



PORT COLBORNE

Memorandum

To: City Council

From: Adam Pigeau, Chief Financial Officer/Treasurer

Date: November 4, 2025

Re: 2026 Budget Adjustment – Capital Funding Substitutions

The Mayor and Staff thank Council for their comments and questions during the budget process.

Councillor Bagu and Councillor Hoyle have proposed the following amendment:

- That there be a funding substitution for the capital project known as C.2 Council Chamber Systems Upgrade whereby the budgeted storm sewer (\$6,000), wastewater (\$12,000), and water (\$12,000) funding be substituted for an equal amount (\$30,000) from the General Infrastructure Reserve, and that the budgeted storm sewer (\$6,000), wastewater (\$12,000), and water (\$12,000) funding be instead transferred to the Storm Sewer Reserve (\$6,000), the Wastewater Reserve (\$12,000) and the Water Reserve (\$12,000).

Councillor Bagu further proposes the following amendment:

- That there be a funding substitution for the capital project known as G.3 Centennial Park Wetland whereby the budgeted storm sewer (\$120,000) funding be substituted for an equal amount (120,000) from the General Infrastructure Reserve, and that the budgeted storm sewer (\$120,000) funding be instead transferred to the Storm Sewer Reserve (\$120,000).

The Mayor has indicated support for the amendments.

Staff will be reviewing capital projects as part of the year end process. Staff will recommend to Council any unspent capital funding from projects to be closed be used to replenish the General Infrastructure Reserve.

The following is a summary of the impact the recommended funding substitutions will have on the forecasted 2026 year-end reserve balances:

Reserve	Forecasted 2026 Balance	Funding Substitutions	Adjusted Forecasted 2026 Balance
General Infrastructure	\$ 1,221,701	(\$ 150,000)	\$ 1,071,701
Storm Sewer	\$ 397,910	\$ 126,000	\$ 523,910
Wastewater	\$ 2,528,171	\$ 12,000	\$2,540,171
Water	\$ 810,052	\$ 12,000	\$ 822,052

While the impact of the recommended funding substitutions can be summarized into the table above, these amounts flow through many schedules and slides in the appendices attached to reports 2026 Capital and Related Project Budget and Levy Budget (report 2025-164) and 2026 Rates Budget (report 2025-166).

Please find attached the appendices updated as a result of this amendment.

Report 2025-164 Capital and Related Project Budget and Levy Budget

Amended Pages

Appendix A - 2026 Capital and Related Project Budget Detail

Item	Project Title	2026 Non-Debt Funding				1x Grants (Current Year)	Grants (Prior Year)	Reserves	Internally Financed	Other	Development Charges	Total
		Levy	Rate	Recurring Grants	Total							
A.1	Roselawn Roof	466,701	-	-	466,701	-	-	149,299	-	-	-	616,000
A.2	City Hall HVAC	42,000	-	-	42,000	-	-	-	-	-	-	42,000
A.3	Arabella's Tea Room Windows	20,000	-	-	20,000	-	-	-	-	-	-	20,000
A.4	YMCA		-	-	-	-	185,000	-	-	-	-	185,000
	Pre-committed		-	-	-	-	-	-	-	-	-	-
Total Capital Requests - Facilities		528,701	-	-	528,701	-	185,000	149,299	-	-	-	863,000
B.1	Fleet Replacement	296,000	-	-	296,000	-	-	67,000	-	-	-	363,000
B.2	Ladder Truck	3,000,000	-	-	3,000,000	-	-	-	-	-	-	3,000,000
	Pre-committed	450,000	-	-	450,000	-	-	-	-	-	-	450,000
Total Capital Requests - Fleet and Equipment		3,746,000	-	-	3,746,000	-	-	67,000	-	-	-	3,813,000
C.1	IT Evergreening 2026	152,000	38,000	-	190,000	-	-	-	-	-	-	190,000
C.2	Council Chambers Systems Upgrade	120,000	-	-	120,000	-	-	30,000	-	-	-	150,000
C.3	IT Security Upgrades	100,000	-	-	100,000	-	-	-	-	-	-	100,000
C.4	New City Website	120,000	-	-	120,000	-	-	-	-	-	-	120,000
	Pre-committed	470,000	80,000	-	550,000	-	-	-	-	-	-	550,000
Total Capital Requests - Information Technology		962,000	118,000	-	1,080,000	-	-	30,000	-	-	-	1,110,000
	Reserve Transfer	537,917	-	656,083	1,194,000	-	-	-	-	-	-	1,194,000
Total Capital Requests - Parks		537,917	-	656,083	1,194,000	-	-	-	-	-	-	1,194,000
D.1	Cemetery Improvements	135,000	-	-	135,000	-	-	-	-	-	-	135,000
Total Capital Requests - Cemetery		135,000	-	-	135,000	-	-	-	-	-	-	135,000
E.1	Records and Bylaw Modernization	277,697	-	-	277,697	-	-	-	-	172,303	-	450,000
E.2	St. Lawrence Seaway Land Matters		-	-	-	-	-	-	-	950,000	-	950,000
E.3	Healthcare	400,000	-	-	400,000	-	-	-	-	600,000	-	1,000,000
Total Capital Requests - Planning		677,697	-	-	677,697	-	-	-	-	1,722,303	-	2,400,000
F.1	Guidrails	12,500	-	112,500	125,000	-	-	-	-	-	-	125,000
F.2	Annual Road Resurfacing	59,900	-	548,886	608,786	-	-	-	-	-	-	608,786
F.3	Sidewalks	73,000	-	658,900	731,900	-	-	-	-	-	-	731,900
F.4	OSIMS Design	85,000	-	-	85,000	-	-	-	-	-	-	85,000
F.5	OSIMS Construction	50,000	-	200,000	250,000	-	-	-	-	-	-	250,000
F.6	Wayfinding Signage	150,000	-	-	150,000	-	-	-	-	-	-	150,000
F.7	School Safety Zones	3,577	-	-	3,577	-	-	46,423	-	-	-	50,000

Appendix A - 2026 Capital and Related Project Budget Detail

Item	Project Title	2026 Non-Debt Funding				1x Grants (Current Year)	Grants (Prior Year)	Reserves	Internally Financed	Other	Development Charges	Total
		Levy	Rate	Recurring Grants	Total							
F.8	Firelane Pillars	140,000	-	-	140,000	-	-	-	-	-	-	140,000
F.9	Traffic Study	50,000	-	-	50,000	-	-	-	-	-	-	50,000
F.10	Gateway Sign Design	50,000	-	-	50,000	-	-	-	-	-	-	50,000
F.11	Centennial Park Wetland	-	-	-	-	48,800	-	120,000	-	-	-	168,800
	Pre-committed											
Total Capital Requests - Roads		673,977	-	1,520,286	2,194,263	48,800	-	166,423	-	-	-	2,409,486
G.1	Clarke Area Storm Sewer EA and Design		500,000	-	500,000	-	-	-	-	-	-	500,000
G.2	Storm Sewer Repair and Rehabilitation		500,000	-	500,000	-	-	-	-	-	-	500,000
	Reserve Transfer		463,891	-	463,891	-	-	-	-	-	-	463,891
Total Capital Requests - Storm Sewer		-	1,463,891	-	1,463,891	-	-	-	-	-	-	1,463,891
H.1	Sugarloaf Street and Marina Area Engineering		600,000	-	600,000	600,000	-	-	-	-	-	1,200,000
H.2	Hwy 140 Engineering Design for Future Development		-	-	-	375,000	-	-	-	-	375,000	750,000
	Pre-committed		2,871,037	-	2,871,037	-	-	-	-	-	-	2,871,037
	Reserve Transfer		44,163	-	44,163	-	-	-	-	-	-	44,163
Total Capital Requests - Wastewater		-	3,515,200	-	3,515,200	975,000	-	-	-	-	375,000	4,865,200
I.1	2026 - 2028 Watermain Lining Program		6,600,000	-	6,600,000	-	-	-	-	-	-	6,600,000
I.2	Lockview Area Servicing		250,000	-	250,000	250,000	-	-	-	-	-	500,000
	Pre-committed		2,066,700	-	2,066,700	-	-	-	-	-	-	2,066,700
	Reserve Transfer		750,500	-	750,500	-	-	-	-	-	-	750,500
Total Capital Requests - Water		-	9,655,200	-	9,655,200	250,000	-	-	-	-	-	9,917,200
Total Capital Requests		7,261,292	14,764,291	2,176,369	24,201,952	1,273,800	185,000	412,722	-	1,722,303	375,000	28,170,777
Less: Net Debt Financed		-3,000,000	-11,399,900		-14,399,900							- 14,399,900
Total Capital Requests and Transfers to Reserve		4,261,292	3,364,391	2,176,369	9,802,052	1,273,800	185,000	412,722	-	1,722,303	375,000	13,770,877
Add: Debt Servicing Costs		286,600	1,120,100		1,406,700							1,406,700
Total Capital Requests and Transfers to Reserve after Debt Servicing Costs		4,547,892	4,484,491	2,176,369	11,208,752	1,273,800	185,000	412,722	-	1,722,303	375,000	15,177,577

Appendix A - 2026 Capital and Related Project Budget Detail

Capital Request C.2		Strategic Pillars					Rationale				
Item	Location	1	2	3	4	5	1	2	3	4	5
Council Chambers Systems Upgrade	City Hall		✓			✓			✓	✓	
Project Rationale											
<p>This project proposes a comprehensive upgrade to the council chambers to support high-quality live streaming and improve accessibility for all residents.</p> <p>The upgrade will include:</p> <ul style="list-style-type: none"> - Installation of professional-grade cameras and microphones; - Integration of a live streaming platform with archiving capabilities; - Enhanced audio-visual (AV) systems for in-room and remote participation; - Assistive listening devices and closed captioning support; and - Accessibility upgrades to meet AODA (Accessibility for Ontarians with Disabilities Act) standards. 											
Project Funding Source						Operating On-Going Impact (+/-)					
Levy	120,000					Levy					
Rate						Rate					
Grant						Other					
Reserves (TCA Reserve)	30,000					Total	-				
Other											
Total	150,000										
Other Project Resourcing / Impact and Cooperation											
Departments Involved	Clerks, IT										
Departments Impacted	All										
Are there 'Greener' options available that:						Project Timelines					
Are more energy efficient?	N/A					2026	✓				
Utilize renewable materials?	No					2027	✓				
Are less emissions intense?	No					2028					
Better manage stormwater?	No					2029					
Description of 'Greener' options:											

Appendix A - 2026 Capital and Related Project Budget Detail

Capital Request F.11		Strategic Pillars					Rationale				
Item	Location	1	2	3	4	5	1	2	3	4	5
Centennial Park Wetland	Centennial Park	✓	✓							✓	
Project Rationale											
<p>Staff are requesting capital funding to support the construction of a wetland at Centennial Park. While \$48,800 in federal funding from the Natural Infrastructure Fund has already been secured and additional grant opportunities are actively being pursued with the Niagara Peninsula Conservation Authority (NPCA), this request ensures the project can proceed should other funding not materialize.</p> <p>The proposed wetland, originally identified in a municipal drain report, would provide valuable stormwater storage and improve water quality, while also enhancing drainage in the surrounding area. In addition to its functional benefits, the wetland would support native biodiversity, incorporate a walking path for passive recreation, and help transform Centennial Park into a more vibrant and ecologically rich community space. The project will be contingent on Indigenous consultation and the completion of species-at-risk assessments, which pose potential risks to its timeline or feasibility.</p> <p>If this project does not proceed, the City risks losing secured federal funding, missing out on additional partnership opportunities, and delaying environmental improvements that would enhance drainage, water quality, and biodiversity in the area, while also limiting the full revitalization potential of Centennial Park.</p>											
Project Funding Source						Operating On-Going Impact (+/-)					
Levy						Levy					
Rate						Rate					
Grant (Federal - Natural Infrastructure Fund)	48,800					Other					
Reserves (TCA Reserve)	120,000					Total					-
Other											
Total	168,800										
Other Project Resourcing / Impact and Cooperation											
Departments Involved						Public Works					
Departments Impacted						Public Works					
Are there 'Greener' options available that:						Project Timelines					
Are more energy efficient?	N/A					2026			✓		
Utilize renewable materials?	N/A					2027					
Are less emissions intense?	N/A					2028					
Better manage stormwater?	N/A					2029					

Appendix A - 2026 Capital and Related Project Budget Detail

Capital Request F.11	Strategic Pillars	Rationale
Description of 'Greener' options:		

CITY OF PORT COLBORNE
2026 Budget - Levy and Self Sustaining Entities (SSE) Summary

	General Government	Programs, Grants and Activities	Boards and Committees	Council	CAO's Office	Corporate Services	Recreation	Development	Community Safety	Public Works	Total 2026 Levy Operating Budget
Revenue											
Property Tax	29,184,100	-	-	-	-	-	-	-	-	-	29,184,100
User Charges	-	449,900	208,900	-	45,700	132,000	28,000	244,200	46,300	25,000	1,180,000
Government Transfer	4,822,469	112,000	39,893	-	-	-	-	-	-	50,000	5,024,362
Investment Income	820,321	-	-	-	-	-	-	-	-	-	820,321
Other Revenue	713,123	468,100	59,160	-	-	-	657,260	121,450	60,000	6,300	2,085,393
Total Revenue	35,540,013	1,030,000	307,953	-	45,700	132,000	685,260	365,650	106,300	81,300	38,294,176
Expense											
Personnel Expense											
Salaries and Wages	(248,400)	49,400	785,600	259,800	1,631,900	1,789,300	1,135,100	963,100	3,849,450	4,628,500	14,843,750
Benefits	(377,592)	9,100	228,600	117,300	490,400	591,940	364,650	284,970	1,481,590	1,439,960	4,630,918
Subtotal Personnel Expense	(625,992)	58,500	1,014,200	377,100	2,122,300	2,381,240	1,499,750	1,248,070	5,331,040	6,068,460	19,474,668
Non-Personnel Expense											
Materials	4,628,650	623,900	151,073	48,400	169,300	107,900	91,800	87,100	356,800	918,410	7,183,333
Contract Services	1,259,400	819,250	34,000	45,600	46,000	232,500	341,700	127,000	120,000	1,563,050	4,588,500
Interest on Long Term Debt	1,840,700	-	-	-	-	-	-	-	-	-	1,840,700
Principal on Long Term Debt	1,836,000	-	-	-	-	-	-	-	-	-	1,836,000
Rents and Financial Expenses	531,300	109,350	1,240	-	-	-	10,000	-	-	10,500	662,390
External Transfer to Others	205,000	575,255	-	-	-	-	-	-	15,000	-	795,255
Other Agency Payout	-	-	-	-	-	-	-	-	-	-	-
Gains/Losses	5,000	-	-	-	-	-	-	-	-	-	5,000
Subtotal Non-Personnel Expense	10,306,050	2,127,755	186,313	94,000	215,300	340,400	443,500	214,100	491,800	2,491,960	16,911,178
Total Expense	9,680,058	2,186,255	1,200,513	471,100	2,337,600	2,721,640	1,943,250	1,462,170	5,822,840	8,560,420	36,385,846

Appendix C - Levy and SSE Summary

	General Government	Programs, Grants and Activities	Boards and Committees	Council	CAO's Office	Corporate Services	Recreation	Development	Community Safety	Public Works	Total 2026 Levy Operating Budget
Surplus/(Deficit) Before Allocation	25,859,955	(1,156,255)	(892,560)	(471,100)	(2,291,900)	(2,589,640)	(1,257,990)	(1,096,520)	(5,716,540)	(8,479,120)	1,908,330
Allocated Out	(5,524,868)	-	149,299	(417,083)	(2,006,692)	(1,905,058)	(434,810)	(110,750)	(433,080)	(1,374,298)	(12,057,340)
Allocated In	(262,722)	604,588	722,882	105,506	146,559	139,114	2,528,518	743,447	1,388,216	4,305,263	10,421,371
Total Allocated	(5,787,590)	604,588	872,181	(311,577)	(1,860,133)	(1,765,944)	2,093,708	632,697	955,136	2,930,965	(1,635,969)
Surplus/(Deficit) After Allocation	31,647,545	(1,760,843)	(1,764,741)	(159,523)	(431,767)	(823,696)	(3,351,698)	(1,729,217)	(6,671,676)	(11,410,085)	3,544,299
Transfer Between Companies	(196,141)	-	1,518,282	-	(83,856)	(90,856)	(138,970)	-	-	(24,644)	983,815
Transfer to/from Reserve	1,017,617	(125,000)	(149,299)	-	-	-	-	-	-	200,000	943,318
Transfer Between Funds	3,455,348	10,000	-	(159,523)	(347,911)	(732,840)	-	-	-	(836,150)	1,388,924
Total Transfer	4,276,824	(115,000)	1,368,983	(159,523)	(431,767)	(823,696)	(138,970)	-	-	(660,794)	3,316,057
Surplus/(Deficit)	27,370,721	(1,645,843)	(3,133,724)	-	-	-	(3,212,728)	(1,729,217)	(6,671,676)	(10,749,291)	228,242

Appendix C - Levy and SSE Summary

	Sugarloaf Marina	Nickel Beach	Cemetery	Building Inspection	Short- Term Rental	Total 2026 SSE Budget	Total 2026 Levy & SSE Budget	Library	NSCTA	Total 2026 Operating Budget
Revenue										
Property Tax	-	-	-	-	-	-	29,184,100	-	-	29,184,100
User Charges	1,543,737	237,760	77,000	814,320	-	2,672,817	3,852,817	7,700	-	3,860,517
Government Transfer	-	-	-	-	-	-	5,024,362	47,900	-	5,072,262
Investment Income	-	-	-	-	-	-	820,321	-	-	820,321
Other Revenue	41,800	6,000	-	-	608,000	655,800	2,741,193	5,670	2,000	2,748,863
Total Revenue	1,585,537	243,760	77,000	814,320	608,000	3,328,617	41,622,793	61,270	2,000	41,686,063
Expense										
Personnel Expense										
Salaries and Wages	398,100	116,000	-	424,000	-	938,100	15,781,850	619,500	-	16,401,350
Benefits	118,200	23,360	-	121,730	-	263,290	4,894,208	196,860	-	5,091,068
Subtotal Personnel Expense	516,300	139,360	-	545,730	-	1,201,390	20,676,058	816,360	-	21,492,418
Non-Personnel Expense										
Materials	420,100	33,100	10,800	22,200	-	486,200	7,669,533	126,575	81,450	7,877,558
Contract Services	183,000	71,300	6,000	40,000	-	300,300	4,888,800	12,100	10,600	4,911,500
Interest on Long Term Debt	-	-	-	-	-	-	1,840,700	-	-	1,840,700
Principal on Long Term Debt	-	-	-	-	-	-	1,836,000	-	-	1,836,000
Rents and Financial Expenses	-	-	-	-	-	-	662,390	-	-	662,390
External Transfer to Others	-	-	-	-	-	-	795,255	-	-	795,255
Other Agency Payout	-	-	-	-	-	-	-	-	-	-
Gains/Losses	-	-	-	-	-	-	5,000	-	-	5,000
Subtotal Non-Personnel Expense	603,100	104,400	16,800	62,200	-	786,500	17,697,678	138,675	92,050	17,928,403
Total Expense	1,119,400	243,760	16,800	607,930	-	1,987,890	38,373,736	955,035	92,050	39,420,821

Appendix C - Levy and SSE Summary

	Sugarloaf Marina	Nickel Beach	Cemetery	Building Inspection	Short- Term Rental	Total 2026 SSE Budget	Total 2026 Levy & SSE Budget	Library	NSCTA	Total 2026 Operating Budget
Surplus/(Deficit) Before Allocation	466,137	-	60,200	206,390	608,000	1,340,727	3,249,057	(893,765)	(90,050)	2,265,242
Allocated Out	(106,088)	-	-	(9,602)	-	(115,690)	(12,173,030)	-	-	(12,173,030)
Allocated In	586,225	228,242	60,200	268,992	608,000	1,751,659	12,173,030	-	-	12,173,030
Total Allocated	480,137	228,242	60,200	259,390	608,000	1,635,969	-	-	-	-
Surplus/(Deficit) After Allocation	(14,000)	(228,242)	-	(53,000)	-	(295,242)	3,249,057	(893,765)	(90,050)	2,265,242
Transfer Between Companies	-	-	-	-	-	-	983,815	(893,765)	(90,050)	-
Transfer to/from Reserve	(14,000)	-	-	(53,000)	-	(67,000)	876,318	-	-	876,318
Transfer Between Funds	-	-	-	-	-	-	1,388,924	-	-	1,388,924
Total Transfer	(14,000)	-	-	(53,000)	-	(67,000)	3,249,057	(893,765)	(90,050)	2,265,242
Surplus/(Deficit)	-	(228,242)	-	-	-	(228,242)	-	-	-	-

City of Port Colborne

2026 Operating Budget

Operating Fund

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
Property Tax	27,455,500	27,624,500	29,184,100	1,728,600	6.30%
User Charges	3,935,872	3,494,665	3,852,817	(83,055)	(2.11%)
Government Transfer	5,042,969	4,782,269	5,024,362	(18,607)	(0.37%)
Investment Income	1,078,448	935,539	820,321	(258,127)	(23.94%)
Other Revenue	1,952,600	2,072,600	2,741,193	788,593	40.39%
Total Revenue	39,465,389	38,909,573	41,622,793	2,157,404	5.47%
Expense					
Personnel Expense					
Salaries and Wages	14,177,004	14,467,004	15,781,850	1,604,846	11.32%
Benefits	4,261,340	4,801,340	4,894,208	632,868	14.85%
Subtotal Personnel Expense	18,438,344	19,268,344	20,676,058	2,237,714	12.14%
Non-Personnel Expense					
Materials	6,834,265	6,886,265	7,669,533	835,268	12.22%
Contract Services	4,967,250	5,107,250	4,888,800	(78,450)	(1.58%)
Interest on Long Term Debt	1,566,500	838,500	1,840,700	274,200	17.50%
Principal on Long Term Debt	1,427,000	1,211,000	1,836,000	409,000	28.66%
Rents and Financial Expenses	595,000	695,000	662,390	67,390	11.33%
External Transfer to Others	724,200	724,200	795,255	71,055	9.81%
Gains/Losses	-	-	5,000	5,000	0.00%
Subtotal Non-Personnel Expense	16,114,215	15,462,215	17,697,678	1,583,463	9.83%

Appendix C - Levy and SSE Summary

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Total Expenses	34,552,559	34,730,559	38,373,736	3,821,177	11.06%
Surplus/(Deficit) Before Allocation	4,912,830	4,179,014	3,249,057	1,663,773	33.87%
Allocated Out	(7,078,031)	(11,049,363)	(12,173,030)	(5,094,999)	71.98%
Allocated In	7,078,031	11,049,363	12,173,030	5,094,999	71.98%
Total Allocated	-	-	-	-	0.00%
Surplus (Deficit) After Allocation	4,912,830	4,179,014	3,249,057	1,670,496	0.00%
Transfer Between Companies	919,825	919,825	983,815	63,990	6.96%
Transfer to/from Reserve	1,401,773	436,448	876,318	(375,455)	(26.78%)
Transfer Between Funds	2,591,232	2,822,741	1,388,924	(1,359,031)	(52.45%)
Total Transfer	4,912,830	4,179,014	3,249,057	(1,670,496)	(34.00%)
Surplus/(Deficit)	-	-	-	-	0.00%

CITY OF PORT COLBORNE
2026 Budget - General Government Divisional Summary

	General Government Total	Global Revenue	Capital - Non-Debt Funding	Capital - Borrowing Costs	Global Facilities	Global Fleet	Global Operations
Revenue							
Property Tax	29,184,100	29,184,100	-	-	-	-	-
Government Transfer	4,822,469	2,646,100	2,176,369	-	-	-	-
Investment Income	820,321	820,321	-	-	-	-	-
Other Revenue	713,123	713,123	-	-	-	-	-
Total Revenue	35,540,013	33,363,644	2,176,369	-	-	-	-
Expense							
Personnel Expense							
Salaries and Wages	(248,400)	(248,400)	-	-	-	-	-
Benefits	(377,592)	(377,592)	-	-	-	-	-
Subtotal Personnel Expense	(625,992)	(625,992)	-	-	-	-	-
Non-Personnel Expense							
Materials	4,628,650	-	-	-	1,733,900	470,850	2,423,900
Contract Services	1,259,400	-	-	-	599,400	160,000	500,000
Interest on Long Term Debt	1,840,700	-	-	1,840,700	-	-	-
Principal on Long Term Debt	1,836,000	-	-	1,836,000	-	-	-
Rents and Financial Expenses	531,300	310,100	-	-	81,200	-	140,000
External Transfer to Others	205,000	205,000	-	-	-	-	-
Gains/Losses	5,000	5,000	-	-	-	-	-
Subtotal Non-Personnel Expense	10,306,050	520,100	-	3,676,700	2,414,500	630,850	3,063,900
Total Expense	9,680,058	(105,892)	-	3,676,700	2,414,500	630,850	3,063,900
Surplus/(Deficit) Before Allocation	25,859,955	33,469,536	2,176,369	(3,676,700)	(2,414,500)	(630,850)	(3,063,900)
Allocated Out	(5,524,868)	(70,277)	-	-	(2,231,710)	(588,440)	(2,634,441)
Allocated In	(262,722)	-	(262,722)	-	-	-	-
Total Allocated	(5,787,590)	(70,277)	(262,722)	-	(2,231,710)	(588,440)	(2,634,441)

Appendix D - Divisional Summary and Detail

	General Government Total	Global Revenue	Capital - Non- Debt Funding	Capital - Borrowing Costs	Global Facilities	Global Fleet	Global Operations
Surplus/(Deficit) After Allocation	31,647,545	33,539,813	2,439,091	(3,676,700)	(182,790)	(42,410)	(429,459)
Transfer Between Companies	(196,141)	-	-	-	(82,101)	-	(114,040)
Transfer to/from Reserve	1,017,617	629,700	387,917	-	-	-	-
Transfer Between Funds	3,455,348	-	6,312,466	(2,398,600)	(100,689)	(42,410)	(315,419)
Total Transfer	4,276,824	629,700	6,700,383	(2,398,600)	(182,790)	(42,410)	(429,459)
Surplus/(Deficit)	27,370,721	32,910,113	(4,261,292)	(1,278,100)	-	-	-

City of Port Colborne
2026 Operating Budget
General Government

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
Property Tax Government	27,455,500	27,624,500	29,184,100	1,728,600	6.30%
Transfer	4,589,369	4,589,369	4,822,469	233,100	5.08%
Investment Income	1,074,448	935,539	820,321	(254,127)	(23.65%)
Other Revenue	555,500	675,500	713,123	157,623	28.38%
Total Revenue	33,674,817	33,824,908	35,540,013	1,865,196	5.54%
Expense					
Personnel Expense					
Salaries and Wages	(203,542)	(98,542)	(248,400)	(44,858)	22.04%
Benefits	(661,060)	(166,060)	(377,592)	283,468	(42.88%)
Subtotal Personnel Expense	(864,602)	(264,602)	(625,992)	238,610	(27.60%)
Non-Personnel Expense					
Materials	4,040,600	4,092,600	4,628,650	588,050	14.55%
Contract Services	1,325,400	1,325,400	1,259,400	(66,000)	(4.98%)
Interest on Long Term Debt	1,566,500	838,500	1,840,700	274,200	17.50%
Principal on Long Term Debt	1,427,000	1,211,000	1,836,000	409,000	28.66%
Rents and Financial Expenses	512,600	612,600	531,300	18,700	3.65%
External Transfer to Others	222,000	222,000	205,000	(17,000)	(7.66%)
Gains/Losses	-	-	5,000	5,000	100.00%
Subtotal Non-Personnel Expense	9,094,100	8,302,100	10,306,050	1,211,950	9.83%
Total Expense	8,229,498	8,037,498	9,680,058	1,450,560	17.63%

Appendix D - Divisional Summary and Detail

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Surplus/(Deficit) Before Allocation	25,445,319	25,787,410	25,859,955	(414,636)	1.63%
Allocated Out	(3,239,681)	(5,012,354)	(5,524,868)	(2,285,187)	70.54%
Allocated In	-	-	(262,722)	(262,722)	100.00%
Total Allocated	(3,239,681)	(5,012,354)	(5,787,590)	(2,547,909)	78.65%
Surplus (Deficit) After Allocation	28,685,000	30,799,764	31,647,545	(2,962,545)	10.33%
Transfer Between Companies	(155,289)	(174,164)	(196,141)	(40,852)	26.31%
Transfer to/from Reserve	1,215,000	471,072	1,017,617	(47,383)	(3.90%)
Transfer Between Funds	3,884,182	4,682,605	3,455,348	(578,834)	(14.90%)
Total Transfer	4,943,893	4,979,513	4,276,824	(667,069)	(13.49%)
Surplus/(Deficit)	23,741,107	25,820,252	27,370,721	(3,629,614)	15.29%

City of Port Colborne
2026 Operating Budget
Capital - Non-Debt Funding

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
Government Transfer	1,997,669	1,997,669	2,176,369	178,700	8.95%
Total Revenue	1,997,669	1,997,669	2,176,369	178,700	8.95%
Expense					
Personnel Expense					
Subtotal Personnel Expense	-	-	-	-	0.00%
Non-Personnel Expense					
Subtotal Non-Personnel Expense	-	-	-	-	0.00%
Total Expenses	-	-	-	-	0.00%
Surplus/(Deficit) Before Allocation	1,997,669	1,997,669	2,176,369	(178,700)	4.49%
Allocated In	-	-	(262,722)	(262,722)	100.00%
Total Allocated	-	-	(262,722)	(262,722)	100.00%
Surplus (Deficit) After Allocation	1,997,669	1,997,669	2,439,091	(441,422)	22.10%
Transfer to/from Reserve	85,000	85,000	387,917	452,917	532.84%
Transfer Between Funds	6,293,400	6,358,687	6,312,466	(130,934)	(2.08%)
Total Transfer	6,378,400	6,443,687	6,700,383	321,983	5.05%
Surplus/(Deficit)	(4,380,731)	(4,446,018)	(4,261,292)	(119,439)	(2.73%)

Appendix G - Levy Allocation

	General Government	Debt	Capital	Program, Grants & Activities	Boards & Committees	Council	Fire	Planning & Economic Development
Surplus/(Deficit) Before Allocation	27,360,286	(3,676,700)	2,176,369	(1,156,255)	(892,560)	(471,100)	(5,716,540)	(1,096,520)
Allocation								
Allocated Out	(5,524,868)				149,299	(417,083)	(433,080)	(110,750)
Allocated In			(262,722)	604,588	722,882	105,506	1,388,216	743,447
Surplus/(Deficit) After Allocations	32,885,154	(3,676,700)	2,439,091	(1,760,843)	(1,764,741)	(159,523)	(6,671,676)	(1,729,217)
Transfer Between Companies	(196,141)							
Transfer to/from Reserve	629,700		387,917	(125,000)	1,518,282			
Transfer Between Funds	(458,518)	(2,398,600)	6,312,466	10,000	(149,299)	(159,523)		
Surplus / (Deficit)	32,910,113	(1,278,100)	(4,261,292)	(1,645,843)	(3,133,724)	-	(6,671,676)	(1,729,217)
Property Tax	(29,184,100)							
Allocation (OMPF + Interest + Other Misc - Global Operations)	(3,726,013)						1,100,375	285,204
Total		(1,278,100)	(4,261,292)	(1,645,843)	(3,133,724)	-	(5,571,301)	(1,444,013)
Percentage		4.4%	14.6%	5.6%	10.8%	0.0%	19.1%	4.9%

	Administration			Parks & Recreation			Public Works
	CAO	Corporate Services	Total	Recreation	Parks	Total	
Surplus/(Deficit) Before Allocation	(2,291,900)	(2,589,640)	(4,881,540)	(1,486,232)	(1,975,830)	(3,462,062)	(6,503,290)
Allocation							
Allocated Out	(1,999,969)	(1,905,058)	(3,905,027)	(434,810)	(104,156)	(538,966)	(1,270,142)
Allocated In	146,559	139,114	285,673	2,528,518	1,289,785	3,818,303	3,015,478
Surplus/(Deficit) After Allocations	(438,490)	(823,696)	(1,262,186)	(3,579,940)	(3,161,459)	(6,741,399)	(8,248,626)
Transfer Between Companies	(83,856)	(90,856)	(174,712)	(138,970)			(24,644)
Transfer to/from Reserve							200,000
Transfer Between Funds	(354,634)	(732,840)	(1,087,474)				(836,150)
Surplus / (Deficit)	-	-	-	(3,440,970)	(3,161,459)	(6,602,429)	(7,587,832)
Minus: Property Tax							
Allocation (OMPF + Interest + Other Misc - Global Operations)	-	-	-	567,527	521,427	1,088,954	1,251,479
Total	-	-	-	(2,873,443)	(2,640,032)	(5,513,475)	(6,336,353)
Percentage			0.0%	9.8%	9.1%	18.9%	21.7%

Appendix G - Reserve Forecast

Reserve	2024 YE Balance	2025 YE Forecasted Balance	2026 Proposed Budget	2026 Forecasted Balance	Funding Target	Progress
Community Safety Committee (W)	4,947	4,947		4,947	Varies - Dependent on Activity	Achieved
Grants Committee Reserve (CW)	2,199	2,199		2,199	Varies - Dependent on Activity	Achieved
Library Bequest Reserve (CW)	4,188	4,188		4,188	Varies - Dependent on Library Board Requirements	Achieved
Library Capital Reserve (CW)	275,887	275,887		275,887	Varies - Dependent on Library Board Requirements	Achieved
Library Employee Future Benefit Reserve (CW)	111,793	111,793		111,793	75% of Employee Future Benefit and WSIB Liability (Estimated target \$99,900 as of 2024)	Achieved
Library Stabilization Reserve (CW)	108,307	108,307		108,307	5% of the gross Library budget (Estimated at \$55,000)	Achieved
Museum Bequest Reserve (CW)	219,694	219,694		219,694	Varies - Dependent on Museum Heritage and Culture Board Requirements	Achieved
Museum Capital (CW)	1,729	1,729		1,729	Varies - Dependent on Museum Heritage and Culture Board Requirements	Achieved
NSCTA Stabilization Reserve (W)	45,353	45,353		45,353	Varies - Dependent on Board Requirements	Achieved
Roselawn Capital (CW)	489,299	149,299	(149,299)		Varies - Dependent on - Museum Heritage and Culture Board Requirements	Depleted
Tourism Reserve(W)	63,952	63,952		63,952	Varies - Dependent on Activity	Achieved
Total Boards and Committees Reserves	1,327,348	987,348	(149,299)	838,050		
Canal Days Reserve	106,672	106,672		106,672	10% of the gross Canal Day budget (Estimated target at \$116,200)	Achieved
CIP Incentives Reserve (W)	316,134	316,134		316,134	Commitments + 1x annual budget (Estimated at \$318,600 [\$50,000 Committed + \$268,600])	Achieved
Municipal Election Reserve (W)	79,583	129,583	(125,000)	4,583	2026 election estimated at \$180,000	Annual Reserve Transfer - Future transfers have been increased to \$55,000 to fully fund the election
Total Programs, Grants and Activities	502,389	552,389	(125,000)	427,389		
Building Department Reserve (RF)	590,078	595,166	(53,000)	542,166	Funded by Users Fees - Surplus / (Deficit) - 1x annual budget (\$926,000)	Not Achieved - Long-Term Target
Beach Reserve	198,165	198,165		198,165	Funded by User Fees - Surplus / (Deficit) - 1x beach budget (\$291,000)	Not Achieved - Long-Term Target
Overholt Cemetery Reserve	65,600	150,600		150,600	Funded by User Fees - Surplus / (Deficit) - 1x annual cemetery maintenance costs (\$240,000 + unfunded perpetual care fund balance)	Not Achieved - Long-Term Target
Sugarloaf Marina Reserve	(912,319)	(791,403)	86,000	(705,403)	Funded by User Fees - Surplus / (Deficit) - 1x marina budget (\$1,466,700) Council approved negative balance to be repaid through Sugarloaf Marina budget	Not Achieved - Long-Term Target
Total Self Sustaining Entities	(58,475)	152,528	33,000	185,528		

Reserve	2024 YE Balance	2025 YE Forecasted Balance	2026 Proposed Budget	2026 Forecasted Balance	Funding Target	Progress
Economic Development Reserve (W)	(1,600,874)	(1,180,874)		(1,180,874)	Varies - Dependent on Activity Council approved negative balance to be repaid through future land sales	Not Achieved - Long-Term Target
Encumbrance Reserve (W)	906,071	468,071		468,071	Zero	Achieved
Future Liabilities Reserve (W)	3,070,006	3,070,006	300,000	3,370,006	75% of Employee Future Benefit and WSIB Liability (Estimated target \$6,253,400 as of 2024)	Not Achieved - Future reserve transfers have been budgeted to achieve by 2030
General Stabilization	2,469,350	2,469,350		2,469,350	10% of the Levy (Estimated target \$2,686,100)	Not Achieved
Opportunities Fund	2,000,000	1,750,000		1,750,000	Established at \$2,000,000 from successful NRBN initiative	Achieved
Subject Matter Experts Reserves (W)	264,680	264,680		264,680	0.5% of the City's consolidated budget (Estimated target of \$170,000)	Achieved
Working Capital Reserve	2,559,135	2,559,135		2,559,135	10% of the Levy (Estimated target \$2,686,100)	Not Achieved
Consolidated Airport Reserve	31,291	31,291		31,291	Varies - Dependent on Activity	Achieved
Total General Government	9,699,659	9,431,659	300,000	9,731,659		
(A) Development Charges (DC) (RF)	1,744,784	3,001,184		3,001,184	Varies - Dependent on requirements identified in DC Study and multi-year forecasts	In accordance with DC By-law
Drain Reserve	-	-	200,000	200,000	Varies - Dependent on Activity	Not Achieved
Drain Internal Financing (Equipment) Reserve	(178,960)	(178,960)		(178,960)	Council approved to be repaid through drain and other construction charges	Awaiting insurance claim
Facilities Reserve	437,386	87,386		87,386	Varies - Dependent on Activity	Awaiting AMP
Fleet and Equipment Reserve	-	-		-	Varies - Dependent on Activity	
Goderich Maintenance Agreement (W)	161,241	161,241		161,241	Varies - Dependent on Activity	Achieved
(A) Grants - Community Building Fund (Previsouly Federal Gas Tax) (RF)	-	-		-	Zero	Achieved
(A) Grants - Ontario Community Infrastructure Fund (RF)	-	-		-	Zero	Achieved
General Infrastructure (TCA) Reserve	1,218,784	683,784	387,917	1,071,701	TBD	TBD
Storm Sewer Reserve	213,702	60,019	463,891	523,910	10% of budget + estimated average cost to install one km of linear asset (Estimated at \$3,238,800 [\$298,800 + \$2,940,000])	Not Achieved - Long-Term Target
Wastewater Reserve	2,800,595	2,496,008	44,163	2,540,171	10% of budget + estimated average cost to install one km of linear asset (Estimated at \$3,950,000 [\$1,010,000 + \$2,940,000])	Not Achieved - Long-Term Target
Water Reserve	746,529	71,552	750,500	822,052	10% of budget + estimated average cost to install one km of linear asset (Estimated at \$3,699,300 [\$759,300 + \$2,940,000])	Not Achieved - Long-Term Target
Add: Deferred Revenue (Sum of A's) recognizing these are recorded on the Balance Sheet as an Asset	524,118	524,118		524,118	Zero - Funds are allocated to capital projects	Achieved
Total Capital	7,668,179	6,906,332	1,846,471	8,752,803		

Reserve	2024 YE Balance	2025 YE Forecasted Balance	2026 Proposed Budget	2026 Forecasted Balance	Funding Target	Progress
Total Reserves before Work-in-progress	19,139,100	18,030,256	1,905,172	19,935,429		
City Work-in-progress (WIP)	7,796,464	7,796,464		7,796,464	Zero	Achieved
Library Building Work-in-progress (WIP)	101,858	101,858		101,858	Zero	Achieved
Total Reserves	27,037,422	25,928,578	1,905,172	27,833,751		

(W) - Working reserves; (CW) - Committee Working Reserves; (RF) - Reserve Fund; (DC) - Development Charges; (TCA) - Tangible Capital Assets

Reserves and Outlook

Reserve	2024 YE Balance	2025 Budget	2025 Actual	2025 Forecasted	2025 YE Forecast	2026 Proposed Budget	2026 Forecasted Balance
Library Capital Reserve (CW)	275,887				275,887		275,887
Museum Bequest Reserve (CW)	219,694		1,000		220,694		220,694
Roselawn Capital (CW)	489,299	(40,000)	(300,000)		149,299	(149,299)	-
Municipal Election Reserve (W)	79,583	50,000			129,583	(125,000)	4,583
Building Department Reserve (RF)	590,078			5,087	595,166	(53,000)	542,166
Beach Reserve	198,165				198,165		198,165
Overholt Cemetery Reserve	65,600	85,000			150,600		150,600
Sugarloaf Marina Reserve	(912,319)	117,400	-	3,515	(791,403)	86,000	(705,403)
Economic Development Reserve (W)	(1,600,874)			420,000	(1,180,874)		(1,180,874)
Encumbrance Reserve (W)	906,071		(125,000)	(313,000)	468,071		468,071
Future Liabilities Reserve (W)	3,070,006	600,000		(600,000)	3,070,006	300,000	3,370,006
Opportunities Fund	2,000,000		(250,000)		1,750,000		1,750,000
(A) Development Charges (DC) (RF)	1,744,784			1,256,400	3,001,184		3,001,184
Drain Reserve	-	119,373		(119,373)	-	200,000	200,000
Drain Internal Financing (Equipment) Reserve	(178,960)	(50,000)		50,000	(178,960)		(178,960)
Facilities Reserve	437,386	(350,000)			87,386		87,386
General Infrastructure (TCA) Reserve	1,218,784	(530,000)		(5,000)	683,784	387,917	1,071,701
Storm Sewer Reserve	213,702	(190,298)		36,615	60,019	463,891	523,910
Wastewater Reserve	2,800,595	(973,237)		668,650	2,496,008	44,163	2,540,171
Water Reserve	746,529	(397,056)		(277,921)	71,552	750,500	822,052
Total Capital Reserve	12,364,010	(1,558,818)	(674,000)	1,124,974	11,256,166	1,905,172	13,161,339

(W) - Working reserves; (CW) - Committee Working Reserves; (RF) - Reserve Fund; (DC) - Development Charges; (TCA) - Tangible Capital Assets

Project Summary

Function	Levy	Rate	Recurring Grants	Sub Total	1x Grants (Current Year)	Reserves	Other	Development Charges	Total
Facilities	\$528,701			\$528,701	\$185,000	\$149,299			\$863,000
Fleet and equipment	\$3,746,000			\$3,746,000		\$67,000			\$3,813,000
Information Technology	\$962,000	\$118,000		\$1,080,000		\$30,000			\$1,110,000
Parks	\$537,917		\$656,083	\$1,194,000					\$1,194,000
Cemetery	\$135,000			\$135,000					\$135,000
Planning	\$677,697			\$677,697			\$1,722,303		\$2,400,000
Roads	\$673,977		\$1,520,286	\$2,194,263	\$48,800	\$166,423			\$2,409,486
Storm Sewer		\$1,463,891		\$1,463,891					\$1,463,891
Wastewater		\$3,515,200		\$3,515,200	\$975,000			\$375,000	\$4,865,200
Water		\$9,655,200		\$9,655,200	\$250,000				\$9,905,200
Subtotal	\$7,261,292	\$14,764,291	\$2,176,369	\$24,201,952	\$1,458,800	\$412,722	\$1,722,303	\$375,000	\$28,170,777
Net Debt Financing	(\$3,000,000)	(\$11,399,900)		(\$14,399,900)					(\$14,399,900)
Debt Servicing Costs	\$286,600	\$1,120,100		\$1,406,700					\$1,406,700
Subtotal	(\$2,713,400)	(\$10,279,800)		(\$12,993,200)					(\$12,993,200)
Total	\$4,547,892	\$4,484,491	\$2,176,369	\$11,208,752	\$1,458,800	\$412,722	\$1,722,303	\$375,000	\$15,177,577

Proposed Projects:

Information Technology

\$1,110,000

\$560,000 excluding
pre-committed projects

- C.1 – IT Evergreening
- C.2 – Council Chambers System Upgrade
- C.3 – IT Security Upgrades
- C.4 – New City Website
- Pre-committed \$550,000

Funding

2026 Capital Levy	\$ 962,000
2026 Rates	\$ 118,000
TCA Reserve	\$ 30,000
	<hr/>
	\$1,110,000

Note pre-committed for Fire Radio System and ERP occurred in 2024 Capital and Related Project Budget the future capital levy balances reflect the flow through of funding those projects.



Proposed Projects:

Roads, Other Road Renewal, Sidewalks

\$2,409,486

- F.1 – Guiderails
- F.2 – Annual Roads Resurfacing
- F.3 – Sidewalks
- F.4 – OSIMS Design
- F.5 – OSIMS Construction
- F.6 – Wayfinding Signage
- F.7 – School Safety Zones
- F.8 – Firelane Pillars
- F.9 – Traffic Study
- F.10 – Gateway Sign Design
- F.11 Centennial Park Wetland

Funding

2026 Capital Levy	\$ 673,977
Aggregate	\$ 150,255
OCIF	\$ 1,370,031
Vision Zero	\$ 46,423
TCA Reserve	\$ 120,000
Federal Funding	\$ 30,000
	<hr/>
	\$ 2,409,486



PORT COLBORNE

Proposed Projects: Storm Sewer

\$1,463,691

- G.1 Clarke Area Storm Sewer Environmental Assessment and Design
- G.2 Storm Sewer Repair and Rehabilitation
- Reserve Transfer \$463,891

Funding

2026 Rate

\$ 1,463,891



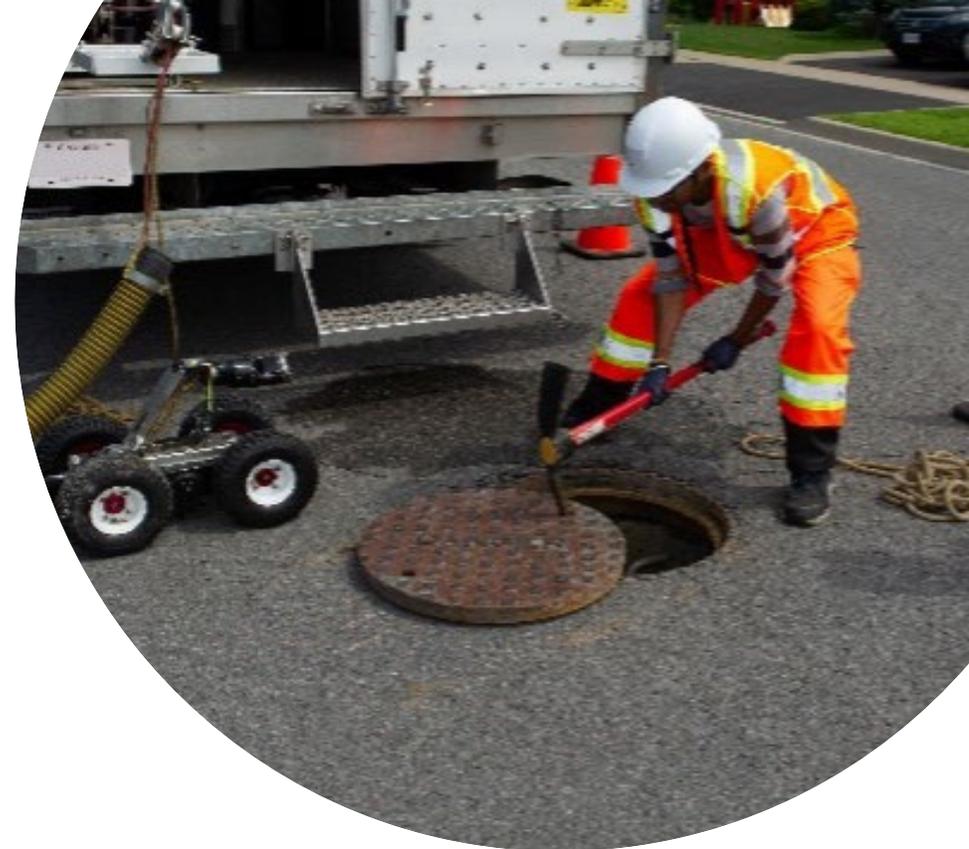
Proposed Projects:

Wastewater

\$4,865,200

\$1,994,163 excluding
pre-committed projects

- H.1 Sugarloaf Street and Marina Area Engineering
- H.2 Hwy 140
- Pre-committed \$2,871,037
- Reserve Transfer \$44,163



Funding

2026 Rates	\$ 855,300
New Debt	\$ 2,659,900
CHIF	\$ 975,000
Development Charges	<u>\$ 375,000</u>
	\$4,865,200

Proposed Projects:

Water

\$9,917,200
\$7,838,500 excluding
pre-committed projects

- I.1 2026 – 2028 Watermain Lining Program
- I.2 Lockview Area Servicing
- Pre-committed \$2,066,700
- Reserve Transfer \$750,500



Funding

2026 Rates	\$ 927,200
New Debt	\$ 8,740,000
CHIF	\$ 250,000
	<hr/>
	\$9,917,200

Levy Summary

	Budget		Forecast	Budget vs. Budget		2025 Budget vs. Forecast	
	2026	2025	2025	\$	%	\$	%
Revenue	41,686,063	39,515,339	38,959,523	2,170,724	5.5%	(555,816)	(1.4%)
Personnel Expenses	21,492,418	19,189,144	20,019,144	2,303,274	12.0%	830,000	4.3%
Operating Expenses	17,928,403	16,333,190	15,681,190	1,595,213	9.8%	(652,000)	(4.0%)
Total Expenses	39,420,821	35,522,334	35,700,334	3,898,487	11.0%	178,000	0.5%
Surplus/(Deficit) Before Allocations	2,265,242	3,993,005	3,259,189	(1,727,763)	(43.3%)	(733,816)	(18.4%)
Allocations (to)/from Departments	-	-	-	-			
Surplus/(Deficit) After Allocations	2,265,242	3,993,005	3,259,189	(1,727,763)	(43.3%)	(733,816)	(18.4%)
Transfer to/(from) Capital	8,418,303	10,196,100	10,300,265	(1,777,797)	(17.4%)	104,165	1.0%
Transfer to/(from) Reserves	876,318	1,401,773	436,448	(525,455)	(37.5%)	(965,325)	(68.9%)
Transfer to/(from) Rates	(7,029,379)	(7,604,868)	(7,477,523)	575,489	(7.6%)	127,345	(1.7%)
Surplus/(Deficit)	-	-	-	-	-	-	-

Transfer to Capital and Related Projects

Components of Transfer to Capital and Related Project Accounts

Capital and Related Project Funding	\$
Aggregate Resource Trust	150,255
Canada Community Building Fund	656,083
Ontario Community Infrastructure Fund	1,370,031
Rate Transfers (to)/from ^	2,105,837
Levy	4,261,292
Total	8,543,498
Reserve Transfers (to)/from *	(171,618)
Deferred Revenue Transfers (to)/from `	46,423
Total	8,418,303

^ From Water \$313,900; Wastewater \$598,337; Storm \$1,193,600;

* To TCA Reserve \$537,917; From TCA Reserve \$150,000; From Roselawn Reserve \$149,299; From Marina Reserve \$14,000; From Building Reserve \$53,000;

` From Vision Zero Deferred Revenue \$46,423

Transfer to/from Reserves

Components of to/(from) Reserves

Reserve Transfers	\$	Comments
Municipal Election	(125,000)	Transfer from reserve to fund 2026 election
Drains	200,000	On-going practice to fund City portion of drain projects (this is up from 119,373)
Marina Loan Repayment	100,000	For the current internal loan to be repaid
Interest on Reserves	229,700	Transfers interest earned on reserves to reserves
Employee Future Benefits	300,000	Funds post-retirement benefits negotiated through collective agreements, presumptive cancer legislative requirements, and workplace injury claims
Subtotal Operating Reserve Transfer	704,700	
Capital and Related Project Reserve Transfers	171,618	From previous slide
Total Reserve Transfer	876,318	

Report 2025-166 Rates Budget

Amended Pages



PORT COLBORNE

Subject: 2026 Rates Budget

To: Council

From: Financial Services Department

Report Number: 2025-166

Meeting Date: November 4, 2025

Recommendation:

That the Mayor's 2026 Rates Budget as outlined in Financial Services Report 2025-166 **BE RECEIVED.**

Purpose:

The purpose of this report is to present the Mayor's 2026 Rates Budget to Council **FOR INFORMATION**, and

A separate report has been prepared and presented to Council, titled "2026 Rates Setting Report 2025-167," to establish water, wastewater, and storm sewer rates to be charged.

Background:

Strong Mayors Budget

In 2025 the Mayor received Strong Mayor Powers. The legislation outlines:

- The Mayor shall prepare and present a budget to Council before February 1
- The Mayor must provide the proposed budget to each Member of Council and the Clerk, and make the proposed budget available to the public

On September 5, 2025, the Mayor issued Mayoral direction MDI-2025-001 to the CAO, and CFO/Treasurer to prepare and provide the draft budgets to Council and the public on October 6, 2025.

Staff have prepared the budgets with direction from the Mayor. The Mayor has directed staff to:

- Reduce water loss
- Reduce inflow and infiltration

Council can propose amendments to the budget. The following process has been put forward to facilitate amendments:

- Councillors to send/discuss any proposed amendments with the Mayor, CAO and CFO/Treasurer by October 27, 2025
- Clerks' department to publish the Budget Meeting (Special Council Meeting) Agenda with the budget documents published on October 6, 2025 and any amendments on October 28, 2025
- Budget amendments to be considered at the November 4, 2025 Budget Meeting (Special Council Meeting)

If amendments are passed by Council on November 4 and the Mayor waives the right to veto those amendments, or if there are no amendments, the process stops after November 4 and the Budget will be deemed adopted. There will be no resolution to pass the budget.

If amendments are passed by Council on November 4th that the Mayor wants to veto, the process will be as follows:

- Mayor veto period is between November 5 – November 15 (10 days)
- Council override period is between November 16 – December 1 (15 days).

Budget would be deemed ADOPTED December 2nd.

The following process has been put forward to facilitate the overriding of a veto:

- Council to send a notice of override to the City Clerk by November 19, 2025.
- Clerks' department to publish the November 25, 2025 Council Meeting Agenda with notice of override on November 20, 2025.
- Notice over override to be considered at the November 25, 2025 Council Meeting. If two-thirds (6) of the Council vote in favour of overriding a veto, the budget is deemed adopted with that amendment.

Budget Document

The 2026 Rates Budget is presented in a similar fashion as the prior year Rate Budget.

Salient differences are as follows:

- When moving to the new accounting system, Financial Services fully adopted the Province of Ontario's Financial Information Return (FIR) reporting requirements into the system and financial process. This includes the account structure of the FIR and the allocation of Council and administrative costs to operational departments. This will aid in more timely reporting in the future which will support grant applications.

- As a result of updated methodology the average usage of the average residential property has been changed from 188 m3 to 142 m3.

The Mayor, along with Financial Services would like to thank Public Works staff for their leadership and support in developing the Mayor's 2026 Rates Budget.

Similar to the Mayor's 2026 Capital and Related Project Budget and Levy Budget, the Mayor's 2026 Rate Budget was developed through a process that requested Council and staff input and consideration to:

- Direction from the Mayor
- The City's established Vision/Mission/Values
- The Strategic Pillars identified in the City's Strategic Plan
- The following themes/focuses:
 - Environment and Climate Change
 - Welcoming, Livable, Healthy Community
 - Economic Prosperity
 - Increased Housing Options
 - Sustainable and Resilient Infrastructure
- Tactically considering where the City can support and drive competitive advantages:
 - People
 - Processes – getting to simple (moving towards)
 - Community – Connection
 - Location
- Service levels
- Growth – achieving economies of scale
- Impact of leading a reduction in the Infrastructure Deficit.

The budget document should be read in conjunction with:

- The 2026 Capital and Related Project Budget and Levy (Report 2025-164) presented to Council on November 4, 2025.
- The 2026 Proposed User Fees and Charges (Report 2025-165) presented to Council on November 4, 2025.
- The 2026 Rate Setting (Report 2025-167) presented to Council on November 4, 2025.

Discussion:

Financial Services highlights the budget is a plan to allocate resources in advance for the maximum benefit of City residents and stakeholders. It is a method to authorize revenue and expense authority. In preparing the 2026 Rates Budget, certain assumptions and estimates are necessary. They are based on information available to

staff at the time of preparing the budget. Actual results will vary although, as regulated through the Municipal Act, a balanced budget is required.

Rate Budget Impact

Water and Wastewater

If the proposed 2026 Rates Budget and 2026 Rates Setting reports are approved as presented, the water and wastewater impact to a single-family property using 142 m³ of water will be:

	Annual \$ Change	Monthly \$ Change	\$ Change
Water	\$91.91	\$7.65	12%
Wastewater	\$88.02	\$7.34	7%
Blended/Combined	\$179.93	\$14.99	8.89%

This increase is required to offset the Niagara Region anticipated water and wastewater increases as presented at the Niagara Region's Budget Review Committee of the Whole – August 14, 2025, and to fund City of Port Colborne capital projects to reduce water loss and inflow and infiltration ("I&I"). The Niagara Region forecasted rate increase is 9.05%. Reduced water loss and I&I would result in lower charges from the Niagara Region, all things being equal.

Storm Sewer

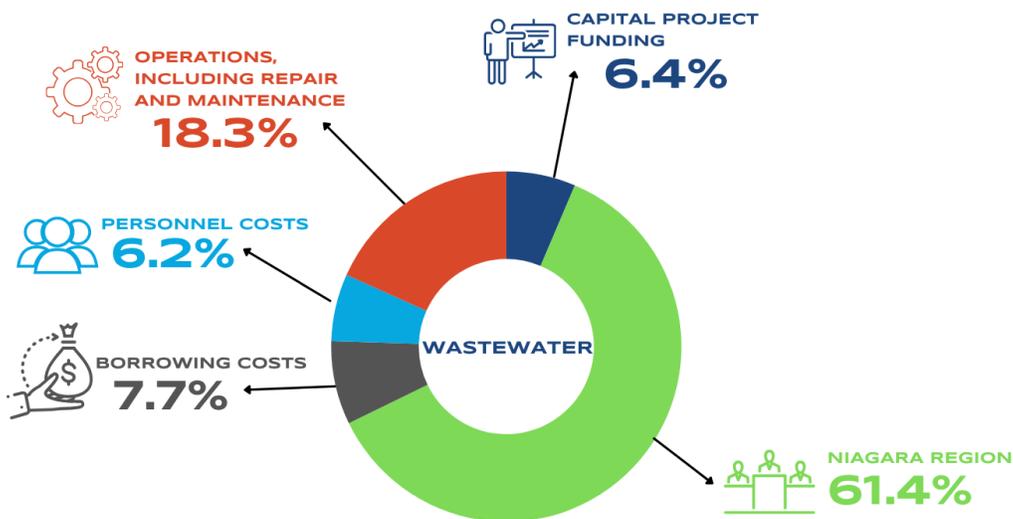
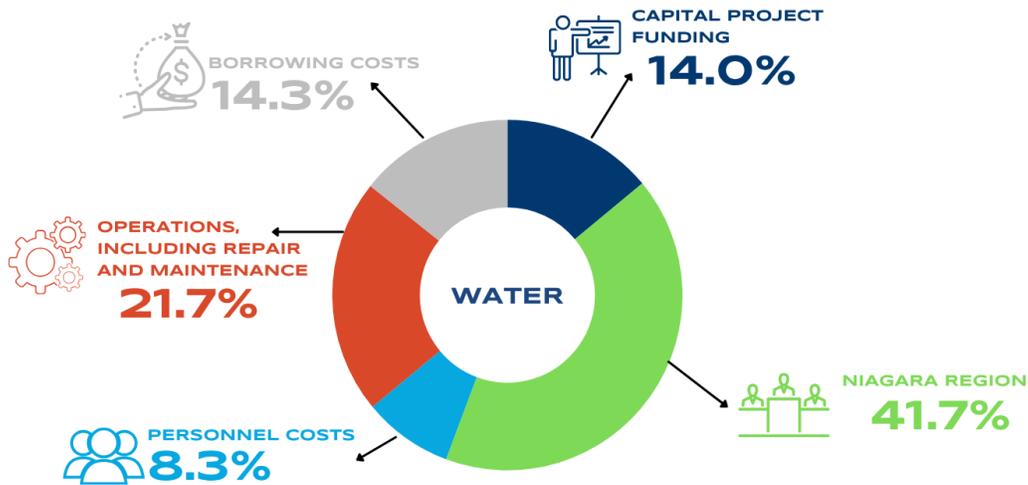
If the proposed 2026 Rates Budget is approved as presented, the storm sewer impact to a single-family property is \$27.39 per year or \$2.28 per month, which represents a 10% increase over the prior year.

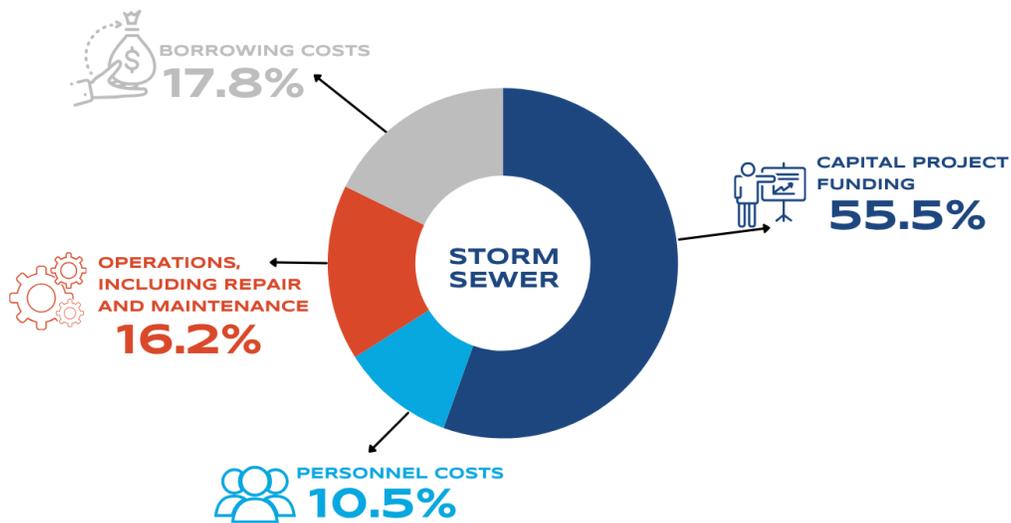
Budget Summary

This budget was developed to maintain current service levels and tackle water loss and I&I.

The number of initiatives and actions that are funded within this budget are significant.

The 2026 Rates Budget as outlined in Appendix A – 2026 Rates Budget Divisional Summary & Detail totals \$20,681,600 (2025 - \$18,967,500). In percentage terms, the water, wastewater, and storm sewer budgets can be broken down as follows:





In dollar terms, the water, wastewater, and storm sewer budgets can be broken down as follows:

	Storm Sewer	Wastewater	Water	Total
Total Revenue	2,988,000	10,100,300	7,593,300	20,681,600
Niagara Region	-	6,198,400	3,169,900	9,368,300
Personnel costs	315,084	630,168	630,148	1,575,400
Operations	484,125	1,846,732	1,644,052	3,974,909
Capital	1,193,600	598,337	313,900	2,105,837
Borrowing costs	531,300	782,500	1,084,800	2,398,600
Reserve transfers	463,891	44,163	750,500	1,258,554
Total Expenses	2,988,000	9,442,500	7,593,300	20,681,600
Surplus / (Deficit)	-	-	-	-

Water and wastewater usage and billing metrics can be found in Appendix C.

Some of the salient highlights and changes in the 2026 Rates Budget are as follows:

- The budget incorporates an anticipated 9.05% combined increase in water and wastewater charges from the Niagara Region, as communicated at their Budget Review Committee of the Whole – August 14, 2025. This increase is before adjusting for the City’s increase in water purchases and improvements in wastewater volumes. Volume adjustments have been made in the budget.

- This budget accounts for the fact that water purchased vs. water billed ratio fell year-to-date to 54.6% in 2025 vs. 56.7% in 2024 as a result of a 95% increase in water pipe breaks (39 vs. 20) and that the wastewater plant cleaned 1.82 litres for every litre of water billed (or metered). This compares to 2.08 litres in 2024.
- The budget maintains the wastewater backflow and disconnect grant program, with the backflow at \$1,000 and disconnect at \$2,500. This program exists through the wastewater by-law.
- The budget maintains the water and wastewater lateral replacement grants at up to \$2,000 each. If both lines are done at the same time, the program allows for a grant up to \$5,000.
- The budget maintains the Guaranteed Income Supplement (GIS) grant introduced in 2021 for wastewater charges.
- The budget maintains the pre-authorized payment (PAP) and move to online billing incentives that have been in place since 2021. The City currently has 1,757 or 27.9% of Water/Wastewater accounts on PAP and 1,277 or 20.3% of Water/Wastewater accounts on online billing.
- This budget provides a number of water, wastewater and storm water projects as follows:
 - 2026-2028 Watermain Lining Program (water)
 - Lockview Area Servicing (water)
 - Sugarloaf Street and Marina Area Engineering (wastewater)
 - Highway 140 Engineering Design for Future Development (wastewater)
 - Clarke Area Storm Sewer Environmental Assessment and Design (storm sewer)
 - Storm Sewer Repair and Rehabilitation

2025 Forecast

The City is forecasting a \$166,807 deficit in water. This represents 2.5% of the budget and is driven by additional water purchases from the Niagara Region resulting from the 39 watermain breaks that have occurred in 2025. The number of watermain breaks is up 95% in 2025 at 39 breaks from 20 breaks in 2024.

The City is forecasting a \$853,231 surplus in wastewater. This change primarily driven by lower than budgeted volume of wastewater being sent to the treatment plant (\$500,000) and the timing of debt issuance and related cost of borrowing (\$237,769). These favourable variances are partially offset by an increase in the allocated corporate administrative expenses (\$337,713) resulting from a change in expense allocation methodology.

The City is forecasting a \$76,321 surplus in storm sewer as a result of a favourable decline in allocated corporate administrative expenses (\$65,861) resulting from a change in expense allocation methodology.

The surpluses and deficit amounts note above are reflected in the forecast as changes in the transfers to and from reserve.

In preparing this forecast, as with this budget, certain assumptions and estimates are necessary. This forecast is based on information available to Staff at the time. Actual results will vary.

Reserve Forecasted Balances

Should this budget move forward, and the 2026 budget equal actual, and the 2025 forecast equal forecast at year end, the forecasted rate reserves would be as follows at the end of 2026 (provided there are no new projects or contingencies approved):

- Water forecasted at \$822,052
- Wastewater forecasted at \$2,540,171
- Storm Sewer forecasted at \$523,910

Reserves are used in case of an emergency, to cover a budget shortfall in-year and to support future capital works recognizing the identified infrastructure deficit.

The City's reserve target for rate reserves is the estimate cost to replace 1 KM of linear asset (\$2,940,000) plus 10% of budget. The target reserve balances are as follows:

- Water forecasted at \$3,699,300
- Wastewater forecasted at \$3,950,000
- Storm Sewer forecasted at \$3,238,000

Risks to the Rates Budget

Actual events and results can be substantially different from what is expected or implied as a result of risk, uncertainties, and other factors, many of which are beyond the control of Council and Staff, including, but not limited to:

- Changes to legislation, including rules and regulation
- Decisions of other levels of government (i.e. Ministry of the Environment, Conservation and Parks)
- Unforeseen and/or unplanned environmental considerations related to approved projects
- Economic weakness or other unforeseen factors impacting changes in past patterns of facility and service usage and/or goods purchased by users and customers
- Inflation advancing more than anticipated
- Interest rates declining which impacts investment income and related reserve transfers
- Unexpected changes or usage in infrastructure
- Unbudgeted and/or unexpected changes in needs or wants of residents resulting in Council approved changes in service levels or goods and service offerings

- A resurgence in COVID-19 or other epidemics, pandemics, or other public health crisis event
- Weather conditions that impact operations, including storm surges that have a significant impact on wastewater flows due to I&I

Looking Forward

Corporate Services recognizes that continuous improvement is a process. Looking forward to 2026, staff identify the following activities that will help determine the financial outcomes of the City going into the 2027 budget process:

- Public open house identified a desire to introduce a mechanism to have differentiated wastewater fees for low water users – investigate further (limitation software)
 - Continue with water, wastewater and storm projects identified
 - Complete wastewater and storm sewer 10-year master plans
 - Re-introduce a multi-year capital budget
 - Continue to work towards Key Performance Indicators (KPIs) and related benchmarks, where applicable
 - Continue enhancing geographic information systems (GIS) to visualize the asset management program
-

Internal Consultations:

As stated, the Mayor and Financial Services would like to thank Public Works for their leadership and support in developing this 2026 Rates Budget.

Financial Implications:

The 2026 Rates Budget is as presented.

Public Engagement:

The 2026 Rates Budget was published on the City's website on October 6, 2025 for Members of Council and the Public. On November 4, 2025, there will be a Special Council Meeting where the 2026 Rates Budget will be presented to Council and where amendments (if any) can be discussed/formally passed by Council.

Following the budget process, staff will continue to review service levels and operations. Should changes be requested or sought, staff will seek input and where necessary approval from Council.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Environment and Climate Change
 - Welcoming, Livable, Healthy Community
 - Economic Prosperity
 - Increased Housing Options
 - Sustainable and Resilient Infrastructure
-

Conclusion:

Staff present, for information purposes, the Mayor's 2026 Rates Budget and the various appendices.

Appendices:

- a. Appendix A – Divisional Summary & Detail
- b. Appendix B – Divisional Multi-Year Budgets
- c. Appendix C – Divisional Usage & Billing Metrics
- d. Appendix D – 2026 Rate Budget Presentation

Respectfully submitted,

Adam Pigeau, CPA, CA
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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.

CITY OF PORT COLBORNE
2026 Budget – Rates Divisional Summary

	Rates Total	Water	Wastewater	Storm Sewer
Revenue				
User Charges	20,624,400	7,570,500	10,065,900	2,988,000
Other Revenue	57,200	22,800	34,400	-
Total Revenue	20,681,600	7,593,300	10,100,300	2,988,000
Expense				
Personnel Expense				
Salaries and Wages	1,177,300	1,177,300	-	-
Benefits	398,100	398,100	-	-
Subtotal Personnel Expense	1,575,400	1,575,400	-	-
Non-Personnel Expense				
Materials	393,214	245,400	125,914	21,900
Contract Services	858,653	308,929	414,724	135,000
Rents and Financial Expenses	2,100	-	-	2,100
External Transfer to Others	196,000	58,600	137,400	-
Other Agency Payout	9,368,300	3,169,900	6,198,400	-
Subtotal Non-Personnel Expense	10,818,267	3,782,829	6,876,438	159,000
Total Expense	12,393,667	5,358,229	6,876,438	159,000
Surplus/(Deficit) Before Allocation	8,287,933	2,235,071	3,223,862	2,829,000
Allocation	-	-	-	-
Total Allocated	-	-	-	-
Surplus/(Deficit) After Allocation	8,287,933	2,235,071	3,223,862	2,829,000
Transfer to/from Reserve	1,258,554	750,500	44,163	463,891
Transfer Between Funds	7,029,379	1,484,571	3,179,699	2,365,109
Total Transfer	8,287,933	2,235,071	3,223,862	2,829,000
Surplus/(Deficit)	-	-	-	-

City of Port Colborne
2026 Operating Budget
Water/Wastewater/Storm Sewer

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
User Charges	18,906,400	18,969,400	20,624,400	1,718,000	9.09%
Other Revenue	61,100	61,100	57,200	(3,900)	(6.38%)
Total Revenue	18,967,500	19,030,500	20,681,600	1,714,100	9.04%
Expense					
Personnel Expense					
Salaries and Wages	997,500	997,500	1,177,300	179,800	18.03%
Benefits	345,800	345,800	398,100	52,300	15.12%
Subtotal Personnel Expense	1,343,300	1,343,300	1,575,400	232,100	17.28%
Non-Personnel Expense					
Materials	511,400	511,400	393,214	(118,186)	(23.11%)
Contract Services	796,500	796,500	858,653	62,153	7.80%
Rents and Financial Expenses	2,100	2,100	2,100	-	0.00%
External Transfer to Others	48,200	48,200	196,000	147,800	306.64%
Other Agency Payout	9,016,560	8,716,560	9,368,300	351,740	3.90%
Subtotal Non-Personnel Expense	10,374,760	10,074,760	10,818,267	443,507	4.27%
Total Expenses	11,718,060	11,418,060	12,393,667	675,607	5.77%
Surplus/(Deficit) Before Allocation	7,249,440	7,612,440	8,287,933	(1,038,493)	14.33%
Allocated Out	(805,980)	(805,980)	-	805,980	(100.00%)
Allocated In	805,980	805,980	-	(805,980)	(100.00%)

Appendix A – Divisional Summary and Detail

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Total Allocated	-	-	-	-	0.00%
Surplus (Deficit) After Allocation	7,249,440	7,612,440	8,287,933	(1,038,493)	14.33%
Transfer to/from Reserve	(355,428)	134,917	1,258,554	1,463,982	(411.89%)
Transfer Between Funds	7,604,868	7,477,523	7,029,379	(425,489)	(5.60%)
Total Transfer	7,249,440	7,612,440	8,287,933	1,038,493	14.33%
Surplus/(Deficit)	-	-	-	-	0.00%

City of Port Colborne
2026 Operating Budget
Water

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
User Charges	6,757,000	6,757,000	7,570,500	813,500	12.04%
Other Revenue	26,700	26,700	22,800	(3,900)	(14.61%)
Total Revenue	6,783,700	6,783,700	7,593,300	809,600	11.93%
Expense					
Personnel Expense					
Salaries and Wages	997,500	997,500	1,177,300	179,800	18.03%
Benefits	345,800	345,800	398,100	52,300	15.12%
Subtotal Personnel Expense	1,343,300	1,343,300	1,575,400	232,100	17.28%
Non-Personnel Expense					
Materials	286,600	286,600	245,400	(41,200)	(14.38%)
Contract Services	272,400	272,400	308,929	36,529	13.41%
External Transfer to Others	4,100	4,100	58,600	54,500	1,329.27%
Other Agency Payout	2,881,660	3,081,660	3,169,900	288,240	10.00%
Subtotal Non- Personnel Expense	3,444,760	3,644,760	3,782,829	338,069	9.81%
Total Expenses	4,788,060	4,988,060	5,358,229	570,169	11.91%
Surplus/(Deficit) Before Allocation	1,995,640	1,795,640	2,235,071	(239,431)	12.00%
Allocated Out	(805,980)	(805,980)	-	805,980	(100.00%)
Total Allocated	(805,980)	(805,980)	-	805,980	0.00%
Surplus (Deficit) After Allocation	2,801,620	2,601,620	2,235,071	566,549	(20.22%)

Appendix A – Divisional Summary and Detail

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Transfer to/from Reserve	(25,956)	(303,877)	750,500	764,456	(2,945.20%)
Transfer Between Funds	2,827,576	2,905,497	1,484,571	(1,331,005)	(47.07%)
Total Transfer	2,801,620	2,601,620	2,235,071	(566,549)	(20.22%)
Surplus/(Deficit)	-	-	-	-	0.00%

City of Port Colborne
2026 Operating Budget
Wastewater

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
User Charges	9,408,100	9,496,100	10,065,900	657,800	6.99%
Other Revenue	34,400	34,400	34,400	-	0.00%
Total Revenue	9,442,500	9,530,500	10,100,300	657,800	6.97%
Expense					
Personnel Expense					
Subtotal Personnel Expense	-	-	-	-	0.00%
Non-Personnel Expense					
Materials	202,900	202,900	125,914	(76,986)	(37.94%)
Contract Services	391,700	391,700	414,724	23,024	5.88%
External Transfer to Others	44,100	44,100	137,400	93,300	211.56%
Other Agency Payout	6,134,900	5,634,900	6,198,400	63,500	1.04%
Subtotal Non-Personnel Expense	6,773,600	6,273,600	6,876,438	102,838	1.52%
Total Expenses	6,773,600	6,273,600	6,876,438	102,838	1.52%
Surplus/(Deficit) Before Allocation	2,668,900	3,256,900	3,223,862	(554,962)	20.79%
Allocated In	537,320	537,320	-	(537,320)	(100.00%)
Total Allocated	537,320	537,320	-	(537,320)	0.00%
Surplus (Deficit) After Allocation	2,131,580	2,719,580	3,223,862	(1,092,282)	51.24%

Appendix A – Divisional Summary and Detail

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Transfer to/from Reserve	(139,174)	592,476	44,163	171,337	(123.11%)
Transfer Between Funds	2,270,754	2,127,104	3,179,699	920,945	40.56%
Total Transfer	2,131,580	2,719,580	3,223,862	1,092,282	51.24%
Surplus/(Deficit)	-	-	-	-	0.00%

City of Port Colborne
2026 Operating Budget
Storm Sewer

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Revenue					
User Charges	2,741,300	2,716,300	2,988,000	246,700	9.00%
Total Revenue	2,741,300	2,716,300	2,988,000	246,700	9.00%
Expense					
Personnel Expense					
Subtotal Personnel Expense	-	-	-	-	0.00%
Non-Personnel Expense					
Materials	21,900	21,900	21,900	-	0.00%
Contract Services	132,400	132,400	135,000	2,600	1.96%
Rents and Financial Expenses	2,100	2,100	2,100	-	0.00%
Subtotal Non-Personnel Expense	156,400	156,400	159,000	2,600	1.66%
Total Expenses	156,400	156,400	159,000	2,600	1.66%
Surplus/(Deficit) Before Allocation	2,584,900	2,559,900	2,829,000	(244,100)	9.44%
Allocated In	268,660	268,660	-	(268,660)	(100.00%)
Total Allocated	268,660	268,660	-	(268,660)	(100.00%)
Surplus (Deficit) After Allocation	2,316,240	2,291,240	2,829,000	(512,760)	22.14%
Transfer to/from Reserve	(190,298)	(153,683)	463,891	528,189	(277.56%)
Transfer Between Funds	2,506,538	2,444,923	2,365,109	(15,429)	(0.62%)

Appendix A – Divisional Summary and Detail

	2025 Budget	2025 Forecast	2026 Budget (Proposed)	2025 v 2026 Budget Variance (\$)	2025 v 2026 Budget Variance (%)
Total Transfer	2,316,240	2,291,240	2,829,000	512,760	22.14%
Surplus/(Deficit)	-	-	-	-	0.00%

Appendix B - Summary - Five Year Combined Rates

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	153,816	111,000	192,791	94,200	148,307	60,100	69,400	69,400	68,900	(500)	(0.7%)
Variable	2,774,850	2,743,067	2,722,662	3,016,000	3,171,357	3,303,393	3,522,400	3,567,400	3,908,900	341,500	9.6%
Fixed	10,199,398	10,247,000	10,729,296	10,550,900	13,225,783	13,196,120	15,438,700	15,330,700	16,703,800	1,373,100	9.0%
Total Revenue	13,128,065	13,101,067	13,644,749	13,661,100	16,545,447	16,559,613	19,030,500	18,967,500	20,681,600	1,714,100	9.04%
Fixed vs. Variable	79%	79%	80%	78%	81%	80%	81%	81%	81%		
Niagara Region	6,381,607	6,961,745	7,257,787	7,319,079	7,497,041	8,370,179	8,716,560	9,016,560	9,368,300	351,740	3.9%
Personnel costs	1,082,704	1,248,700	1,025,813	1,190,900	943,223	983,800	1,343,300	1,343,300	1,575,400	232,100	17.3%
Operations	1,612,962	2,088,910	2,066,787	2,423,929	2,808,238	2,801,634	3,731,845	3,166,468	3,974,909	808,441	25.5%
Capital	1,602,373	701,597	2,596,700	2,311,700	5,436,700	896,700	3,941,578	3,902,700	2,105,837	(1,796,863)	(46.0%)
Borrowing costs	895,785	895,785	895,481	895,481	969,077	1,546,000	1,162,300	1,893,900	2,398,600	504,700	26.6%
Reserve transfers	1,552,633	1,204,330	(197,819)	(479,989)	(1,108,832)	1,961,300	134,917	(355,428)	1,258,554	1,613,982	(454.1%)
Total Expenses	13,128,065	13,101,067	13,644,749	13,661,100	16,545,447	16,559,613	19,030,500	18,967,500	20,681,600	1,714,100	9.04%
Surplus / (Deficit)	-	-									
Revenue Budget to Actual / Forecast	26,998		(16,351)		(14,166)		63,000				
Niagara Region	48.6%	53.1%	53.2%	53.6%	45.3%	50.5%	45.8%	47.5%	45.3%		
Capital & Reserves	24.0%	14.5%	17.6%	13.4%	26.2%	17.3%	21.4%	18.7%	16.3%		
% of Total Revenue	72.6%	67.7%	70.8%	67.0%	71.5%	67.8%	67.2%	66.2%	61.6%		

Appendix B - Summary - Five Year Water Budgets

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	71,587	97,000	101,315	63,100	115,262	28,700	33,300	33,300	32,800	(500)	(1.5%)
Variable	2,142,479	2,120,000	2,253,659	2,376,000	2,609,797	2,604,993	2,917,200	2,917,200	3,267,300	350,100	12.0%
Fixed	2,547,531	2,540,000	2,776,318	2,743,200	3,420,313	3,305,420	3,833,200	3,833,200	4,293,200	460,000	12.0%
Total Revenue	4,761,596	4,757,000	5,131,292	5,182,300	6,145,371	5,939,113	6,783,700	6,783,700	7,593,300	809,600	11.93%
Fixed vs. Variable	54%	55%	55%	54%	57%	56%	57%	57%	57%		
Niagara Region	2,172,540	2,040,866	2,417,834	2,398,200	2,658,172	2,572,900	3,081,660	2,881,660	3,169,900	288,240	10.0%
Personnel costs	649,478	749,300	615,488	714,540	549,323	589,900	537,320	537,320	630,148	92,828	17.3%
Operations	845,712	935,310	1,085,475	1,003,970	1,276,526	1,149,513	1,587,083	1,294,876	1,644,052	349,176	27.0%
Capital	266,700	266,700	706,700	621,700	1,808,700	568,700	1,462,814	1,445,500	313,900	(1,131,600)	(78.3%)
Borrowing costs	364,629	364,629	364,326	364,326	364,800	364,800	418,700	650,300	1,084,800	434,500	66.8%
Reserve transfers	462,537	400,195	(58,531)	79,564	(512,149)	693,300	(303,877)	(25,956)	750,500	776,456	(2991.4%)
Total Expenses	4,761,596	4,757,000	5,131,292	5,182,300	6,145,371	5,939,113	6,783,700	6,783,700	7,593,300	809,600	11.93%
Surplus / (Deficit)	-	-									
Revenue Budget to Actual / Forecast	4,596		(51,008)		206,258		-				
Niagara Region	45.6%	42.9%	47.1%	46.3%	43.3%	43.3%	45.4%	42.5%	41.7%		
Capital & Reserves	15.3%	14.0%	12.6%	13.5%	21.1%	21.2%	17.1%	20.9%	14.0%		
% of Total Revenue	60.9%	56.9%	59.8%	59.8%	64.4%	64.6%	62.5%	63.4%	55.8%		

Appendix B - Summary - Five Year Wastewater Budgets

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	82,109	14,000	90,586	31,100	31,548	31,400	36,100	36,100	36,100	-	0.0%
Variable	632,371	623,067	469,003	640,000	561,560	698,400	605,200	650,200	641,600	(8,600)	(1.3%)
Fixed	6,345,888	6,300,000	6,574,340	6,370,000	7,895,354	7,955,900	8,889,200	8,756,200	9,422,600	666,400	7.6%
Total Revenue	7,060,368	6,937,067	7,133,929	7,041,100	8,488,462	8,685,700	9,530,500	9,442,500	10,100,300	657,800	6.97%
Fixed vs. Variable	91%	91%	93%	91%	93%	92%	94%	93%	94%		
Niagara Region	4,209,067	4,920,879	4,839,953	4,920,879	4,838,869	5,797,279	5,634,900	6,134,900	6,198,400	63,500	1.0%
Personnel costs	324,739	374,600	307,744	357,270	356,025	356,025	537,320	537,320	630,168	92,848	17.3%
Operations	638,672	903,500	787,912	1,067,997	1,101,303	1,196,396	1,699,386	1,360,354	1,846,732	486,378	35.8%
Capital	1,124,797	324,897	840,000	840,000	2,852,000	302,000	854,018	836,700	598,337	(238,363)	(28.5%)
Borrowing costs	-	-	-	-	73,077	650,000	212,400	712,400	782,500	70,100	9.8%
Reserve transfers	763,093	413,191	358,320	(145,046)	(732,813)	384,000	592,476	(139,174)	44,163	183,337	(131.7%)
Total Expenses	7,060,368	6,937,067	7,133,929	7,041,100	8,488,462	8,685,700	9,530,500	9,442,500	10,100,300	657,800	6.97%
Surplus / (Deficit)	-	-	-								
Revenue Budget to Actual / Forecast	123,301		92,829		(197,238)		88,000				
Niagara Region	59.6%	70.9%	67.8%	69.9%	57.0%	66.7%	59.1%	65.0%	61.4%		
Capital & Reserves	26.7%	10.6%	16.8%	9.9%	25.0%	7.9%	15.2%	7.4%	6.4%		
% of Total Revenue	86.4%	81.6%	84.6%	79.8%	82.0%	74.6%	74.3%	72.4%	67.7%		

Appendix B - Summary - Five Year Storm Sewer Budgets

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Installation service fee	120	-	890	-	1,498					-	
Rate fees	1,305,980	1,407,000	1,378,638	1,437,700	1,910,116	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Total Revenue	1,306,100	1,407,000	1,379,528	1,437,700	1,911,614	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Personnel costs	108,487	124,800	102,581	119,090	37,875	37,875	268,660	268,660	315,084	46,424	17.28%
Operations	128,578	250,100	193,400	351,962	430,409	455,725	445,377	511,238	484,125	(27,113)	(5.30%)
Capital	210,876	110,000	1,050,000	850,000	776,000	26,000	1,624,746	1,620,500	1,193,600	(426,900)	(26.34%)
Borrowing costs	531,156	531,156	531,155	531,155	531,200	531,200	531,200	531,200	531,300	100	0.0%
Reserve transfers	327,003	390,944	(497,608)	(414,507)	136,130	884,000	(153,683)	(190,298)	463,891	654,189	(343.77%)
Total Expenses	1,306,100	1,407,000	1,379,528	1,437,700	1,911,614	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Surplus / (Deficit)	-	-									
Revenue Budget to Actual / Forecast	(100,900)		(58,172)		(23,186)		(25,000)				

2026 Budget and 2025 Forecast

0	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	153,816	111,000	192,791	94,200	148,307	60,100	69,400	69,400	68,900	(500)	(0.7%)
Variable	2,774,850	2,743,067	2,722,662	3,016,000	3,171,357	3,303,393	3,522,400	3,567,400	3,908,900	341,500	9.6%
Fixed	10,199,398	10,247,000	10,729,296	10,550,900	13,225,783	13,196,120	15,438,700	15,330,700	16,703,800	1,373,100	9.0%
Total Revenue	13,128,065	13,101,067	13,644,749	13,661,100	16,545,447	16,559,613	19,030,500	18,967,500	20,681,600	1,714,100	9.04%

A

Fixed vs. Variable	79%	79%	80%	78%	81%	80%	81%	81%	81%		
Niagara Region	6,381,607	6,961,745	7,257,787	7,319,079	7,497,041	8,370,179	8,716,560	9,016,560	9,368,300	351,740	3.9%
Personnel costs	1,082,704	1,248,700	1,025,813	1,190,900	943,223	983,800	1,343,300	1,343,300	1,575,400	232,100	17.3%
Operations	1,612,962	2,088,910	2,066,787	2,423,929	2,808,238	2,801,634	3,731,845	3,166,468	3,974,909	808,441	25.5%
Capital	1,602,373	701,597	2,596,700	2,311,700	5,436,700	896,700	3,941,578	3,902,700	2,105,837	(1,796,863)	(46.0%)
Borrowing costs	895,785	895,785	895,481	895,481	969,077	1,546,000	1,162,300	1,893,900	2,398,600	504,700	26.6%
Reserve transfers	1,552,633	1,204,330	(197,819)	(479,989)	(1,108,832)	1,961,300	134,917	(355,428)	1,258,554	1,613,982	(454.1%)
Total Expenses	13,128,065	13,101,067	13,644,749	13,661,100	16,545,447	16,559,613	19,030,500	18,967,500	20,681,600	1,714,100	9.04%

B

C

D

E

F

Surplus / (Deficit)	-	-	-	-	-	-	-	-	-	-	-
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Aggregate increase to core capital infrastructure funding = \$321,819

Water

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	71,587	97,000	101,315	63,100	115,262	28,700	33,300	33,300	32,800	(500)	(1.5%)
Variable	2,142,479	2,120,000	2,253,659	2,376,000	2,609,797	2,604,993	2,917,200	2,917,200	3,267,300	350,100	12.0%
Fixed	2,547,531	2,540,000	2,776,318	2,743,200	3,420,313	3,305,420	3,833,200	3,833,200	4,293,200	460,000	12.0%
Total Revenue	4,761,596	4,757,000	5,131,292	5,182,300	6,145,371	5,939,113	6,783,700	6,783,700	7,593,300	809,600	11.93%
Fixed vs. Variable	54%	55%	55%	54%	57%	56%	57%	57%	57%		
Niagara Region	2,172,540	2,040,866	2,417,834	2,398,200	2,658,172	2,572,900	3,081,660	2,881,660	3,169,900	288,240	10.0%
Personnel costs	649,478	749,300	615,488	714,540	549,323	589,900	537,320	537,320	630,148	92,828	17.3%
Operations	845,712	935,310	1,085,475	1,003,970	1,276,526	1,149,513	1,587,083	1,294,876	1,644,052	349,176	27.0%
Capital	266,700	266,700	706,700	621,700	1,808,700	568,700	1,462,814	1,445,500	313,900	(1,131,600)	(78.3%)
Borrowing costs	364,629	364,629	364,326	364,326	364,800	364,800	418,700	650,300	1,084,800	434,500	66.8%
Reserve transfers	462,537	400,195	(58,531)	79,564	(512,149)	693,300	(303,877)	(25,956)	750,500	776,456	(2991.4%)
Total Expenses	4,761,596	4,757,000	5,131,292	5,182,300	6,145,371	5,939,113	6,783,700	6,783,700	7,593,300	809,600	11.93%
Surplus / (Deficit)	-	-									

Proposed Projects:

Water

\$9,917,200

\$7,838,500 excluding
pre-committed projects

- I.1 2026 – 2028 Watermain Lining Program
- I.2 Lockview Area Servicing
- Pre-committed \$2,066,700
- Reserve Transfer \$750,500

Funding

2026 Rates	\$ 927,200
New Debt	\$ 8,740,000
CHIF	\$ 250,000
	<hr/>
	\$9,917,200



Wastewater

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Penalties and other fees	82,109	14,000	90,586	31,100	31,548	31,400	36,100	36,100	36,100	-	0.0%
Variable	632,371	623,067	469,003	640,000	561,560	698,400	605,200	650,200	641,600	(8,600)	(1.3%)
Fixed	6,345,888	6,300,000	6,574,340	6,370,000	7,895,354	7,955,900	8,889,200	8,756,200	9,422,600	666,400	7.6%
Total Revenue	7,060,368	6,937,067	7,133,929	7,041,100	8,488,462	8,685,700	9,530,500	9,442,500	10,100,300	657,800	6.97%

Fixed vs. Variable	91%	91%	93%	91%	93%	92%	94%	93%	94%		
Niagara Region	4,209,067	4,920,879	4,839,953	4,920,879	4,838,869	5,797,279	5,634,900	6,134,900	6,198,400	63,500	1.0%
Personnel costs	324,739	374,600	307,744	357,270	356,025	356,025	537,320	537,320	630,168	92,848	17.3%
Operations	638,672	903,500	787,912	1,067,997	1,101,303	1,196,396	1,699,386	1,360,354	1,846,732	486,378	35.8%
Capital	1,124,797	324,897	840,000	840,000	2,852,000	302,000	854,018	836,700	598,337	(238,363)	(28.5%)
Borrowing costs	-	-	-	-	73,077	650,000	212,400	712,400	782,500	70,100	9.8%
Reserve transfers	763,093	413,191	358,320	(145,046)	(732,813)	384,000	592,476	(139,174)	44,163	183,337	(131.7%)
Total Expenses	7,060,368	6,937,067	7,133,929	7,041,100	8,488,462	8,685,700	9,530,500	9,442,500	10,100,300	657,800	6.97%

Surplus / (Deficit)	-	-	-	-	-	-	-	-	-	-	-
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Proposed Projects:

Wastewater

\$4,865,200

\$1,994,163 excluding
pre-committed projects

- H.1 Sugarloaf Street and Marina Area Engineering
- H.2 Hwy 140
- Pre-committed \$2,871,037
- Reserve Transfer \$44,163

Funding

2026 Rates	\$ 855,300
New Debt	\$ 2,659,900
CHIF	\$ 975,000
Development Charges	<u>\$ 375,000</u>
	\$4,865,200

Slide repeated from 2026 Capital and Related Project and Levy (Operating) Budget (2025-164)



PORT COLBORNE

Storm Sewer

	2022	2022	2023	2023	2024	2024	2025	2025	2026	\$	%
	Actual	Budget	Actual	Budget	Actual	Budget	Forecast	Budget	Budget	Y/Y Budget Change	
Installation service fee	120	-	890	-	1,498					-	
Rate fees	1,305,980	1,407,000	1,378,638	1,437,700	1,910,116	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Total Revenue	1,306,100	1,407,000	1,379,528	1,437,700	1,911,614	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Personnel costs	108,487	124,800	102,581	119,090	37,875	37,875	268,660	268,660	315,084	46,424	17.28%
Operations	128,578	250,100	193,400	351,962	430,409	455,725	445,377	511,238	484,125	(27,113)	(5.30%)
Capital	210,876	110,000	1,050,000	850,000	776,000	26,000	1,624,746	1,620,500	1,193,600	(426,900)	(26.34%)
Borrowing costs	531,156	531,156	531,155	531,155	531,200	531,200	531,200	531,200	531,300	100	0.0%
Reserve transfers	327,003	390,944	(497,608)	(414,507)	136,130	884,000	(153,683)	(190,298)	463,891	654,189	(343.77%)
Total Expenses	1,306,100	1,407,000	1,379,528	1,437,700	1,911,614	1,934,800	2,716,300	2,741,300	2,988,000	246,700	9.00%
Surplus / (Deficit)	-	-									

Proposed Projects: Storm Sewer

\$1,463,891

- G.1 Clarke Area Storm Sewer Environmental Assessment and Design
- G.2 Storm Sewer Repair and Rehabilitation
- Reserve Transfer \$463,891

Funding

2026 Rate \$ 1,463,891

Slide repeated from 2026 Capital and Related Project and Levy (Operating) Budget (2025-164)

