date
- b. Hiring guidance
Karla posed three questions regarding hiring to the Board. One question was about the hiring of internal candidates. Our HR Hiring Policy says that positions are posted internally first. The Township also advertises internally first. At the next HR meeting the job description for the Assistant Librarian position will be discussed.

11. Finance - Motion to receive (Karen, Matthew, Earl, Karla)

- a. Budget to Actual January-August 31st, 2025 - run on September 4th
 - i. Operating, Capital, Grants reports from Quickbooks Online
- b. Audit - continuing to work through the audit with reps from BakerTilly
- c. 2026 Budget - Budget Report, Working Papers - Operating and Capital

Motion: 41/25 Moved by: Tony
Receive Financial Reports as presented.
Carried.

Motion: 42/25 Moved by: Karen
Approve 2026 Budget – Option B, as presented.
Carried.

12. Correspondence for action/information

- a. None

13. Business Arising/Old Business

- a. None

14. Take-aways for Council

- a) Matthew to get an update on lighting replacement at the Millbrook Branch
- b) 2026 preliminary budget has been passed by the Board
- c) Volunteers maybe needed for Fridays at the Millbrook Branch next spring

15. Next meeting: October 21st @ 7pm, unless otherwise called by the Chair

16. Adjournment – Karen adjourned at 8:34pm.

Signature: _____
Chair

Date: _____

Signature: _____
Secretary

Date: _____

Intentionally left blank



Regular Council Meeting

To:	Mayor and Council
Date:	November 3, 2025
From:	Kimberley Pope, Director of Finance
Report Number:	Finance 2025-11
Subject:	2025 Water & Wastewater Rate Study, User Fees and Charges By-law and Financial Plan

Recommendations:

1. That Council receives the 2025 Water & Wastewater Rate Study as presented by Watson & Associates Ltd.; and
2. That Council approves the recommended rate scenarios from the 2025 Water & Wastewater Rate Study of 3% annually for water and 2% annually for wastewater with a \$600,000 internal loan in 2026, repaid from 2031–2035 to set the consolidated rates:
3. That Council approves By-law No. 2025-50 being a by-law to Impose & Consolidate Water & Wastewater User Fees and Charges; and
4. That Council approves the use of the Water & Wastewater Rate Study in the preparation of the Water and Wastewater Financial Plan O.Reg. 453/07 for submission to the province.

Overview:

This report presents the findings of the 2025 Water and Wastewater Rate Study and Financial Plan Update, prepared by Watson & Associates Economists Ltd, in conjunction with municipal staff, and in accordance with provincial legislation. The update ensures the Township's water and wastewater systems remain financially sustainable, affordable, and compliant with regulatory requirements.

As presented to Council, three **water rate scenarios** were evaluated to assess their impact on reserve balances and rate stability: All scenarios maintain a 2% annual wastewater increase.

- **Recommended Scenario:** 3% annual water rate increases with a \$600,000 internal loan in 2026, repaid from 2031–2035. This scenario maintains a minimum reserve balance of approximately \$1M by 2030.
- **Alternative Scenario 1:** No internal loan; requires steep water rate increases (9% annually from 2026–2028) to recover reserve levels.
- **Alternative Scenario 2:** Retains the internal loan but starts with lower water rate increases (2% in 2026–2027), followed by higher increases (6% in 2028, 4% in 2029 and 3% in 2030).

Staff are recommending to Council to adopt the Recommended Scenario for its balance of financial sustainability and rate stability. Included in this scenario is Council's motion on October 20, 2025, that the Township will allocate \$600,000 from the sale of surplus municipal lands as an internal loan to support Water Capital upgrades in 2026 for the purpose of a Five (5) year capital program for the watermain replacement. The loan will be repaid over a 5-year term, with repayments commencing in 2031.

The recommended rate increases support infrastructure renewal, growth-related expansion, regulatory compliance, and stable reserve balances. Development charges and grants offset the need for higher user rates.

The recommended changes to existing Water & Wastewater User Fees will adjust the base and volume rates dependent upon the scenario selected by Council. The rate adjustments are applied to the first Water and Wastewater billing cycle of each calendar year.

The Township of Cavan Monaghan provides municipal water and wastewater services primarily to the community of Millbrook. With projected growth from 984 water customers in 2025 to 1,823 by 2035, and wastewater customers from 973 to 1,812 over the same period, the Township must plan for significant infrastructure investment and service expansion. The 2025 Rate Study was prepared by Watson & Associates Economists Ltd. and includes a comprehensive review of capital needs, operating costs, rate structures, and financial sustainability over a 10-year planning horizon.

The Township has identified over \$70 million in capital needs from 2026 to 2035, including \$23.3 million for water and \$47.0 million for wastewater. Key projects include a second water storage facility, watermain replacements, wastewater treatment plant upgrades, and a new sewage pumping station.

The next steps will include public communication of rate changes, submission of Financial Plan to the Ministry, and implementation of new rates effective January 1, 2026.

Financial Impact:

The Township will maintain its current rate structure with bi-monthly base charges and volumetric charges. Recommended annual budget increases are 3% for water and 2% for wastewater, resulting in a combined average annual bill increases from (2.35%-2.44%) over the 5 years.

The Financial Plan complies with the Safe Drinking Water Act, 2002; Ontario Regulation 453/07; the Water Opportunities Act, 2010; and the Infrastructure for Jobs and Prosperity Act, 2015.

Development Charges (DCs) are a critical funding source for growth-related infrastructure. These contributions reduce the burden on existing ratepayers by funding infrastructure required to service new development.

The plan ensures full cost recovery, lifecycle funding, reserve contributions, and debt levels within provincial limits.

Linkage to the Strategic Plan:

The Township of Cavan Monaghan's Water and Wastewater Rate Study aligns with the Strategic Plan 2025–2030, which outlines four key priorities: Financial Sustainability, Environmental Sustainability, Community Vitality and Economic Development. This report supports Financial Sustainability by ensuring full cost recovery and responsible infrastructure investment. It contributes to Environmental Sustainability through lifecycle asset management and water conservation efforts. Community Vitality is addressed by planning for future growth and service expansion. Economic Development is supported by infrastructure improvements that enable growth.

Attachments:

1. Cavan Monaghan Water & Wastewater Rate Study – Watson & Associates Ltd.
2. By-law No. 2025-50 Water & Wastewater User Fees & Charges
3. Schedule A - Water & Wastewater User Fees & Charges, By-law No. 2025-50
4. Schedule A - Water & Wastewater User Fees & Charges By-law No. 2021-67 (prior)

Respectfully Submitted by,

Reviewed by,

Kimberley Pope
Director of Finance/Treasurer

Yvette Hurley
Chief Administrative Officer



Water and Wastewater Rate Study

Township of Cavan Monaghan

November 3, 2025

Watson & Associates Economists Ltd.
905-272-3600
info@watsonecon.ca

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List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.M.O.	Association of Municipalities of Ontario
cu.m.	Cubic metre
C.W.W.F.	Clean Water and Wastewater Fund
D.C.A.	Development Charges Act, 1997
F.I.R.	Financial Information Return
I.J.P.A.	Infrastructure for Jobs and Prosperity Act, 2015
I.O.	Infrastructure Ontario
LPAT	Local Planning Appeal Tribunal
M.O.E.	Ministry of Environment
O.C.I.F.	Ontario Community Infrastructure Fund
O.L.T.	Ontario Land Tribunal
O.M.B.	Ontario Municipal Board
O.Reg.	Ontario Regulation
O.S.I.F.A.	Ontario Strategic Infrastructure Financing Authority
P.S.A.B.	Public Sector Accounting Board
P.T.I.F.	Public Transit Infrastructure Fund
S.W.S.S.A.	Sustainable Water and Sewage Systems Act, 2002



Executive Summary



Executive Summary

The Township of Cavan Monaghan retained Watson & Associates Economists Ltd. (Watson) to undertake a Water and Wastewater Rate Study and Water Financial Plan. This study aims to update the 2020 water and wastewater rate analysis (and 2021 water rate update) for current capital and operating forecasts, costing for lifecycle expenditure requirements, current volumes and customer profiles. The results of this analysis provide updated water and wastewater base charges and volume rates for customers within the serviced area of the Township of Cavan Monaghan. The rate analysis contained herein continues to provide fiscally responsible practices that align with current provincial legislation at a level of rate increases that align with the principles of full cost recovery.

The analysis presented herein provides the following:

- The 2026 to 2035 capital spending program for water and wastewater is approximately \$23.07 million and \$47.00 million (inflated), respectively;
- A significant portion (72%) of the water capital spending program is related to the construction and design of a second water storage facility in 2027 and water distribution network extension in 2028;
- For wastewater, a significant portion (73%) of the capital spending program is related to the wastewater treatment plant upgrade in 2032 and construction of a new sewage pumping station and forcemain for northern employment lands occurring in 2033;
- Annual operating expenditures related to wages and salaries are increasing by 2% per annum over the forecast, while expenditures related to utilities, fuels, chemicals and other materials are increasing at 5% per annum;
- The present rate structure (base bi-monthly charge and a constant volume rate) is continued for both water and wastewater;
- Existing water customers total 984; it is anticipated the Township will see an increase of approximately 839 new customers over the next 10-year period;
- Existing wastewater customers total 973. The same level of increase as water customers (approximately 839) is assumed over the forecast period;

Based on the above information, the estimated rate increases are aimed at addressing the following:



- In order to meet the needs of the water forecast, the bi-monthly base charge and volume rate are anticipated to increase annually by 3% over the forecast period.
- The bi-monthly base charge and volume rate for wastewater are anticipated to increase annually by 2% over the forecast period.
- The combined impact of the water and wastewater rates above equates to an annual increase of approximately 2.35% - 2.44% on the total water and wastewater bill (based on an annual average usage of 150 cu.m).

Table ES-1 summarizes the recommended water and wastewater annual bills (assuming an annual volume of 150 cu.m) based on the analysis provided herein over the forecast period.

Note, alternative scenarios for water rates increases have been presented in Appendix C of this report to demonstrate the impact of potential policy decisions related to an internal loan identified in 2026. These are presented for information and Council's consideration, however, the proposed rate increases of 3% annually for water are recommended.



Table ES-1
Township of Cavan Monaghan
Water and Wastewater Rate Summary
Average Customer Water and Wastewater Bill based on 150 cu.m of usage

Annual Bill for Residential Users (5/8" or 3/4" Meter Size)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water											
Bi-monthly Base Charge	\$69.35	\$71.43	\$73.57	\$75.78	\$78.05	\$80.40	\$82.81	\$85.29	\$87.85	\$90.49	\$93.20
Volume Rate	\$1.94	\$2.00	\$2.06	\$2.12	\$2.18	\$2.25	\$2.32	\$2.39	\$2.46	\$2.53	\$2.61
Annual Base Charge Bill	\$416.10	\$428.58	\$441.44	\$454.68	\$468.32	\$482.37	\$496.85	\$511.75	\$527.10	\$542.92	\$559.20
Annual Volume Bill	\$291.00	\$300.00	\$309.00	\$318.00	\$327.00	\$337.50	\$348.00	\$358.50	\$369.00	\$379.50	\$391.50
Total Water Bill	\$707.10	\$728.58	\$750.44	\$772.68	\$795.32	\$819.87	\$844.85	\$870.25	\$896.10	\$922.42	\$950.70
Annual % Increase - Water Bill		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Wastewater											
Bi-monthly Base Charge	\$128.36	\$130.93	\$133.55	\$136.22	\$138.94	\$141.72	\$144.55	\$147.45	\$150.39	\$153.40	\$156.47
Volume Rate	\$2.65	\$2.70	\$2.75	\$2.81	\$2.87	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17	\$3.23
Annual Base Charge Bill	\$770.16	\$785.56	\$801.27	\$817.30	\$833.65	\$850.32	\$867.33	\$884.67	\$902.37	\$920.41	\$938.82
Annual Volume Bill	\$397.50	\$405.00	\$412.50	\$421.50	\$430.50	\$439.50	\$448.50	\$457.50	\$466.50	\$475.50	\$484.50
Total Wastewater Bill	\$1,167.66	\$1,190.56	\$1,213.77	\$1,238.80	\$1,264.15	\$1,289.82	\$1,315.83	\$1,342.17	\$1,368.87	\$1,395.91	\$1,423.32
Annual % Increase - Wastewater Bill		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Total Combined Bill	\$1,874.76	\$1,919.15	\$1,964.21	\$2,011.48	\$2,059.47	\$2,109.69	\$2,160.67	\$2,212.42	\$2,264.97	\$2,318.33	\$2,374.02
Annual % Increase - Combined Bill		2.37%	2.35%	2.41%	2.39%	2.44%	2.42%	2.40%	2.38%	2.36%	2.40%



Report



Chapter 1

Introduction



1. Introduction

1.1 Background

The Township of Cavan Monaghan currently services 984 metered water customers and 973 wastewater customers in the Millbrook urban area. The Township's water and wastewater system operates from the Millbrook Water Treatment facility and the Millbrook Wastewater Treatment facility and currently consists of approximately 19 kilometers of water mains, 15 kilometers of sanitary pipes, and 137 hydrants.

The water and wastewater systems are metered and utilize rate structures with a bi-monthly base charge as well as a constant volume charge on a per cubic metre basis. The Township also provides water to bulk water users at a constant bulk water rate on a per cubic metre basis. Table 1-1 provides the existing rates currently in effect.

Table 1-1
Township of Cavan Monaghan
Water and Wastewater Rates – 2025

Township of Cavan Monaghan			Township of Cavan Monaghan		
2025 - Water Billing Rates			2025 - Wastewater Billing Rates		
Millbrook Bi-Monthly Base Charge			Millbrook Bi-Monthly Charge Charge		
15 mm/18 mm		69.35	15 mm/18 mm		128.36
25 mm		126.66	25 mm		238.44
40 mm		288.14	40 mm		592.91
50 mm		671.26	50 mm		1,405.96
75 mm		1,386.18	75 mm		2,916.08
100 mm		2,458.25	100 mm		5,182.11
Volume Charge			Volume Charge		
\$	1.940	per m ³	\$	2.650	per m ³
Bulk Water Rate					
\$	3.280	per m ³			

Since the Walkerton crisis, the Province has continued to make legislative changes for municipal water and wastewater systems. Noted below are the historical changes along with pending legislation anticipated to be implemented in the future. Watson & Associates Economists Ltd. (Watson) was retained by the Township of Cavan Monaghan to assist in addressing these changes in a proactive manner as they relate to



the water and wastewater systems. The assessment provided herein addresses changes recommended to the water and wastewater rates based on the most current information and forecasts the implications over the next 10-year period.

1.2 Study Process

The objectives of the study and the steps involved in carrying out this assignment are summarized below:

- Identify all current and future water and wastewater system capital needs to assess the immediate and longer-term implications;
- Identify potential methods of cost recovery from the capital needs listing. These recovery methods may include other statutory authorities (e.g. *Development Charges Act, 1997* (D.C.A.), *Municipal Act*, etc.) as an offset to recovery through the water and wastewater rates;
- Identify existing operating costs by component and estimate future operating costs over the next 10 years. This assessment identifies fixed and variable costs in order to project those costs sensitive to changes to the existing infrastructure inventory, as well as costs which may increase commensurate with growth; and
- Provide staff and Council the findings to assist in gaining approval of the rates for 2026 and future years.

1.3 Regulatory Changes in Ontario

Resulting from the water crisis in Walkerton, significant regulatory changes have been made in Ontario. These changes arise as a result of the Walkerton Commission and the 93 recommendations made by the Walkerton Inquiry Part II report. Areas of recommendation include:

- watershed management and source protection;
- quality management;
- preventative maintenance;
- research and development;
- new performance standards;
- sustainable asset management; and



- lifecycle costing.

The legislation which would have most impacted municipal water and wastewater rates was the *Sustainable Water and Sewage Systems Act* (S.W.S.S.A.) which would have required municipalities to implement **full cost pricing**. The legislation was enacted in 2002, however, it had not been implemented pending the approval of its regulations. The Act was repealed as of January 1, 2013. It is expected that the provisions of the *Water Opportunities Act* will implement the fundamental requirements of S.W.S.S.A. Furthermore, on December 27, 2017, O. Reg. 588/17 was released under the *Infrastructure for Jobs and Prosperity Act, 2015* (I.J.P.A.), which outlines the requirements for asset management for municipalities. The results of the asset management review under this Act will need to be considered in light of the recent investments undertaken by the Township and the capital spending plan provided herein. The following sections describe these various resulting changes.

1.4 Sustainable Water and Sewage Systems Act

As noted earlier, the S.W.S.S.A. was passed on December 13, 2002. The intent of the Act was to introduce the requirement for municipalities to undertake an assessment of the “full cost” of providing their water and wastewater services. It is noted, however, that this Act has been repealed. To provide broader context and understanding to other legislation discussed herein, a description of the Act is provided below.

Full costs for water service was defined in subsection 3(7) of the Act and included “...source protection costs, operating costs, financing costs, renewal and replacement costs and improvement costs associated with extracting, treating or distributing water to the public and such other costs which may be specified by regulation.” Similar provisions were made for wastewater services in subsection 4(7) with respect to “...collecting, treating or discharging wastewater.”

The Act would have required the preparation of two reports for submission to the Ministry of the Environment (or such other member of the Executive Council as may be assigned the administration of this Act under the *Executive Council Act*). The first report was on the “full cost of services” and the second was the “cost recovery plan.” Once these reports were reviewed and approved by the Ministry, the municipality would have been required to implement the plans within a specified time period.



In regard to the **full cost of services** report, the municipality (deemed a regulated entity under the Act) would prepare and approve a report concerning the provision of water and sewage services. This report was to include an inventory of the infrastructure, a management plan providing for the long-term integrity of the systems, and would address the full cost of providing the services (other matters may be specified by the regulations) along with the revenue obtained to provide them. A professional engineer would certify the inventory and management plan portion of the report. The municipality's auditor would be required to provide a written opinion on the report. The report was to be approved by the municipality and then be forwarded to the Ministry along with the engineer's certification and the auditor's opinion. The regulations would stipulate the timing for this report.

The second report was referred to as a **cost recovery plan** and would address how the municipality intended to pay for the full costs of providing the service. The regulations were to specify limitations on what sources of revenue the municipality may use. The regulations may have also provided limits as to the level of increases any customer or class of customer may experience over any period of time. Provision was made for the municipality to implement increases above these limits; however, ministerial approval would be required first. Similar to the first report, the municipal auditor would provide a written opinion on the report prior to Council's adoption, and this opinion must accompany the report when submitted to the Province.

The Act provided the Minister the power to approve or not approve the plans. If the Minister was not satisfied with the report or if a municipality did not submit a plan, the Minister may have a plan prepared. The cost to the Crown for preparing the plan would be recovered from the municipality. As well, the Minister may direct two or more regulated municipalities to prepare a joint plan. This joint plan may be directed at the onset or be directed by the Minister after receiving the individual plans from the municipalities.

The Minister also had the power to order a municipality to generate revenue from a specific revenue source or in a specified manner. The Minister may have also ordered a regulated entity to do or refrain from doing such things as the Minister considered advisable to ensure that the entity pays the full cost of providing the services to the public.



Once the plans were approved and in place, the municipality would be required to submit progress reports. The timing of these reports and the information to be contained therein would be established by the regulations. A municipal auditor's opinion must be provided with the progress report. Municipalities would also revise the plans if they deem the estimate does not reflect the full cost of providing the services, as a result of a change in circumstances, regulatory or other changes that affect their plan, etc. The municipality would then revise its prior plan, provide an auditor's opinion, and submit the plan to the Minister.

1.5 Financial Plans Regulation

On August 16, 2007, the M.O.E. passed O.Reg 453/07 which requires the preparation of financial plans for water (and wastewater) systems. The M.O.E. has also provided a Financial Plan Guidance Document to assist in preparing the plans. A brief summary of the key elements of the regulation is provided below:

- The financial plan will represent one of the key elements for the municipality to obtain its Drinking Water Licence;
- The financial plans shall be for a period of at least six years, but longer planning horizons are encouraged;
- As the regulation is under the *Safe Drinking Water Act, 2002*, the preparation of the plan is mandatory for water and encouraged for wastewater;
- The plan is considered a living document (i.e. will be updated as annual budgets are prepared) but will need to be undertaken, at a minimum, every five years;
- The plans generally require the forecasting of capital, operating and reserve fund positions, providing detailed inventories, forecasting future users and volume usage and corresponding calculation of rates. In addition, P.S.A.B. information on the system must be provided for each year of the forecast (i.e. total non-financial assets, tangible capital asset acquisitions, tangible capital asset construction, betterments, write-downs, disposals, total liabilities and net debt);
- The financial plans must be made available to the public (at no charge) upon request and be available on the municipality's website. The availability of this information must also be advertised; and
- The financial plans are to be approved by Resolution of the Council or governing body indicating that the drinking water system is financially viable.



In general, the financial principles of the draft regulations follow the intent of S.W.S.S.A. to move municipalities towards financial sustainability. Many of the prescriptive requirements, however, have been removed (e.g. preparation of two separate documents for provincial approval, auditor opinions, engineer certifications, etc.).

A Guideline (“Towards Financially Sustainable Drinking Shores – Water and Wastewater Systems”) had been developed to assist municipalities in understanding the Province’s direction and provided a detailed discussion on possible approaches to sustainability. The Province’s Principles of Financially Sustainable Water and Wastewater Services are provided below:

Principle #1: Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.

Principle #2: An integrated approach to planning among water, wastewater, and stormwater systems is desirable given the inherent relationship among these services.

Principle #3: Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.

Principle #4: Lifecycle planning with mid-course corrections is preferable to planning over the short term, or not planning at all.

Principle #5: An asset management plan is a key input to the development of a financial plan.

Principle #6: A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.

Principle #7: Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.

Principle #8: Financial plans are “living” documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.



Principle #9: Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal Council.

1.6 Water Opportunities Act, 2010

As noted earlier, since the passage of the *Safe Drinking Water Act, 2002*, continuing changes and refinements to the legislation have been introduced. Some of these Bills have found their way into law, while others have not been approved. Bill 72, the *Water Opportunities Act, 2010*, was introduced into legislation on May 18, 2010 and received Royal Assent on November 29, 2010.

The Act provides for the following elements:

- The fostering of innovative water, wastewater and stormwater technologies, services and practices in the private and public sectors;
- Preparation of water conservation plans to achieve water conservation targets established by the regulations; and
- Preparation of sustainability plans for municipal water services, municipal wastewater services and municipal stormwater services.

With regard to the sustainability plans:

- The Act extends from the water financial plans and requires a more detailed review of the water financial plan and requires a full plan for wastewater and stormwater services; and
- Regulations will provide performance targets for each service – these targets may vary based on the jurisdiction of the regulated entity or the class of entity.

The financial plan shall include:

- An asset management plan for the physical infrastructure;
- A financial plan;
- For water, a water conservation plan;
- An assessment of risks that may interfere with the future delivery of the municipal service, including, if required by the regulations, the risks posed by climate change and a plan to deal with those risks; and



- Strategies for maintaining and improving the municipal service, including strategies to ensure the municipal service can satisfy future demand, consider technologies, services and practices that promote the efficient use of water and reduce negative impacts on Ontario's water resources, and increase co-operation with other municipal service providers.

Performance indicators will be established by service, with the following considerations:

- May relate to the financing, operation or maintenance of a municipal service or to any other matter in respect of what information may be required to be included in a plan;
- May be different for different municipal service providers or for municipal services in different areas of the Province.

Regulations will prescribe:

- Timing;
- Contents of the plans;
- Which identified portions of the plan will require certification;
- Public consultation process; and
- Limitations, updates, refinements, etc.

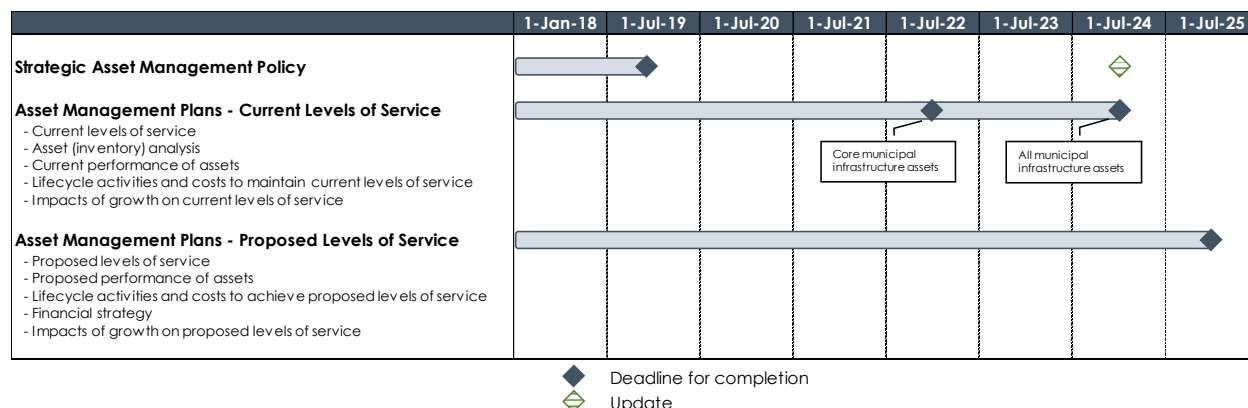
As noted earlier, it is expected that this Act will implement the principles of the S.W.S.S.A. once all regulations are put in place.

1.7 Infrastructure for Jobs and Prosperity Act, 2015 (I.J.P.A.)

On June 4, 2015, the Province of Ontario passed the I.J.P.A. which, over time, will require municipalities to undertake and implement asset management plans for all infrastructure they own. On December 27, 2017, the Province released Ontario Regulation 588/17 under the I.J.P.A. which has three phases that municipalities must meet:



Figure 1-1
Legislative Timelines set out by the Jobs and Prosperity Act
Legislation related to Asset Management Plans



Note: on March 15, 2021, the Province filed Regulation 193/21 to extend all of the timelines of Regulation 588/17 by one year (reflected in the table above).

Every municipality in Ontario was required to prepare a strategic asset management policy by July 1, 2019. Municipalities will be required to review their strategic asset management policies at least every five years and make updates as necessary. The subsequent phases are as follows:

- Phase 1 – Asset Management Plan (by July 1, 2022):
 - For core assets, municipalities must have the following:
 - Inventory of assets;
 - Current levels of service measured by standard metrics; and
 - Costs to maintain levels of service.
- Phase 2 – Asset Management Plan (by July 1, 2024):
 - Same steps as Phase 1 but for all assets.
- Phase 3 – Asset Management Plan (by July 1, 2025):
 - Builds on Phase 1 and 2 by adding:
 - Proposed levels of service; and
 - Lifecycle management and financial strategy.

In relation to water and wastewater (which is considered a core asset), municipalities will need to have an asset management plan that addresses the related infrastructure



by July 1, 2022 (Phase 1). O.Reg. 588/17 specifies that the municipality's asset management plan must include the following for each asset category:

- The current levels of service being provided, determined in accordance with the following qualitative descriptions and technical metrics and based on data from at most the two calendar years prior to the year in which all information required under this section is included in the asset management plan;
- The current performance of each asset category, including:
 - a summary of the assets in the category;
 - the replacement cost of the assets in the category;
 - the average age of the assets in the category, determined by assessing the average age of the components of the assets;
 - the information available on the condition of the assets in the category;
 - a description of the municipality's approach to assessing the condition of the assets in the category, based on recognized and generally accepted good engineering practices where appropriate; and
- The lifecycle activities that would need to be undertaken to maintain the current levels of service.

1.8 Forecast Growth and Servicing Requirements

The Township of Cavan Monaghan services 984 metered water customers and 973 wastewater customers. Information on the existing number of customers and existing billable water and wastewater volumes was obtained from the Township.

For forecasting future water volumes, an average volume per customer amount of 150 cubic metre (cu.m) has been assumed for new water customers. This conservative assumption was based on a review of historical water consumption per residential customer. For forecasting future billable wastewater volumes, an average per residential customer of 150 cu.m has been used as wastewater charges are based on metered water volumes.

For future water and wastewater customers to be added to the systems, consideration has been given to development potential within the serviced areas of the Township over the forecast period. The forecast assumes the addition of 839 water and wastewater customers over the forecast period, for an average of 49 customers per year in the first



half of the forecast and an average of 99 customers per year in the later half of the forecast.

Table 1-2 provides for the forecast of water users and volumes, while Table 1-3 provides the forecast of wastewater users and volumes for Cavan Monaghan.



Table 1-2
Township of Cavan Monaghan
2025 to 2035 Water System Forecast

Water Users Forecast

Year	Total Users	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2025	49	25	49	49	49	49	49	49	49	49	49	49
2026	49		25	49	49	49	49	49	49	49	49	49
2027	50			25	50	50	50	50	50	50	50	50
2028	49				25	49	49	49	49	49	49	49
2029	98					49	98	98	98	98	98	98
2030	99						50	99	99	99	99	99
2031	98							49	98	98	98	98
2032	98								49	98	98	98
2033	99									50	99	99
2034	98										49	98
2035	99											50
Total	888	25	74	123	173	246	346	444	542	641	739	839
m ³ /user	150	150	150	150	150	150	150	150	150	150	150	150
Annual Flow		3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790

Water Customer Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	984	984	984	984	984	984	984	984	984	984	984
New - Growth	25	74	123	173	246	346	444	542	641	739	839
Total	1,009	1,058	1,107	1,157	1,230	1,330	1,428	1,526	1,625	1,723	1,823

Water Volume Forecast (m ³)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook											
Existing	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640	169,640
Bulk Water	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187	13,187
New - Growth	3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790
Total	186,577	193,942	201,307	208,822	219,787	234,667	249,397	264,127	279,007	293,737	308,617



Table 1-3
Township of Cavan Monaghan
2025 to 2035 Wastewater System Forecast

Wastewater Users Forecast

Year	Total Users	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2025	49	25	49	49	49	49	49	49	49	49	49	49
2026	49		25	49	49	49	49	49	49	49	49	49
2027	50			25	50	50	50	50	50	50	50	50
2028	49				25	49	49	49	49	49	49	49
2029	98					49	98	98	98	98	98	98
2030	99						50	99	99	99	99	99
2031	98							49	98	98	98	98
2032	98								49	98	98	98
2033	99									50	99	99
2034	98										49	98
2035	99											50
Total	888	25	74	123	173	246	346	444	542	641	739	839
m ³ /user	150	150	150	150	150	150	150	150	150	150	150	150
Annual Flow		3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790

Wastewater Customer Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	973	973	973	973	973	973	973	973	973	973	973
New - Growth	25	74	123	173	246	346	444	542	641	739	839
Total	998	1,047	1,096	1,146	1,219	1,319	1,417	1,515	1,614	1,712	1,812

Wastewater Flows Forecast (m ³)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook											
Existing	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606	155,606
New - Growth	3,750	11,115	18,480	25,995	36,960	51,840	66,570	81,300	96,180	110,910	125,790
Total	159,356	166,721	174,086	181,601	192,566	207,446	222,176	236,906	251,786	266,516	281,396



Chapter 2

Capital Infrastructure Needs



2. Capital Infrastructure Needs

2.1 Capital Forecast

Capital forecasts have been provided for the water and wastewater systems and are presented on Tables 2-1 and 2-2 (note: the costs are provided in inflated dollars based on 2025 values). The basis for these forecasts is the Township's water and wastewater Capital Budget, and capital infrastructure replacement needs based on recommendations from the Township's 2025 Asset Management Plan and Master Servicing Study.

A summary of the capital works related to the water and wastewater services is provided on the following tables. Table 2-1 presents the water capital forecast summary, and Table 2-2 presents the wastewater capital forecast summary.



Table 2-1
Township of Cavan Monaghan
2026 to 2035 Water Capital Forecast Summary (Inflated \$)

Description	Total 2026 to 2035	Years Undertaken
Capital Expenditures		
Watermain Replacement - Anne Street	482,000	2026-2027
Watermain Replacement - Bank Street North	228,000	2029
Watermain Replacement - Bank Street South	174,000	2030
Watermain Replacement - Cavan Street	306,000	2026
Watermain Replacement - Centre Street	490,000	2029
Watermain Replacement - Distillery Street	172,000	2027
Watermain Replacement - Frederick Street	452,000	2026
Watermain Replacement - Gravel Road	211,000	2027
Watermain Replacement - Hunter Street	150,000	2030
Watermain Replacement - Huston Street	252,000	2030
Watermain Replacement - King Street	803,000	2028
Watermain Replacement - Needler's Lane	171,000	2027
Watermain Replacement - Prince Street	106,000	2027
Watermain Replacement - Princess Street	119,000	2027
Watermain Replacement - Turner Street	153,000	2030
Watermain Replacement - Union Street	191,000	2029
Watermain Replacement - Queen Street	128,000	2030
Watermain Replacement - Wing Street	90,000	2030
Studies:		
Water Servicing Study - Future Development Areas	110,000	2029
Rates Study	35,000	2030, 2035
Growth Related:		
Duke Street from King Street Southwards	156,000	2026
Second Booster Pumping Station Design	200,000	2026
Second Booster Pumping Station Construction	820,000	2026
Second Water Storage Facility Design	408,000	2026
Second Water Storage Facility Construction	9,493,000	2027
Land for storage facility	408,000	2026
Water Distribution Network Extension Design	516,000	2026-2027
Water Distribution Network Extension Construction	6,250,500	2028
Total	23,074,500	



Table 2-2
Township of Cavan Monaghan
2026 to 2035 Wastewater Capital Forecast Summary (Inflated \$)

Description	Total 2026 to 2035	Years Undertaken
Lifecycle:		
Provision for AMP Requirements	6,031,000	2026-2035
Studies:		
Rates Study	35,000	2030, 2035
Wastewater Servicing Studies - Future Development Areas	217,000	2030
Growth Related:		
Tupper St Pumping Station Upgrade Design	306,000	2026
Tupper St Pumping Station Upgrade Construction	2,289,000	2027
Tupper St Pumping Station Upgrade - Land	408,000	2026
Wastewater Treatment Plant Upgrade Investigation	204,000	2026
Wastewater Treatment Plant Upgrade Design	1,082,000	2029
Wastewater Treatment Plant Upgrade Construction	22,974,000	2032
Sanitary Sewer Trunk (East of County Road 10)	238,000	2028
I&I Solutions	1,436,000	2028-2032
Duke Street from King Street Southwards	333,000	2026
Coldbrook Drive Sanitary Sewer Oversizing	147,000	2026
New Sewage Pumping Station & Forcemain for northern employment land	11,296,000	2033
Total	46,996,000	



Chapter 3

Lifecycle Costing



3. Lifecycle Costing

3.1 Overview of Lifecycle Costing

3.1.1 Definition

For many years, lifecycle costing has been used in the field of maintenance engineering and to evaluate the advantages of using alternative materials in construction or production design. The method has gained wider acceptance and use in the areas of industrial decision-making and the management of physical assets.

By definition, lifecycle costs are all the costs which are incurred during the lifecycle of a physical asset, from the time its acquisition is first considered to the time it is taken out of service for disposal or redeployment. The stages which the asset goes through in its lifecycle are specification, design, manufacture (or build), install, commission, operate, maintain and disposal. Figure 3-1 depicts these stages in a schematic form.

3.1.2 Financing Costs

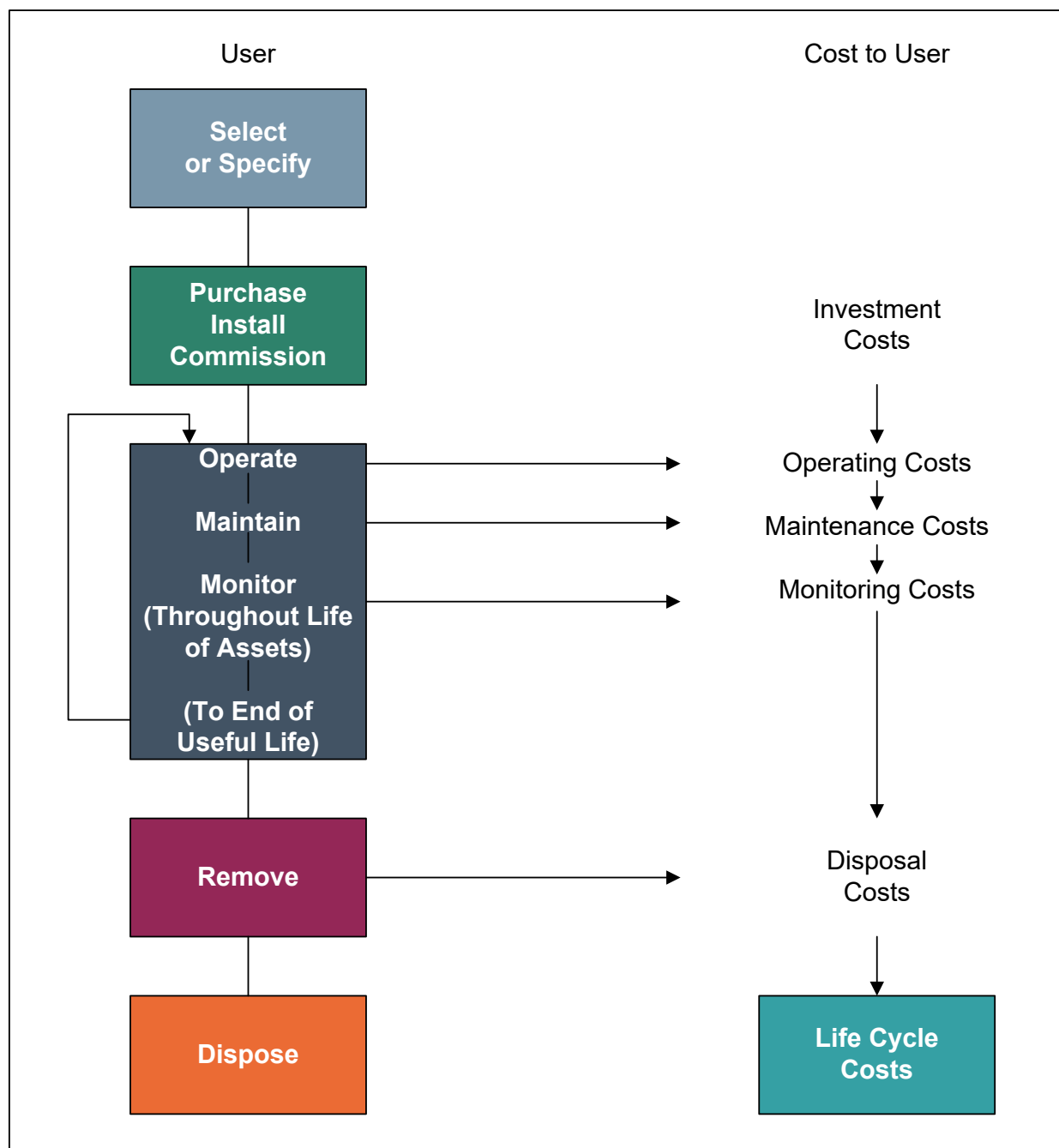
This section will focus on financing mechanisms in place to fund the costs incurred throughout the asset's life.

In a municipal context, services are provided to benefit tax/rate payers. Acquisition of assets is normally timed in relation to direct needs within the community. At times, economies of scale or technical efficiencies will lead to oversizing an asset to accommodate future growth within the Township. Over the past few decades, new financing techniques such as development charges have been employed based on the underlying principle of having tax/rate payers who benefit directly from the service paying for that service. Operating costs which reflect the cost of the service for that year are charged directly to all existing tax/rate payers who have received the benefit. Operating costs are normally charged through the tax base or user rates.

Capital expenditures are recouped through several methods, with operating budget contributions, development charges, reserves, developer contributions and debentures, being the most common.



Figure 3-1
Lifecycle Costing



New construction related to growth could produce development charges and developer contributions (e.g. works internal to a subdivision which are the responsibility of the developer to construct) to fund a significant portion of projects, where new assets are



being acquired to allow growth within the Township to continue. As well, debentures could be used to fund such works, with the debt charge carrying costs recouped from taxpayers in the future.

Capital construction to replace existing infrastructure, however, is largely not growth-related and will therefore not yield development charges or developer contributions to assist in financing these works. Hence, a municipality will be dependent upon debentures, reserves and contributions from the operating budget to fund these works.

Figure 3-2 depicts the costs of an asset from its initial conception through to replacement and then continues to follow the associated costs through to the next replacement.

As referred to earlier, growth-related financing methods such as development charges and developer contributions could be utilized to finance the growth-related component of the new asset. These revenues are collected (indirectly) from the new homeowner who benefits directly from the installation of this asset. Other financing methods may be used as well to finance the non-growth-related component of this project, such as reserves which have been collected from past tax/rate payers, operating budget contributions which are collected from existing tax/rate payers and debenturing which will be carried by future tax/rate payers. Ongoing costs for monitoring, operating and maintaining the asset will be charged annually to the existing tax/rate payer.

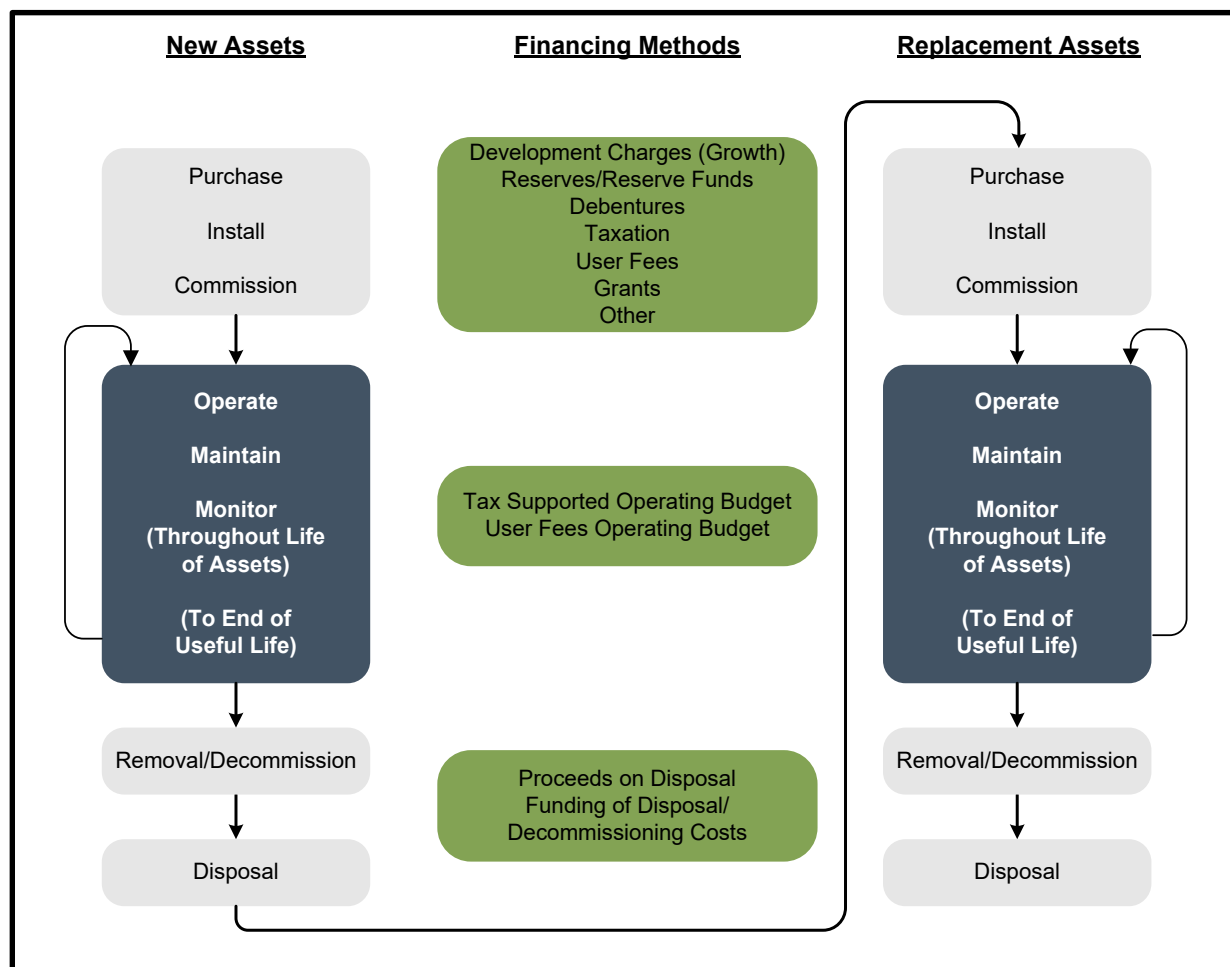
When the asset requires replacement, the sources of financing will be limited to reserves, debentures and contributions from the operating budget. At this point, the question is raised: "If the cost of replacement is to be assessed against the tax/rate payer who benefits from the replacement of the asset, should the past tax/rate payer pay for this cost or should future rate payers assume this cost?" If the position is taken that the past user has used up the asset, hence he should pay for the cost of replacement, then a charge should be assessed annually through the life of the asset, to have funds available to replace it when the time comes. If the position is taken that the future tax/rate payer should assume this cost, then debenturing and, possibly, a contribution from the operating budget should be used to fund this work.

Charging for the cost of using up an asset is the fundamental concept behind depreciation methods utilized by the private sector. This concept allows for expending the asset as it is used up in the production process. The tracking of these costs forms



part of the product's selling price and, hence, end-users are charged for the asset's depreciation. The same concept can be applied in a municipal setting to charge existing users for the asset's use and set those funds aside in a reserve to finance the cost of replacing the asset in the future.

Figure 3-2
Financing Lifecycle Costs



3.1.3 Costing Methods

There are two fundamental methods of calculating the cost of the usage of an asset and for the provision of the revenue required when the time comes to retire and replace it. The first method is the Depreciation Method. This method recognizes the reduction in the value of the asset through wear and tear and aging. There are two commonly used



forms of depreciation: the straight-line method and the reducing balance method (shown graphically in Figure 3-3).

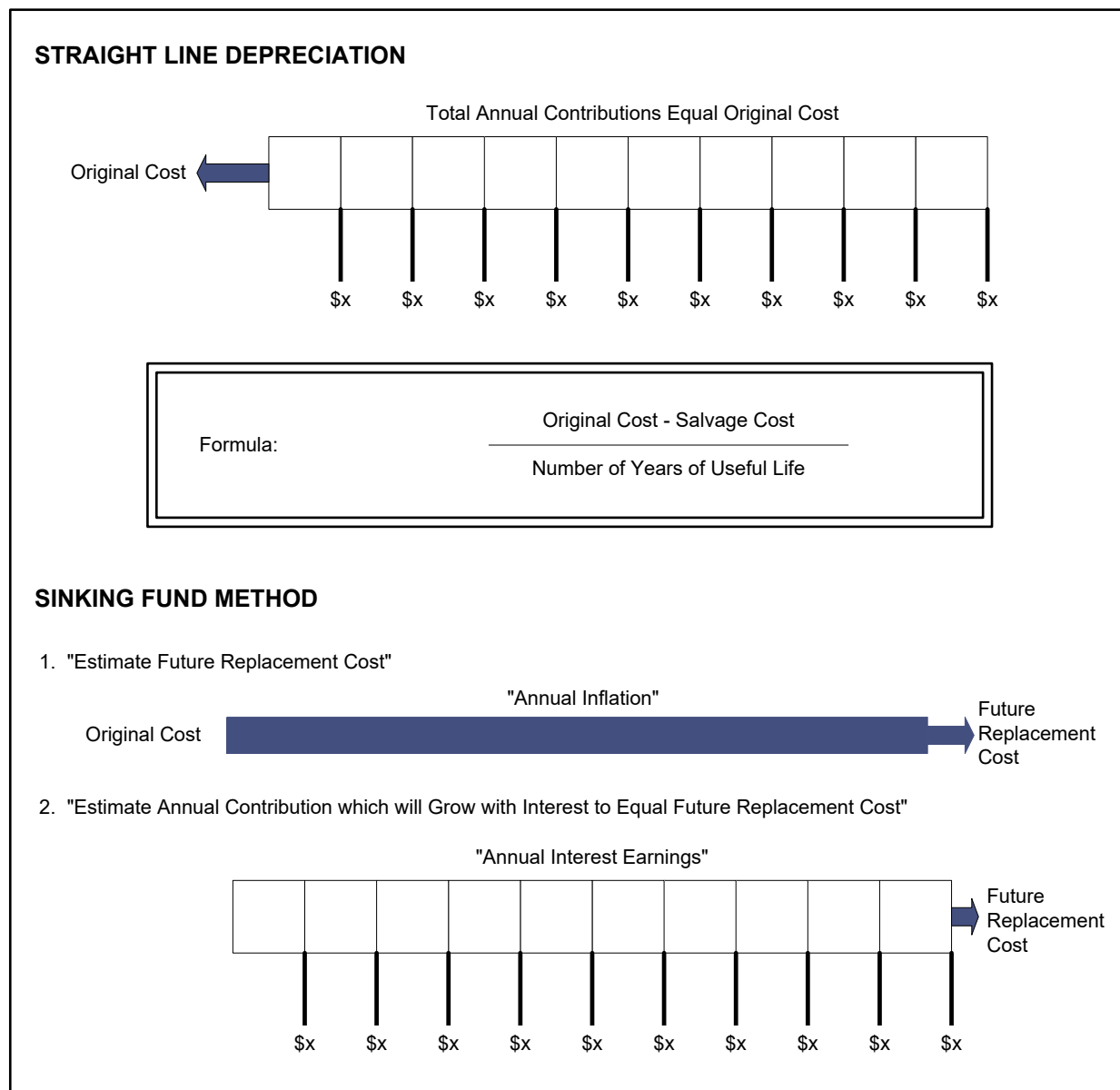
The straight-line method is calculated by taking the original cost of the asset, subtracting its estimated salvage value (estimated value of the asset at the time it is disposed of) and dividing this by the estimated number of years of useful life. The reducing balance method is calculated by utilizing a fixed percentage rate and this rate is applied annually to the undepreciated balance of the asset value.

The second method of lifecycle costing is the sinking fund method. This method first estimates the future value of the asset at the time of replacement. This is done by inflating the original cost of the asset at an assumed annual inflation rate. A calculation is then performed to determine annual contributions (equal or otherwise) which, when invested, will grow with interest to equal the future replacement cost.

The preferred method used herein for forecasting purposes is the sinking fund method of lifecycle costing.



Figure 3-3



3.2 Impact on Budgets

Detailed water and wastewater systems inventory information was obtained from the Township. The age of the water and wastewater systems dates back to the mid 1970s. Both systems have been expanded throughout the years. The Township's Asset Management Plan outlines the total replacement cost of the Township's water asset



inventory to be approximately \$26.79 million. The average annual level of investment recommended for lifecycle rehabilitation and replacement needs in the Township's Asset Management Plan is \$381,000.

The Township's Asset Management Plan outlines the total replacement cost of the Township's wastewater asset inventory to be approximately \$43.20 million. Given an average expected useful life of 80.25 years for wastewater infrastructure, the recommended average annual level of investment for lifecycle rehabilitation and replacement needs is \$540,000.

To integrate the asset management needs into the rate calculations, provisions for asset management requirements have been included in the capital forecast for water from 2026 to 2030 as part of the 5-year watermain replacement program and for wastewater from 2026 to 2035.



Chapter 4

Capital Cost Financing Options



4. Capital Cost Financing Options

4.1 Summary of Capital Cost Financing Alternatives

Historically, the powers that municipalities had to raise alternative revenues to taxation to fund capital services have been restrictive. Over the past decade, legislative reforms have been introduced. Some of these have expanded municipal powers (e.g. Bill 26 introduced in 1996 to provide for expanded powers for imposing fees and charges), while others appear to restrict them (e.g. Bill 98 in 1997 and Bill 23 in 2022 providing amendments to the D.C.A.).

The Province passed a new *Municipal Act* which came into force on January 1, 2003. Part XII of the Act and O.Reg. 584/06 govern a municipality's ability to impose fees and charges. In contrast to the previous *Municipal Act*, this Act provides municipalities with broadly defined powers and does not differentiate between fees for operating and capital purposes. It is anticipated that the powers to recover capital costs under the previous *Municipal Act* will continue within the new Statutes and Regulations, as indicated by s.9(2) and s.452 of the new *Municipal Act*.

Under s.484 of *Municipal Act, 2001*, the *Local Improvement Act* was repealed with the in-force date of the *Municipal Act* (January 1, 2003). The municipal powers granted under the *Local Improvement Act* now fall under the jurisdiction of the *Municipal Act*. To this end, on December 20, 2002, O.Reg. 390/02 was filed, which allowed for the *Local Improvement Act* to be deemed to remain in force until April 1, 2003. O.Reg. 119/03 was enacted on April 19, 2003, which restored many of the previous *Local Improvement Act* provisions; however, the authority is now provided under the *Municipal Act*.

The methods of capital cost recovery available to municipalities are provided as follows:

Recovery Methods	Section Reference
• <i>Development Charges Act, 1997</i>	4.2
• <i>Municipal Act</i> ○ Fees and Charges ○ Sewer and Water Area Charges ○ Connection Fees ○ Local Improvements	4.3



Recovery Methods	Section Reference
• Historical Grant Funding Availability	4.4
• Existing Reserves/Reserve Funds	4.5
• Debenture Financing	4.6
• Infrastructure Ontario	4.7

4.2 Development Charges Act, 1997

Development charges are a revenue tool used by municipalities to recover the capital costs associated with new development and redevelopment. These costs are in addition to what a developer/builder normally constructs as part of their subdivision (i.e. Local Services). Empowered by the *Development Charges Act, 1997*, municipalities may pass by-laws to impose charges to recover the capital costs associated with development and redevelopment.

The Township currently imposes Development Charges via by-law 2022-43 and is in the process of preparing a new background study and by-law. For projects that are growth-related, this rate study has identified Development Charges as the funding source based on the preliminary findings of the Development Charges Background Study process. The *Development Charges Act* includes a number of mandatory exemptions from the charges and as such, some level of funding from the water and wastewater rates will be required for financing the growth-related capital projects.

Since the inception of the revised *Development Charges Act*, in 1997, the province has expanded the number of mandatory exemptions and discounts required for new development. Should the mandatory exemptions and discounts continue to change with new legislation, the Township may need to reexamine timing of capital projects to ensure adequate funding is available.

4.3 Municipal Act

Part XII of the *Municipal Act* provides municipalities with broad powers to impose fees and charges via passage of a by-law. These powers, as presented in s.391(1), include imposing fees or charges:

- “for services or activities provided or done by or on behalf of it;



- for costs payable by it for services or activities provided or done by or on behalf of any other municipality or local board; and
- for the use of its property including property under its control.”

Restrictions are provided to ensure that the form of the charge is not akin to a poll tax. Any charges not paid under this authority may be added to the tax roll and collected in a like manner. The fees and charges imposed under this part are not appealable to the Ontario Land Tribunal (OLT) (formerly Local Planning Appeal Tribunal (LPAT), formerly O.M.B.).

Section 221 of the previous *Municipal Act* permitted municipalities to impose charges, by by-law, on owners or occupants of land who would or might derive benefit from the construction of sewage (storm and sanitary) or water works being authorized (in a specific benefit area). For a by-law imposed under this section of the previous Act:

- A variety of different means could be used to establish the rate and recovery of the costs and could be imposed by a number of methods at the discretion of Council (i.e. lot size, frontage, number of benefiting properties, etc.);
- Rates could be imposed with respect to costs of major capital works, even though an immediate benefit was not enjoyed;
- Non-abutting owners could be charged;
- Recovery was authorized against existing works, where a new water or sewer main was added to such works, "notwithstanding that the capital costs of existing works has in whole or in part been paid;"
- Charges on individual parcels could be deferred;
- Exemptions could be established;
- Repayment was secured; and
- OLT approval was not required.

While under the new *Municipal Act* no provisions are provided specific to the previous s.221, the intent to allow capital cost recovery through fees and charges is embraced within s.391. The new *Municipal Act* also maintains the ability of municipalities to impose capital charges for water and sewer services on landowners not receiving an immediate benefit from the works. Under s.391(2) of the Act, “a fee or charge imposed under subsection (1) for capital costs related to sewage or water services or activities may be imposed on persons not receiving an immediate benefit from the services or



activities but who will receive a benefit at some later point in time.” Also, capital charges imposed under s.391 are not appealable to the OLT on the grounds that the charges are “unfair or unjust.”

Section 222 of the previous *Municipal Act* permitted municipalities to pass a by-law requiring buildings to connect to the municipality's sewer and water systems, charging the owner for the cost of constructing services from the mains to the property line. Under the new *Municipal Act*, this power still exists under Part II, General Municipal Powers (s.9 (3) b of the *Municipal Act*). Enforcement and penalties for this use of power are contained in s.427 (1) of the *Municipal Act*.

Under the previous *Local Improvement Act*:

- A variety of different types of works could be undertaken, such as watermain, storm and sanitary sewer projects, supply of electrical light or power, bridge construction, sidewalks, road widening and paving;
- Council could pass a by-law for undertaking such work on petition of a majority of benefiting taxpayers, on a 2/3 vote of Council and on sanitary grounds, based on the recommendation of the Minister of Health. The by-law was required to go to the OLT, which might hold hearings and alter the by-law, particularly if there were objections;
- The entire cost of a work was assessed only upon the lots abutting directly on the work, according to the extent of their respective frontages, using an equal special rate per metre of frontage; and
- As noted, this Act was repealed as of April 1, 2003; however, O.Reg. 119/03 was enacted on April 19, 2003 which restores many of the previous *Local Improvement Act* provisions; however, the authority is now provided under the *Municipal Act*.

4.4 Historical and Current Grant Funding Availability

Phase 1 (April 1, 2016 to March 31, 2018)

Funding was provided by the Government of Canada to expressly help municipalities with repair and rehabilitation projects. Funding was mainly provided through the Clean Water and Wastewater Fund (C.W.W.F.) and Public Transit Infrastructure Fund (P.T.I.F.) in Federal Phase 1 projects. The C.W.W.F. was announced in Ontario on



September 15, 2016. The Fund was \$1.1 billion for water, wastewater, and storm water systems in Ontario. The federal government provided \$569 million and Ontario and municipal governments provided \$275 million each.

Over 1,300 water, wastewater, and storm water projects have been approved in Ontario through the C.W.W.F. In Ontario, P.T.I.F. accounted for nearly \$1.5 billion of the national total of \$3.4 billion. The program was allocated by ridership numbers from the Canadian Urban Transit Association. The Association of Municipalities of Ontario (A.M.O.) understands that \$1 billion of Ontario's share has been approved.

Phase 2: Next Steps

The federal government announced Phase 2 of its infrastructure funding plan with a total of \$180 billion spent over 11 years. In addition to the balance of funding for previous green, social, and public transit infrastructure funds (\$20 billion each, including Phase 1), the government added \$10.1 billion for trade and transportation infrastructure and \$2 billion for rural and northern communities.

In Phase 2, Ontario was eligible for \$11.8 billion including \$8.3 billion for transit, \$2.8 billion for green infrastructure, \$407 million for community, culture and recreation and \$250 million for rural and northern communities.

Canada Community-Building Fund

The Canada Community-Building Fund is a permanent source of funding provided up front, twice-a-year, to Provinces and Territories, who in turn flow this funding to their municipalities to support local infrastructure priorities. Municipalities can pool, bank and borrow against this funding, providing significant financial flexibility. Every year, the Canada Community-Building Fund provides over \$2 billion and supports approximately 2,500 projects in communities across Canada. Each municipality selects how best to direct the funds with the flexibility provided to make strategic investments across 18 different project categories, which include other water and wastewater servicing.

Ontario Government

The Province has taken steps to increase municipal infrastructure funding. The Ontario Community Infrastructure Fund (O.C.I.F.) was increased in 2016 with formula-based support growing to \$200 million, and application funding growing to \$100 million



annually by 2018/2019. As well, \$15 million annually will go to the new Connecting Links program to help pay for the construction and repair costs of municipal roads that connect communities to provincial highways. This is on top of the Building Ontario Up investment of \$130 billion in public infrastructure over 10 years starting in 2015.

Recently the Province announced funding through a new Ontario Infrastructure Bank. This new, arms-length, board-governed agency will assist investors and institutions to further participate in large-scale infrastructure projects. Ontario is providing \$825 million over three years towards the Housing-Enabling Water Systems Fund, which will help municipalities repair, rehabilitate and expand drinking water, wastewater and stormwater infrastructure needed to build more homes. The analysis herein includes \$12.91 million in Housing-Enabling Water Systems grant funding for water projects.

4.5 Existing Reserves/Reserve Funds

The Township has established reserves and reserve funds for water and wastewater costs. The following table summarizes the water and wastewater reserves utilized in this analysis and their respective estimated balances at December 31, 2024:

Table 4-1
Water and Wastewater Reserves and Reserve Funds
As of December 31, 2024

Reserve	Dec. 31 2024
Water	
Capital Reserve	1,731,340
Development Charges Reserve Fund	(619,050)
Wastewater	
Capital Reserve	1,803,400
Development Charges Reserve Fund	(643,758)

4.6 Debenture Financing

Although it is not a direct method of minimizing the overall cost to the ratepayer, debentures are used by municipalities to assist in cash flowing large capital expenditures.



The Ministry of Municipal Affairs regulates the level of debt incurred by Ontario municipalities, through its powers established under the *Municipal Act*. Ontario Regulation 403/02 provides the current rules respecting municipal debt and financial obligations. Through the rules established under these regulations, a municipality's debt capacity is capped at a level where no more than 25% of the municipality's own purpose revenue may be allotted for servicing the debt (i.e. debt charges). The Township of Cavan Monaghan's calculation on Debt Capacity is shown on Schedule 81 of the Township's most recent Financial Information Return (F.I.R.). This calculates to the Township's estimated annual repayment limit of approximately \$3.71 million. Based upon 20-year financing at an assumed rate of 4%, the available debt for the Township is approximately \$50.45 million.

The Township's current external debt issuances for water and wastewater are set out in By-laws 2017-81 through 2017-83, with total annual debenture payments of \$506,102. These debt payments will continue over the 10-year forecast period.

The rate calculations assume future debt issuances totaling approximately \$40.5M. Based on the Township's current own revenues and existing debt payments, issuance of debt in this amount would result in the debt payments equaling just over 20% of the Township's own revenues. The Township should reevaluate the need for debt financing in subsequent rate studies and consider the need for debt for all Township services.

4.7 Infrastructure Ontario

Infrastructure Ontario (I.O.) is an arms-length crown corporation, which supports the Ontario government's goals of modernizing and maximizing the value of public infrastructure. Its lending program was established as a tool to offer low-cost and longer-term financing to assist municipalities in modernizing and renewing their infrastructure. I.O. combines the infrastructure renewal needs of municipalities into an infrastructure investment "pool." I.O. will raise investment capital to finance loans to the public sector by selling Infrastructure Renewal Bonds to individual and institutional investors.

I.O. provides access to infrastructure capital that would not otherwise be available to smaller borrowers. Larger borrowers receive longer loan terms than they could get in the financial markets. They can also save on costs such as legal fees and underwriting



commissions. Under the I.O. approach, all borrowers receive the same low interest rate. I.O. will enter into a financial agreement with each municipality, subject to technical and credit reviews, for a loan up to the maximum amount of the loan request.

To be eligible to receive these loans, municipalities must submit a formal application along with pertinent financial information. Allotments are prioritized and distributed based upon the Province's assessment of need.

4.7.1 Housing-Enabling Water Infrastructure Lending Stream

On November 28, 2024, the Province and I.O. announced the Housing-Enabling Water Infrastructure (H.E.W.I.) lending stream. This lending stream will provide up to \$1.0 billion in loans to municipalities for projects to construct, expand, and rehabilitate drinking water, wastewater, and stormwater infrastructure to enable new housing development. Eligible projects under this stream include:

- Potable Water Assets: Treatment plants, reservoirs, local pipes, distribution system watermains, municipal service lines, and pump stations.
- Wastewater Assets: Lagoon systems, pump stations, lift stations, linear assets, treatment plants, storage tanks, and collection systems.
- Stormwater Assets: Management facilities and linear assets such as conveyance piping, ditches, and culverts.

Key features of this lending stream include lower interest rates, the option to defer interest payments during the construction phase of a project, and extended amortization periods (up to 40 years). Additionally, municipalities have the flexibility to issue multiple debentures in sequence over the 40-year period (i.e., split terms during debentures) and to pay down the principal between sequential debentures. This program started accepting applications on December 2, 2024, and is being administered on a “first-come-first-served” basis until the maximum program amount is reached.

4.8 Recommended Capital Financing Approach

Of the various funding alternatives provided in this section, the following are recommended for further consideration by the Township of Cavan Monaghan for the capital expenditures (inflated) provided in Chapter 2:



Table 4-2
Township of Cavan Monaghan
2026 to 2035 Capital Forecasting Financing Sources
Inflated \$

Description	Water	Wastewater
<u>Capital Financing</u>		
Provincial/Federal Grants	12,911,875	-
Development Charges Reserve Fund	1,040,636	4,445,000
Non-Growth Related Debenture Requirements	-	-
Growth Related Debenture Requirements	4,408,989	36,126,000
Operating Contributions	-	-
Water Reserve	4,713,000	-
Wastewater Reserve	-	6,425,000
Total Capital Financing	23,074,500	46,996,000

Tables 4-3 and 4-4 provide for the full capital expenditure and funding programs by year for water and wastewater, respectively.



Table 4-3
Township of Cavan Monaghan
Capital Budget Forecast – Water (inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	482,000	147,000	335,000	-	-	-	-	-	-	-	-
Watermain Replacement - Bank Street North	-	228,000	-	-	-	228,000	-	-	-	-	-	-
Watermain Replacement - Bank Street South	-	174,000	-	-	-	-	174,000	-	-	-	-	-
Watermain Replacement - Cavan Street	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Centre Street	-	490,000	-	-	-	490,000	-	-	-	-	-	-
Watermain Replacement - Distillery Street	-	172,000	-	172,000	-	-	-	-	-	-	-	-
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-	-	-	-	-	-
Watermain Replacement - Frederick Street	-	452,000	452,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Gravel Road	-	211,000	-	-	211,000	-	-	-	-	-	-	-
Watermain Replacement - Hunter Street	-	150,000	-	-	-	-	150,000	-	-	-	-	-
Watermain Replacement - Huston Street	-	252,000	-	-	-	-	252,000	-	-	-	-	-
Watermain Replacement - King Street	-	803,000	-	-	803,000	-	-	-	-	-	-	-
Watermain Replacement - Needler's Lane	-	171,000	-	171,000	-	-	-	-	-	-	-	-
Watermain Replacement - Prince Street	-	106,000	-	106,000	-	-	-	-	-	-	-	-
Watermain Replacement - Princess Street	-	119,000	-	119,000	-	-	-	-	-	-	-	-
Watermain Replacement - Turner Street	-	153,000	-	-	-	-	153,000	-	-	-	-	-
Watermain Replacement - Union Street	-	191,000	-	-	-	191,000	-	-	-	-	-	-
Watermain Replacement - Queen Street	-	128,000	-	-	-	-	128,000	-	-	-	-	-
Watermain Replacement - Wing Street	-	90,000	-	-	-	-	90,000	-	-	-	-	-
Water Meter Replacement Program	20,000	-	-	-	-	-	-	-	-	-	-	-
Bulk Water Station Upgrades	60,000	-	-	-	-	-	-	-	-	-	-	-
Water Tower Lighting	3,000	-	-	-	-	-	-	-	-	-	-	-
Booster Station Fence	25,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
PSD CityWide Maintenance Manager	50,000	-	-	-	-	-	-	-	-	-	-	-
Studies:												
Water Servicing Study - Future Development Areas	-	110,000	-	-	-	110,000	-	-	-	-	-	-
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000



Table 4-3 (Cont'd)
Township of Cavan Monaghan
Capital Budget Forecast – Water (inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-	-	-	-	-	-	-	-	-	-	-
Booster Station Pump Upgrade	50,000	-	-	-	-	-	-	-	-	-	-	-
Duke Street from King Street Southwards	-	156,000	156,000	-	-	-	-	-	-	-	-	-
Advanced Metering Infrastructure Software	140,000	-	-	-	-	-	-	-	-	-	-	-
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-	-	-	-	-	-	-	-	-	-	-
Class EA Study - Second Water Storage Facility	129,000	-	-	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Design	-	200,000	200,000	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Construction	-	820,000	820,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Design	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Construction	-	9,493,000	-	9,493,000	-	-	-	-	-	-	-	-
Land for storage facility	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Water Distribution Network Extension Design	-	516,000	204,000	312,000	-	-	-	-	-	-	-	-
Water Distribution Network Extension Construction	-	6,250,500	-	-	6,250,500	-	-	-	-	-	-	-
Total Capital Expenditures	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000
Capital Financing												
Provincial/Federal Grants		12,911,875	1,265,364	5,396,011	6,250,500							
CBBF Funding		-										
Development Charges Reserve Fund	469,000	1,040,636	930,636	-	-	110,000	-	-	-	-	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	4,408,989	-	4,408,989	-	-	-	-	-	-	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Water Reserve	398,245	4,713,000	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Total Capital Financing	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000



Table 4-4
Township of Cavan Monaghan
Capital Budget Forecast – Wastewater (inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Sewer System Relining	49,295	-	-	-	-	-	-	-	-	-	-	-
Wet Well Upgrade	40,000	-	-	-	-	-	-	-	-	-	-	-
Sand Filter Replacement	25,000	-	-	-	-	-	-	-	-	-	-	-
Sanitary lateral Replacement - Frederick St	100,000	-	-	-	-	-	-	-	-	-	-	-
Collection System Maintenance	50,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Flow Monitoring	50,000	-	-	-	-	-	-	-	-	-	-	-
Sump Pump Program	50,000	-	-	-	-	-	-	-	-	-	-	-
Replacement Portable Generator	100,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
Lifecycle:												
Provision for AMP Requirements	-	6,031,000	551,000	562,000	573,000	585,000	596,000	608,000	620,000	633,000	645,000	658,000
Studies:												
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000
DC Updates	15,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Needs Study	20,000	-	-	-	-	-	-	-	-	-	-	-
Wastewater Servicing Studies - Future Development Areas	-	217,000	-	-	-	-	217,000	-	-	-	-	-
Growth Related:												
Tupper St Pumping Station Upgrade Design	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade Construction	-	2,289,000	-	2,289,000	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade - Land	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Investigation	-	204,000	204,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Design	-	1,082,000	-	-	-	1,082,000	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Construction	-	22,974,000	-	-	-	-	-	-	22,974,000	-	-	-
Sanitary Sewer Trunk (East of County Road 10)	-	238,000	-	-	238,000	-	-	-	-	-	-	-
I&I Solutions	-	1,436,000	-	-	276,000	281,000	287,000	293,000	299,000	-	-	-
Duke Street from King Street Southwards	-	333,000	333,000	-	-	-	-	-	-	-	-	-
Coldbrook Drive Sanitary Sewer Oversizing	-	147,000	147,000	-	-	-	-	-	-	-	-	-
New Sewage Pumping Station & Forcemain for northern employment land	-	11,296,000	-	-	-	-	-	-	-	11,296,000	-	-
Total Capital Expenditures	569,295	46,996,000	1,949,000	2,851,000	1,087,000	1,948,000	1,117,000	901,000	23,893,000	11,929,000	645,000	676,000
Capital Financing												
Provincial/Federal Grants	-	-	-	-	-	-	-	-	-	-	-	-
Development Charges Reserve Fund	15,000	4,445,000	1,398,000	-	445,000	1,292,750	432,250	219,750	224,250	433,000	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	36,126,000	-	2,289,000	-	-	-	-	22,974,000	10,863,000	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Wastewater Reserve	554,295	6,425,000	551,000	562,000	642,000	655,250	684,750	681,250	694,750	633,000	645,000	676,000
Total Capital Financing	569,295	46,996,000	1,949,000	2,851,000	1,087,000	1,948,000	1,117,000	901,000	23,893,000	11,929,000	645,000	676,000



Chapter 5

Overview of Expenditures and Revenues



5. Overview of Expenditures and Revenues

5.1 Water Operating Expenditures

In this report, the forecast water budget figures (2026 to 2035) are based on the 2025 operating budgets. The operating expenditures have been provided by staff. Generally, they have been adjusted over the forecast period by an annual inflationary factor of 2.0%, however, in certain instances, staff have provided variations in the costs based on a direct review of each item. Any contributions to reserve funds and existing and future debenture payments have been included.

5.2 Water Operating Revenues

The Township has base charges and miscellaneous revenue sources to help contribute towards operating expenditures. These miscellaneous revenues, including meter installation charges, rents, payment penalties, and user fees and service charges have been assumed to increase at a rate of 2.0% annually. In addition, the Township has identified an internal loan of \$600,000 from the sale of municipal properties in 2026 to assist with expenditures related to water. This loan is expected to be repaid over a 5-year term, beginning in 2031. Table 5-1 provides for the operating budget for the water system.



Table 5-1
Township of Cavan Monaghan
Operating Budget Forecast – Water (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Water Administration											
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Millbrook Water - Distribution System											
Contracted Services	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydrant Maintenance	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	3,045	3,091	3,137	3,184	3,232	3,300	3,370	3,440	3,510	3,580	3,650
Millbrook Water - Treatment & Supply											
Audit Fees/Accreditation	-	2,500	2,550	2,601	3,184	3,200	3,300	3,400	3,500	3,600	3,700
Treatment Chemicals (Chlorine)	-	8,160	8,323	12,734	13,855	14,500	15,200	16,000	16,800	17,600	18,500
Operator Contract	145,989	-	-	-	-	-	-	-	-	-	-
Contracted Services	3,553	3,606	3,660	5,572	6,033	6,200	6,300	6,400	6,500	6,600	6,700
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Hydro	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Millbrook Water - Standpipe Tower											
Contracted Services	4,060	4,121	4,183	4,245	4,309	4,400	4,500	4,600	4,700	4,800	4,900
Phone	1,218	1,236	1,255	1,274	1,293	1,320	1,350	1,380	1,410	1,440	1,470
Managed Router/VDSL	1,001	1,016	1,031	1,046	1,062	1,080	1,100	1,120	1,140	1,160	1,180
Hydro	3,248	3,297	3,346	3,396	3,447	3,600	3,800	4,000	4,200	4,400	4,600
Property Taxes	3,162	3,162	3,225	3,290	3,339	3,400	3,500	3,600	3,700	3,800	3,900



Table 5-1 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast – Water (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Booster Pumping Station											
Contracted Services	5,075	5,151	5,228	5,307	5,386	5,500	5,600	5,700	5,800	5,900	6,000
Phone	1,051	1,067	1,083	1,099	1,115	1,140	1,160	1,180	1,200	1,220	1,240
Managed Router/VDSL	584	592	601	610	619	630	640	650	660	670	680
Hydro	12,180	12,363	12,548	12,736	12,927	13,600	14,300	15,000	15,800	16,600	17,400
Property Taxes	2,856	2,913	2,971	3,031	3,076	3,100	3,200	3,300	3,400	3,500	3,600
Water Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Bulk Water Sale											
Contracted Services	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	508	515	523	531	539	550	560	570	580	590	600
Interdepart Charge WWW	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydro	2,132	2,163	2,196	2,229	2,262	2,380	2,500	2,630	2,760	2,900	3,050
Other											
Internal Loan Payback	-	-	-	-	-	-	136,851	136,851	136,851	136,851	136,851
Sub Total Operating	451,595	477,481	485,335	499,432	509,425	521,047	670,061	682,484	695,178	708,112	721,507
Capital-Related											
Existing Debt (Principal) - Growth Related	48,265	49,808	51,399	53,042	54,737	56,486	58,292	60,155	62,077	64,061	66,108
Existing Debt (Interest) - Growth Related	23,343	21,801	20,209	18,566	16,871	15,122	13,317	11,454	9,531	7,547	5,500
New Growth Related Debt (Principal)	-	-	-	140,836	147,146	153,738	160,625	167,821	175,340	183,195	191,402
New Growth Related Debt (Interest)	-	-	-	197,523	191,213	184,621	177,734	170,538	163,019	155,164	146,957
Existing Debt (Principal) - Non-Growth Related	15,973	16,513	17,071	17,648	18,245	18,862	19,500	20,159	20,841	21,545	22,274
Existing Debt (Interest) - Non-Growth Related	17,826	16,904	16,333	16,151	15,554	14,937	14,299	13,640	12,958	12,253	11,525
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	448,730	1,090,931	548,434	602,724	682,587	788,852	762,541	878,542	1,000,942	1,128,262	1,265,260
Sub Total Capital Related	554,137	1,195,957	653,446	1,046,489	1,126,353	1,232,618	1,206,306	1,322,308	1,444,708	1,572,028	1,709,026
Total Expenditures	1,005,732	1,673,437	1,138,781	1,545,921	1,635,777	1,753,665	1,876,367	2,004,792	2,139,886	2,280,140	2,430,533



Table 5-1 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast – Water (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	473,203	508,442	545,370	584,511	636,281	703,221	773,108	846,555	924,240	1,005,282	1,090,913
Water Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Water Revenue											
WWW Account Set Up Fee	1,170	1,188	1,205	1,223	1,242	1,270	1,300	1,330	1,360	1,390	1,420
Penalty/Interest Charges	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Other Income Revenue											
User Fees and Service Charge	365	371	376	382	388	396	404	412	420	428	437
WWW Account Set Up Fee	305	309	314	318	323	330	337	344	351	358	365
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Internal Loan	-	600,000	-	-	-	-	-	-	-	-	-
Bulk Water Sale											
Misc Revenue	50,750	51,511	52,284	53,068	53,864	54,900	56,000	57,100	58,200	59,400	60,600
Fire Department Water Usage		5,000	5,100	5,200	5,300	5,410	5,520	5,630	5,740	5,850	5,970
Contributions from Development Charges Reserve Fund	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	643,772	1,285,553	724,089	1,103,219	1,156,641	1,225,664	1,297,766	1,373,528	1,453,528	1,536,985	1,625,042
Water Billing Recovery - Total	361,959	387,884	414,693	442,703	479,136	528,001	578,601	631,264	686,357	743,155	805,490



5.3 Wastewater Operating Expenditures

The wastewater operating expenditures have been provided by staff. Generally, they have been adjusted over the forecast period by an annual inflationary factor of 2.0%, however, in certain instances, staff have provided variations in the costs based on a direct review of each item. Operating expenditures that involve utilities, fuels, chemicals and hydro have been inflated by 5.0% annually. Also included are contributions to the capital reserve.

5.4 Wastewater Operating Revenues

The operating revenue for the wastewater program comes mainly from base charges from customers. A small amount of revenue is also generated from user fees and service charges, penalty payments, and rent. Table 5-2 outlines the operating budget for the wastewater system.



Table 5-2
Township of Cavan Monaghan
Operating Budget Forecast – Wastewater (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Wastewater Administration			-	-	-	-	-	-	-	-	-
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Pumping Station											
Contracted Services	1,523	1,545	2,353	2,400	2,448	2,497	2,547	2,598	2,650	2,703	2,757
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,142	1,159	1,176	1,194	1,212	1,240	1,260	1,290	1,320	1,350	1,380
Hydro	4,060	4,121	4,183	4,245	4,309	4,500	4,700	4,900	5,100	5,400	5,700
Property Taxes	1,929	1,957	1,987	2,017	2,047	2,090	2,130	2,170	2,210	2,250	2,300



Figure 5-2 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast – Wastewater (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook Wastewater Plant											
Operator Contract	340,643	-	-	-	-						
Laboratory Costs	-	25,500	26,010	26,530	27,061	27,600	28,200	28,800	29,400	30,000	30,600
Treatment Chemicals (Ferric)	-	15,300	15,606	15,918	16,714	17,550	18,427	29,023	30,474	31,998	33,598
Contracted Services	50,000	50,750	51,511	52,284	53,330	54,396	55,484	84,891	86,589	88,320	90,087
Biosolid Management	40,000	40,600	41,209	41,827	42,455	43,300	44,200	45,100	46,000	46,900	47,800
Phone	4,685	4,755	4,826	4,899	4,972	5,100	5,200	5,300	5,400	5,500	5,600
Managed Router/VDSL	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Hydro	130,428	132,384	134,370	136,385	138,431	145,350	152,620	160,250	168,260	176,670	185,500
Gas - Heating	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Property Taxes	42,630	43,269	43,918	44,577	45,246	46,200	47,100	48,000	49,000	50,000	51,000
Wastewater Collection System											
Contracted Services	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Wastewater Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Sub Total Operating	824,418	688,495	700,419	711,774	724,065	743,850	764,298	823,304	846,089	869,712	894,237
Capital-Related											
Existing Debt (Principal) - Growth Related	172,123	177,624	183,301	189,159	195,204	201,442	207,880	214,524	221,380	228,455	235,756
Existing Debt (Interest) - Growth Related	83,247	77,746	72,070	66,212	60,166	53,928	47,490	40,846	33,990	26,915	19,614
New Growth Related Debt (Principal)	-	-	-	73,117	76,393	79,816	83,391	87,127	824,888	1,208,840	1,262,996
New Growth Related Debt (Interest)	-	-	-	102,547	99,272	95,849	92,273	88,537	1,113,869	1,563,577	1,509,421
Existing Debt (Principal) - Non-Growth Related	68,678	71,000	73,400	75,882	78,448	81,101	83,843	86,678	89,609	92,639	95,771
Existing Debt (Interest) - Non-Growth Related	76,648	72,609	70,150	69,443	66,877	64,224	61,482	58,647	55,716	52,686	49,554
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	370,865	593,167	668,549	748,413	861,138	1,004,316	1,151,224	1,265,347	1,422,845	1,584,063	1,751,821
Sub Total Capital Related	771,560	992,146	1,067,469	1,324,773	1,437,498	1,580,676	1,727,584	1,841,707	3,762,298	4,757,175	4,924,933
Total Expenditures	1,595,978	1,680,641	1,767,888	2,036,547	2,161,563	2,324,526	2,491,882	2,665,011	4,608,387	5,626,887	5,819,170



Figure 5-2 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast – Wastewater (inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	881,422	937,622	995,717	1,056,578	1,138,649	1,245,773	1,355,860	1,469,852	1,588,764	1,710,924	1,838,273
Wastewater Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Other Income											
User Fees and Service Charge	365	371	376	382	388	400	410	420	430	440	450
WWW Account Set Up Fee	305	309	314	318	323	330	340	350	360	370	380
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Contributions from Development Charges Reserve Fund	255,370	255,370	255,370	431,035	431,035	431,035	431,035	431,035	2,194,128	3,027,787	3,027,787
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	1,173,684	1,230,493	1,289,151	1,526,248	1,608,898	1,716,708	1,827,575	1,942,447	3,825,332	4,782,031	4,910,260
Wastewater Billing Recovery - Total	422,294	450,147	478,737	510,299	552,665	607,817	664,307	722,564	783,055	844,856	908,910



Chapter 6

Pricing Structures

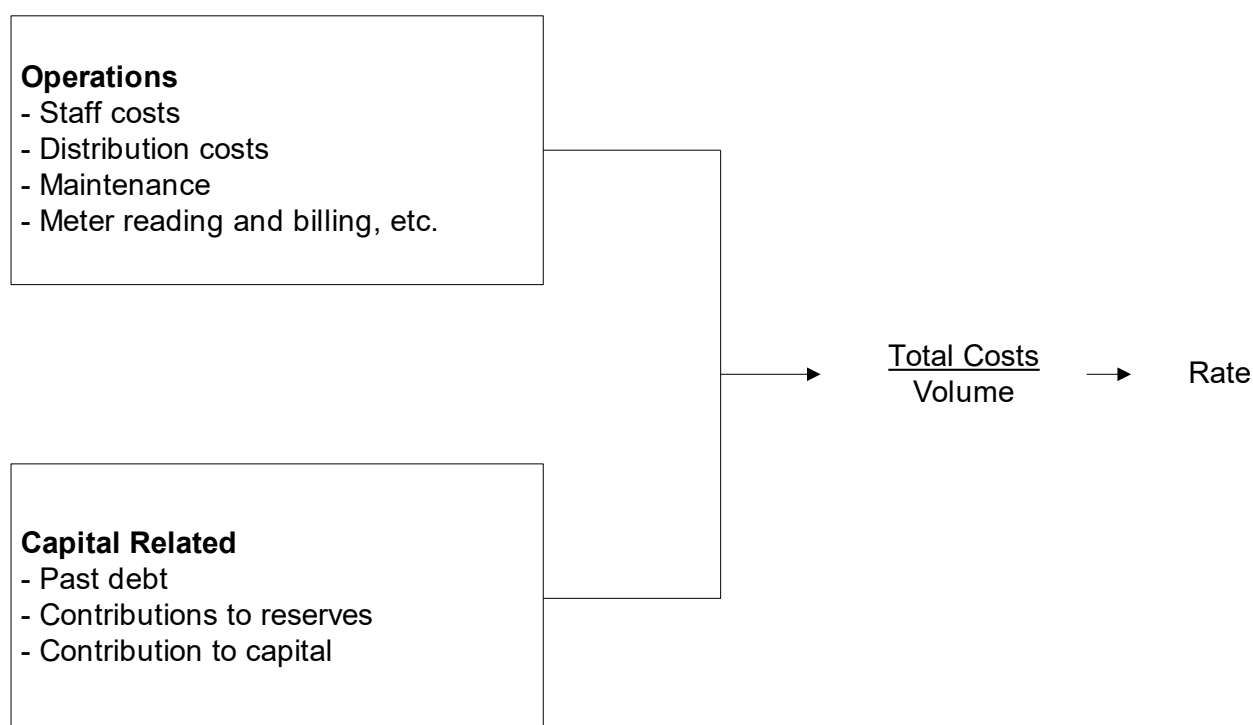


6. Pricing Structures

6.1 Introduction

Rates, in their simplest form, can be defined as total costs to maintain the utility function divided by the total expected volume to be generated for the period. Total costs are usually a combination of operating costs (e.g. staff costs, distribution costs, maintenance, administration, etc.) and capital-related costs (e.g. past debt to finance capital projects, transfers to reserves to finance future expenditures, etc.). The schematic below provides a simplified illustration of the rate calculation for water.

“Annual Costs”



These operating and capital expenditures will vary over time. Examples of factors that will affect the expenditures over time are provided below.

Operations

- Inflation;



- Increased maintenance as system ages; and
- Changes to provincial legislation.

Capital Related

- New capital will be built as areas expand;
- Replacement capital needed as system ages; and
- Financing of capital costs are a function of policy regarding reserves and direct financing from rates (pay as you go), debt and user pay methods (development charges, *Municipal Act*).

6.2 Alternative Pricing Structures

Throughout Ontario, and as well, Canada, the use of pricing mechanisms varies between municipalities. The use of a particular form of pricing depends upon numerous factors, including Council preference, administrative structure, surplus/deficit system capacities, economic/demographic conditions, to name a few.

Municipalities within Ontario have two basic forms of collecting revenues for water purposes, those being through incorporation of the costs within the tax rate charged on property assessment and/or through the establishment of a specific water rate billed to the customer. Within the rate methods, there are five basic rate structures employed along with other variations:

- Flat Rate (non-metered customers);
- Constant Rate;
- Declining Block Rate;
- Increasing (or Inverted) Block Rate;
- Hump Back Block Rate; and
- Base Charges.

The definitions and general application of the various methods are as follows:

Property Assessment: This method incorporates the total costs of providing water into the general requisition or the assessment base of the municipality. This form of collection is a "wealth tax," as payment increases directly with the value of property owned and bears no necessary relationship to actual consumption. This form is easy to



administer as the costs to be recovered are incorporated in the calculation for all general services, normally collected through property taxes.

Flat Rate: This rate is a constant charge applicable to all customers served. The charge is calculated by dividing the total number of user households and other entities (e.g. businesses) into the costs to be recovered. This method does not recognize differences in actual consumption but provides for a uniform spreading of costs across all users. Some municipalities define users into different classes of similar consumption patterns, that is, a commercial user, residential user and industrial user, and charge a flat rate by class. Each user is then billed on a periodic basis. No meters are required to facilitate this method, but an accurate estimate of the number of users is required. This method ensures set revenue for the collection period but is not sensitive to consumption, hence may cause a shortfall or surplus of revenues collected.

Constant Rate: This rate is a volume-based rate, in which the consumer pays the same price per unit consumed, regardless of the volume. The price per unit is calculated by dividing the total cost of the service by the total volume used by total consumers. The bill to the consumer climbs uniformly as the consumption increases. This form of rate requires the use of meters to record the volume consumed by each user. This method closely aligns the revenue recovery with consumption. Revenue collected varies directly with the consumption volume.

Declining Block Rates: This rate structure charges a successively lower price for set volumes, as consumption increases through a series of "blocks." That is to say that within set volume ranges, or blocks, the charge per unit is set at one rate. Within the next volume range, the charge per unit decreases to a lower rate, and so on. Typically, the first, or first and second blocks cover residential and light commercial uses. Subsequent blocks normally are used for heavier commercial and industrial uses. This rate structure requires the use of meters to record the volume consumed by each type of user. This method requires the collection and analysis of consumption patterns by user classification to establish rates at a level which does not over or under collect revenue from rate payers.

Increasing or Inverted Block Rates: The increasing block rate works essentially the same way as the declining block rate, except that the price of water in successive blocks increases rather than declines. Under this method the consumer's bill rises faster with higher volumes used. This rate structure also requires the use of meters to



record the volume consumed by each user. This method requires, as with the declining block structure, the collection and analysis of consumption patterns by user classification to establish rates at a level which does not over or under collect from rate payers.

The Hump Back Rate: The hump back rate is a combination of an increasing block rate and the declining block rate. Under this method the consumer's bill rises with higher volumes used up to a certain level and then begins to fall for volumes in excess of levels set for the increasing block rate.

6.3 Assessment of Alternative Pricing Structures

The adoption by a municipality or utility of any one particular pricing structure is normally a function of a variety of administrative, social, demographic and financial factors. The number of factors, and the weighting each particular factor receives, can vary between municipalities. The following is a review of some of the more prevalent factors.

Cost Recovery

Cost recovery is a prime factor in establishing a particular pricing structure. Costs can be loosely defined into different categories: operations, maintenance, capital, financing and administration. These costs often vary between municipalities and even within a municipality, based on consumption patterns, infrastructure age, economic growth, etc.

The pricing alternatives defined earlier can all achieve the cost recovery goal, but some do so more precisely than others. Fixed pricing structures, such as Property Assessment and Flat Rate, are established on the value of property or on the number of units present in the municipality, but do not adjust in accordance with consumption. Thus, if actual consumption for the year is greater than projected, the municipality incurs a higher cost of production, but the revenue base remains static (since it was determined at the beginning of the year), thus potentially providing a funding shortfall. Conversely, if the consumption level declines below projections, fixed pricing structures will produce more revenue than actual costs incurred.



The other pricing methods (declining block, constant rate, increasing block) are consumption-based and generally will generate revenues in proportion to actual consumption.

Administration

Administration is defined herein as the staffing, equipment and supplies required to support the undertaking of a particular pricing strategy. This factor not only addresses the physical tangible requirements to support the collection of the revenues, but also the intangible requirements, such as policy development.

The easiest pricing structure to support is the Property Assessment structure. As municipalities undertake the process of calculating property tax bills and the collection process for their general services, the incorporation of the water costs into this calculation would have virtually no impact on the administrative process and structure.

The Flat Rate pricing structure is relatively easy to administer as well. It is normally calculated to collect a set amount, either on a monthly, quarterly, semi-annual or annual basis, and is billed directly to the customer. The impact on administration centres mostly on the accounts receivable or billing area of the municipality, but normally requires minor additional staff or operating costs to undertake.

The three remaining methods, those being Increasing Block Rate, Constant Rate and Declining Block Rate, have a more dramatic effect on administration. These methods are dependent upon actual consumption and hence involve a major structure in place to administer. First, meters must be installed in all existing units in the municipality, and units to be subsequently built must be required to include these meters. Second, meter readings must be undertaken periodically. Hence staff must be available for this purpose or a service contract must be negotiated. Third, the billings process must be expanded to accommodate this process. Billing must be done per a defined period, requiring staff to produce the bills. Lastly, either through increased staffing or by service contract, an annual maintenance program must be set up to ensure meters are working effectively in recording consumed volumes.

The benefit derived from the installation of meters is that information on consumption patterns becomes available. This information provides benefit to administration in calculating rates which will ensure revenue recovery. Additionally, when planning what



services are to be constructed in future years, the municipality or utility has documented consumption patterns distinctive to its own situation, which can be used to project sizing of growth-related works.

Equity

Equity is always a consideration in the establishment of pricing structures but its definition can vary depending on a municipality's circumstances and based on the subjective interpretation of those involved. For example: is the price charged to a particular class of rate payer consistent with those of a similar class in surrounding municipalities; through the pricing structure does one class of rate payer pay more than another class; should one pay based on ability to pay, or on the basis that a unit of water costs the same to supply no matter who consumes it; etc.? There are many interpretations. Equity therefore must be viewed broadly in light of many factors as part of achieving what is best for the municipality as a whole.

Conservation

In today's society, conservation of natural resources is increasingly being more highly valued. Controversy continuously focuses on the preservation of non-renewable resources and on the proper management of renewable resources. Conservation is also a concept which applies to a municipality facing physical limitations in the amount of water which can be supplied to an area. As well, financial constraints can encourage conservation in a municipality where the cost of providing each additional unit is increasing.

Pricing structures such as property assessment and flat rate do not, in themselves, encourage conservation. In fact, depending on the price which is charged, they may even encourage resource "squandering," either because consumers, without the price discipline, consume water at will, or the customer wants to get his money's worth and hence adopts more liberal consumption patterns. The fundamental reason for this is that the price paid for the service bears no direct relationship to the volume consumed and hence is viewed as a "tax," instead of being viewed as the price of a purchased commodity.

The Declining Block Rate provides a decreasing incentive towards conservation. By creating awareness of volumes consumed, the consumer can reduce his total costs by



restricting consumption; however, the incentive lessens as more water is consumed, because the marginal cost per unit declines as the consumer enters the next block pricing range. Similarly, those whose consumption level is at the top end of a block have less incentive to reduce consumption.

The Constant Rate structure presents the customer with a linear relationship between consumption and the cost thereof. As the consumer pays a fixed cost per unit, his bill will vary directly with the amount consumed. This method presents tangible incentive for consumers to conserve water. As metering provides direct feedback as to usage patterns and the consumer has direct control over the total amount paid for the commodity, the consumer is encouraged to use only those volumes that are reasonably required.

The Inverted Block method presents the most effective pricing method for encouraging conservation. Through this method, the price per unit consumed increases as total volumes consumed grow. The consumer becomes aware of consumption through metering with the charges increasing dramatically with usage. Hence, there normally is awareness that exercising control over usage can produce significant savings. This method not only encourages conservation methods, but may also penalize legitimate high-volume users if not properly structured.

Figure 6-1 provides a schematic representation of the various rate structures (note property tax as a basis for revenue recovery has not been presented for comparison, as the proportion of taxes paid varies in direct proportion to the market value of the property). The graphs on the left-hand side of the figure present the cost per unit for each additional amount of water consumed. The right-hand side of the figure presents the impact on the customer's bill as the volume of water increases. Following the schematic is a table summarizing each rate structure.



Figure 6-1

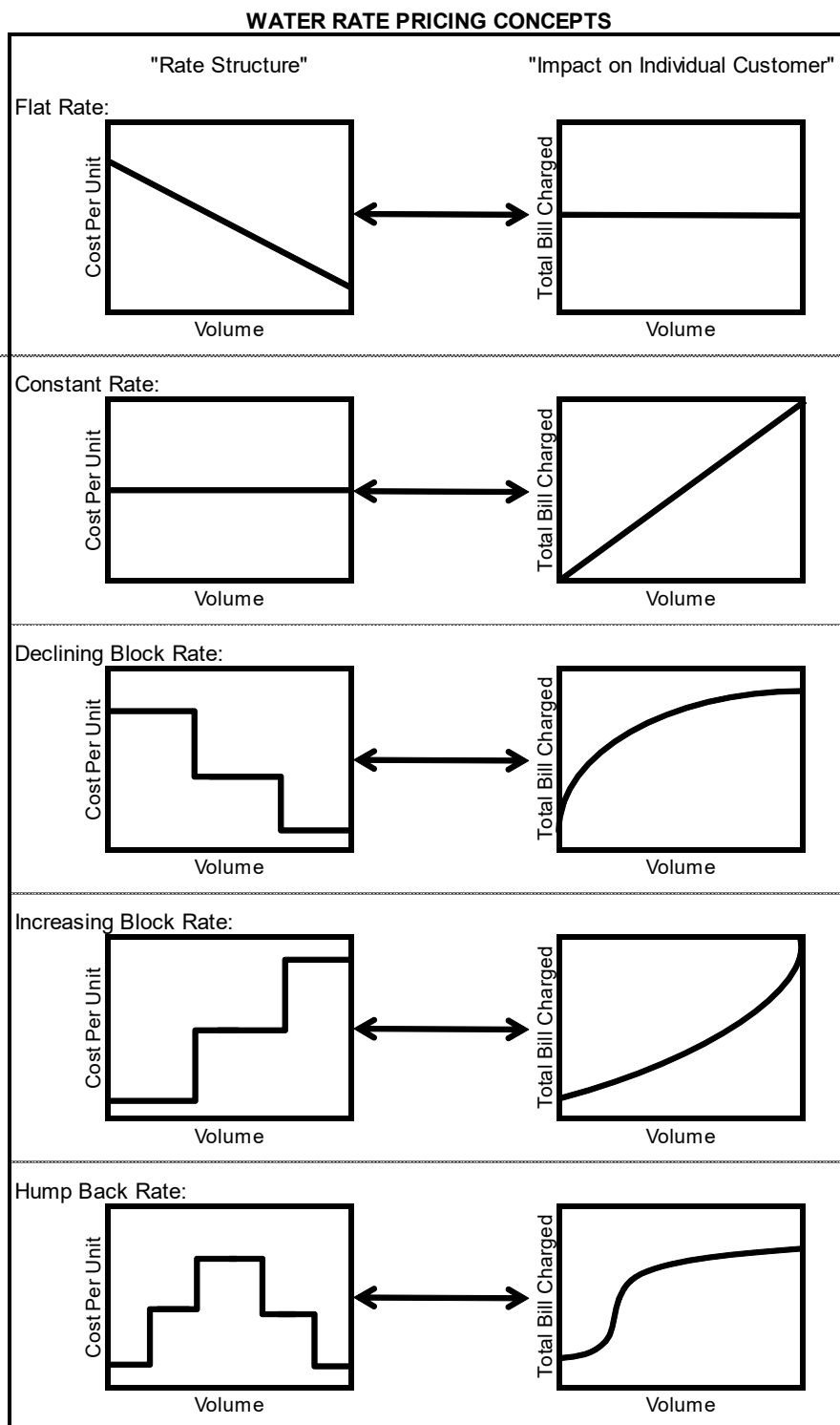




Figure 6-2
Summary of Various Rate Structures and their Impact on Customer Bills as Volume Usage Increases

Rate Structure	Cost Per Unit As Volume Increases	Impact On Customer Bill As Volume Increases
Flat Rate	Cost per unit decreases as more volume consumed	Bill remains the same no matter how much volume is consumed
Constant Rate	Cost per unit remains the same	Bill increases in direct proportion to consumption
Declining Block	Cost per unit decreases as threshold targets are achieved	Bill increases at a slower rate as volumes increase
Increasing Block	Cost per unit increases as threshold targets are achieved	Bill increases at a faster rate as volumes increase
Hump Back Rate	Combination of an increasing block at the lower consumption volumes and then converts to a declining block for the high consumption	Bill increases at a faster rate at the lower consumption amounts and then slows as volumes increase

6.4 Rate Structures in Ontario

In a past survey of over 170 municipalities (approximately half of the municipalities who provide water and/or sewer), all forms of rate structures are in use by Ontario municipalities. The most common rate structure is the constant rate (for metered municipalities). Most municipalities (approximately 92%) who have volume rate structures also impose a base monthly charge.

Historically, the development of a base charge often reflected either the recovery of meter reading/billing/collection costs, plus administration or those costs plus certain fixed costs (such as capital contributions or reserve contributions). More recently, many municipalities have started to establish base charges based on ensuring a secure



portion of the revenue stream which does not vary with volume consumption. Selection of the quantum of the base charge is a matter of policy selected by individual municipalities.

6.5 Recommended Rate Structures

Based on the foregoing, it is recommended that the same rate structure be continued in the future in the Township.

The non-growth-related capital program and growth-related capital program for water are significant in the first half of the forecast period, from 2026 to 2030. For wastewater, the non-growth-related capital program is balanced throughout the forecast period. However, the growth-related capital needs for wastewater are substantial in the latter half of the forecast period, beginning in 2032.

In order to meet the needs identified, it is recommended that base charges for water increase annually by 3% over the forecast period. The forecast base charges are presented in Table 6-1.

As for wastewater, it is recommended that wastewater base charges increase annually by 2% over the forecast period. The forecast base charges are presented in Table 6-2.

The above increases are recommended to ensure that the Township can fund the capital and operating costs while minimizing the need for debentures. The forecast base charges and corresponding revenue are provided below.



Table 6-1
Township of Cavan Monaghan
Base Charge Forecast – Water

Water	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	984	984	984	984	984	984	984	984	984	984	984
New	25	74	123	173	246	346	444	542	641	739	839
Total Customers	1,009	1,058	1,107	1,157	1,230	1,330	1,428	1,526	1,625	1,723	1,823
Total Annual Revenue	\$473,203	\$508,442	\$545,370	\$584,511	\$636,281	\$703,221	\$773,108	\$846,555	\$924,240	\$1,005,282	\$1,090,913

15 mm/18 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	973	973	973	973	973	973	973	973	973	973	973
New	25	74	123	173	246	346	444	542	641	739	839
Subtotal Customers	998	1,047	1,096	1,146	1,219	1,319	1,417	1,515	1,614	1,712	1,812
Bi-Monthly Base Charge	\$69.35	\$71.43	\$73.57	\$75.78	\$78.05	\$80.40	\$82.81	\$85.29	\$87.85	\$90.49	\$93.20
Annual Base Charge	\$416.10	\$428.58	\$441.44	\$454.68	\$468.32	\$482.37	\$496.85	\$511.75	\$527.10	\$542.92	\$559.20
Total Annual Revenue	\$415,268	\$448,769	\$483,907	\$521,204	\$571,075	\$636,058	\$703,930	\$775,302	\$850,850	\$929,690	\$1,013,053

25 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	3	3	3	3	3	3	3	3	3	3	3
New											
Subtotal Customers	3	3	3	3	3	3	3	3	3	3	3
Bi-Monthly Base Charge	\$126.66	\$130.46	\$134.37	\$138.40	\$142.56	\$146.83	\$151.24	\$155.78	\$160.45	\$165.26	\$170.22
Annual Base Charge	\$759.96	\$782.76	\$806.24	\$830.43	\$855.34	\$881.00	\$907.43	\$934.65	\$962.69	\$991.58	\$1,021.32
Total Annual Revenue	\$2,280	\$2,348	\$2,419	\$2,491	\$2,566	\$2,643	\$2,722	\$2,804	\$2,888	\$2,975	\$3,064

40 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	1	1	1	1	1	1	1	1	1	1	1
New											
Subtotal Customers	1	1	1	1	1	1	1	1	1	1	1
Bi-Monthly Base Charge	\$288.14	\$296.78	\$305.69	\$314.86	\$324.30	\$334.03	\$344.05	\$354.38	\$365.01	\$375.96	\$387.24
Annual Base Charge	\$1,728.84	\$1,780.71	\$1,834.13	\$1,889.15	\$1,945.82	\$2,004.20	\$2,064.33	\$2,126.26	\$2,190.04	\$2,255.74	\$2,323.42
Total Annual Revenue	\$1,729	\$1,781	\$1,834	\$1,889	\$1,946	\$2,004	\$2,064	\$2,126	\$2,190	\$2,256	\$2,323

50 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	4	4	4	4	4	4	4	4	4	4	4
New											
Subtotal Customers	4	4	4	4	4	4	4	4	4	4	4
Bi-Monthly Base Charge	\$671.26	\$691.40	\$712.14	\$733.50	\$755.51	\$778.17	\$801.52	\$825.57	\$850.33	\$875.84	\$902.12
Annual Base Charge	\$4,027.56	\$4,148.39	\$4,272.84	\$4,401.02	\$4,533.05	\$4,669.05	\$4,809.12	\$4,953.39	\$5,101.99	\$5,255.05	\$5,412.70
Total Annual Revenue	\$16,110	\$16,594	\$17,091	\$17,604	\$18,132	\$18,676	\$19,236	\$19,814	\$20,408	\$21,020	\$21,651

75 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	1	1	1	1	1	1	1	1	1	1	1
New											
Subtotal Customers	1	1	1	1	1	1	1	1	1	1	1
Bi-Monthly Base Charge	\$1,386.18	\$1,427.77	\$1,470.60	\$1,514.72	\$1,560.16	\$1,606.96	\$1,655.17	\$1,704.83	\$1,755.97	\$1,808.65	\$1,862.91
Annual Base Charge	\$8,317.08	\$8,566.59	\$8,823.59	\$9,088.30	\$9,360.95	\$9,641.78	\$9,931.03	\$10,228.96	\$10,535.83	\$10,851.90	\$11,177.46
Total Annual Revenue	\$8,317	\$8,567	\$8,824	\$9,088	\$9,361	\$9,642	\$9,931	\$10,229	\$10,536	\$10,852	\$11,177

100 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	2	2	2	2	2	2	2	2	2	2	2
New											
Subtotal Customers	2	2	2	2	2	2	2	2	2	2	2
Bi-Monthly Base Charge	\$2,458.25	\$2,532.00	\$2,607.96	\$2,686.20	\$2,766.78	\$2,849.79	\$2,935.28	\$3,023.34	\$3,114.04	\$3,207.46	\$3,303.68
Annual Base Charge	\$14,749.50	\$15,191.99	\$15,647.74	\$16,117.18	\$16,600.69	\$17,098.71	\$17,611.67	\$18,140.02	\$18,684.23	\$19,244.75	\$19,822.09
Total Annual Revenue	\$29,499	\$30,384	\$31,295	\$32,234	\$33,201	\$34,197	\$35,223	\$36,280	\$37,368	\$38,490	\$39,644



Table 6-2
Township of Cavan Monaghan
Base Charge Forecast – Wastewater

Wastewater	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	973	973	973	973	973	973	973	973	973	973	973
New	25	74	123	173	246	346	444	542	641	739	839
Subtotal Customers	998	1,047	1,096	1,146	1,219	1,319	1,417	1,515	1,614	1,712	1,812
Total Annual Revenue	\$881,422	\$937,622	\$995,717	\$1,056,578	\$1,138,649	\$1,245,773	\$1,355,860	\$1,469,852	\$1,588,764	\$1,710,924	\$1,838,273

15 mm/18 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	962	962	962	962	962	962	962	962	962	962	962
New	25	74	123	173	246	346	444	542	641	739	839
Subtotal Customers	987	1,036	1,085	1,135	1,208	1,308	1,406	1,504	1,603	1,701	1,801
Bi-Monthly Base Charge	\$128.36	\$130.93	\$133.55	\$136.22	\$138.94	\$141.72	\$144.55	\$147.45	\$150.39	\$153.40	\$156.47
Annual Base Charge	\$770.16	\$785.56	\$801.27	\$817.30	\$833.65	\$850.32	\$867.33	\$884.67	\$902.37	\$920.41	\$938.82
Total Annual Revenue	\$760,148	\$813,922	\$869,543	\$927,881	\$1,007,378	\$1,111,877	\$1,219,286	\$1,330,546	\$1,446,672	\$1,565,990	\$1,690,441

25 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	3	3	3	3	3	3	3	3	3	3	3
New											
Subtotal Customers	3	3	3	3	3	3	3	3	3	3	3
Bi-Monthly Base Charge	\$238.44	\$243.21	\$248.07	\$253.03	\$258.10	\$263.26	\$268.52	\$273.89	\$279.37	\$284.96	\$290.66
Annual Base Charge	\$1,430.64	\$1,459.25	\$1,488.44	\$1,518.21	\$1,548.57	\$1,579.54	\$1,611.13	\$1,643.36	\$1,676.22	\$1,709.75	\$1,743.94
Total Annual Revenue	\$4,292	\$4,378	\$4,465	\$4,555	\$4,646	\$4,739	\$4,833	\$4,930	\$5,029	\$5,129	\$5,232

40 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	1	1	1	1	1	1	1	1	1	1	1
New											
Subtotal Customers	1	1	1	1	1	1	1	1	1	1	1
Bi-Monthly Base Charge	\$592.91	\$604.77	\$616.86	\$629.20	\$641.78	\$654.62	\$667.71	\$681.07	\$694.69	\$708.58	\$722.75
Annual Base Charge	\$3,557.46	\$3,628.61	\$3,701.18	\$3,775.21	\$3,850.71	\$3,927.72	\$4,006.28	\$4,086.40	\$4,168.13	\$4,251.49	\$4,336.52
Total Annual Revenue	\$3,557	\$3,629	\$3,701	\$3,775	\$3,851	\$3,928	\$4,006	\$4,086	\$4,168	\$4,251	\$4,337

50 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	4	4	4	4	4	4	4	4	4	4	4
New											
Subtotal Customers	4	4	4	4	4	4	4	4	4	4	4
Bi-Monthly Base Charge	\$1,405.96	\$1,434.08	\$1,462.76	\$1,492.02	\$1,521.86	\$1,552.29	\$1,583.34	\$1,615.01	\$1,647.31	\$1,680.25	\$1,713.86
Annual Base Charge	\$8,435.76	\$8,604.48	\$8,776.56	\$8,952.10	\$9,131.14	\$9,313.76	\$9,500.04	\$9,690.04	\$9,883.84	\$10,081.51	\$10,283.14
Total Annual Revenue	\$33,743	\$34,418	\$35,106	\$35,808	\$36,525	\$37,255	\$38,000	\$38,760	\$39,535	\$40,326	\$41,133

75 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	1	1	1	1	1	1	1	1	1	1	1
New											
Subtotal Customers	1	1	1	1	1	1	1	1	1	1	1
Bi-Monthly Base Charge	\$2,916.08	\$2,974.40	\$3,033.89	\$3,094.57	\$3,156.46	\$3,219.59	\$3,283.98	\$3,349.66	\$3,416.65	\$3,484.99	\$3,554.69
Annual Base Charge	\$17,496.48	\$17,846.41	\$18,203.34	\$18,567.40	\$18,938.75	\$19,317.53	\$19,703.88	\$20,097.96	\$20,499.91	\$20,909.91	\$21,328.11
Total Annual Revenue	\$17,496	\$17,846	\$18,203	\$18,567	\$18,939	\$19,318	\$19,704	\$20,098	\$20,500	\$20,910	\$21,328

100 mm Meter Size	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Existing	2	2	2	2	2	2	2	2	2	2	2
New											
Subtotal Customers	2	2	2	2	2	2	2	2	2	2	2
Bi-Monthly Base Charge	\$5,182.11	\$5,285.75	\$5,391.47	\$5,499.30	\$5,609.28	\$5,721.47	\$5,835.90	\$5,952.62	\$6,071.67	\$6,193.10	\$6,316.96
Annual Base Charge	\$31,092.66	\$31,714.51	\$32,348.80	\$32,995.78	\$33,655.70	\$34,328.81	\$35,015.39	\$35,715.69	\$36,430.01	\$37,158.61	\$37,901.78
Total Annual Revenue	\$62,185	\$63,429	\$64,698	\$65,992	\$67,311	\$68,658	\$70,031	\$71,431	\$72,860	\$74,317	\$75,804



Chapter 7

Analysis of Water and Wastewater Rates and Policy Matters



7. Analysis of Water and Wastewater Rates and Policy Matters

7.1 Introduction

To summarize the analysis undertaken thus far, Chapter 2 reviewed capital-related issues and responds to the provincial directives to maintain and upgrade infrastructure to required levels. Chapter 4 provided a review of capital financing options to which water and wastewater reserve contributions will be the predominant basis for financing future capital replacement. Chapter 5 established the 10-year operating forecast of expenditures including an annual capital reserve contribution. The base charge revenues are to ensure that fixed costs are recovered regardless of the amount of volume used by customers. This chapter will provide for the calculation of the volume rates over the forecast period. These calculations will be based on the net operating expenditures (the variable costs) provided in Chapter 5, divided by the water consumption forecast and wastewater volumes provided in section 1.8.

7.2 Water Rates

Based on the discussion of rate structures provided in section 6.5 and the recommendation to continue with the present rate structure, the rates are calculated by taking the net recoverable amounts from Table 5-1 (the product of total expenditures less non-rate revenues and deduct the base charge amounts provided in section 6.5) and completes the calculation by dividing them by the volumes resulting in the forecasted rates.

As noted earlier, to address the capital needs and maintain an overall positive balance in the water reserves and reserve funds, the volume rates are anticipated to increase at 3% per year over the forecast period. This rate increase was determined on the basis that the water capital reserve balance should not drop below \$900,000 in 2030. Maintaining this minimum balance will allow the Township to fund any unforeseen capital repairs or infrastructure replacements without the need to issue external debt. Other rate scenarios were also considered to analyze the impacts on water rates while maintaining the same minimum balance of \$900,000. A detailed discussion of these scenarios is presented in Appendix C.



The volume rates are presented in Table 7-1. Detailed calculations of the volume rates are provided in Appendix A. Note, bulk water rates are included in the calculations and rates are forecasted to increase at the same rate as water rate increases. A summary of the recommended base charge and volume rates along with the total annual bill for an average user with a 5/8" or 3/4" meter (150 cu.m) per year are as follows:



Table 7-1
Township of Cavan Monaghan
Average Annual Residential Water Bill
(Based on an Annual usage of 150 cu.m)

Annual Bill for Residential Users (5/8" or 3/4" Meter Size)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water											
Bi-monthly Base Charge	\$69.35	\$71.43	\$73.57	\$75.78	\$78.05	\$80.40	\$82.81	\$85.29	\$87.85	\$90.49	\$93.20
Volume Rate	\$1.94	\$2.00	\$2.06	\$2.12	\$2.18	\$2.25	\$2.32	\$2.39	\$2.46	\$2.53	\$2.61
Annual Base Charge Bill	\$416.10	\$428.58	\$441.44	\$454.68	\$468.32	\$482.37	\$496.85	\$511.75	\$527.10	\$542.92	\$559.20
Annual Volume Bill	\$291.00	\$300.00	\$309.00	\$318.00	\$327.00	\$337.50	\$348.00	\$358.50	\$369.00	\$379.50	\$391.50
Total Water Bill	\$707.10	\$728.58	\$750.44	\$772.68	\$795.32	\$819.87	\$844.85	\$870.25	\$896.10	\$922.42	\$950.70
Annual % Increase - Water Bill		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Bulk Water Rates (per cu.m)	\$3.28	\$3.38	\$3.48	\$3.58	\$3.69	\$3.80	\$3.92	\$4.04	\$4.16	\$4.28	\$4.41



7.3 Wastewater Rates

Similar to water, the calculation of the wastewater rates takes the net recoverable amounts from Table 5-2 and completes the calculation by dividing them by the volumes, resulting in the forecast rates. Detailed calculations are provided in Appendix B.

To address the capital needs for wastewater and to try to maintain an overall positive balance in the wastewater reserves and reserve funds, the volume rates are anticipated to increase by 2% annually over the forecast period.

The following summarizes the recommended rates for wastewater and provides the average annual bill for a customer with a 5/8" or 3/4" meter who uses 150 cu.m per year:



Table 7-2
Township of Cavan Monaghan
Average Annual Residential Wastewater Bill (Based on an Annual Usage of 150 cu.m)

Annual Bill for Residential Users (5/8" or 3/4" Meter Size)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Wastewater											
Bi-monthly Base Charge	\$128.36	\$130.93	\$133.55	\$136.22	\$138.94	\$141.72	\$144.55	\$147.45	\$150.39	\$153.40	\$156.47
Volume Rate	\$2.65	\$2.70	\$2.75	\$2.81	\$2.87	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17	\$3.23
Annual Base Charge Bill	\$770.16	\$785.56	\$801.27	\$817.30	\$833.65	\$850.32	\$867.33	\$884.67	\$902.37	\$920.41	\$938.82
Annual Volume Bill	\$397.50	\$405.00	\$412.50	\$421.50	\$430.50	\$439.50	\$448.50	\$457.50	\$466.50	\$475.50	\$484.50
Total Wastewater Bill	\$1,167.66	\$1,190.56	\$1,213.77	\$1,238.80	\$1,264.15	\$1,289.82	\$1,315.83	\$1,342.17	\$1,368.87	\$1,395.91	\$1,423.32
Annual % Increase - Wastewater Bill		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%



7.4 Forecast of Combined Water and Wastewater Impact for the Average Residential Customer

Based on the foregoing information, the combined impact of the water and wastewater base charge and volume rate results in an increase of approximately 2.35% - 2.44% to the total annual bill for customers with a 5/8" or 3/4" meter. Table 7-3 presents the forecast combined annual bill for customers.



Table 7-3
Township of Cavan Monaghan
Average Annual Water and Wastewater Bill (Based on an annual useage of 150 cu.m)

Annual Bill for Residential Users (5/8" or 3/4" Meter Size)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water											
Bi-monthly Base Charge	\$69.35	\$71.43	\$73.57	\$75.78	\$78.05	\$80.40	\$82.81	\$85.29	\$87.85	\$90.49	\$93.20
Volume Rate	\$1.94	\$2.00	\$2.06	\$2.12	\$2.18	\$2.25	\$2.32	\$2.39	\$2.46	\$2.53	\$2.61
Annual Base Charge Bill	\$416.10	\$428.58	\$441.44	\$454.68	\$468.32	\$482.37	\$496.85	\$511.75	\$527.10	\$542.92	\$559.20
Annual Volume Bill	\$291.00	\$300.00	\$309.00	\$318.00	\$327.00	\$337.50	\$348.00	\$358.50	\$369.00	\$379.50	\$391.50
Total Water Bill	\$707.10	\$728.58	\$750.44	\$772.68	\$795.32	\$819.87	\$844.85	\$870.25	\$896.10	\$922.42	\$950.70
Annual % Increase - Water Bill		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Bulk Water Rates (per cu.m)	\$3.28	\$3.38	\$3.48	\$3.58	\$3.69	\$3.80	\$3.92	\$4.04	\$4.16	\$4.28	\$4.41
Wastewater											
Bi-monthly Base Charge	\$128.36	\$130.93	\$133.55	\$136.22	\$138.94	\$141.72	\$144.55	\$147.45	\$150.39	\$153.40	\$156.47
Volume Rate	\$2.65	\$2.70	\$2.75	\$2.81	\$2.87	\$2.93	\$2.99	\$3.05	\$3.11	\$3.17	\$3.23
Annual Base Charge Bill	\$770.16	\$785.56	\$801.27	\$817.30	\$833.65	\$850.32	\$867.33	\$884.67	\$902.37	\$920.41	\$938.82
Annual Volume Bill	\$397.50	\$405.00	\$412.50	\$421.50	\$430.50	\$439.50	\$448.50	\$457.50	\$466.50	\$475.50	\$484.50
Total Wastewater Bill	\$1,167.66	\$1,190.56	\$1,213.77	\$1,238.80	\$1,264.15	\$1,289.82	\$1,315.83	\$1,342.17	\$1,368.87	\$1,395.91	\$1,423.32
Annual % Increase - Wastewater Bill		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Total Combined Bill	\$1,874.76	\$1,919.15	\$1,964.21	\$2,011.48	\$2,059.47	\$2,109.69	\$2,160.67	\$2,212.42	\$2,264.97	\$2,318.33	\$2,374.02
Annual % Increase - Combined Bill		2.37%	2.35%	2.41%	2.39%	2.44%	2.42%	2.40%	2.38%	2.36%	2.40%



Chapter 8

Recommendations



8. Recommendations

As presented within this report, capital and operating expenditures have been identified and forecast over a ten-year period for water and wastewater services.

Based upon the foregoing, the following recommendations are identified for consideration by Township Council:

1. That Council provide for the recovery of all water and wastewater costs through full cost recovery rates.
2. That Council consider the Capital Plan for water and wastewater as provided in Tables 2-1 and 2-2 and the associated Capital Financing Plan as set out in Tables 4-2.
3. That Council consider the base charges provided in Table 6-1 for water and Table 6-2 for wastewater.
4. That Council consider the volume rates for water and wastewater as provided in Tables 7-1 and 7-2 respectively.
5. That Council consider the bulk water rate as provided in Table 7-1.



Appendices



Appendix A

Detailed Water Rate Calculations



Appendix A: Detailed Water Rate Calculations

Table A-1
Township of Cavan Monaghan
Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	466,407	144,365	322,042	-	-	-					
Watermain Replacement - Bank Street North	-	210,416	-	-	-	210,416	-					
Watermain Replacement - Bank Street South	-	157,305	-	-	-	-	157,305					
Watermain Replacement - Cavan Street	-	300,406	300,406	-	-	-	-					
Watermain Replacement - Centre Street	-	452,431	-	-	-	452,431	-					
Watermain Replacement - Distillery Street	-	165,771	-	165,771	-	-	-					
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-					
Watermain Replacement - Frederick Street	-	443,301	443,301	-	-	-	-					
Watermain Replacement - Gravel Road	-	198,513	-	-	198,513	-	-					
Watermain Replacement - Hunter Street	-	135,559	-	-	-	-	135,559					
Watermain Replacement - Huston Street	-	228,121	-	-	-	-	228,121					
Watermain Replacement - King Street	-	756,519	-	-	756,519	-	-					
Watermain Replacement - Needler's Lane	-	164,051	-	164,051	-	-	-					
Watermain Replacement - Prince Street	-	101,969	-	101,969	-	-	-					
Watermain Replacement - Princess Street	-	114,582	-	114,582	-	-	-					
Watermain Replacement - Turner Street	-	138,349	-	-	-	-	138,349					
Watermain Replacement - Union Street	-	176,841	-	-	-	176,841	-					
Watermain Replacement - Queen Street	-	116,249	-	-	-	-	116,249					
Watermain Replacement - Wing Street	-	81,073	-	-	-	-	81,073					
Water Meter Replacement Program	20,000	-										
Bulk Water Station Upgrades	60,000	-										
Water Tower Lighting	3,000	-										
Booster Station Fence	25,000	-										
Tools and Equipment	15,000	-										
Pickup Truck	40,000	-										
PSD CityWide Maintenance Manager	50,000	-										
Studies:		-										
Water Servicing Study - Future Development Areas		102,000				102,000						
Rates Study	15,000	30,000					15,000					15,000



Table A-1 (Cont'd)
Township of Cavan Monaghan
Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-										
Booster Station Pump Upgrade	50,000	-										
Duke Street from King Street Southwards		153,000	153,000									
Advanced Metering Infrastructure Software	140,000	-										
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-				150,000						
Class EA Study - Second Water Storage Facility	129,000	-										
Second Booster Pumping Station Design		196,011	196,011									
Second Booster Pumping Station Construction		803,563	803,563									
Second Water Storage Facility Design		400,000	400,000									
Second Water Storage Facility Construction		9,124,252		9,124,252								
Land for storage facility		400,000	400,000									
Water Distribution Network Extension Design		500,000	200,000	300,000								
Water Distribution Network Extension Construction		5,889,900			5,889,900							
Total Capital Expenditures	867,245	22,006,590	3,040,646	10,292,668	6,844,932	941,688	871,656	-	-	-	-	15,000



Table A-2
Township of Cavan Monaghan
Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	482,000	147,000	335,000	-	-	-	-	-	-	-	-
Watermain Replacement - Bank Street North	-	228,000	-	-	-	228,000	-	-	-	-	-	-
Watermain Replacement - Bank Street South	-	174,000	-	-	-	-	174,000	-	-	-	-	-
Watermain Replacement - Cavan Street	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Centre Street	-	490,000	-	-	-	490,000	-	-	-	-	-	-
Watermain Replacement - Distillery Street	-	172,000	-	172,000	-	-	-	-	-	-	-	-
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-	-	-	-	-	-
Watermain Replacement - Frederick Street	-	452,000	452,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Gravel Road	-	211,000	-	-	211,000	-	-	-	-	-	-	-
Watermain Replacement - Hunter Street	-	150,000	-	-	-	-	150,000	-	-	-	-	-
Watermain Replacement - Huston Street	-	252,000	-	-	-	-	252,000	-	-	-	-	-
Watermain Replacement - King Street	-	803,000	-	-	803,000	-	-	-	-	-	-	-
Watermain Replacement - Needler's Lane	-	171,000	-	171,000	-	-	-	-	-	-	-	-
Watermain Replacement - Prince Street	-	106,000	-	106,000	-	-	-	-	-	-	-	-
Watermain Replacement - Princess Street	-	119,000	-	119,000	-	-	-	-	-	-	-	-
Watermain Replacement - Turner Street	-	153,000	-	-	-	-	153,000	-	-	-	-	-
Watermain Replacement - Union Street	-	191,000	-	-	-	191,000	-	-	-	-	-	-
Watermain Replacement - Queen Street	-	128,000	-	-	-	-	128,000	-	-	-	-	-
Watermain Replacement - Wing Street	-	90,000	-	-	-	-	90,000	-	-	-	-	-
Water Meter Replacement Program	20,000	-	-	-	-	-	-	-	-	-	-	-
Bulk Water Station Upgrades	60,000	-	-	-	-	-	-	-	-	-	-	-
Water Tower Lighting	3,000	-	-	-	-	-	-	-	-	-	-	-
Booster Station Fence	25,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
PSD CityWide Maintenance Manager	50,000	-	-	-	-	-	-	-	-	-	-	-
Studies:												
Water Servicing Study - Future Development Areas	-	110,000	-	-	-	110,000	-	-	-	-	-	-
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000



Table A-2 (Cont'd)
Township of Cavan Monaghan
Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-	-	-	-	-	-	-	-	-	-	-
Booster Station Pump Upgrade	50,000	-	-	-	-	-	-	-	-	-	-	-
Duke Street from King Street Southwards	-	156,000	156,000	-	-	-	-	-	-	-	-	-
Advanced Metering Infrastructure Software	140,000	-	-	-	-	-	-	-	-	-	-	-
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-	-	-	-	-	-	-	-	-	-	-
Class EA Study - Second Water Storage Facility	129,000	-	-	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Design	-	200,000	200,000	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Construction	-	820,000	820,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Design	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Construction	-	9,493,000	-	9,493,000	-	-	-	-	-	-	-	-
Land for storage facility	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Water Distribution Network Extension Design	-	516,000	204,000	312,000	-	-	-	-	-	-	-	-
Water Distribution Network Extension Construction	-	6,250,500	-	-	6,250,500	-	-	-	-	-	-	-
Total Capital Expenditures	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000
Capital Financing												
Provincial/Federal Grants	-	12,911,875	1,265,364	5,396,011	6,250,500	-	-	-	-	-	-	-
CCBF Funding	-	-	-	-	-	-	-	-	-	-	-	-
Development Charges Reserve Fund	469,000	1,040,636	930,636	-	-	110,000	-	-	-	-	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	4,408,989	-	4,408,989	-	-	-	-	-	-	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Water Reserve	398,245	4,713,000	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Total Capital Financing	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000



Table A-3
Township of Cavan Monaghan
Schedule of Non-Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				-	-	-	-	-	-	-	-
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	-	-	-	-	-	-	-	-

Table A-4
Township of Cavan Monaghan
Schedule of Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359



Table A-5
Township of Cavan Monaghan
Water Capital Reserve Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	1,731,340	1,817,462	2,043,461	1,722,673	1,337,625	1,133,436	977,453	1,774,794	2,706,403	3,781,492	5,007,949
Transfer from Operating	448,730	1,090,931	548,434	602,724	682,587	788,852	762,541	878,542	1,000,942	1,128,262	1,265,260
Transfer to Capital	398,245	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Transfer to Operating	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,781,825	2,003,393	1,688,895	1,311,397	1,111,211	958,288	1,739,994	2,653,336	3,707,345	4,909,754	6,255,209
Interest	35,637	40,068	33,778	26,228	22,224	19,166	34,800	53,067	74,147	98,195	125,104

Table A-6
Township of Cavan Monaghan
Water Development Charges Reserve Fund Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	(619,050)	(1,047,695)	(1,953,093)	(1,924,596)	(2,094,454)	(2,374,163)	(2,541,398)	(2,705,995)	(2,867,776)	(3,026,570)	(3,182,192)
Development Charge Proceeds	132,506	135,142	137,843	281,178	286,810	292,563	298,429	304,417	310,517	316,741	323,107
Transfer to Capital	469,000	930,636	-	-	110,000	-	-	-	-	-	-
Transfer to Operating	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Closing Balance	(1,027,152)	(1,914,797)	(1,886,859)	(2,053,386)	(2,327,611)	(2,491,567)	(2,652,936)	(2,811,545)	(2,967,226)	(3,119,797)	(3,269,052)
Interest	(20,543)	(38,296)	(37,737)	(41,068)	(46,552)	(49,831)	(53,059)	(56,231)	(59,345)	(62,396)	(65,381)
Required from Development Charges	469,000	930,636	4,408,989	-	110,000	-	-	-	-	-	-



Table A-7
Township of Cavan Monaghan
Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Water Administration											
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Millbrook Water - Distribution System											
Contracted Services	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydrant Maintenance	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	3,045	3,091	3,137	3,184	3,232	3,300	3,370	3,440	3,510	3,580	3,650
Millbrook Water - Treatment & Supply											
Audit Fees/Accreditation	-	2,500	2,550	2,601	3,184	3,200	3,300	3,400	3,500	3,600	3,700
Treatment Chemicals (Chlorine)	-	8,160	8,323	12,734	13,855	14,500	15,200	16,000	16,800	17,600	18,500
Operator Contract	145,989	-	-	-	-	-	-	-	-	-	-
Contracted Services	3,553	3,606	3,660	5,572	6,033	6,200	6,300	6,400	6,500	6,600	6,700
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Hydro	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Millbrook Water - Standpipe Tower											
Contracted Services	4,060	4,121	4,183	4,245	4,309	4,400	4,500	4,600	4,700	4,800	4,900
Phone	1,218	1,236	1,255	1,274	1,293	1,320	1,350	1,380	1,410	1,440	1,470
Managed Router/VDSL	1,001	1,016	1,031	1,046	1,062	1,080	1,100	1,120	1,140	1,160	1,180
Hydro	3,248	3,297	3,346	3,396	3,447	3,600	3,800	4,000	4,200	4,400	4,600
Property Taxes	3,162	3,162	3,225	3,290	3,339	3,400	3,500	3,600	3,700	3,800	3,900



Table A-7 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Booster Pumping Station											
Contracted Services	5,075	5,151	5,228	5,307	5,386	5,500	5,600	5,700	5,800	5,900	6,000
Phone	1,051	1,067	1,083	1,099	1,115	1,140	1,160	1,180	1,200	1,220	1,240
Managed Router/VDSL	584	592	601	610	619	630	640	650	660	670	680
Hydro	12,180	12,363	12,548	12,736	12,927	13,600	14,300	15,000	15,800	16,600	17,400
Property Taxes	2,856	2,913	2,971	3,031	3,076	3,100	3,200	3,300	3,400	3,500	3,600
Water Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Bulk Water Sale											
Contracted Services	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	508	515	523	531	539	550	560	570	580	590	600
Interdepart Charge WWW	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydro	2,132	2,163	2,196	2,229	2,262	2,380	2,500	2,630	2,760	2,900	3,050
Other											
Internal Loan Payback	-	-	-	-	-	-	136,851	136,851	136,851	136,851	136,851
Sub Total Operating	451,595	477,481	485,335	499,432	509,425	521,047	670,061	682,484	695,178	708,112	721,507
Capital-Related											
Existing Debt (Principal) - Growth Related	48,265	49,808	51,399	53,042	54,737	56,486	58,292	60,155	62,077	64,061	66,108
Existing Debt (Interest) - Growth Related	23,343	21,801	20,209	18,566	16,871	15,122	13,317	11,454	9,531	7,547	5,500
New Growth Related Debt (Principal)	-	-	-	140,836	147,146	153,738	160,625	167,821	175,340	183,195	191,402
New Growth Related Debt (Interest)	-	-	-	197,523	191,213	184,621	177,734	170,538	163,019	155,164	146,957
Existing Debt (Principal) - Non-Growth Related	15,973	16,513	17,071	17,648	18,245	18,862	19,500	20,159	20,841	21,545	22,274
Existing Debt (Interest) - Non-Growth Related	17,826	16,904	16,333	16,151	15,554	14,937	14,299	13,640	12,958	12,253	11,525
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	448,730	1,090,931	548,434	602,724	682,587	788,852	762,541	878,542	1,000,942	1,128,262	1,265,260
Sub Total Capital Related	554,137	1,195,957	653,446	1,046,489	1,126,353	1,232,618	1,206,306	1,322,308	1,444,708	1,572,028	1,709,026
Total Expenditures	1,005,732	1,673,437	1,138,781	1,545,921	1,635,777	1,753,665	1,876,367	2,004,792	2,139,886	2,280,140	2,430,533



Table A-7 (Cont'd)
Township of Cavan Monaghan
Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	473,203	508,442	545,370	584,511	636,281	703,221	773,108	846,555	924,240	1,005,282	1,090,913
Water Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Water Revenue											
WWW Account Set Up Fee	1,170	1,188	1,205	1,223	1,242	1,270	1,300	1,330	1,360	1,390	1,420
Penalty/Interest Charges	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Other Income Revenue											
User Fees and Service Charge	365	371	376	382	388	396	404	412	420	428	437
WWW Account Set Up Fee	305	309	314	318	323	330	337	344	351	358	365
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Internal Loan	-	600,000	-	-	-	-	-	-	-	-	-
Bulk Water Sale											
Misc Revenue	50,750	51,511	52,284	53,068	53,864	54,900	56,000	57,100	58,200	59,400	60,600
Fire Department Water Usage		5,000	5,100	5,200	5,300	5,410	5,520	5,630	5,740	5,850	5,970
Contributions from Development Charges Reserve Fund	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	643,772	1,285,553	724,089	1,103,219	1,156,641	1,225,664	1,297,766	1,373,528	1,453,528	1,536,985	1,625,042
Water Billing Recovery - Total	361,959	387,884	414,693	442,703	479,136	528,001	578,601	631,264	686,357	743,155	805,490



Table A-8
Township of Cavan Monaghan
Water Rate Forecast (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Water Billing Recovery	361,959	387,884	414,693	442,703	479,136	528,001	578,601	631,264	686,357	743,155	805,490
Total Metered Volume (m ³)	186,577	193,942	201,307	208,822	219,787	234,667	249,397	264,127	279,007	293,737	308,617
Constant Rate	1.94	2.00	2.06	2.12	2.18	2.25	2.32	2.39	2.46	2.53	2.61
Bulk Water Rate	3.28	3.38	3.48	3.58	3.69	3.80	3.92	4.04	4.16	4.28	4.41
Annual Percentage Change		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%



Appendix B

Detailed Wastewater Rate Calculations



Appendix B: Detailed Wastewater Rate Calculations

Table B-1
Township of Cavan Monaghan
Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Sewer System Relining	49,295	-	-	-	-	-	-	-	-	-	-	-
Wet Well Upgrade	40,000	-	-	-	-	-	-	-	-	-	-	-
Sand Filter Replacement	25,000	-	-	-	-	-	-	-	-	-	-	-
Sanitary lateral Replacement - Frederick St	100,000	-	-	-	-	-	-	-	-	-	-	-
Collection System Maintenance	50,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Flow Monitoring	50,000	-	-	-	-	-	-	-	-	-	-	-
Sump Pump Program	50,000	-	-	-	-	-	-	-	-	-	-	-
Replacement Portable Generator	100,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
Lifecycle:												
Provision for AMP Requirements	-	5,400,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000
Studies:												
Rates Study	15,000	30,000	-	-	-	-	15,000	-	-	-	-	15,000
DC Updates	15,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Needs Study	20,000	-	-	-	-	-	-	-	-	-	-	-
Wastewater Servicing Studies - Future Development Areas	-	196,300	-	-	-	-	196,300	-	-	-	-	-
Growth Related:												
Tupper St Pumping Station Upgrade Design	-	300,000	300,000	-	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade Construction	-	2,200,000	-	2,200,000	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade - Land	-	400,000	400,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Investigation	-	200,000	200,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Design	-	1,000,000	-	-	-	1,000,000	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Construction	-	20,000,000	-	-	-	-	-	-	20,000,000	-	-	-
Sanitary Sewer Trunk (East of County Road 10)	-	224,700	-	-	224,700	-	-	-	-	-	-	-
I&I Solutions	-	1,300,000	-	-	260,000	260,000	260,000	260,000	260,000	-	-	-
Duke Street from King Street Southwards	-	326,400	326,400	-	-	-	-	-	-	-	-	-
Coldbrook Drive Sanitary Sewer Oversizing	-	144,000	144,000	-	-	-	-	-	-	-	-	-
New Sewage Pumping Station & Forcemain for northern employment land	-	9,640,800	-	-	-	-	-	-	-	9,640,800	-	-
Total Capital Expenditures	520,000	41,362,200	1,910,400	2,740,000	1,024,700	1,800,000	1,011,300	800,000	20,800,000	10,180,800	540,000	555,000



Table B-2
Township of Cavan Monaghan
Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Sewer System Relining	49,295	-	-	-	-	-	-	-	-	-	-	-
Wet Well Upgrade	40,000	-	-	-	-	-	-	-	-	-	-	-
Sand Filter Replacement	25,000	-	-	-	-	-	-	-	-	-	-	-
Sanitary lateral Replacement - Frederick St	100,000	-	-	-	-	-	-	-	-	-	-	-
Collection System Maintenance	50,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Flow Monitoring	50,000	-	-	-	-	-	-	-	-	-	-	-
Sump Pump Program	50,000	-	-	-	-	-	-	-	-	-	-	-
Replacement Portable Generator	100,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
Lifecycle:												
Provision for AMP Requirements	-	6,031,000	551,000	562,000	573,000	585,000	596,000	608,000	620,000	633,000	645,000	658,000
Studies:												
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000
DC Updates	15,000	-	-	-	-	-	-	-	-	-	-	-
Sewer Needs Study	20,000	-	-	-	-	-	-	-	-	-	-	-
Wastewater Servicing Studies - Future Development Areas	-	217,000	-	-	-	-	217,000	-	-	-	-	-
Growth Related:												
Tupper St Pumping Station Upgrade Design	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade Construction	-	2,289,000	-	2,289,000	-	-	-	-	-	-	-	-
Tupper St Pumping Station Upgrade - Land	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Investigation	-	204,000	204,000	-	-	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Design	-	1,082,000	-	-	-	1,082,000	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade Construction	-	22,974,000	-	-	-	-	-	-	22,974,000	-	-	-
Sanitary Sewer Trunk (East of County Road 10)	-	238,000	-	-	238,000	-	-	-	-	-	-	-
I&I Solutions	-	1,436,000	-	-	276,000	281,000	287,000	293,000	299,000	-	-	-
Duke Street from King Street Southwards	-	333,000	333,000	-	-	-	-	-	-	-	-	-
Coldbrook Drive Sanitary Sewer Oversizing	-	147,000	147,000	-	-	-	-	-	-	-	-	-
New Sewage Pumping Station & Forcemain for northern employment land	-	11,296,000	-	-	-	-	-	-	-	11,296,000	-	-
Total Capital Expenditures	569,295	46,996,000	1,949,000	2,851,000	1,087,000	1,948,000	1,117,000	901,000	23,893,000	11,929,000	645,000	676,000
Capital Financing												
Provincial/Federal Grants	-	-	-	-	-	-	-	-	-	-	-	-
Development Charges Reserve Fund	15,000	4,445,000	1,398,000	-	445,000	1,292,750	432,250	219,750	224,250	433,000	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	36,126,000	-	2,289,000	-	-	-	-	22,974,000	10,863,000	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Wastewater Reserve	554,295	6,425,000	551,000	562,000	642,000	655,250	684,750	681,250	694,750	633,000	645,000	676,000
Total Capital Financing	569,295	46,996,000	1,949,000	2,851,000	1,087,000	1,948,000	1,117,000	901,000	23,893,000	11,929,000	645,000	676,000



Table B-3
Township of Cavan Monaghan
Schedule of Non-Growth Related Debenture Repayments (Inflated \$)

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				-	-	-	-	-	-	-	-
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	-	-	-	-	-	-	-	-

Table B-4
Township of Cavan Monaghan
Schedule of Growth-Related Debenture Repayments (Inflated \$)

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				175,665	175,665	175,665	175,665	175,665	175,665	175,665	175,665
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									1,763,093	1,763,093	1,763,093
2033										833,659	833,659
2034											-
2035											
Total Annual Debt Charges	-	-	-	175,665	175,665	175,665	175,665	175,665	1,938,758	2,772,417	2,772,417



Table B-5
Township of Cavan Monaghan
Wastewater Capital Reserve Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	1,803,400	1,652,369	1,728,427	1,871,675	2,017,649	2,268,008	2,639,326	3,171,486	3,816,925	4,698,905	5,750,728
Transfer from Operating	370,865	593,167	668,549	748,413	861,138	1,004,316	1,151,224	1,265,347	1,422,845	1,584,063	1,751,821
Transfer to Capital	554,295	551,000	562,000	642,000	655,250	684,750	681,250	694,750	633,000	645,000	676,000
Transfer to Operating	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,619,970	1,694,536	1,834,975	1,978,088	2,223,538	2,587,574	3,109,300	3,742,083	4,606,769	5,637,968	6,826,549
Interest	32,399	33,891	36,700	39,562	44,471	51,751	62,186	74,842	92,135	112,759	136,531

Table B-6
Township of Cavan Monaghan
Wastewater Development Charges Reserve Fund Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	(643,758)	(174,321)	(1,090,993)	(584,573)	119,124	4,376	797,832	1,857,376	2,967,674	2,123,737	889,795
Development Charge Proceeds	743,225	758,091	773,253	1,577,396	1,608,952	1,641,096	1,673,910	1,707,393	1,741,549	1,776,398	1,811,922
Transfer to Capital	15,000	1,398,000		445,000	1,292,750	432,250	219,750	224,250	433,000	-	-
Transfer to Operating	255,370	255,370	255,370	431,035	431,035	431,035	431,035	431,035	2,194,128	3,027,787	3,027,787
Closing Balance	(170,903)	(1,069,601)	(573,111)	116,788	4,291	782,188	1,820,957	2,909,484	2,082,095	872,348	(326,070)
Interest	(3,418)	(21,392)	(11,462)	2,336	86	15,644	36,419	58,190	41,642	17,447	(6,521)
Required from Development Charges	15,000	1,398,000	2,289,000	445,000	1,292,750	432,250	219,750	23,198,250	11,296,000	-	-



Table B-7
Township of Cavan Monaghan
Wastewater Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Wastewater Administration											
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Pumping Station											
Contracted Services	1,523	1,545	2,353	2,400	2,448	2,497	2,547	2,598	2,650	2,703	2,757
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,142	1,159	1,176	1,194	1,212	1,240	1,260	1,290	1,320	1,350	1,380
Hydro	4,060	4,121	4,183	4,245	4,309	4,500	4,700	4,900	5,100	5,400	5,700
Property Taxes	1,929	1,957	1,987	2,017	2,047	2,090	2,130	2,170	2,210	2,250	2,300



Table B-7 (Cont'd)
Township of Cavan Monaghan
Wastewater Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Millbrook Wastewater Plant											
Operator Contract	340,643	-	-	-	-						
Laboratory Costs	-	25,500	26,010	26,530	27,061	27,600	28,200	28,800	29,400	30,000	30,600
Treatment Chemicals (Ferric)	-	15,300	15,606	15,918	16,714	17,550	18,427	29,023	30,474	31,998	33,598
Contracted Services	50,000	50,750	51,511	52,284	53,330	54,396	55,484	84,891	86,589	88,320	90,087
Biosolid Management	40,000	40,600	41,209	41,827	42,455	43,300	44,200	45,100	46,000	46,900	47,800
Phone	4,685	4,755	4,826	4,899	4,972	5,100	5,200	5,300	5,400	5,500	5,600
Managed Router/VDSL	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Hydro	130,428	132,384	134,370	136,385	138,431	145,350	152,620	160,250	168,260	176,670	185,500
Gas - Heating	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Property Taxes	42,630	43,269	43,918	44,577	45,246	46,200	47,100	48,000	49,000	50,000	51,000
Wastewater Collection System											
Contracted Services	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Wastewater Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Sub Total Operating	824,418	688,495	700,419	711,774	724,065	743,850	764,298	823,304	846,089	869,712	894,237
Capital-Related											
Existing Debt (Principal) - Growth Related	172,123	177,624	183,301	189,159	195,204	201,442	207,880	214,524	221,380	228,455	235,756
Existing Debt (Interest) - Growth Related	83,247	77,746	72,070	66,212	60,166	53,928	47,490	40,846	33,990	26,915	19,614
New Growth Related Debt (Principal)	-	-	-	73,117	76,393	79,816	83,391	87,127	824,888	1,208,840	1,262,996
New Growth Related Debt (Interest)	-	-	-	102,547	99,272	95,849	92,273	88,537	1,113,869	1,563,577	1,509,421
Existing Debt (Principal) - Non-Growth Related	68,678	71,000	73,400	75,882	78,448	81,101	83,843	86,678	89,609	92,639	95,771
Existing Debt (Interest) - Non-Growth Related	76,648	72,609	70,150	69,443	66,877	64,224	61,482	58,647	55,716	52,686	49,554
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	370,865	593,167	668,549	748,413	861,138	1,004,316	1,151,224	1,265,347	1,422,845	1,584,063	1,751,821
Sub Total Capital Related	771,560	992,146	1,067,469	1,324,773	1,437,498	1,580,676	1,727,584	1,841,707	3,762,298	4,757,175	4,924,933
Total Expenditures	1,595,978	1,680,641	1,767,888	2,036,547	2,161,563	2,324,526	2,491,882	2,665,011	4,608,387	5,626,887	5,819,170



Table B-7 (Cont'd)
Township of Cavan Monaghan
Wastewater Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	881,422	937,622	995,717	1,056,578	1,138,649	1,245,773	1,355,860	1,469,852	1,588,764	1,710,924	1,838,273
Wastewater Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Other Income											
User Fees and Service Charge	365	371	376	382	388	400	410	420	430	440	450
WWW Account Set Up Fee	305	309	314	318	323	330	340	350	360	370	380
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Contributions from Development Charges Reserve Fund	255,370	255,370	255,370	431,035	431,035	431,035	431,035	431,035	2,194,128	3,027,787	3,027,787
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	1,173,684	1,230,493	1,289,151	1,526,248	1,608,898	1,716,708	1,827,575	1,942,447	3,825,332	4,782,031	4,910,260
Wastewater Billing Recovery - Total	422,294	450,147	478,737	510,299	552,665	607,817	664,307	722,564	783,055	844,856	908,910



Table B-8
Township of Cavan Monaghan
Wastewater Rate Forecast

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Wastewater Billing Recovery	422,294	450,147	478,737	510,299	552,665	607,817	664,307	722,564	783,055	844,856	908,910
Total Volume (m ³)	159,356	166,721	174,086	181,601	192,566	207,446	222,176	236,906	251,786	266,516	281,396
Constant Rate	2.65	2.70	2.75	2.81	2.87	2.93	2.99	3.05	3.11	3.17	3.23
Annual Percentage Change		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%



Appendix C

Other Rate Scenarios



Appendix C: Other Rate Scenarios

As part of the rate study process, two alternative water rate scenarios (in addition to the proposed recommended rate scenario discussed in the report) were considered to analyze the impacts on the Township's water rates. As noted in the report, these rate scenarios were designed with a common requirement such that the water capital reserve balance would not drop below \$900,000 in 2030. Maintaining this minimum balance will allow the Township to fund any emergency repairs or infrastructure replacements while minimizing the need to issue debt. Note that under all scenarios, the wastewater rate remains unchanged at an annual increase of 2% over the forecast period.

Scenario 1

Under Scenario 1, it is assumed that the Township will not apply an internal loan of \$600,000 in 2026, while also maintaining a water capital reserve balance of at least \$900,000 in 2030. To meet the needs for water under this scenario, the water rates would be required to increase by 9% from 2026 to 2028, then 0% every year thereafter. A detailed calculation of the rates under this scenario is provided in Table C-1a to Table C-1h.

Scenario 2

Scenario 2 is based on assumptions consistent with the proposed recommended rates outlined in the report, including the maintenance of a minimum water capital reserve balance of \$900,000 in 2030 and the receipt of an internal loan of \$600,000 in 2026. However, under scenario 2, an additional requirement was introduced such that water rate increases in 2026 and 2027 are to remain at 2% per year. To meet the needs for water under this scenario, the water rates are forecasted to increase by 2% from 2026 to 2027, 6% in 2028, 4% in 2029, 3% from 2030 to 2032, then 2% every year thereafter. A detailed calculation of the rates under this scenario is provided in Table C-2a to Table C-2h.



Table C-1a
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	466,407	144,365	322,042	-	-	-					
Watermain Replacement - Bank Street North	-	210,416	-	-	-	210,416	-					
Watermain Replacement - Bank Street South	-	157,305	-	-	-	-	157,305					
Watermain Replacement - Cavan Street	-	300,406	300,406	-	-	-	-					
Watermain Replacement - Centre Street	-	452,431	-	-	-	452,431	-					
Watermain Replacement - Distillery Street	-	165,771	-	165,771	-	-	-					
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-					
Watermain Replacement - Frederick Street	-	443,301	443,301	-	-	-	-					
Watermain Replacement - Gravel Road	-	198,513	-	-	198,513	-	-					
Watermain Replacement - Hunter Street	-	135,559	-	-	-	-	135,559					
Watermain Replacement - Huston Street	-	228,121	-	-	-	-	228,121					
Watermain Replacement - King Street	-	756,519	-	-	756,519	-	-					
Watermain Replacement - Needler's Lane	-	164,051	-	164,051	-	-	-					
Watermain Replacement - Prince Street	-	101,969	-	101,969	-	-	-					
Watermain Replacement - Princess Street	-	114,582	-	114,582	-	-	-					
Watermain Replacement - Turner Street	-	138,349	-	-	-	-	138,349					
Watermain Replacement - Union Street	-	176,841	-	-	-	176,841	-					
Watermain Replacement - Queen Street	-	116,249	-	-	-	-	116,249					
Watermain Replacement - Wing Street	-	81,073	-	-	-	-	81,073					
Water Meter Replacement Program	20,000	-										
Bulk Water Station Upgrades	60,000	-										
Water Tower Lighting	3,000	-										
Booster Station Fence	25,000	-										
Tools and Equipment	15,000	-										
Pickup Truck	40,000	-										
PSD CityWide Maintenance Manager	50,000	-										
Studies:												
Water Servicing Study - Future Development Areas		102,000				102,000						
Rates Study	15,000	30,000					15,000					15,000



Table C-1a (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-										
Booster Station Pump Upgrade	50,000	-										
Duke Street from King Street Southwards		153,000	153,000									
Advanced Metering Infrastructure Software	140,000	-										
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-										
Class EA Study - Second Water Storage Facility	129,000	-										
Second Booster Pumping Station Design		196,011	196,011									
Second Booster Pumping Station Construction		803,563	803,563									
Second Water Storage Facility Design		400,000	400,000									
Second Water Storage Facility Construction		9,124,252		9,124,252								
Land for storage facility		400,000	400,000									
Water Distribution Network Extension Design		500,000	200,000	300,000								
Water Distribution Network Extension Construction		5,889,900			5,889,900							
Total Capital Expenditures	867,245	22,006,590	3,040,646	10,292,668	6,844,932	941,688	871,656	-	-	-	-	15,000



Table C-1b
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	482,000	147,000	335,000	-	-	-	-	-	-	-	-
Watermain Replacement - Bank Street North	-	228,000	-	-	-	228,000	-	-	-	-	-	-
Watermain Replacement - Bank Street South	-	174,000	-	-	-	-	174,000	-	-	-	-	-
Watermain Replacement - Cavan Street	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Centre Street	-	490,000	-	-	-	490,000	-	-	-	-	-	-
Watermain Replacement - Distillery Street	-	172,000	-	172,000	-	-	-	-	-	-	-	-
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-	-	-	-	-	-
Watermain Replacement - Frederick Street	-	452,000	452,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Gravel Road	-	211,000	-	-	211,000	-	-	-	-	-	-	-
Watermain Replacement - Hunter Street	-	150,000	-	-	-	-	150,000	-	-	-	-	-
Watermain Replacement - Huston Street	-	252,000	-	-	-	-	252,000	-	-	-	-	-
Watermain Replacement - King Street	-	803,000	-	-	803,000	-	-	-	-	-	-	-
Watermain Replacement - Needler's Lane	-	171,000	-	171,000	-	-	-	-	-	-	-	-
Watermain Replacement - Prince Street	-	106,000	-	106,000	-	-	-	-	-	-	-	-
Watermain Replacement - Princess Street	-	119,000	-	119,000	-	-	-	-	-	-	-	-
Watermain Replacement - Turner Street	-	153,000	-	-	-	-	153,000	-	-	-	-	-
Watermain Replacement - Union Street	-	191,000	-	-	-	191,000	-	-	-	-	-	-
Watermain Replacement - Queen Street	-	128,000	-	-	-	-	128,000	-	-	-	-	-
Watermain Replacement - Wing Street	-	90,000	-	-	-	-	90,000	-	-	-	-	-
Water Meter Replacement Program	20,000	-	-	-	-	-	-	-	-	-	-	-
Bulk Water Station Upgrades	60,000	-	-	-	-	-	-	-	-	-	-	-
Water Tower Lighting	3,000	-	-	-	-	-	-	-	-	-	-	-
Booster Station Fence	25,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
PSD CityWide Maintenance Manager	50,000	-	-	-	-	-	-	-	-	-	-	-
Studies:												
Water Servicing Study - Future Development Areas	-	110,000	-	-	-	110,000	-	-	-	-	-	-
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000



Table C-1b (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:												
Booster Station Pump Upgrade	50,000	-	-	-	-	-	-	-	-	-	-	-
Duke Street from King Street Southwards	-	156,000	156,000	-	-	-	-	-	-	-	-	-
Advanced Metering Infrastructure Software	140,000	-	-	-	-	-	-	-	-	-	-	-
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-	-	-	-	-	-	-	-	-	-	-
Class EA Study - Second Water Storage Facility	129,000	-	-	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Design	-	200,000	200,000	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Construction	-	820,000	820,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Design	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Construction	-	9,493,000	-	9,493,000	-	-	-	-	-	-	-	-
Land for storage facility	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Water Distribution Network Extension Design	-	516,000	204,000	312,000	-	-	-	-	-	-	-	-
Water Distribution Network Extension Construction	-	6,250,500	-	-	6,250,500	-	-	-	-	-	-	-
Total Capital Expenditures	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000
Capital Financing												
Provincial/Federal Grants		12,911,875	1,265,364	5,396,011	6,250,500							
CCBF Funding		-										
Development Charges Reserve Fund	469,000	1,040,636	930,636	-	-	110,000	-	-	-	-	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	4,408,989	-	4,408,989	-	-	-	-	-	-	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Water Reserve	398,245	4,713,000	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Total Capital Financing	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000



Table C-1c
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Schedule of Non-Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				-	-	-	-	-	-	-	-
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	-	-	-	-	-	-	-	-

Table C-1d
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Schedule of Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359



Table C-1e
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Water Capital Reserve Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	1,731,340	1,817,462	1,483,432	1,267,420	1,066,713	1,028,838	1,016,994	2,069,732	3,224,901	4,485,208	5,851,677
Transfer from Operating	448,730	541,883	662,137	792,378	850,951	932,215	1,012,155	1,091,936	1,172,361	1,251,730	1,331,565
Transfer to Capital	398,245	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Transfer to Operating	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,781,825	1,454,345	1,242,569	1,045,797	1,008,664	997,053	2,029,149	3,161,668	4,397,262	5,736,938	7,165,242
Interest	35,637	29,087	24,851	20,916	20,173	19,941	40,583	63,233	87,945	114,739	143,305

Table C-1f
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Water Development Charges Reserve Fund Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	(619,050)	(1,047,695)	(1,953,093)	(1,924,596)	(2,094,454)	(2,374,163)	(2,541,398)	(2,705,995)	(2,867,776)	(3,026,570)	(3,182,192)
Development Charge Proceeds	132,506	135,142	137,843	281,178	286,810	292,563	298,429	304,417	310,517	316,741	323,107
Transfer to Capital	469,000	930,636	-	-	110,000	-	-	-	-	-	-
Transfer to Operating	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Closing Balance	(1,027,152)	(1,914,797)	(1,886,859)	(2,053,386)	(2,327,611)	(2,491,567)	(2,652,936)	(2,811,545)	(2,967,226)	(3,119,797)	(3,269,052)
Interest	(20,543)	(38,296)	(37,737)	(41,068)	(46,552)	(49,831)	(53,059)	(56,231)	(59,345)	(62,396)	(65,381)
Required from Development Charges	469,000	930,636	4,408,989	-	110,000	-	-	-	-	-	-



Table C-1g
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Water Administration											
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Millbrook Water - Distribution System											
Contracted Services	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydrant Maintenance	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	3,045	3,091	3,137	3,184	3,232	3,300	3,370	3,440	3,510	3,580	3,650
Millbrook Water - Treatment & Supply											
Audit Fees/Accreditation	-	2,500	2,550	2,601	3,184	3,200	3,300	3,400	3,500	3,600	3,700
Treatment Chemicals (Chlorine)	-	8,160	8,323	12,734	13,855	14,500	15,200	16,000	16,800	17,600	18,500
Operator Contract	145,989	-	-	-	-	-	-	-	-	-	-
Contracted Services	3,553	3,606	3,660	5,572	6,033	6,200	6,300	6,400	6,500	6,600	6,700
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Hydro	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Millbrook Water - Standpipe Tower											
Contracted Services	4,060	4,121	4,183	4,245	4,309	4,400	4,500	4,600	4,700	4,800	4,900
Phone	1,218	1,236	1,255	1,274	1,293	1,320	1,350	1,380	1,410	1,440	1,470
Managed Router/VDSL	1,001	1,016	1,031	1,046	1,062	1,080	1,100	1,120	1,140	1,160	1,180
Hydro	3,248	3,297	3,346	3,396	3,447	3,600	3,800	4,000	4,200	4,400	4,600
Property Taxes	3,162	3,162	3,225	3,290	3,339	3,400	3,500	3,600	3,700	3,800	3,900



Table C-1g (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Booster Pumping Station											
Contracted Services	5,075	5,151	5,228	5,307	5,386	5,500	5,600	5,700	5,800	5,900	6,000
Phone	1,051	1,067	1,083	1,099	1,115	1,140	1,160	1,180	1,200	1,220	1,240
Managed Router/VDSL	584	592	601	610	619	630	640	650	660	670	680
Hydro	12,180	12,363	12,548	12,736	12,927	13,600	14,300	15,000	15,800	16,600	17,400
Property Taxes	2,856	2,913	2,971	3,031	3,076	3,100	3,200	3,300	3,400	3,500	3,600
Water Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Bulk Water Sale											
Contracted Services	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	508	515	523	531	539	550	560	570	580	590	600
Interdepart Charge WWW	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydro	2,132	2,163	2,196	2,229	2,262	2,380	2,500	2,630	2,760	2,900	3,050
Other											
Internal Loan Payback	-	-	-	-	-	-	-	-	-	-	-
Sub Total Operating	451,595	477,481	485,335	499,432	509,425	521,047	533,210	545,633	558,327	571,261	584,656
Capital-Related											
Existing Debt (Principal) - Growth Related	48,265	49,808	51,399	53,042	54,737	56,486	58,292	60,155	62,077	64,061	66,108
Existing Debt (Interest) - Growth Related	23,343	21,801	20,209	18,566	16,871	15,122	13,317	11,454	9,531	7,547	5,500
New Growth Related Debt (Principal)	-	-	-	140,836	147,146	153,738	160,625	167,821	175,340	183,195	191,402
New Growth Related Debt (Interest)	-	-	-	197,523	191,213	184,621	177,734	170,538	163,019	155,164	146,957
Existing Debt (Principal) - Non-Growth Related	15,973	16,513	17,071	17,648	18,245	18,862	19,500	20,159	20,841	21,545	22,274
Existing Debt (Interest) - Non-Growth Related	17,826	16,904	16,333	16,151	15,554	14,937	14,299	13,640	12,958	12,253	11,525
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	448,730	541,883	662,137	792,378	850,951	932,215	1,012,155	1,091,936	1,172,361	1,251,730	1,331,565
Sub Total Capital Related	554,137	646,908	767,149	1,236,143	1,294,717	1,375,981	1,455,921	1,535,702	1,616,127	1,695,496	1,775,331
Total Expenditures	1,005,732	1,124,389	1,252,484	1,735,575	1,804,141	1,897,028	1,989,131	2,081,335	2,174,454	2,266,757	2,359,987



Table C-1g (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	473,203	538,060	610,759	692,725	732,115	785,570	838,487	891,403	944,858	997,774	1,051,229
Water Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Water Revenue											
WWW Account Set Up Fee	1,170	1,188	1,205	1,223	1,242	1,270	1,300	1,330	1,360	1,390	1,420
Penalty/Interest Charges	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Other Income Revenue											
User Fees and Service Charge	365	371	376	382	388	396	404	412	420	428	437
WWW Account Set Up Fee	305	309	314	318	323	330	337	344	351	358	365
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Internal Loan	-	-	-	-	-	-	-	-	-	-	-
Bulk Water Sale											
Misc Revenue	50,750	51,511	52,284	53,068	53,864	54,900	56,000	57,100	58,200	59,400	60,600
Fire Department Water Usage		5,000	5,100	5,200	5,300	5,410	5,520	5,630	5,740	5,850	5,970
Contributions from Development Charges	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Reserve Fund											
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	643,772	715,171	789,478	1,211,432	1,252,476	1,308,014	1,363,145	1,418,376	1,474,146	1,529,477	1,585,358
Water Billing Recovery - Total	361,959	409,218	463,006	524,143	551,665	589,014	625,987	662,959	700,308	737,280	774,629



Table C-1h
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 1 – Water Rate Forecast (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Water Billing Recovery	361,959	409,218	463,006	524,143	551,665	589,014	625,987	662,959	700,308	737,280	774,629
Total Metered Volume (m ³)	186,577	193,942	201,307	208,822	219,787	234,667	249,397	264,127	279,007	293,737	308,617
Constant Rate	1.94	2.11	2.30	2.51	2.51	2.51	2.51	2.51	2.51	2.51	2.51
Bulk Water Rate	3.28	3.57	3.89	4.24	4.24	4.24	4.24	4.24	4.24	4.24	4.24
Annual Percentage Change		9%	9%	9%	0%	0%	0%	0%	0%	0%	0%



Table C-2a
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	466,407	144,365	322,042	-	-	-					
Watermain Replacement - Bank Street North	-	210,416	-	-	-	210,416	-					
Watermain Replacement - Bank Street South	-	157,305	-	-	-	-	157,305					
Watermain Replacement - Cavan Street	-	300,406	300,406	-	-	-	-					
Watermain Replacement - Centre Street	-	452,431	-	-	-	452,431	-					
Watermain Replacement - Distillery Street	-	165,771	-	165,771	-	-	-					
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-					
Watermain Replacement - Frederick Street	-	443,301	443,301	-	-	-	-					
Watermain Replacement - Gravel Road	-	198,513	-	-	198,513	-	-					
Watermain Replacement - Hunter Street	-	135,559	-	-	-	-	135,559					
Watermain Replacement - Huston Street	-	228,121	-	-	-	-	228,121					
Watermain Replacement - King Street	-	756,519	-	-	756,519	-	-					
Watermain Replacement - Needler's Lane	-	164,051	-	164,051	-	-	-					
Watermain Replacement - Prince Street	-	101,969	-	101,969	-	-	-					
Watermain Replacement - Princess Street	-	114,582	-	114,582	-	-	-					
Watermain Replacement - Turner Street	-	138,349	-	-	-	-	138,349					
Watermain Replacement - Union Street	-	176,841	-	-	-	176,841	-					
Watermain Replacement - Queen Street	-	116,249	-	-	-	-	116,249					
Watermain Replacement - Wing Street	-	81,073	-	-	-	-	81,073					
Water Meter Replacement Program	20,000	-										
Bulk Water Station Upgrades	60,000	-										
Water Tower Lighting	3,000	-										
Booster Station Fence	25,000	-										
Tools and Equipment	15,000	-										
Pickup Truck	40,000	-										
PSD CityWide Maintenance Manager	50,000	-										
Studies:												
Water Servicing Study - Future Development Areas		102,000				102,000						
Rates Study	15,000	30,000					15,000					15,000



Table C-2a (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Capital Budget Forecast (Uninflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-										
Booster Station Pump Upgrade	50,000	-										
Duke Street from King Street Southwards		153,000	153,000									
Advanced Metering Infrastructure Software	140,000	-										
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-										
Class EA Study - Second Water Storage Facility	129,000	-										
Second Booster Pumping Station Design		196,011	196,011									
Second Booster Pumping Station Construction		803,563	803,563									
Second Water Storage Facility Design		400,000	400,000									
Second Water Storage Facility Construction		9,124,252		9,124,252								
Land for storage facility		400,000	400,000									
Water Distribution Network Extension Design		500,000	200,000	300,000								
Water Distribution Network Extension Construction		5,889,900			5,889,900							
Total Capital Expenditures	867,245	22,006,590	3,040,646	10,292,668	6,844,932	941,688	871,656	-	-	-	-	15,000



Table C-2b
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures												
Watermain Replacement - Anne Street	-	482,000	147,000	335,000	-	-	-	-	-	-	-	-
Watermain Replacement - Bank Street North	-	228,000	-	-	-	228,000	-	-	-	-	-	-
Watermain Replacement - Bank Street South	-	174,000	-	-	-	-	174,000	-	-	-	-	-
Watermain Replacement - Cavan Street	-	306,000	306,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Centre Street	-	490,000	-	-	-	490,000	-	-	-	-	-	-
Watermain Replacement - Distillery Street	-	172,000	-	172,000	-	-	-	-	-	-	-	-
Watermain Replacement - Dufferin Street	170,245	-	-	-	-	-	-	-	-	-	-	-
Watermain Replacement - Frederick Street	-	452,000	452,000	-	-	-	-	-	-	-	-	-
Watermain Replacement - Gravel Road	-	211,000	-	-	211,000	-	-	-	-	-	-	-
Watermain Replacement - Hunter Street	-	150,000	-	-	-	-	150,000	-	-	-	-	-
Watermain Replacement - Huston Street	-	252,000	-	-	-	-	252,000	-	-	-	-	-
Watermain Replacement - King Street	-	803,000	-	-	803,000	-	-	-	-	-	-	-
Watermain Replacement - Needler's Lane	-	171,000	-	171,000	-	-	-	-	-	-	-	-
Watermain Replacement - Prince Street	-	106,000	-	106,000	-	-	-	-	-	-	-	-
Watermain Replacement - Princess Street	-	119,000	-	119,000	-	-	-	-	-	-	-	-
Watermain Replacement - Turner Street	-	153,000	-	-	-	-	153,000	-	-	-	-	-
Watermain Replacement - Union Street	-	191,000	-	-	-	191,000	-	-	-	-	-	-
Watermain Replacement - Queen Street	-	128,000	-	-	-	-	128,000	-	-	-	-	-
Watermain Replacement - Wing Street	-	90,000	-	-	-	-	90,000	-	-	-	-	-
Water Meter Replacement Program	20,000	-	-	-	-	-	-	-	-	-	-	-
Bulk Water Station Upgrades	60,000	-	-	-	-	-	-	-	-	-	-	-
Water Tower Lighting	3,000	-	-	-	-	-	-	-	-	-	-	-
Booster Station Fence	25,000	-	-	-	-	-	-	-	-	-	-	-
Tools and Equipment	15,000	-	-	-	-	-	-	-	-	-	-	-
Pickup Truck	40,000	-	-	-	-	-	-	-	-	-	-	-
PSD CityWide Maintenance Manager	50,000	-	-	-	-	-	-	-	-	-	-	-
Studies:												
Water Servicing Study - Future Development Areas	-	110,000	-	-	-	110,000	-	-	-	-	-	-
Rates Study	15,000	35,000	-	-	-	-	17,000	-	-	-	-	18,000



Table C-2b (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Capital Budget Forecast (Inflated \$)

Description	Budget 2025	Total	Forecast									
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Growth Related:		-	-	-	-	-	-	-	-	-	-	-
Booster Station Pump Upgrade	50,000	-	-	-	-	-	-	-	-	-	-	-
Duke Street from King Street Southwards	-	156,000	156,000	-	-	-	-	-	-	-	-	-
Advanced Metering Infrastructure Software	140,000	-	-	-	-	-	-	-	-	-	-	-
Hydrogeological Study for 4th Drinking Well (78 King St W)	150,000	-	-	-	-	-	-	-	-	-	-	-
Class EA Study - Second Water Storage Facility	129,000	-	-	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Design	-	200,000	200,000	-	-	-	-	-	-	-	-	-
Second Booster Pumping Station Construction	-	820,000	820,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Design	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Second Water Storage Facility Construction	-	9,493,000	-	9,493,000	-	-	-	-	-	-	-	-
Land for storage facility	-	408,000	408,000	-	-	-	-	-	-	-	-	-
Water Distribution Network Extension Design	-	516,000	204,000	312,000	-	-	-	-	-	-	-	-
Water Distribution Network Extension Construction	-	6,250,500	-	-	6,250,500	-	-	-	-	-	-	-
Total Capital Expenditures	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000
Capital Financing												
Provincial/Federal Grants		12,911,875	1,265,364	5,396,011	6,250,500							
CCBF Funding		-										
Development Charges Reserve Fund	469,000	1,040,636	930,636	-	-	110,000	-	-	-	-	-	-
Non-Growth Related Debenture Requirements	-	-	-	-	-	-	-	-	-	-	-	-
Growth Related Debenture Requirements	-	4,408,989	-	4,408,989	-	-	-	-	-	-	-	-
Operating Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Water Reserve	398,245	4,713,000	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Total Capital Financing	867,245	23,074,500	3,101,000	10,708,000	7,264,500	1,019,000	964,000	-	-	-	-	18,000



Table C-2c
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Schedule of Non-Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				-	-	-	-	-	-	-	-
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	-	-	-	-	-	-	-	-

Table C-2d
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Schedule of Growth Related Debenture Repayments

Debenture Year	2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026			-	-	-	-	-	-	-	-	-
2027				338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359
2028					-	-	-	-	-	-	-
2029						-	-	-	-	-	-
2030							-	-	-	-	-
2031								-	-	-	-
2032									-	-	-
2033										-	-
2034											-
2035											
Total Annual Debt Charges	-	-	-	338,359	338,359	338,359	338,359	338,359	338,359	338,359	338,359



Table C-2e
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Water Capital Reserve Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	1,731,340	1,817,462	2,034,470	1,694,539	1,318,697	1,137,695	1,007,422	1,833,094	2,795,779	3,889,815	5,120,765
Transfer from Operating	448,730	1,082,116	529,844	612,301	705,690	813,974	789,729	907,866	1,017,765	1,130,544	1,247,792
Transfer to Capital	398,245	905,000	903,000	1,014,000	909,000	964,000	-	-	-	-	18,000
Transfer to Operating	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	1,781,825	1,994,578	1,661,313	1,292,840	1,115,387	987,669	1,797,151	2,740,960	3,813,544	5,020,358	6,350,557
Interest	35,637	39,892	33,226	25,857	22,308	19,753	35,943	54,819	76,271	100,407	127,011

Table C-2f
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Water Development Charges Reserve Fund Continuity (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	(619,050)	(1,047,695)	(1,953,093)	(1,924,596)	(2,094,454)	(2,374,163)	(2,541,398)	(2,705,995)	(2,867,776)	(3,026,570)	(3,182,192)
Development Charge Proceeds	132,506	135,142	137,843	281,178	286,810	292,563	298,429	304,417	310,517	316,741	323,107
Transfer to Capital	469,000	930,636	-	-	110,000	-	-	-	-	-	-
Transfer to Operating	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Closing Balance	(1,027,152)	(1,914,797)	(1,886,859)	(2,053,386)	(2,327,611)	(2,491,567)	(2,652,936)	(2,811,545)	(2,967,226)	(3,119,797)	(3,269,052)
Interest	(20,543)	(38,296)	(37,737)	(41,068)	(46,552)	(49,831)	(53,059)	(56,231)	(59,345)	(62,396)	(65,381)
Required from Development Charges	469,000	930,636	4,408,989	-	110,000	-	-	-	-	-	-



Table C-2g
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures											
Operating Costs											
Water Administration											
Gross Wages - FT	64,400	153,000	156,060	159,181	162,365	165,600	168,900	172,300	175,700	179,200	182,800
Benefits, OMERS, Etc.	19,300	51,000	52,020	53,060	54,122	55,200	56,300	57,400	58,500	59,700	60,900
Staff Train/Development	1,472	2,538	2,576	2,614	2,653	2,710	2,760	2,820	2,880	2,940	3,000
Uniforms/Clothing	254	1,269	1,288	1,307	1,327	1,350	1,380	1,410	1,440	1,470	1,500
Mileage	74	508	515	523	531	540	550	560	570	580	590
Advertising	87	88	90	91	92	94	96	98	100	102	104
Contracted Services	1,015	1,030	1,046	1,061	1,077	1,100	1,120	1,140	1,160	1,180	1,200
IT Services	-	7,650	7,803	7,959	8,118	8,300	8,500	8,700	8,900	9,100	9,300
Water Meters	1,523	1,545	1,569	1,592	1,616	1,650	1,680	1,710	1,740	1,770	1,810
Remote Reader	870	883	896	910	923	940	960	980	1,000	1,020	1,040
Memberships	254	258	261	265	269	275	281	287	293	299	305
Postage/Courier	152	155	157	159	162	165	168	171	174	177	181
Office Supplies	508	515	523	531	539	550	560	570	580	590	600
Phone	254	258	261	265	269	270	280	290	300	310	320
Software Lic & Supp	5,220	5,298	5,378	5,458	5,540	5,650	5,760	5,880	6,000	6,120	6,240
Cellular	250	1,015	1,030	1,046	1,061	1,083	1,105	1,127	1,150	1,173	1,196
Allocated Insurance	50,000	76,500	77,648	78,812	79,994	81,590	83,220	84,880	86,580	88,310	90,080
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Millbrook Water - Distribution System											
Contracted Services	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydrant Maintenance	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	3,045	3,091	3,137	3,184	3,232	3,300	3,370	3,440	3,510	3,580	3,650
Millbrook Water - Treatment & Supply											
Audit Fees/Accreditation	-	2,500	2,550	2,601	3,184	3,200	3,300	3,400	3,500	3,600	3,700
Treatment Chemicals (Chlorine)	-	8,160	8,323	12,734	13,855	14,500	15,200	16,000	16,800	17,600	18,500
Operator Contract	145,989	-	-	-	-	-	-	-	-	-	-
Contracted Services	3,553	3,606	3,660	5,572	6,033	6,200	6,300	6,400	6,500	6,600	6,700
Phone	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Managed Router/VDSL	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Hydro	15,733	15,968	16,208	16,451	16,698	17,500	18,400	19,300	20,300	21,300	22,400
Millbrook Water - Standpipe Tower											
Contracted Services	4,060	4,121	4,183	4,245	4,309	4,400	4,500	4,600	4,700	4,800	4,900
Phone	1,218	1,236	1,255	1,274	1,293	1,320	1,350	1,380	1,410	1,440	1,470
Managed Router/VDSL	1,001	1,016	1,031	1,046	1,062	1,080	1,100	1,120	1,140	1,160	1,180
Hydro	3,248	3,297	3,346	3,396	3,447	3,600	3,800	4,000	4,200	4,400	4,600
Property Taxes	3,162	3,162	3,225	3,290	3,339	3,400	3,500	3,600	3,700	3,800	3,900



Table C-2g (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Booster Pumping Station											
Contracted Services	5,075	5,151	5,228	5,307	5,386	5,500	5,600	5,700	5,800	5,900	6,000
Phone	1,051	1,067	1,083	1,099	1,115	1,140	1,160	1,180	1,200	1,220	1,240
Managed Router/VDSL	584	592	601	610	619	630	640	650	660	670	680
Hydro	12,180	12,363	12,548	12,736	12,927	13,600	14,300	15,000	15,800	16,600	17,400
Property Taxes	2,856	2,913	2,971	3,031	3,076	3,100	3,200	3,300	3,400	3,500	3,600
Water Capacity Monitoring											
Contracted Services	30,450	30,000	30,000	30,000	30,000	30,600	31,200	31,800	32,400	33,000	33,700
WW-1 Truck											
Vehicle Maintenance	1,000	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	863	876	889	902	916	930	950	970	990	1,010	1,030
New Truck											
Vehicle Maintenance	-	1,015	1,030	1,046	1,061	1,080	1,100	1,120	1,140	1,160	1,180
Fuel - Vehicle	-	863	876	889	902	920	940	960	980	1,000	1,020
Bulk Water Sale											
Contracted Services	2,030	2,060	2,091	2,123	2,155	2,200	2,240	2,280	2,330	2,380	2,430
Materials and Supplies	508	515	523	531	539	550	560	570	580	590	600
Interdepart Charge WWW	30,450	30,907	31,370	31,841	32,319	33,000	33,700	34,400	35,100	35,800	36,500
Hydro	2,132	2,163	2,196	2,229	2,262	2,380	2,500	2,630	2,760	2,900	3,050
Other											
Internal Loan Payback	-	-	-	-	-	-	136,851	136,851	136,851	136,851	136,851
Sub Total Operating	451,595	477,481	485,335	499,432	509,425	521,047	670,061	682,484	695,178	708,112	721,507
Capital-Related											
Existing Debt (Principal) - Growth Related	48,265	49,808	51,399	53,042	54,737	56,486	58,292	60,155	62,077	64,061	66,108
Existing Debt (Interest) - Growth Related	23,343	21,801	20,209	18,566	16,871	15,122	13,317	11,454	9,531	7,547	5,500
New Growth Related Debt (Principal)	-	-	-	140,836	147,146	153,738	160,625	167,821	175,340	183,195	191,402
New Growth Related Debt (Interest)	-	-	-	197,523	191,213	184,621	177,734	170,538	163,019	155,164	146,957
Existing Debt (Principal) - Non-Growth Related	15,973	16,513	17,071	17,648	18,245	18,862	19,500	20,159	20,841	21,545	22,274
Existing Debt (Interest) - Non-Growth Related	17,826	16,904	16,333	16,151	15,554	14,937	14,299	13,640	12,958	12,253	11,525
New Non-Growth Related Debt (Principal)	-	-	-	-	-	-	-	-	-	-	-
New Non-Growth Related Debt (Interest)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Reserve	448,730	1,082,116	529,844	612,301	705,690	813,974	789,729	907,866	1,017,765	1,130,544	1,247,792
Sub Total Capital Related	554,137	1,187,141	634,856	1,056,067	1,149,456	1,257,740	1,233,495	1,351,632	1,461,530	1,574,309	1,691,558
Total Expenditures	1,005,732	1,664,622	1,120,191	1,555,499	1,658,881	1,778,787	1,903,556	2,034,115	2,156,708	2,282,421	2,413,064



Table C-2g (Cont'd)
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Operating Budget Forecast (Inflated \$)

Description	Budget 2025	Forecast									
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues											
Base Charge	473,203	503,506	534,832	589,912	648,395	716,609	787,827	862,672	932,692	1,004,626	1,079,617
Water Administration											
User Fees and Service Charges	4,568	4,636	4,706	4,776	4,848	4,900	5,000	5,100	5,200	5,300	5,400
Rents/Franchises	5,902	5,990	6,080	6,171	6,264	6,400	6,500	6,600	6,700	6,800	6,900
Meter Installation Revenue	1,523	1,500	1,523	1,545	1,569	1,600	1,630	1,660	1,690	1,720	1,750
Inter-municipal Grant (MPUG)	20,424	20,832	21,144	21,462	21,784	22,200	22,600	23,100	23,600	24,100	24,600
Recov Misc Revenue	2,538	2,576	2,614	2,653	2,693	2,700	2,800	2,900	3,000	3,100	3,200
Water Revenue											
WWW Account Set Up Fee	1,170	1,188	1,205	1,223	1,242	1,270	1,300	1,330	1,360	1,390	1,420
Penalty/Interest Charges	10,150	10,302	10,457	10,614	10,773	11,000	11,200	11,400	11,600	11,800	12,000
Other Income Revenue											
User Fees and Service Charge	365	371	376	382	388	396	404	412	420	428	437
WWW Account Set Up Fee	305	309	314	318	323	330	337	344	351	358	365
Penalty/Interest Charges	1,269	1,288	1,307	1,327	1,347	1,370	1,400	1,430	1,460	1,490	1,520
Internal Loan	-	600,000	-	-	-	-	-	-	-	-	-
Bulk Water Sale											
Misc Revenue	50,750	51,511	52,284	53,068	53,864	54,900	56,000	57,100	58,200	59,400	60,600
Fire Department Water Usage		5,000	5,100	5,200	5,300	5,410	5,520	5,630	5,740	5,850	5,970
Contributions from Development Charges											
Reserve Fund	71,608	71,608	71,608	409,967	409,967	409,967	409,967	409,967	409,967	409,967	409,967
Contributions from Reserves / Reserve Funds	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	643,772	1,280,617	713,550	1,108,620	1,168,755	1,239,052	1,312,485	1,389,645	1,461,981	1,536,329	1,613,746
Water Billing Recovery - Total	361,959	384,005	406,640	446,879	490,125	539,734	591,071	644,470	694,728	746,092	799,318



Table C-2h
Township of Cavan Monaghan
Detailed Water Calculations for Scenario 2 – Water Rate Forecast (Inflated \$)

Description	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Water Billing Recovery	361,959	384,005	406,640	446,879	490,125	539,734	591,071	644,470	694,728	746,092	799,318
Total Metered Volume (m ³)	186,577	193,942	201,307	208,822	219,787	234,667	249,397	264,127	279,007	293,737	308,617
Constant Rate	1.94	1.98	2.02	2.14	2.23	2.30	2.37	2.44	2.49	2.54	2.59
Bulk Water Rate	3.28	3.35	3.42	3.62	3.77	3.89	4.01	4.13	4.21	4.29	4.38
Annual Percentage Change		2%	2%	6%	4%	3%	3%	3%	2%	2%	2%

The Township of Cavan Monaghan

By-law No. 2025-50

Being a by-law to impose Water and Wastewater User Fees and Charges

Whereas Section 391(1) of the Municipal Act, 2001, as amended, authorizes municipalities and local boards to impose fees or charges on persons for services or activities provided or done by or on behalf of it; for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and for the use of its property including property under its control;

And Whereas Section 391(3) the costs included in a fee or charge may include costs incurred by the municipality or local board related to administration, enforcement and the establishment, acquisition and replacement of capital assets;

And Whereas Section 391(4) a fee or charge may be imposed whether or not it is mandatory for the municipality or local board imposing the fee or charge to provide or do the service or activity, pay the costs or allow the use of the property;

Now Therefore the Council for the Township of Cavan Monaghan hereby enacts as follows:

1. That Schedule "A" attached hereto shall be comprised of the list of fees and charges for Water and Wastewater User Fees and Charges By-law for the years 2026 - 2030 for the Township of Cavan Monaghan.
2. That By-law No. 2021-67 being a by-law to impose Water and Wastewater User Fees and Charges be repealed in its entirety.
3. That this By-law shall be effective the 3rd day of November, 2025

Read a first, second and third time and passed this 3rd day of November, 2025.

Matthew Graham
Mayor

Cindy Page
Clerk

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2025-50

Water service rates to impose upon owners or occupants of land - bi monthly

Millbrook Water Service Rate - Part A

	2025	2026	2027	2028	2029	2030
Volumetric Charge per cubic meter - Constant Rate	\$ 1.94	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.18	\$ 2.25
Bulk Water Rate	\$ 3.28	\$ 3.38	\$ 3.48	\$ 3.58	\$ 3.69	\$ 3.80
Meter Size (mm) - Fixed Charge - Base Rate						
15/18 mm meter	\$ 69.35	\$ 71.43	\$ 73.57	\$ 75.78	\$ 78.05	\$ 80.40
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 126.66	\$ 130.46	\$ 134.37	\$ 138.40	\$ 142.56	\$ 146.83
40 mm meter	\$ 288.14	\$ 296.78	\$ 305.69	\$ 314.86	\$ 324.30	\$ 334.03
50 mm meter	\$ 671.26	\$ 691.40	\$ 712.14	\$ 733.50	\$ 755.51	\$ 778.17
75 mm meter	\$ 1,386.18	\$ 1,427.77	\$ 1,470.60	\$ 1,514.72	\$ 1,560.16	\$ 1,606.96
100 mm meter	\$ 2,458.25	\$ 2,532.00	\$ 2,607.96	\$ 2,686.20	\$ 2,766.78	\$ 2,849.79

Millbrook Ward Water Service Rate Schedule - Part B

Connection Charges	2025	2026	2027	2028	2029	2030
15/18 mm meter	\$ 312.51	\$ 318.76	\$ 325.14	\$ 331.64	\$ 338.27	\$ 345.04
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 419.62	\$ 428.01	\$ 436.57	\$ 445.30	\$ 454.21	\$ 463.29
40 mm meter	\$ 641.57	\$ 654.40	\$ 667.49	\$ 680.84	\$ 694.46	\$ 708.35
50 mm meter	\$ 1,026.95	\$ 1,047.49	\$ 1,068.44	\$ 1,089.81	\$ 1,111.61	\$ 1,133.84
75 mm meter	\$ 2,050.59	\$ 2,091.60	\$ 2,133.43	\$ 2,176.10	\$ 2,219.62	\$ 2,264.01
100 mm meter	\$ 5,123.69	\$ 5,226.16	\$ 5,330.68	\$ 5,437.29	\$ 5,546.04	\$ 5,656.96

Millbrook Ward Water Service Rate Schedule - Part C

Other Charges	2025	2026	2027	2028	2029	2030
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Penalty of late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Installation of a new 15 mm water meter	\$ 437.28	\$ 446.03	\$ 454.95	\$ 464.05	\$ 473.33	\$ 482.80
Installation of a new 18 mm water meter	\$ 499.13	\$ 509.11	\$ 519.29	\$ 529.68	\$ 540.27	\$ 551.08
Installation of a new 25 mm water meter	\$ 560.97	\$ 572.19	\$ 583.63	\$ 595.30	\$ 607.21	\$ 619.35
Installation of a new 50 mm water meter	\$ 1,494.05	\$ 1,523.93	\$ 1,554.41	\$ 1,585.50	\$ 1,617.21	\$ 1,649.55
Connection Fee for existing water service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of water service to property line	As per municipal contractor for time and materials paid by property owner.					

Water & Sewer Miscellaneous Charges - Part D

Remote Read Touchpad (new)	\$150.00 minimum fee or cost recovery, as amended					
Touch Pad Repair Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Meter Accuracy Test (If meter meets specifications)	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Meter Accuracy Test (If meter does not meet specifications)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Application for Water/Wastewater Allocation Assignment	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Relocate Touch Pad Admin. Fee	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Smart Card Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Visa Charge (non cash discounted)	3% of payment					
Penalty of Late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Returned Payment Fee	Please refer to the current User Fees and Charges By-law					
Duplicate Invoice or Statement						
Payment Transfer between Accounts (Customer Error)						
PAP Cancellation (< 21 Calendar Days before Due Date)						
Transfer to Tax Roll for Collection (arrears 90 days or greater)						

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2025-50

Sewer service rates to impose upon owners or occupants of land - bi monthly

Sewer Rates	2025	2026	2027	2028	2029	2030
Volumetric Charge per cubic meter - Constant Rate	\$ 2.65	\$ 2.70	\$ 2.75	\$ 2.81	\$ 2.87	\$ 2.93
Meter Size (mm) - Fixed Charge - Base Rate						
15/18 mm meter	\$ 128.36	\$ 130.93	\$ 133.55	\$ 136.22	\$ 138.94	\$ 141.72
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 238.44	\$ 243.21	\$ 248.07	\$ 253.03	\$ 258.10	\$ 263.26
40 mm meter	\$ 592.91	\$ 604.77	\$ 616.86	\$ 629.20	\$ 641.78	\$ 654.62
50 mm meter	\$ 1,405.96	\$ 1,434.08	\$ 1,462.76	\$ 1,492.02	\$ 1,521.86	\$ 1,552.29
75 mm meter	\$ 2,916.08	\$ 2,974.40	\$ 3,033.89	\$ 3,094.57	\$ 3,156.46	\$ 3,219.59
100 mm meter	\$ 5,182.11	\$ 5,285.75	\$ 5,391.47	\$ 5,499.30	\$ 5,609.28	\$ 5,721.47

Any person(s) discharging and/or depositing clean water either from weeping tiles and/or sump pumps into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Any person(s) discharging and/or depositing substances other than those intended to be discharged and/or deposited into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Millbrook Ward Sewer Service Rate Schedule - Part B

Connection Charges	2025	2026	2027	2028	2029	2030
15/18 mm meter	\$ 312.51	\$ 318.76	\$ 325.14	\$ 331.64	\$ 338.27	\$ 345.04
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 419.62	\$ 428.01	\$ 436.57	\$ 445.30	\$ 454.21	\$ 463.29
40 mm meter	\$ 641.57	\$ 654.40	\$ 667.49	\$ 680.84	\$ 694.46	\$ 708.35
50 mm meter	\$ 1,026.95	\$ 1,047.49	\$ 1,068.44	\$ 1,089.81	\$ 1,111.61	\$ 1,133.84
75 mm meter	\$ 2,050.59	\$ 2,091.60	\$ 2,133.43	\$ 2,176.10	\$ 2,219.62	\$ 2,264.01
100 mm meter	\$ 5,123.69	\$ 5,226.16	\$ 5,330.68	\$ 5,437.29	\$ 5,546.04	\$ 5,656.96

Millbrook Ward Sewer Service Rate Schedule - Part C

Other Charges	2025	2026	2027	2028	2029	2030
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Connection Fee for existing sewer service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of sewer service to property line	As per municipal contractor for time and materials paid by property owner.					

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2021-67

Water service rates to impose upon owners or occupants of land - Bi Monthly

Millbrook Water Service Rate - Part A

	2020	2021	2022	2023	2024	2025
Volumetric Charge per cubic meter - Constant Rate	\$ 1.82	\$ 1.82	\$ 1.85	\$ 1.88	\$ 1.91	\$ 1.94
Bulk Water Rate	\$ 3.08	\$ 3.08	\$ 3.13	\$ 3.18	\$ 3.23	\$ 3.28
Meter Size (mm) - Fixed Charge - Base	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15/18 mm meter	\$ 65.35	\$ 65.35	\$ 66.33	\$ 67.32	\$ 68.33	\$ 69.35
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 119.34	\$ 119.34	\$ 121.13	\$ 122.95	\$ 124.79	\$ 126.66
40 mm meter	\$ 271.48	\$ 271.48	\$ 275.55	\$ 279.68	\$ 283.88	\$ 288.14
50 mm meter	\$ 632.45	\$ 632.45	\$ 641.94	\$ 651.57	\$ 661.34	\$ 671.26
75 mm meter	\$ 1,306.04	\$ 1,306.04	\$ 1,325.63	\$ 1,345.51	\$ 1,365.69	\$ 1,386.18
100 mm meter	\$ 2,316.13	\$ 2,316.13	\$ 2,350.87	\$ 2,386.13	\$ 2,421.92	\$ 2,458.25

Millbrook Ward Water Service Rate Schedule - Part B

Connection Charges	2020	2021	2022	2023	2024	2025
15/18 mm meter	\$ 294.44	\$ 294.44	\$ 298.86	\$ 303.34	\$ 307.89	\$ 312.51
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 395.36	\$ 395.36	\$ 401.29	\$ 407.31	\$ 413.42	\$ 419.62
40 mm meter	\$ 604.48	\$ 604.48	\$ 613.55	\$ 622.75	\$ 632.09	\$ 641.57
50 mm meter	\$ 967.58	\$ 967.58	\$ 982.09	\$ 996.82	\$ 1,011.77	\$ 1,026.95
75 mm meter	\$ 1,932.03	\$ 1,932.03	\$ 1,961.01	\$ 1,990.43	\$ 2,020.29	\$ 2,050.59
100 mm meter	\$ 4,827.46	\$ 4,827.46	\$ 4,899.87	\$ 4,973.37	\$ 5,047.97	\$ 5,123.69

Millbrook Ward Water Service Rate Schedule - Part C

Other Charges	2020	2021	2022	2023	2024	2025
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Penalty of late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Installation of a new 15 mm water meter	\$ 412.00	\$ 412.00	\$ 418.18	\$ 424.45	\$ 430.82	\$ 437.28
Installation of a new 18 mm water meter	\$ 470.27	\$ 470.27	\$ 477.32	\$ 484.48	\$ 491.75	\$ 499.13
Installation of a new 25 mm water meter	\$ 528.53	\$ 528.53	\$ 536.46	\$ 544.51	\$ 552.68	\$ 560.97
Installation of a new 50 mm water meter	\$ 1,407.67	\$ 1,407.67	\$ 1,428.79	\$ 1,450.22	\$ 1,471.97	\$ 1,494.05
Connection Fee for existing water service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of water service to property line	As per municipal contractor for time and materials paid by property owner.					

Water & Sewer Miscellaneous Charges - Part D

Remote Read Touchpad (new)	\$150.00 minimum fee or cost recovery, as amended					
Touch Pad Repair Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Meter Accuracy Test (If meter meets specifications)	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Meter Accuracy Test (If meter does not meet specifications)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Application for Water/Wastewater Allocation Assignment	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Relocate Touch Pad Admin. Fee	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Smart Card Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Visa Charge (non cash discounted)	3% of payment					
Penalty of Late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Returned Payment Fee	Please refer to the current User Fees and Charges By-law					
Duplicate Invoice or Statement						
Payment Transfer between Accounts (Customer Error)						
PAP Cancellation (< 21 Calendar Days before Due Date)						
Transfer to Tax Roll for Collection (arrears 90 days or greater)						

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-Law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2021-67

Sewer service rates to impose upon owners or occupants of land - Bi Monthly

Sewer Rates	2020	2021	2022	2023	2024	2025
Volumetric Charge per cubic meter - Constant Rate	\$ 2.49	\$ 2.49	\$ 2.53	\$ 2.57	\$ 2.61	\$ 2.65
Meter Size (mm) - Fixed Charge - Base Rate						
15/18 mm meter	\$ 120.94	\$ 120.94	\$ 122.75	\$ 124.59	\$ 126.46	\$ 128.36
18 mm meter (inactive)		\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 224.66	\$ 224.66	\$ 228.03	\$ 231.45	\$ 234.92	\$ 238.44
40 mm meter	\$ 558.63	\$ 558.63	\$ 567.01	\$ 575.52	\$ 584.15	\$ 592.91
50 mm meter	\$ 1,324.67	\$ 1,324.67	\$ 1,344.54	\$ 1,364.71	\$ 1,385.18	\$ 1,405.96
75 mm meter	\$ 2,747.49	\$ 2,747.49	\$ 2,788.70	\$ 2,830.53	\$ 2,872.99	\$ 2,916.08
100 mm meter	\$ 4,882.50	\$ 4,882.50	\$ 4,955.74	\$ 5,030.08	\$ 5,105.53	\$ 5,182.11

Any person(s) discharging and/or depositing clean water either from weeping tiles and/or sump pumps into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Any person(s) discharging and/or depositing substances other than those intended to be discharged and/or deposited into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Millbrook Ward Sewer Service Rate Schedule - Part B

Connection Charges	2020	2021	2022	2023	2024	2025
15/18 mm meter	\$ 294.44	\$ 294.44	\$ 298.86	\$ 303.34	\$ 307.89	\$ 312.51
18 mm meter (inactive)		\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 395.36	\$ 395.36	\$ 401.29	\$ 407.31	\$ 413.42	\$ 419.62
40 mm meter	\$ 604.48	\$ 604.48	\$ 613.55	\$ 622.75	\$ 632.09	\$ 641.57
50 mm meter	\$ 967.58	\$ 967.58	\$ 982.09	\$ 996.82	\$ 1,011.77	\$ 1,026.95
75 mm meter	\$ 1,932.03	\$ 1,932.03	\$ 1,961.01	\$ 1,990.43	\$ 2,020.29	\$ 2,050.59
100 mm meter	\$ 4,827.46	\$ 4,827.46	\$ 4,899.87	\$ 4,973.37	\$ 5,047.97	\$ 5,123.69

Millbrook Ward Sewer Service Rate Schedule - Part C

Other Charges	2020	2021	2022	2023	2024	2025
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Connection Fee for existing sewer service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of sewer service to property line	As per municipal contractor for time and materials paid by property owner.					

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-Law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.



Regular Council Meeting

To:	Mayor and Council
Date:	November 3, 2025
From:	Kyle Phillips – Manager of Development Services
Report Number:	Building and Planning 2025-39
Subject:	Development Statistics – Third Quarter 2025

Recommendation:

That Council receive Building Department Report 2025-39, Development Statistics – Third Quarter 2025 for information.

Overview:

This report outlines the development statistics of the Building and Planning Departments in the third quarter of 2025. It is part of a series of quarterly reports providing Council with a summary of departmental activity including building permits, planning applications and inquiries.

Building

Table No. 1 provides a summary of building statistics for the third quarter (Q3) and year to date (YTD) of 2025 as compared to the third quarter and year to date (YTD) of 2024. The summary provides the number of building permits, building permit revenue, development charges collected, new single family dwellings, additional dwelling units and cost of construction for the noted period.

Q3 of 2025 had 57 building permits issued, a decrease from 2024 (61). 2 new single family dwelling building permits were issued, a decrease over the same period in 2024.

Building permit revenue for the third quarter for 2025 is up totaling \$60,045.90, compared to Q3 2024. There has been an increase in Township development charge revenues totaling \$553,947.00, collected from new single family dwelling permits.

The building permit revenue is tracking slightly under anticipated budget for Q3 of 2025 at 71.3% of target compared to the estimated \$350,000 for the fiscal year.

Table No.1

2025 3rd Quarter Building Department Statistics						
	2024 Q3	2025 - Q3	%	2024- YTD	2025- YTD	%
Development Fees						
Township Development Charges	\$46,944.00	\$20,644.00	-57.00%	\$186,776.00	\$242,090.00	30.00%
Water	\$0.00	\$0.00	0.00%	\$0.00	\$100,088.00	n/a
Wastewater	\$0.00	\$0.00	0.00%	\$0.00	\$211,769.00	n/a
Total Township Development Charges	\$46,944.00	\$20,644.00	-57.00%	\$186,776.00	\$553,947.00	196.00%
Revenue						
Permits	61	57	-7.00%	138	154	12%
Building Permit Fee	\$53,275.00	\$60,045.90	13.00%	\$237,682.56	\$249,587.54	5.00%
New Single Family Dwellings *	7	2	-72.00%	17	29	71.00%
Additional Dwelling Units*	n/a	0	0.00%	n/a	2	n/a
Value of Construction	\$12,102,302	\$6,688,541	-45.00%	\$29,381,754	\$22,188,771	-24.00%
Budgeted Building Permit Revenue 2025					\$350,000.00	71.3%
Notes:						
Any development charges collected through subdivision agreements are not reflected here						
New Single family dwellings *	Principal buildings - subject to DC's					
Additional dwelling units*	Accessory units - exempt from DC's Started tracking Q4 2024					

Planning

Table No. 2 provides a statistical breakdown of activity for the functions of the Planning Department for Q3 of 2025 as compared to 2024. This table allows Council and Staff to monitor activity throughout the year as well as understand how this is tracking against last year's activity.

Table No. 2 Planning Applications and Activity

Application Type	2024 – Q3	2025 – Q3
Pre-Cons	n/a	3
Land Use Inquiries	86	89
Preliminary Severance Reviews	3	9
Zoning By-law Amendments	2	3
Minor Variance	5	2
Plan of Subdivision	0	1
Official Plan Amendment	0	1
Site Plan Approval	1	2
Severance Applications	0	4
Minister Zoning Orders	0	0
Part Lot Control	0	0

Financial Impact:

Building permit revenue for Q3 of 2025 totals \$60,045.90. Township development charge revenue totaled \$20,644.00, inclusive of water/wastewater development charges.

Attachments:

None.

Respectfully Submitted by,

Reviewed by,

Kyle Phillips
Chief Building Official

Yvette Hurley
Chief Administrative Officer



Regular Council Meeting

To:	Mayor and Council
Date:	November 3, 2025
From:	Wayne Hancock, Director of Public Works Drew Hutchison, Public Works Engineering Technologist
Report Number:	Public Works 2025-17
Subject:	Unassumed Subdivision Road Winter Maintenance Agreement 2025 – Springville Heights Subdivision

Recommendations:

1. That Council support the agreement between the Township of Cavan Monaghan and Woodview Properties Inc. to complete road winter maintenance services as outlined in the attached Unassumed Subdivision Road Winter Maintenance Agreement 2025 on the Plan of Subdivision 45M-264; and
2. That Council authorize the Clerk and CAO to sign the Unassumed Subdivision Road Winter Maintenance Agreement By-law No. 2025-49; and
3. That Council direct the CAO and Senior Staff to do an annual review of the Unassumed Subdivision Road Winter Maintenance Agreement for the Springville Heights Subdivision and make administrative changes until the subdivision is fully assumed by the Township.

Overview:

Woodview Properties Inc. (the Subdivider) has requested that the Municipality provide winter maintenance on the unassumed roads within the Springville Heights Plan of Subdivision when occupancy occurs. These activities are outlined in the attached Unassumed Subdivision Road Winter Maintenance Agreement 2025 (Attachment No. 1) but are primarily related to winter maintenance. The Subdivider has indicated that it is difficult to hire Contractors for this work as it is seasonal and insurance requirements for Contractors have become expensive and difficult to obtain. They have also indicated that as new homes are occupied and start paying taxes, the Municipality starts receiving payment for this type of service.

In discussions with our solicitor, Ed Veldboom of Russell, Christie, LLP, he has indicated that some municipalities are entering into similar agreements and are completing winter maintenance in subdivisions before the subdivisions are assumed.

The Agreement sets out the terms of the winter maintenance to be provided, and the Subdivider is required to pay an annual amount for this service. The amount is reviewed each year to determine the annual cost associated to provide this service.

The attached Agreement has been drafted by our solicitor and has been reviewed by our insurance broker. Regarding insurance, the Township is co-insured in the Development as an additional party, and this will remain the same for this agreement.

The streets to be cleared will be based on occupancy of homes which will be confirmed by the Subdivider, the Builders and the Townships Building Department each year. If the streets are not passable due to builder materials or otherwise, the service will be temporarily withdrawn on those impassible sections until they are deemed passible. The Subdivider would be responsible for winter maintenance on these impassable sections until the Township would be able to resume winter maintenance activities.

The term of the Agreement is the length of our standard winter operations season being from November 1st to April 30th of the following year. Annual changes with specific identification of the applicable streets identified in Schedule A and the cost of the service for that term would be required each year and would be evaluated and authorized by the CAO and senior staff prior to the start of the winter operations season.

Financial Impact:

Based on historical winter maintenance costs, the total estimated cost of winter control of the roadway sections outlined in Schedule 'A' of the Agreement is \$5,850.00. The amount of \$5,850.00 shall be paid by the Subdivider for the winter maintenance agreement beginning November 1st, 2025 and ending April 30th, 2026.

Attachments:

Attachment No. 1 - Unassumed Subdivision Road Winter Maintenance Agreement 2025
Attachment No. 2 - By-law No. 2025-49

Respectfully Submitted by,

Reviewed by,

Wayne Hancock
Director of Public Works

Yvette Hurley
Chief Administrative Officer

Drew Hutchison
Public Works Engineering Technologist

This Agreement made this ____ day of _____, 2025.

UNASSUMED SUBDIVISION ROAD WINTER MAINTENANCE AGREEMENT 2025

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF CAVAN MONAGHAN

hereinafter called the “the Municipality”

- and -

WOODVIEW PROPERTIES INC.

hereinafter called the “Subdivider”

WHEREAS under the subdivision agreement entered into between the Municipality and the Subdivider and registered as instrument PE416854 (hereinafter the “Subdivision Agreement”) and upon the registration of Plan 45M-264 (the Plan), the Subdivider is obliged to undertake all maintenance upon the public highways laid out in such Plan until such time as the Municipality has assumed such public highways;

AND WHEREAS the Subdivider wishes to enter into an agreement for the Municipality to undertake the certain road maintenance services on behalf of the Subdivider as set out herein;

NOW THEREFORE the parties hereby covenant and agree with one another as follows:

Subject lands

1. This agreement applies to those portions of the public highways within Plan 45M-264 which are specifically identified in Schedule A.

Subdivider’s Obligation

2. The Subdivider acknowledges and agrees that under the Subdivision Agreement the Subdivider is obliged to undertake all maintenance of the public highways laid out in the Plan until such time as the Municipality has assumed such public highways. The Subdivider acknowledges and agrees that save and except for those portions of the public highways identified in Schedule “A”, the Subdivider remains obliged to maintain the public highways in Plan 45M-264 as provided for in the Subdivision Agreement.

Winterizing of Subdivision

3. In order to minimize repairs to new subdivision roads and snow plowing equipment, the Township requires the following works to be carried out prior to

November 1st of each year:

- a) Manhole tops, catchbasin frames and valves on roads with base asphalt shall be set at the level of the base course asphalt.
- b) Settlements in roadways shall be repaired, particularly adjacent to manhole tops and catchbasin frames.
- c) Sidewalk bays, which have settled and created a lip greater than 10mm shall be repaired.
- d) All asphalt roads, emergency accesses and loose surface roads identified by the Fire Department and / or the Director of Public Works shall be cleared of mud and debris, have a minimum of one full lane open at all times and maintained in this manner throughout the maintenance period.
- e) Inlet manholes, catchbasins, ditches or channel shall be cleared of debris to prevent blockages during winter and spring thaws.
- f) All Fire Hydrants shall be kept clear of snow, debris and soils and a Hydrant Marker shall be affixed for location identification.

Municipality to Provide Winter Maintenance

4. The parties agree that active winter maintenance activities will be undertaken by the Municipality as a contractor for the Subdivider on those portions of the public highways that are specifically identified in Schedule "A" and that such maintenance will be conducted in the same manner as it does for its assumed public highways.

Rates Payable by Subdivider

5. The Subdivider agrees to pay the Municipality for the conduct of the winter maintenance activities the amount of Five Thousand and Eight Hundred and Fifty dollars (\$5,850.00) payable prior to execution of this Agreement by the Township. This amount will be reassessed with each subsequent agreement.

Term

6. This Agreement shall be effective upon November 1st and shall remain in effect until April 30th the following calendar year.

No Liability for Damage to Infrastructure

7. The Subdivider acknowledges and agrees that the Municipality shall not be liable for any damage sustained to the subject highways, including any works constructed by the Subdivider thereon, arising from the conduct of winter maintenance activities under this agreement by the Municipality. In addition to the foregoing, the Subdivider further acknowledges that the Municipality shall not be liable for damage to any materials stored or placed upon the subject highways nor any vehicles/equipment parked thereon.

Temporary Suspension of Service

8. The Subdivider acknowledges and agrees that the portion of the public highways that are subject to this agreement may be deemed impassable to the Township's winter maintenance equipment due to the presence of materials and/or vehicles and/or equipment stored or placed upon the subject highways. The Municipality retains the sole right and discretion to deem a highway impassable. If said

portion of highway is deemed as impassable, winter maintenance for that section of road will be suspended until obstacles are removed and the highway is deemed passable by the Municipality. During the time that any such portions are deemed impassable, the Subdivider's obligations as identified in section 2 apply and the Municipality shall not be obliged to provide winter maintenance activities to such portions. The Subdivider acknowledges and agrees that the Municipality may provide notice (of impassability or that obstacles have been removed) to the Subdivider by giving oral or written notice to the site superintendent.

No Assumption

9. The Subdivider acknowledges and agrees that the Municipality's conduct of winter maintenance activities hereunder does not constitute the Municipality's final acceptance or assumption of the public highways. Such assumption may only be evidenced by the enactment of a by-law assuming such public highways.

Indemnification and Release

10. The Subdivider covenants and agrees with the Municipality, on behalf of itself, its successors and assigns, to indemnify and save harmless the Municipality, its servants and agents from and against any and all actions, suits, claims and demands whatsoever which may arise either directly or indirectly by reason of any work performed by the Municipality in connection with the carrying out of the provisions of this Agreement.

Insurance

11. Prior to the execution of this Agreement by the Municipality, the Subdivider shall provide to the Municipality, a copy of an insurance certificate confirming that the Subdivider has an insurance policy as described in section 17 of the Subdivision Agreement.

Termination

12. The Municipality retains the sole right and discretion to terminate this Agreement and to cease the provision of any winter maintenance services hereunder by giving 60 days notice in writing to the Subdivider.

IN WITNESS WHEREOF the Subdivider has hereunto set its hands and seals this
__ day of _____, 2025.

Woodview Properties INC.

Per: _____

Name:

Title:

I have authority to bind the Corporation.

IN WITNESS WHEREOF the Municipality as hereunto sets its hands and seals this
__ day of _____, 2025.

THE CORPORATION OF THE

TOWNSHIP OF CAVAN MONAGHAN

Per: _____

CAO: Yvette Hurley

Per: _____

Clerk: Cindy Page

Schedule A to the
UNASSUMED SUBDIVISION ROAD WINTER MAINTENANCE AGREEMENT
 Listing All Portions of the Public Highways within Plan 45M-264 to Receive
 Winter Maintenance under this Agreement

Street	From	To	Distance (km)
Davenport Road	Sharpe Line	Northerly Limit	0.70
Down Lane	Cathcart Crescent	Davenport Road	0.10
Ashley Crescent	1917 Ashley Crescent	Davenport Road	0.30
Total			1.10

The Township of Cavan Monaghan

By-law No. 2025-49

Being a by-law to execute an Unassumed Subdivision Road Winter Maintenance Agreement between the Township of Cavan Monaghan and Woodview Properties Inc., for winter maintenance services of unassumed subdivision roads within the Springville Heights Subdivision

Whereas the Municipal Act, 2001, S.O. c.25, s.11(3) as amended, provides that a lower tier and upper tier municipality may pass a by-law authorizing the approval of by-laws regarding matters within the spheres of jurisdiction;

And Whereas the Township of Cavan Monaghan deems it desirable to enter into and execute an Agreement with Woodview Properties Inc., for winter maintenance services of unassumed subdivision roads within the Springville Heights Subdivision named within the Agreement;

Now Therefore the Council of the Township of Cavan Monaghan hereby enacts as follows:

1. That the Unassumed Subdivision Road Winter Maintenance Agreement attached hereto is hereby adopted for use in connection with the Springville Heights Subdivision, being Plan 45M-264.
2. That Council authorizes the CAO and Clerk to execute the Unassumed Subdivision Road Winter Maintenance Agreement in the form attached hereto, subject to the annual update of:
 - a. The applicable annual charge for the services set out Section 5 of the agreement.
3. That the Public Works Director, CAO and Clerk, are hereby jointly authorized to establish the foregoing applicable annual charge.
4. That the authorizations in section 1, 2 and 3 are valid until and including November 1st, 2029. For clarity, commencing upon November 2nd, 2029 whereupon the Subdivider continues to require or request the provision of Winter Maintenance services by the Township under the Unassumed Subdivision Road Winter Maintenance Agreement, such request must be approved by Council.

Read a first, second and third time and finally passed this 3rd of November, 2025.

Matthew Graham
Mayor

Cindy Page
Clerk

Request your Delegation Meetings for ROMA 2026 Conference!

From ROMA Events <events@roma.on.ca>

Date Mon 10/20/2025 4:00 PM

To Cindy Page <cpage@cavanmonaghan.net>



Alternate text

ROMA 2026 Conference

Ontario's Rural Leaders Conference

Request Your Delegations Today

ROMA is pleased to share that the Ministry of Municipal Affairs and Housing (MMAH) has launched its [delegation request process](#) for the 2026 ROMA Annual Conference.

Take advantage of this opportunity for your council to engage with Ministers, Parliamentary Assistants, and senior Ontario Government officials on local matters that impact your municipality.

Only registered ROMA Conference delegates are eligible to participate in delegation meetings with the provincial government.

Submit delegation meeting requests [here](#).

The deadline to submit your delegation request is **Tuesday, November 18, at 5:00pm EST.**

A reminder that delegation meetings are offered through MMAH and they are your point of contact on all aspects of delegation meetings. Questions can be directed to: delegations@ontario.ca

Do You Know How to Best Prepare for Your Delegation Meetings?

AMO has developed a guide to help municipal staff and councils plan and participate in delegation meetings. Delegation meetings are only 15 minutes - AMO's guide helps you make the most of your time.

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The Township of Cavan Monaghan

By-law No. 2025-49

Being a by-law to execute an Unassumed Subdivision Road Winter Maintenance Agreement between the Township of Cavan Monaghan and Woodview Properties Inc., for winter maintenance services of unassumed subdivision roads within the Springville Heights Subdivision

Whereas the Municipal Act, 2001, S.O. c.25, s.11(3) as amended, provides that a lower tier and upper tier municipality may pass a by-law authorizing the approval of by-laws regarding matters within the spheres of jurisdiction;

And Whereas the Township of Cavan Monaghan deems it desirable to enter into and execute an Agreement with Woodview Properties Inc., for winter maintenance services of unassumed subdivision roads within the Springville Heights Subdivision named within the Agreement;

Now Therefore the Council of the Township of Cavan Monaghan hereby enacts as follows:

1. That the Unassumed Subdivision Road Winter Maintenance Agreement attached hereto is hereby adopted for use in connection with the Springville Heights Subdivision, being Plan 45M-264.
2. That Council authorizes the CAO and Clerk to execute the Unassumed Subdivision Road Winter Maintenance Agreement in the form attached hereto, subject to the annual update of:
 - a. The applicable annual charge for the services set out Section 5 of the agreement.
3. That the Public Works Director, CAO and Clerk, are hereby jointly authorized to establish the foregoing applicable annual charge.
4. That the authorizations in section 1, 2 and 3 are valid until and including November 1st, 2029. For clarity, commencing upon November 2nd, 2029 whereupon the Subdivider continues to require or request the provision of Winter Maintenance services by the Township under the Unassumed Subdivision Road Winter Maintenance Agreement, such request must be approved by Council.

Read a first, second and third time and finally passed this 3rd of November, 2025.

Matthew Graham
Mayor

Cindy Page
Clerk

This Agreement made this ____ day of _____, 2025.

UNASSUMED SUBDIVISION ROAD WINTER MAINTENANCE AGREEMENT 2025

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF CAVAN MONAGHAN

hereinafter called the “the Municipality”

- and -

WOODVIEW PROPERTIES INC.

hereinafter called the “Subdivider”

WHEREAS under the subdivision agreement entered into between the Municipality and the Subdivider and registered as instrument PE416854 (hereinafter the “Subdivision Agreement”) and upon the registration of Plan 45M-264 (the Plan), the Subdivider is obliged to undertake all maintenance upon the public highways laid out in such Plan until such time as the Municipality has assumed such public highways;

AND WHEREAS the Subdivider wishes to enter into an agreement for the Municipality to undertake the certain road maintenance services on behalf of the Subdivider as set out herein;

NOW THEREFORE the parties hereby covenant and agree with one another as follows:

Subject lands

1. This agreement applies to those portions of the public highways within Plan 45M-264 which are specifically identified in Schedule A.

Subdivider’s Obligation

2. The Subdivider acknowledges and agrees that under the Subdivision Agreement the Subdivider is obliged to undertake all maintenance of the public highways laid out in the Plan until such time as the Municipality has assumed such public highways. The Subdivider acknowledges and agrees that save and except for those portions of the public highways identified in Schedule “A”, the Subdivider remains obliged to maintain the public highways in Plan 45M-264 as provided for in the Subdivision Agreement.

Winterizing of Subdivision

3. In order to minimize repairs to new subdivision roads and snow plowing equipment, the Township requires the following works to be carried out prior to

November 1st of each year:

- a) Manhole tops, catchbasin frames and valves on roads with base asphalt shall be set at the level of the base course asphalt.
- b) Settlements in roadways shall be repaired, particularly adjacent to manhole tops and catchbasin frames.
- c) Sidewalk bays, which have settled and created a lip greater than 10mm shall be repaired.
- d) All asphalt roads, emergency accesses and loose surface roads identified by the Fire Department and / or the Director of Public Works shall be cleared of mud and debris, have a minimum of one full lane open at all times and maintained in this manner throughout the maintenance period.
- e) Inlet manholes, catchbasins, ditches or channel shall be cleared of debris to prevent blockages during winter and spring thaws.
- f) All Fire Hydrants shall be kept clear of snow, debris and soils and a Hydrant Marker shall be affixed for location identification.

Municipality to Provide Winter Maintenance

4. The parties agree that active winter maintenance activities will be undertaken by the Municipality as a contractor for the Subdivider on those portions of the public highways that are specifically identified in Schedule "A" and that such maintenance will be conducted in the same manner as it does for its assumed public highways.

Rates Payable by Subdivider

5. The Subdivider agrees to pay the Municipality for the conduct of the winter maintenance activities the amount of Five Thousand and Eight Hundred and Fifty dollars (\$5,850.00) payable prior to execution of this Agreement by the Township. This amount will be reassessed with each subsequent agreement.

Term

6. This Agreement shall be effective upon November 1st and shall remain in effect until April 30th the following calendar year.

No Liability for Damage to Infrastructure

7. The Subdivider acknowledges and agrees that the Municipality shall not be liable for any damage sustained to the subject highways, including any works constructed by the Subdivider thereon, arising from the conduct of winter maintenance activities under this agreement by the Municipality. In addition to the foregoing, the Subdivider further acknowledges that the Municipality shall not be liable for damage to any materials stored or placed upon the subject highways nor any vehicles/equipment parked thereon.

Temporary Suspension of Service

8. The Subdivider acknowledges and agrees that the portion of the public highways that are subject to this agreement may be deemed impassable to the Township's winter maintenance equipment due to the presence of materials and/or vehicles and/or equipment stored or placed upon the subject highways. The Municipality retains the sole right and discretion to deem a highway impassable. If said

portion of highway is deemed as impassable, winter maintenance for that section of road will be suspended until obstacles are removed and the highway is deemed passable by the Municipality. During the time that any such portions are deemed impassable, the Subdivider's obligations as identified in section 2 apply and the Municipality shall not be obliged to provide winter maintenance activities to such portions. The Subdivider acknowledges and agrees that the Municipality may provide notice (of impassability or that obstacles have been removed) to the Subdivider by giving oral or written notice to the site superintendent.

No Assumption

9. The Subdivider acknowledges and agrees that the Municipality's conduct of winter maintenance activities hereunder does not constitute the Municipality's final acceptance or assumption of the public highways. Such assumption may only be evidenced by the enactment of a by-law assuming such public highways.

Indemnification and Release

10. The Subdivider covenants and agrees with the Municipality, on behalf of itself, its successors and assigns, to indemnify and save harmless the Municipality, its servants and agents from and against any and all actions, suits, claims and demands whatsoever which may arise either directly or indirectly by reason of any work performed by the Municipality in connection with the carrying out of the provisions of this Agreement.

Insurance

11. Prior to the execution of this Agreement by the Municipality, the Subdivider shall provide to the Municipality, a copy of an insurance certificate confirming that the Subdivider has an insurance policy as described in section 17 of the Subdivision Agreement.

Termination

12. The Municipality retains the sole right and discretion to terminate this Agreement and to cease the provision of any winter maintenance services hereunder by giving 60 days notice in writing to the Subdivider.

IN WITNESS WHEREOF the Subdivider has hereunto set its hands and seals this
__ day of _____, 2025.

Woodview Properties INC.

Per: _____

Name:

Title:

I have authority to bind the Corporation.

IN WITNESS WHEREOF the Municipality as hereunto sets its hands and seals this
__ day of _____, 2025.

THE CORPORATION OF THE

TOWNSHIP OF CAVAN MONAGHAN

Per: _____

CAO: Yvette Hurley

Per: _____

Clerk: Cindy Page

Schedule A to the
UNASSUMED SUBDIVISION ROAD WINTER MAINTENANCE AGREEMENT
 Listing All Portions of the Public Highways within Plan 45M-264 to Receive
 Winter Maintenance under this Agreement

Street	From	To	Distance (km)
Davenport Road	Sharpe Line	Northerly Limit	0.70
Down Lane	Cathcart Crescent	Davenport Road	0.10
Ashley Crescent	1917 Ashley Crescent	Davenport Road	0.30
Total			1.10

The Township of Cavan Monaghan

By-law No. 2025-50

Being a by-law to impose Water and Wastewater User Fees and Charges

Whereas Section 391(1) of the Municipal Act, 2001, as amended, authorizes municipalities and local boards to impose fees or charges on persons for services or activities provided or done by or on behalf of it; for costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and for the use of its property including property under its control;

And Whereas Section 391(3) the costs included in a fee or charge may include costs incurred by the municipality or local board related to administration, enforcement and the establishment, acquisition and replacement of capital assets;

And Whereas Section 391(4) a fee or charge may be imposed whether or not it is mandatory for the municipality or local board imposing the fee or charge to provide or do the service or activity, pay the costs or allow the use of the property;

Now Therefore the Council for the Township of Cavan Monaghan hereby enacts as follows:

1. That Schedule "A" attached hereto shall be comprised of the list of fees and charges for Water and Wastewater User Fees and Charges By-law for the years 2026 - 2030 for the Township of Cavan Monaghan.
2. That By-law No. 2021-67 being a by-law to impose Water and Wastewater User Fees and Charges be repealed in its entirety.
3. That this By-law shall be effective the 3rd day of November, 2025

Read a first, second and third time and passed this 3rd day of November, 2025.

Matthew Graham
Mayor

Cindy Page
Clerk

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2025-50

Water service rates to impose upon owners or occupants of land - bi monthly

Millbrook Water Service Rate - Part A

	2025	2026	2027	2028	2029	2030
Volumetric Charge per cubic meter - Constant Rate	\$ 1.94	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.18	\$ 2.25
Bulk Water Rate	\$ 3.28	\$ 3.38	\$ 3.48	\$ 3.58	\$ 3.69	\$ 3.80
Meter Size (mm) - Fixed Charge - Base Rate						
15/18 mm meter	\$ 69.35	\$ 71.43	\$ 73.57	\$ 75.78	\$ 78.05	\$ 80.40
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 126.66	\$ 130.46	\$ 134.37	\$ 138.40	\$ 142.56	\$ 146.83
40 mm meter	\$ 288.14	\$ 296.78	\$ 305.69	\$ 314.86	\$ 324.30	\$ 334.03
50 mm meter	\$ 671.26	\$ 691.40	\$ 712.14	\$ 733.50	\$ 755.51	\$ 778.17
75 mm meter	\$ 1,386.18	\$ 1,427.77	\$ 1,470.60	\$ 1,514.72	\$ 1,560.16	\$ 1,606.96
100 mm meter	\$ 2,458.25	\$ 2,532.00	\$ 2,607.96	\$ 2,686.20	\$ 2,766.78	\$ 2,849.79

Millbrook Ward Water Service Rate Schedule - Part B

Connection Charges	2025	2026	2027	2028	2029	2030
15/18 mm meter	\$ 312.51	\$ 318.76	\$ 325.14	\$ 331.64	\$ 338.27	\$ 345.04
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 419.62	\$ 428.01	\$ 436.57	\$ 445.30	\$ 454.21	\$ 463.29
40 mm meter	\$ 641.57	\$ 654.40	\$ 667.49	\$ 680.84	\$ 694.46	\$ 708.35
50 mm meter	\$ 1,026.95	\$ 1,047.49	\$ 1,068.44	\$ 1,089.81	\$ 1,111.61	\$ 1,133.84
75 mm meter	\$ 2,050.59	\$ 2,091.60	\$ 2,133.43	\$ 2,176.10	\$ 2,219.62	\$ 2,264.01
100 mm meter	\$ 5,123.69	\$ 5,226.16	\$ 5,330.68	\$ 5,437.29	\$ 5,546.04	\$ 5,656.96

Millbrook Ward Water Service Rate Schedule - Part C

Other Charges	2025	2026	2027	2028	2029	2030
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Penalty of late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Installation of a new 15 mm water meter	\$ 437.28	\$ 446.03	\$ 454.95	\$ 464.05	\$ 473.33	\$ 482.80
Installation of a new 18 mm water meter	\$ 499.13	\$ 509.11	\$ 519.29	\$ 529.68	\$ 540.27	\$ 551.08
Installation of a new 25 mm water meter	\$ 560.97	\$ 572.19	\$ 583.63	\$ 595.30	\$ 607.21	\$ 619.35
Installation of a new 50 mm water meter	\$ 1,494.05	\$ 1,523.93	\$ 1,554.41	\$ 1,585.50	\$ 1,617.21	\$ 1,649.55
Connection Fee for existing water service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of water service to property line	As per municipal contractor for time and materials paid by property owner.					

Water & Sewer Miscellaneous Charges - Part D

Remote Read Touchpad (new)	\$150.00 minimum fee or cost recovery, as amended					
Touch Pad Repair Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Meter Accuracy Test (If meter meets specifications)	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Meter Accuracy Test (If meter does not meet specifications)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Application for Water/Wastewater Allocation Assignment	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Relocate Touch Pad Admin. Fee	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Smart Card Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Visa Charge (non cash discounted)	3% of payment					
Penalty of Late Payment	Please refer to the Water & Sewer Fees & Collection Policy					
Returned Payment Fee	Please refer to the current User Fees and Charges By-law					
Duplicate Invoice or Statement						
Payment Transfer between Accounts (Customer Error)						
PAP Cancellation (< 21 Calendar Days before Due Date)						
Transfer to Tax Roll for Collection (arrear 90 days or greater)						

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.

Schedule "A" - Water and Wastewater User Fees & Charges By-law No. 2025-50

Sewer service rates to impose upon owners or occupants of land - bi monthly

Sewer Rates	2025	2026	2027	2028	2029	2030
Volumetric Charge per cubic meter - Constant Rate	\$ 2.65	\$ 2.70	\$ 2.75	\$ 2.81	\$ 2.87	\$ 2.93
Meter Size (mm) - Fixed Charge - Base Rate						
15/18 mm meter	\$ 128.36	\$ 130.93	\$ 133.55	\$ 136.22	\$ 138.94	\$ 141.72
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 238.44	\$ 243.21	\$ 248.07	\$ 253.03	\$ 258.10	\$ 263.26
40 mm meter	\$ 592.91	\$ 604.77	\$ 616.86	\$ 629.20	\$ 641.78	\$ 654.62
50 mm meter	\$ 1,405.96	\$ 1,434.08	\$ 1,462.76	\$ 1,492.02	\$ 1,521.86	\$ 1,552.29
75 mm meter	\$ 2,916.08	\$ 2,974.40	\$ 3,033.89	\$ 3,094.57	\$ 3,156.46	\$ 3,219.59
100 mm meter	\$ 5,182.11	\$ 5,285.75	\$ 5,391.47	\$ 5,499.30	\$ 5,609.28	\$ 5,721.47

Any person(s) discharging and/or depositing clean water either from weeping tiles and/or sump pumps into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Any person(s) discharging and/or depositing substances other than those intended to be discharged and/or deposited into the sanitary sewer collection system is guilty of an offence under this by-law and may be subject to penalty.

Millbrook Ward Sewer Service Rate Schedule - Part B

Connection Charges	2025	2026	2027	2028	2029	2030
15/18 mm meter	\$ 312.51	\$ 318.76	\$ 325.14	\$ 331.64	\$ 338.27	\$ 345.04
18 mm meter (inactive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25 mm meter	\$ 419.62	\$ 428.01	\$ 436.57	\$ 445.30	\$ 454.21	\$ 463.29
40 mm meter	\$ 641.57	\$ 654.40	\$ 667.49	\$ 680.84	\$ 694.46	\$ 708.35
50 mm meter	\$ 1,026.95	\$ 1,047.49	\$ 1,068.44	\$ 1,089.81	\$ 1,111.61	\$ 1,133.84
75 mm meter	\$ 2,050.59	\$ 2,091.60	\$ 2,133.43	\$ 2,176.10	\$ 2,219.62	\$ 2,264.01
100 mm meter	\$ 5,123.69	\$ 5,226.16	\$ 5,330.68	\$ 5,437.29	\$ 5,546.04	\$ 5,656.96

Millbrook Ward Sewer Service Rate Schedule - Part C

Other Charges	2025	2026	2027	2028	2029	2030
Account Set-up Fee	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
Connection Fee for existing sewer service at property line	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Public Road extension of sewer service to property line	As per municipal contractor for time and materials paid by property owner.					

*Taxes not included in the fees and charges. Please add applicable taxes where necessary. The User Fees & Charges quoted within this By-law has been cash discounted. This cash discount of 3% will not apply to payments made by Credit/Visa.

The Township of Cavan Monaghan

By-law No. 2025-51

Being a by-law to confirm the proceedings of the regular meeting of the Council of the Township of Cavan Monaghan held on the 3rd day of November 2025

Whereas the Municipal Act, 2001, S.O., 2001, c.25, S.5, S. 8 and S. 11 authorizes Council to pass by-laws;

Now Therefore the Council of the Township of Cavan Monaghan hereby enacts as follows:

1. That the actions of the Council at its meeting held on the 3rd day of November 2025 in respect to each recommendation and action by the Council, except where prior approval of the Ontario Land Tribunal or other statutory authority is required, are hereby adopted, ratified and confirmed.
2. That the Mayor and Clerk of the Township of Cavan Monaghan are hereby authorized and directed to do all things necessary to give effect to said actions or obtain approvals where required, to execute all documents as may be necessary, and the Clerk is hereby authorized and directed to affix the Corporate Seal to all such documents. Read a first, second and third time and passed this 3rd day of November 2025.

Matthew Graham
Mayor

Cindy Page
Clerk