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Memo

From: Ryan DeVries
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To:	Township of Ashfield-Colborne-Wawanosh
Re:	Water Works Financial Plan – 2020 to 2025
File #:	19134
Date:	November 20, 2019

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 August 24, 2020.

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 February 2015 in accordance with O. Reg. 453/07. This plan was used to determine water pricing for 2015 to 2020. That report was reviewed and compared to the actual financial situation for 2018. This summary is provided in Section 5.1.

2.0 METHODOLOGY

2.1 Available Information

Information provided by ACW includes;

1. 2015-2018 Capital and Operating Budgets and actual expenditures for the water system.
2. 2019 Capital and Operating Budgets for the water system.
3. Information concerning dedicated reserves for water supply.
4. Water Asset Inventory.
5. Number of customers.
6. 2018 water rates.
7. 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 2018 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 is up for renewal in 2020 and a 5% increase is predicted at that time and then again in 2024 when it is next renewed. For all other years, the services agreement is adjusted at the annual Construction Price Index (assumed to be 2% per year). Forecasted capital projects and debenture principal and interest payments were included in the prediction. 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 three annual rate increase scenarios:

- A 2% increase (i.e. matching inflation).
- A 15.1% Increase in 2020 as previously approved in the last Financial Plan and 2% Increase for 2021 and Beyond.
- Full cost recovery as defined by the MECP.

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 2.1. The number of customers served by each supply and in total, as of December 31, 2018, is also provided in Table 2.1.

Table 2.1
ACW Water Supply and Distribution Systems

System Name	Description	No. of Customers
Century Heights Subdivision (080-105 Issue 4)	Two (2) wells, a pumphouse housing treatment facilities and approximately 3.1 kilometers of distribution watermain.	83
Dungannon (080-103 Issue 4)	Two (2) wells, a pumphouse housing treatment facilities and approximately 5.1 kilometers of distribution watermain.	100
Benmiller (080-104 Issue 4)	One (1) well, a pumphouse housing treatment facilities and approximately 0.6 kilometers of distribution watermain.	24
Huron Sands (080-106 Issue 4)	One (1) well, a pumphouse housing treatment facilities and approximately 2.3 kilometers of distribution watermain.	48
South Lucknow Distribution (080-102 Issue 2)	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 watermain.	18
Courtney Subdivision Distribution (Amberley) (080-101 Issue 2)	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 watermain.	140

3.2 Customer Information

As shown in Table 2.1, there is a total of 413 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 very little population growth in ACW with only two additional customers since the previous Water Financial Plan was completed in 2015. To be conservative, no population growth will be incorporated in the Financial Plan, similar to what was done in 2015.

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 2019 Water Budget

Budgets and actual expenses for the water system were reviewed for 2017 and 2018. The 2019 Budget is believed to reflect the cost of operating the current system. The 2019 anticipated expenses for water works operations are summarized in Table 4.1.

Table 4.1
ACW 2019 Water Operations Budget

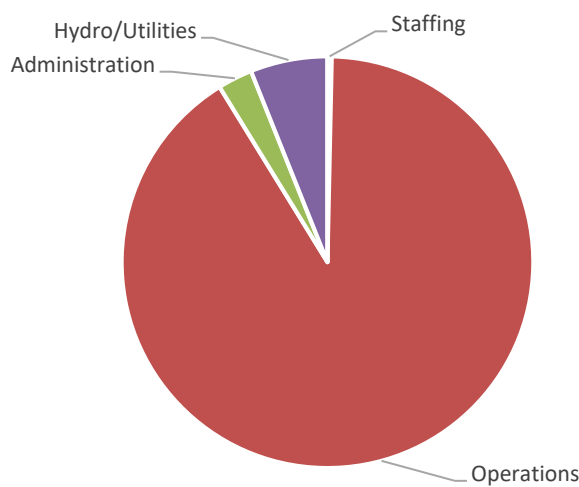
Item ¹ .	2019	Category ² .
Administration		
Salaries	\$ 1,000	Staffing
Benefits	\$ 100	Staffing
Telephone	\$ 3,000	Administration
Advertising	\$ -	Administration
Insurance	\$ 2,000	Administration
Legal	\$ -	Administration
Property Taxes	\$ 4,000	Administration
Utilities – Hydro	\$ 20,000	Hydro/Utilities
Materials & Supplies	\$ -	Operations
Services	\$ 300,000	Operations
TOTAL 2019	\$ 330,100	-

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 2019



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 2020 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 2019.

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 2019, is as follows:

³ MOE, August 2007

Table 4.2
2019 Net Book Value and Amortization Expense for Water Works ^{1.}

System Component	Amortization Expense (2019)	Net Book Value (2019) ^{2.}
Distribution Systems	\$ 29,084	\$ 1,522,526
Facilities (wells, storage, pumping)	\$ 48,496	\$ 640,741
Totals	\$ 77,580	\$ 2,163,267

Note: 1. Values are from Township records

2. Start of year

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 System as of 2019 is considered to be approximately \$5.4M. This value increases annually as construction costs increase. The annual increment would be roughly \$0.11M, based on inflation in construction costs at 2% per year.

5.0 ANALYSIS OF REVENUE

5.1 2015 Financial Plan

Table 5.1 compares the 2018 predicted financial outcome with actual results.

Table 5.1
2015 Financial Plan – Predicted vs Actual for 2018

Item	2018 Predicted	2018 Actual
Revenue	\$ 402,657	\$ 476,845
Operating Expenditures	\$ 323,677	\$ 289,482
Cash Reserves (end of year)	\$ 253,892	\$ 372,597
Financial Position	\$ 2,487,142	\$ 2,494,425

Revenues were 18% greater than predicted and operating expenditures were 11% lower than predicted in the 2015 Financial Plan. This resulted in greater cash reserves at the end of 2018. The actual 2018 financial position was within 1% of the prediction.

5.2 Current Rate Structure and Charges

Current rates (2016 – 2020) were established in conjunction with the consolidated 2015 financial plan and stated in By-Law 31-2019. A summary is shown in Table 5.2.

**Table 5.2
Water Rate Structure**

Component	2019 Charge
Huron Sands	\$1,181
Century Heights	\$1,181
Maitlandview Estates	\$1,181
Amberley	\$1,181
Lucknow (WW)	\$1,181
Lucknow (ASH)	\$1,181 ¹
Dungannon	\$1,181
Benmiller Heights	\$1,181
Benmiller Hall	\$1,181
Benmiller Inn	\$37,928

Note: Additional fees may apply if they exceed their allowable volume usage

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 2019 budget anticipates \$524,500 in water revenue. In 2019 the revenue is expected to be approximately 45% greater than operating costs excluding amortization, resulting in a net revenue exclusive of the amortization amount of \$194,400. Out of this value capital replacement and improvement projects will be funded. When amortization is considered, the surplus declines to \$116,820.

Average reserve transfers for 2016-2018 were \$59,039 annually, which is approximately 76% 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 (2020-2025) are as follows:

1. The starting point for operating expenses was the 2019 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 2020-2025
4. Contracted Services costs have been entered based on current values, with an expected 5% increase in 2020 and then again in 2024. For all other years, the services agreement is adjusted at the annual Construction Price Index (assumed to be 2% per year).
5. Purchase of water costs from Huron-Kinloss are projected to increase by 7% per year beyond 2019.
6. No growth is expected.

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 cost 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 values shown in the following table are based on the assumption that items that are overdue for replacement, based on their theoretical useful life, are replaced in 2026. 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 \$0.37M, so part of this allowance has been covered.

Table 6.1
Annual Full Cost of Replacement for Water Works

System Component	2019 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	\$59,817	\$130,132
Supply and Storage Systems	\$48,496	\$20,916	\$162,899	\$232,311
Total	\$77,580	\$62,147	\$222,716	\$362,443

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, \$41,473 in watermain replacement and other capital replacement projects has been completed each year. In addition to the average amount being transferred to reserves (\$59,039 without the CWWF contribution in 2018), a total of approximately \$100,512 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 61 years. The remaining average life expectancy is 39 years.

The Rate of Replacement has been defined as the current replacement cost of the water assets (i.e. \$5.41M) divided by the sum of the average annual capital expenditure on replacement plus the contribution to reserves. Based on the average 2016 to 2018 capital expenditures and reserve contributions the current Rate of Replacement is:

Rate of Replacement (2019)	=	$\frac{2019 \text{ Replacement Cost}}{\text{Average Capital Investment} + \text{Transfer to Reserves}}$
	=	$\frac{\$5,407,677}{\$41,473 + \$59,039}$
	=	54 Years

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 in 2019), inflated by 2% for each additional year of the plan. In addition, there are two large capital projects that may, occur within the lifetime of this Financial Plan.

- The addition of Arsenic treatment at Dungannon (estimated cost of \$500,000).
- The replacement of the filtration/UV disinfection system at Century Heights (estimated cost of \$100,000).

For purposes of this Financial Plan, we have assumed both projects would proceed in 2020 and be funded from reserves. It should be noted that there are options for both projects that might reduce the costs or change the timing.

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. When the last Financial Plan was prepared (i.e. 2015) Council selected revenue increases with the goal of generating a surplus that would equal the amortization expense and provide enough revenue to proceed with the larger capital projects that were anticipated for Dungannon (i.e. Arsenic treatment) and Century Heights (Ultraviolet light system replacement). To date, neither project has proceeded to construction, which has resulted in the accumulation of some reserves.

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. Full cost recovery was not targeted during the last Financial Plan, but is included as one of the options below.

Possible Options that were presented to Council for their consideration included:

1. A 0% rate increase (the base case).
- 2A. 2% Increase (i.e. matching inflation for 2020 – 2025).
- 2B. 15.1% Increase in 2020 as previously approved in the last Financial Plan and 2% increase for 2021 and beyond.
3. A 6.1% increase (i.e. achieve full cost recovery).

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.

For each option we have considered the following:

- Annual % increase required
- Reserves at end of planning period (2025)
- Financial Position at 2025 (Asset value + Reserves)
- Financial Position change (\$ and %)
- Rate of Replacement

7.4 Summary of Results

Table 7.1 summarizes the effect of selecting each option.

Table 7.1
Summary of Outcomes for Rate Alternatives

Option No.	Description	% Annual Increase Required	Reserves at 2025	Financial Position (2025)			Rate of Replacement ^{2.} (Years)
				\$	Change ^{1.}		
					\$	%	
	2019 Position	-	\$0.53M	\$2.63M	-	-	54
1	0% Rate Increase (Status Quo)	0	\$0.65M	\$3.08M	\$0.45M	17	53
2A	2% Increase (Matching Inflation)	2	\$0.88M	\$3.31M	\$0.68M	26	35
2B	15.1% Increase in 2020 and 2% Increase 2021 - 2025	Varies	\$1.31M	\$3.74M	\$1.11M	42	25
3	6.1% Annual Rate Increase (Full Cost Recovery)	6.1	\$1.41M	\$3.84M	\$1.21M	46	19

Notes: 1. Difference between 2019 and 2025.
2. Rate of Replacement in year 2025 based on method described in Section 6.3.

7.5 Proposed Rates 2020 to 2025

The rate options shown below in Tables 7.2 and 7.3 correspond to the above options described in Section 7.2:

Table 7.2
2020 to 2025 Water Rates for Unmetered Customers (\$/year)

Year	2019	2020	2021	2022	2023	2024	2025
Annual Rate – Option 1 ¹	1,181	1,181	1,181	1,181	1,181	1,181	1,181
Annual Rate – Option 2A ²	1,181	1,205	1,229	1,253	1,278	1,304	1,330
Annual Rate – Option 2B ³	1,181	1,360	1,387	1,415	1,443	1,472	1,502
Annual Rate – Option 3 ⁴	1,181	1,253	1,329	1,411	1,497	1,588	1,685

Notes: 1. Based on a 0% increase per year.
2. Based on a 2% increase per year.
3. Based on a 15.1% increase in 2020 and 2% increase for 2021 to 2025.
4. Based on a 6.1% increase per year.

Table 7.3
2020 to 2025 Water Rates for Benmiller Inn (\$/year)

Year	2019	2020	2021	2022	2023	2024	2025
Annual Rate – Option 1 ¹	37,928	37,928	37,928	37,928	37,928	37,928	37,928
Annual Rate – Option 2A ²	37,928	38,687	39,460	40,249	41,054	41,876	42,713
Annual Rate – Option 2B ³	37,928	38,535	39,306	40,092	40,894	41,712	42,546
Annual Rate – Option 3 ⁴	37,928	40,242	42,696	45,301	48,064	50,996	54,107

Notes:

1. Based on a 0% increase per year.
2. Based on a 2% increase per year.
3. Based on a 1.6% increase in 2020 and 2% increase for 2021 to 2025.
4. Based on a 6.1% increase per year.

8.0 FINANCIAL PLAN

At a meeting held November 19, 2019, Council, after considering several revenue increase options adopted a Financial Plan based on a 15.1% increase in revenue and rates for 2020 and a 2% increase in revenue and rates for 2021 to 2025.

Table 8.1 attached, provides the information required by the Regulation.


Additionally, O. Reg 453/07 requires that:

- “ 1. The owner of the drinking-water system must,
- i. make the financial plans available without charge, on request, to members of the public who are served by the drinking-water system,
 - ii. make the financial plans available to members of the public without charge through publication on the Internet, if the owner maintains a website on the Internet, and
 - iii. provide notice advising the public of the availability of the financial plans under subparagraphs i and ii, if applicable, in a manner that, in the opinion of the owner, will bring the notice to the attention of members of the public who are served by the drinking-water system.”

All of which is respectfully submitted.

B. M. ROSS AND ASSOCIATES LIMITED

Per _____
 Ryan DeVries, P. Eng.

Per _____
 Ann Gibson, MES, EIT

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Table 8.1
TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH
2020-2025 Financial Plan for Waterworks
FINANCIAL PLAN

Adopted November 19, 2019

15.1% increase in 2020 as previously approved, 2% revenue increase for 2021 and beyond

	2020	2021	2022	2023	2024	2025
FINANCIAL POSITION						
Financial assets						
Cash and cash equivalents	168,541	394,090	622,452	853,247	1,081,298	1,310,730
Total FINANCIAL ASSETS	168,541	394,090	622,452	853,247	1,081,298	1,310,730
Liabilities						
Total LIABILITIES	-	-	-	-	-	-
NET DEBT (Liabilities - Assets)	(168,541)	(394,090)	(622,452)	(853,247)	(1,081,298)	(1,310,730)

Non-financial assets (Tangible capital assets)						
Existing water mains and facilities	2,089,730	2,657,450	2,611,476	2,565,814	2,520,471	2,475,452
Less: Amortization	(78,180)	(92,792)	(93,416)	(94,053)	(94,702)	(95,365)
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-
New watermains and facilities - at cost	645,900	46,818	47,754	48,709	49,684	50,677
Total NON-FINANCIAL ASSETS	2,657,450	2,611,476	2,565,814	2,520,471	2,475,452	2,430,764

Financial position (Non Finance assets - Net Debt)	2,825,991	3,005,566	3,188,266	3,373,717	3,556,750	3,741,495
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Analysis of financial position						
Equity in tangible capital assets	2,657,450	2,611,476	2,565,814	2,520,471	2,475,452	2,430,764
Reserves and reserve funds	168,541	394,090	622,452	853,247	1,081,298	1,310,730
General surplus (deficit)	-	-	-	-	-	-
Financial position (from analysis)	2,825,991	3,005,566	3,188,266	3,373,717	3,556,750	3,741,495

	2020	2021	2022	2023	2024	2025
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FINANCIAL OPERATIONS							
Revenue							
User Charges							
Water Service Rate		600,215	612,219	624,464	636,953	649,692	662,686
Water Connection Charge		-	-	-	-	-	-
Water Service Connection		-	-	-	-	-	-
Total REVENUE		600,215	612,219	624,464	636,953	649,692	662,686

Expenses	2017	2018	2019	2020	2021	2022
Operating						
Salaries	1,020	1,040	1,061	1,082	1,104	1,126
Benefits	102	104	106	108	110	113
Telephone	3,060	3,121	3,184	3,247	3,312	3,378
Advertising	-	-	-	-	-	-
Insurance	2,040	2,081	2,122	2,165	2,208	2,252
Legal	-	-	-	-	-	-
Property Taxes	4,080	4,162	4,245	4,330	4,416	4,505
Utilities - Hydro	21,000	22,050	23,153	24,310	25,526	26,802
Materials & Supplies	-	-	-	-	-	-
Services	299,807	309,822	320,389	331,543	348,079	360,620
Source Water Protection	-	-	-	-	-	-
Subtotal Operating Expense	331,109	342,380	354,259	366,785	384,756	398,796
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-
Amortization of capital assets	78,180	92,792	93,416	94,053	94,702	95,365
Total EXPENSES	409,289	435,172	447,676	460,838	479,458	494,161

Net Revenue (Deficit) for the year	190,926	177,047	176,788	176,115	170,234	168,525
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	2020	2021	2022	2023	2024	2025
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Operating Transactions						
Net revenue (deficit) for the year	190,926	177,047	176,788	176,115	170,234	168,525
Add-back (deduct) non-cash expense:						
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-
Amortization of capital assets	78,180	92,792	93,416	94,053	94,702	95,365
Total OPERATING TRANSACTIONS	269,106	269,839	270,204	270,168	264,936	263,890

Capital Transactions						
Watermain Repair & Maintenance	(5,100)	(5,202)	(5,306)	(5,412)	(5,520)	(5,631)
Pump House Repairs & Maintenance	(30,600)	(31,212)	(31,836)	(32,473)	(33,122)	(33,785)
Capital Expenses	(10,200)	(10,404)	(10,612)	(10,824)	(11,041)	(11,262)
Century Hieghts UV Replacement	(100,000)					
Dungannon Arsenic Treatment	(500,000)					
Total CAPITAL TRANSACTIONS	(645,900)	(46,818)	(47,754)	(48,709)	(49,684)	(50,677)

Investing Transactions						
Proceeds from portfolio investments	8,059	2,528	5,911	9,337	12,799	16,219
Purchase of portfolio investments	-	-	-	-	-	-
Total INVESTING TRANSACTIONS	8,059	2,528	5,911	9,337	12,799	16,219

Financing Transactions						
Federal/Provincial grants	-	-	-	-	-	-
Total FINANCING TRANSACTIONS	-	-	-	-	-	-

Net Cash Receipts (Payments) for the year	(368,735)	225,549	228,361	230,795	228,051	229,432
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Cash at beginning of year	537,276	168,541	394,090	622,452	853,247	1,081,298
Cash at end of year	168,541	394,090	622,452	853,247	1,081,298	1,310,730