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Memo

From: Ryan DeVries
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To: Township of Ashfield-Colborne-Wawanosh

Re: Water Works Financial Plan – 2025 to 2030

File #: 24202

Date: December 3, 2024

1.0 INTRODUCTION

1.1 Purpose of Memo

On behalf of the Township of Ashfield-Colborne-Wawanosh (ACW), B. M. Ross and Associates Limited (BMROSS) has prepared a Consolidated Financial Plan for six (6) Water Systems. The Plan includes the following basic components:

1. A **full cost analysis** of the provision of water services.
2. A **cost recovery plan**, including options for revenue adjustments.

This memo summarizes the information used and assumptions made in developing the Financial Plan. The Plan complies with O. Reg 453/07.

1.2 Key Legislated Requirements

As identified in the Ontario Ministry of the Environment, Conservation and Parks (MECP) Guidelines¹ for financial planning, achieving financial sustainability in Ontario's municipal water sector is a long term goal of the Province.

In addition to related municipal operating and financing legislation, the Province has set out, in the Safe Drinking Water Act, 2002 (SDWA), detailed requirements for financial planning related to water works systems.

The key aspects are considered to be as follows:

1. The Financial Plan must apply to a period of at least six years. The first year to which the Financial Plan must apply must be the year in which the drinking water system's existing Municipal Drinking Water License (MDWL) would otherwise expire.
2. Amortization costs for existing infrastructure must be identified in the Financial Plan, but there is no requirement to recover those costs.

The current MDWLs for ACW expire on June 18, 2025 and an application to renew must be submitted by **December 18, 2024**.

¹ Ministry of the Environment (MOE), "Toward Financially Sustainable Drinking Water and Wastewater Systems", August 2007.

1.3 Relationship to Previous Plans

The most recent Water Financial Plan for the Township was completed in November 2019 in accordance with O. Reg. 453/07. This plan was used to determine water pricing for 2019 to 2024. That report was reviewed and compared to the actual financial situation for 2024. This summary is provided in Section 5.1.

2.0 METHODOLOGY

2.1 Available Information

Information provided by ACW includes:

1. 2021-2024 Capital and Operating Budgets and actual expenditures for the water system.
2. Information concerning dedicated reserves for water supply.
3. Water Asset Inventory.
4. Number of customers.
5. 2019-2024 water rates.
6. Other applicable information related to the water system.

2.2 Procedure

The available information listed in Section 2.1 was reviewed for inclusion in the Financial Plan. Existing water assets are listed in ACW's asset inventory with historical financial details. The historical financial details were used to calculate the amortization expenses and net book value of the tangible capital assets, and are recorded in the Financial Plan. Expenditures and revenues budgeted for 2024 were included with an inflation rate of 2%, with the exception of hydro at 5%, applied for future years. The operations services agreement with Veolia was inflated at 3% per year in accordance with the conditions of that agreement. Forecasted capital projects and debenture principal and interest payments were included in the prediction. More information on this can be found in Section 6.4.1. Revenue requirements and corresponding rate increases are suggested to ACW to account for historic under investment and future capital projects.

The Memo concludes with a summary showing the consequences of a 0% rate increase and two annual rate increase scenarios:

- A 0.7% increase (i.e. targeting a rate of replacement in the year 2030 that matches the current average remaining life expectancy of the water assets)
- A 2.5% increase (i.e. matching current rate of replacement)

3.0 DESCRIPTION OF THE SYSTEMS

3.1 Physical Facilities

The Township owns four water supply and distribution systems, and two distribution only systems servicing communities within the Township. All of the systems are currently operated by Veolia Water Canada Inc. under an Agreement with the Township.

The Township supply and distribution system descriptions are summarized in Table 3.1. The number of customers served by each supply and in total, as of 2024, is also provided in Table 3.1.

**Table 3.1
ACW Water Supply and Distribution Systems**

System Name	Description	No. of Customers
Century Heights Subdivision (080-105 Issue 5)	Two (2) wells, a pumphouse housing treatment facilities and approximately 3.1 kilometers of distribution watermains.	85
Dungannon (080-103 Issue 11)	One (1) well, a treatment building, a reservoir and pumphouse and approximately 5.1 kilometers of distribution watermains.	102
Benmiller (080-104 Issue 6)	One (1) well, a pumphouse housing treatment facilities and approximately 0.6 kilometers of distribution watermains.	25
Huron Sands (080-106 Issue 6)	One (1) well, a pumphouse housing treatment facilities and approximately 2.3 kilometers of distribution watermains.	49
South Lucknow Distribution (080-102 Issue 4)	Treated water is supplied by and delivered to the South Lucknow Distribution System through the Huron-Kinloss Lucknow Distribution System. The system consists of 0.3 kilometers of distribution watermains.	18
Courtney Subdivision Distribution (Amberley) (080-101 Issue 4)	Treated water is supplied by and delivered to the distribution system through the Huron-Kinloss Lakeshore Distribution System. The system consists of 3.7 kilometers of distribution watermains.	143

3.2 Customer Information

As shown in Table 3.1, there is a total of 422 residential and commercial customers in the Township. The largest water consumer is the Benmiller Inn, located in Benmiller.

3.3 Growth Expectations

There has been some population growth in ACW with nine additional customers since the previous Water Financial Plan was completed in 2019. Additionally, a new well (Well 3) and treatment building is currently under construction in Century Heights which will allow up to an additional 156 customers to be added to the system. Of the 156 customers, 90 are expected to proceed in the shorter range (i.e. over the next 10-15 years). For the purposes of this plan, we have assumed 10 additional customers will be added to the system each year beginning in 2025.

4.0 FULL COST OF SERVICE

4.1 Cost Components

The full cost of providing water services includes the following major categories²:

1. Operating expenses
2. Interest expense
3. Funding for Debt Principal Repayment
4. Amortization of Tangible Capital Assets
5. Funding for Inflation in Asset Costs
6. Funding for Historic Under-investment
7. Funding for Service Enhancements
8. Funding for System Growth

Items 2 and 3 would apply when debt has been, or will be, incurred for capital projects. Items 4 to 6 relate to asset maintenance and replacement. The final two items, 7 and 8, relate to planned capital projects for improvements or growth. In some cases, the improvements may be driven by changing regulations, in other cases the Township may initiate the project.

4.2 Operating Expenses

4.2.1 Review of 2025 Water Budget

Budgets and actual expenses for the water system were reviewed for 2023 and 2024. The 2025 Budget is believed to reflect the cost of operating the current system. The 2025 anticipated expenses for water works operations are summarized in Table 4.1.

**Table 4.1
ACW 2025 Water Operations Budget**

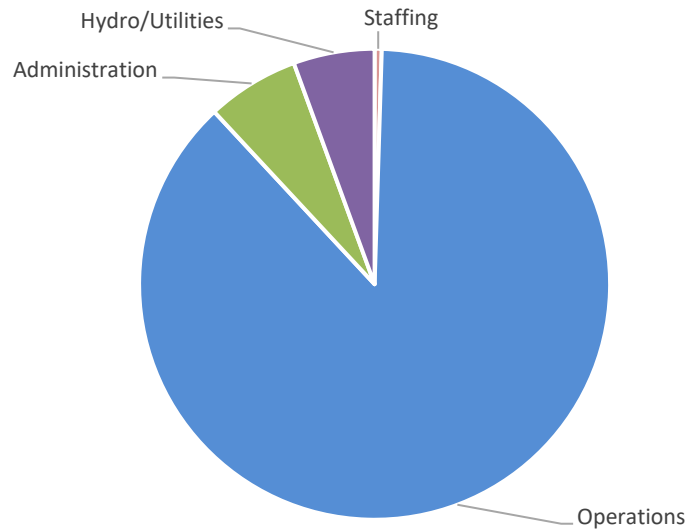
Item ¹ .	2025	Category ² .
Administration		
Salaries	\$ 1,530	Staffing
Benefits	\$ 306	Staffing
Telephone	\$ 4,182	Administration
Advertising	\$ -	Administration
Insurance	\$ 5,442	Administration
Legal	\$ -	Administration
Property Taxes	\$ 4,080	Administration
Utilities – Hydro	\$ 21,000	Hydro/Utilities
Materials & Supplies	\$ -	Operations
Services	\$ 329,980	Operations
Source Water Protection	\$ 10,200	
TOTAL 2025	\$ 376,720	-

Note: 1. Grouping provided by the Township
2. Category assignments by BMROSS

The above information is presented graphically in Figure 4.1.

² MOE, August 2007.

**Figure 4.1
ACW Water Works Operational Expenses 2025**



4.2.2 Operations Contract

The current operations contract with Veolia Canada Inc. represents a significant proportion of the operational costs. The contract currently extends to 2028 and will increase annually at the rates described in Section 2.2. The other major cost included in “Operations” is the purchase of water from Huron-Kinloss for the South Lucknow Distribution System and the Courtney Subdivision Distribution System. Purchase costs are projected to increase by 7% per year beyond 2025.

4.3 Interest Expense and Debt Repayment

ACW currently has no water related debt.

4.4 Amortization of Tangible Capital Assets

Amortization is defined as “...the accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use.”³

The current value (sometimes referred to as “net book value”) of the asset is, its original cost less depreciation. It can be calculated as, original cost times current age divided by its life expectancy. This is a method traditionally called straight line depreciation.

Using the above approach, the annual Amortization Expense and Net Book Value for the water system, as of 2024, is as follows:

³ MOE, August 2007

Table 4.2
2024 Net Book Value and Amortization Expense for Water Works ¹

System Component	Amortization Expense (2024)	Net Book Value (2024)
Distribution Systems	\$ 29,084	\$ 1,377,237
Facilities (wells, storage, pumping)	\$ 92,978	\$ 2,652,253
Totals	\$ 122,062	\$ 4,029,489

Note: 1. Values are from Township records

4.5 Reserve Funds

One reserve fund currently exists for the water works.

4.6 Replacement Costs

The replacement cost of the Township's Water Systems as of 2024 is considered to be approximately \$8.5M. This value increases annually as construction costs increase. The annual increment would be roughly \$0.17M, based on inflation in construction costs at 2% per year.

5.0 ANALYSIS OF REVENUE

5.1 2019 Financial Plan

Table 5.1 compares the 2019 predicted financial outcome with actual results.

Table 5.1
2019 Financial Plan – Predicted vs Actual for 2024

Item	2024 Predicted	2024 Actual
Revenue	\$ 649,692	\$ 661,424
Operating Expenditures	\$ 384,756	\$ 355,235
Cash Reserves (end of year)	\$ 1,081,298	\$ 487,102*
Financial Position	\$ 3,556,750	\$ 4,514,513*

* Ignores the 2024 Century Heights Well 3 costs.

On review, both revenues and expenses closely matched what was projected in the 2019 financial plan. Actual reserves were approximately \$0.5M lower than projected and the actual financial position was approximately \$1.0M higher than projected. Both are the result of the Dungannon arsenic treatment/reservoir project costing more than what was projected in 2019 but also receiving grant funding.

5.2 Current Rate Structure and Charges

Current rates (2019 – 2024) were established in conjunction with the consolidated 2019 financial plan and stated in By-Law 24-2024. A summary is shown in Table 5.2.

**Table 5.2
Water Rate Structure**

Component	2024 Charge
Water Service Flat Rate	\$1,472
Benmiller Inn	\$41,712

5.3 Review of Revenue

5.3.1 Method of Charging

As identified in the above rate structure, water works related revenue is principally generated as a flat rate charge. There are other sources of revenue (e.g. connection fees) but the total revenue generated from those sources is minor.

5.3.2 Revenue Breakdown

The 2024 budget anticipates \$661,424 in water revenue. In 2024 the revenue is expected to be approximately 86% greater than operating costs excluding amortization, resulting in a net revenue exclusive of the amortization amount of \$306,189. Out of this value capital replacement and improvement projects will be funded. When amortization is considered, the surplus declines to \$195,122.

Average capital investments + reserve transfers for 2021-2023 were \$305,700 annually, which is approximately 175% of the actual amortization value (see Table 4.2). Reserve transfers occur after contributions to capital.

6.0 FULL COST PROJECTIONS

6.1 General

The purpose of this Section is to identify the expected cost of service.

6.2 Assumptions

Assumptions regarding full cost of service for the Plan period (2025-2030) are as follows:

1. The starting point for operating expenses was the 2024 Budget.
2. Operating costs, other than those for electricity, will increase at the rate of 2% per year.
3. Electricity costs will increase 5% per year from 2025-2030.
4. Contracted Services costs have been entered based on current values, with an expected 3% increase per year beyond 2024.
5. Purchase of water costs from Huron-Kinloss are projected to increase by 7% per year.
6. Growth was included at an estimated 10 units per year beginning in 2025.

6.3 Funding for Historic Under-Investment

In recent years there have been some infrastructure replacement projects funded from reserves. Historically neither the amortization expense nor the inflation of asset costs for tangible capital assets was completely funded each year. As well, maintenance and replacement may have been deferred. These two factors combined are the historic under-investment in the system. As with amortization and inflation of asset costs there is no legislated requirement to generate a surplus which funds historic under-investment. If this amount is recovered along with amortization and inflation of asset costs the full cost of ongoing system replacement could be funded through reserves.

Table 6.1 summarizes the various components of the full cost of replacement including funding for historic under-investment. The annual full cost of replacement is calculated assuming \$0 in reserves and enough cash must be available in the asset replacement year to pay 100% of the costs of replacement. It should be noted there is currently a total water reserve balance of around \$0.45M (not including Century Heights Well 3), so part of this allowance has been covered.

Table 6.1
Annual Full Cost of Replacement for Water Works

System Component	2024 Annual Funding Requirements Breakdown			
	Amortization Expense	Funding for Inflation of Asset Costs	Funding for Historic Under Investment	Annual Full Cost of Replacement ¹ .
Distribution Systems	\$29,084	\$41,231	\$81,577	\$151,892
Supply and Storage Systems	\$92,978	\$74,841	\$348,750	\$516,569
Total	\$122,062	\$116,072	\$430,327	\$668,461

Notes: 1. Based on 2% per year inflation and 1.5% per year earned interest.

Amortization Expense is described in Section 4.4 and is calculated by dividing the original cost of the asset over the estimated useful life.

Funding for Inflation of Asset Costs is derived from its Annual Allowance, which is the annual amount set aside to replace the asset once it has reached its estimated useful life. It considers that the savings will earn interest, and the cost of the asset is increasing due to compounding inflation over the life of the asset. The formula used to calculate the Annual Allowance is:

$$PMT = FV \left[\frac{i}{((1+i)^n - 1)} \right]$$

Where:

- PMT = Annual Allowance
- FV = Future Value
- i = annual interest
- n = Estimated Useful Life

Then the Funding for Inflation of Asset Costs is the Annual Allowance less the Amortization Expense.

Annual Full Cost of Replacement is similar to the Annual Allowance calculation described above; however, it assumes that the annual amount set aside was not started in year one. The value for n has been reduced to the Estimated Remaining Life of the asset.

Funding for Historical Under Investment is the Annual Full Cost of Replacement less the Annual Allowance.

On average over the past three years, \$460,025 in watermain replacement and other capital replacement projects has been completed each year. In addition to the average amount being transferred to reserves (-\$154,328 without accounting for grant funding), a total of approximately \$305,700 has, on average, been put towards replacing water infrastructure during each of the past three years. This is much less than the annual full cost of replacement, but exceeds the amortization expense.

The average total weighted life expectancy as expressed in the Water Asset Inventory database of all of the water assets is approximately 57 years. The remaining average life expectancy is 36 years.

The Rate of Replacement has been defined as the current replacement cost of the water assets (i.e. \$8.5M) divided by the sum of the average annual capital expenditure on replacement plus the contribution to reserves. Based on the average 2021 to 2023 capital expenditures and reserve contributions the current Rate of Replacement is:

$$\begin{aligned}
 \text{Rate of Replacement (2024)} &= \frac{\text{2024 Replacement Cost}}{\text{Average Capital Investment + Transfer to Reserves}} \\
 &= \frac{\$8,548,954}{\$460,025 - \$154,328} \\
 &= 28 \text{ Years}
 \end{aligned}$$

6.4 Proposed Capital Program

6.4.1 Asset Replacement/Upgrading

A capital plan was not provided by the Township. The Financial Plan was completed using the past three-year average capital spending (i.e. \$45,000 for pumphouse repairs and maintenance and \$13,000 for watermain repair and maintenance), inflated by 2% for each additional year of the plan. In addition, there is one large capital projects currently underway.

- New Well 3 and Treatment Building at Century Heights

This project is anticipated to be completed by 2025 and will be funded in the interim from the water reserve with additional funds borrowed from the general reserve. Eventually, the costs will be recovered through development charges. For the purposes of this Financial Plan, we have assumed that \$2.0 million will be borrowed from the general reserve over a 15-year period with interest of 3% charged.

The Plan also does not incorporate any grant funding over the planning period.

7.0 COST RECOVERY

7.1 General

Section 30(2) of the SDWA (2002) requires water system owners to develop a “Cost Recovery Plan”. The intent is to create a long-term plan that will ensure adequate funding to operate, maintain and replace infrastructure. This section of the Memo identifies the revenue increase required to achieve the goals of the Plan.

7.2 Options for Cost Recovery

The required rate increase in the Plan period is dependent on what the Township wants to achieve. As discussed in Sections 1.2 and 6.3, the Province has advocated for full cost recovery (i.e. full funding of asset replacement) but there is no legislated requirement to do so.

Possible Options suggested here include:

1. A 0% rate increase (the base case).
2. A 0.7% annual rate increase (i.e. targeting a rate of replacement in the year 2030 that matches the current average remaining life expectancy of the water assets).
3. A 2.5% annual rate increase (i.e. matching current rate of replacement).

7.3 Basis of Comparison

When comparing the effect of each option on the required water rates it is assumed that there would be a series of uniform increases over the life of the plan.

For each option we have considered the following:

- Annual % increase required
- Reserves at end of planning period (2030)
- Financial Position at 2030 (Asset value + Reserves)
- Financial Position change (\$ and %)
- Rate of Replacement

7.4 Summary of Results

Tables 7.1A to 7.1C, which were attached to an earlier Memo (November 29, 2024), provided year by year details of the water system financial position for each option. Table 7.2 summarizes the effect of selecting each option.

**Table 7.2
Summary of Outcomes for Rate Alternatives**

Option No.	Description	% Annual Increase Required	Reserves at 2030	Financial Position (2030)			Rate of Replacement ² (Years)
				\$	Change ¹ .		
					\$	%	
	2024 Position	-	\$0.5M ³	\$4.5M	-	-	28
1	0% Rate Increase (Status Quo)	0	\$1.1M ⁴	\$6.2M	\$1.7M	38	45
2	RoR matching current average remaining life expectancy of water assets	0.7	\$1.2M ⁴	\$6.3M	\$1.8M	40	36
3	Matching current RoR	2.5	\$1.4M ⁴	\$6.6M	\$2.1M	47	27

- Notes:
1. Difference between 2024 and 2030.
 2. Rate of Replacement in year 2030 based on method described in Section 6.3.
 3. Not factoring in Century Heights Well 3 construction costs or offsetting loan.
 4. Reserves equal to General Reserve + DC (or connection charge) Reserve – Outstanding Debenture

7.5 Council Selection of a Proposed Rate

The three rate options identified in Section 7.2 were presented to members of the Township of Ashfield-Colborne-Wawanosh on December 3, 2024 at a Council Meeting. Council's preference was a rate increase of 1% for 2025-2026 and a rate increase of 2% for 2027-2030. This was carried forward into revised Table 7.1 (attached).

B. M. ROSS AND ASSOCIATES LIMITED

Per 
 Ryan DeVries, P. Eng.

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Table 7.1
TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH
2025-2030 Financial Plan for Waterworks
FINANCIAL PLAN

3-Dec-24

1% Revenue Increase for 2025-2026, 2% Revenue Increase for 2027-2030 - Adopted Dec. 3, 2024

	2024	2025	2026	2027	2028	2029	2030
FINANCIAL POSITION							
Financial assets							
Cash and cash equivalents	888,997	981,824	1,081,579	1,194,988	1,322,006	1,462,550	1,616,497
Total FINANCIAL ASSETS	888,997	981,824	1,081,579	1,194,988	1,322,006	1,462,550	1,616,497
Liabilities							
Century Heights Debenture	2,000,000	1,892,467	1,781,708	1,667,626	1,550,121	1,429,092	1,304,431
Total LIABILITIES	2,000,000	1,892,467	1,781,708	1,667,626	1,550,121	1,429,092	1,304,431
NET DEBT (Liabilities - Assets)	1,111,003	910,643	700,129	472,638	228,115	(33,458)	(312,065)
Non-financial assets (Tangible capital assets)							
Existing water mains and facilities	4,029,489	5,622,965	5,536,192	5,449,814	5,363,839	5,278,273	5,193,126
Less: Amortization	(122,062)	(145,933)	(146,721)	(147,526)	(148,347)	(149,184)	(150,037)
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-	-
New watermains and facilities - at cost	1,715,538	59,160	60,343	61,550	62,781	64,037	65,317
Total NON-FINANCIAL ASSETS	5,622,965	5,536,192	5,449,814	5,363,839	5,278,273	5,193,126	5,108,406
Financial position (Non Finance assets - Net Debt)	4,511,962	4,625,550	4,749,686	4,891,201	5,050,158	5,226,584	5,420,471
Analysis of financial position							
Equity in tangible capital assets	3,622,965	3,643,726	3,668,107	3,696,213	3,728,152	3,764,034	3,803,975
Reserves and reserve funds	888,997	981,824	1,081,579	1,194,988	1,322,006	1,462,550	1,616,497
DC Reserves	984	161,984	322,984	483,984	644,984	805,984	966,984
General surplus (deficit)	-	-	-	-	-	-	-
Financial position (from analysis)	4,512,946	4,787,534	5,072,669	5,375,185	5,695,141	6,032,568	6,387,455
	2024	2025	2026	2027	2028	2029	2030
FINANCIAL OPERATIONS							
Revenue							
User Charges							
Water Service Rate	661,424	682,905	704,602	733,708	763,397	793,679	824,567
Water Connection Charge	-	-	-	-	-	-	-
Water Service Connection	-	-	-	-	-	-	-
Total REVENUE	661,424	682,905	704,602	733,708	763,397	793,679	824,567
Expenses							
Operating							
Salaries	1,500	1,530	1,561	1,592	1,624	1,656	1,689
Benefits	300	306	312	318	325	331	338
Telephone	4,100	4,182	4,266	4,351	4,438	4,527	4,617
Advertising	-	-	-	-	-	-	-
Insurance	5,335	5,442	5,551	5,662	5,775	5,890	6,008
Legal	-	-	-	-	-	-	-
Property Taxes	4,000	4,080	4,162	4,245	4,330	4,416	4,505
Utilities - Hydro	20,000	21,000	22,050	23,153	24,310	25,526	26,802
Materials & Supplies	-	-	-	-	-	-	-
Services	310,000	329,980	343,393	357,507	372,364	388,008	404,487
Source Water Protection	10,000	10,200	10,404	10,612	10,824	11,041	11,262
Subtotal Operating Expense	355,235	376,720	391,698	407,439	423,989	441,395	459,708
Debt Charges - Well 3 - Interest	-	60,000	56,774	53,451	50,029	46,504	42,873
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-	-
Amortization of capital assets	122,062	145,933	146,721	147,526	148,347	149,184	150,037
Total EXPENSES	477,297	582,653	595,193	608,417	622,365	637,083	652,618
Net Revenue (Deficit) for the year	184,127	100,253	109,408	125,292	141,032	156,596	171,949
	2024	2025	2026	2027	2028	2029	2030
CASH FLOW							
Operating Transactions							
Net revenue (deficit) for the year	184,127	100,253	109,408	125,292	141,032	156,596	171,949
Add-back (deduct) non-cash expense:							
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-	-
Amortization of capital assets	122,062	145,933	146,721	147,526	148,347	149,184	150,037
Total OPERATING TRANSACTIONS	306,189	246,185	256,130	272,817	289,379	305,780	321,986
Capital Transactions							
Watermain Repair & Maintenance	(13,000)	(13,260)	(13,525)	(13,796)	(14,072)	(14,353)	(14,640)
Pump House Repairs & Maintenance	(45,000)	(45,900)	(46,818)	(47,754)	(48,709)	(49,684)	(50,677)
Capital Expenses	(61,000)	-	-	-	-	-	-
Century Heights Well 3	(1,596,538)	-	-	-	-	-	-
Total CAPITAL TRANSACTIONS	(1,715,538)	(59,160)	(60,343)	(61,550)	(62,781)	(64,037)	(65,317)
Investing Transactions							
Proceeds from portfolio investments	4,409	13,335	14,727	16,224	17,925	19,830	21,938
Purchase of portfolio investments	-	-	-	-	-	-	-
Total INVESTING TRANSACTIONS	4,409	13,335	14,727	16,224	17,925	19,830	21,938
Financing Transactions							
New Well 3 Loan	2,000,000	-	-	-	-	-	-
Federal/Provincial grants	-	-	-	-	-	-	-
Debt Charges - Well 3 Principal	-	(107,533)	(110,759)	(114,082)	(117,504)	(121,030)	(124,660)
Total FINANCING TRANSACTIONS	2,000,000	(107,533)	(110,759)	(114,082)	(117,504)	(121,030)	(124,660)
Net Cash Receipts (Payments) for the year	595,060	92,827	99,755	113,409	127,018	140,544	153,947
Cash at beginning of year	293,937	888,997	981,824	1,081,579	1,194,988	1,322,006	1,462,550
Cash at end of year	888,997	981,824	1,081,579	1,194,988	1,322,006	1,462,550	1,616,497

**Table 7.3
2025 to 2030 Water Rates for Unmetered Customers (\$/year)**

Year	2024	2025	2026	2027	2028	2029	2030
Annual Rate – (per Dec. 3 Council Meeting) ¹	1,472	1,487	1,502	1,532	1,563	1,594	1,626

Notes:

1. Based on a 1% increase per year 2025-2026 and a 2% increase per year 2027-2030.

**Table 7.4
2025 to 2030 Water Rates for Benmiller Inn (\$/year)**

Year	2024	2025	2026	2027	2028	2029	2030
Annual Rate – (per Dec. 3 Council Meeting) ¹	41,712	42,129	42,550	43,401	44,269	45,154	46,057

Notes:

1. Based on a 1% increase per year 2025-2026 and a 2% increase per year 2027-2030.