

1.8% Increase
HURON-KINLOSS FINANCIAL PLAN FOR WATER WORKS
Set Rate of Replacement to Match Average Remaining Life of the Assets

	2021	2022	2023	2024	2025	2026
FINANCIAL POSITION						
Financial assets						
Cash and cash equivalents	3,331,244	3,555,990	1,657,216	1,626,739	2,434,255	2,333,014
Total FINANCIAL ASSETS	3,331,244	3,555,990	1,657,216	1,626,739	2,434,255	2,333,014
Liabilities						
Long-term debt						
Total LIABILITIES	-	-	-	-	-	-
NET DEBT (Liabilities - Assets)	(3,331,244)	(3,555,990)	(1,657,216)	(1,626,739)	(2,434,255)	(2,333,014)
Non-financial assets (Tangible capital assets)						
Existing watermain and facilities - book value	24,071,772	26,828,257	28,717,992	32,958,927	35,209,182	36,675,571
New watermains and facilities - at cost	2,195,000	1,290,000	3,624,000	1,585,000	780,000	1,735,000
Less: Amortization	(561,485)	(599,735)	(616,935)	(665,255)	(686,388)	(696,788)
Total NON-FINANCIAL ASSETS	26,828,257	28,717,992	32,958,927	35,209,182	36,675,571	39,107,359
Financial position (Non-Financial assets - Net Debt)	30,159,501	32,273,982	34,616,144	36,835,921	39,109,826	41,440,374

Analysis of financial position						
Equity in tangible capital assets	26,828,257	28,717,992	32,958,927	35,209,182	36,675,571	39,107,359
Reserves and reserve funds	3,331,244	3,555,990	1,657,216	1,626,739	2,434,255	2,333,014
General surplus (deficit)	-	-	-	-	-	-
Financial position (from analysis)	30,159,501	32,273,982	34,616,144	36,835,921	39,109,826	41,440,374

	2021	2022	2023	2024	2025	2026
FINANCIAL OPERATIONS						
REVENUE						
Lakeshore Area Waterworks						
7000-3100 Water Service Rate - Lakeshore	1,243,961	1,266,353	1,289,147	1,312,352	1,335,974	1,360,022
7000-3101 Metered Water - Lakeshore	20,360	20,726	21,100	21,479	21,866	22,260
7000-3112 Water Connection Permits	-	-	-	-	-	-
7000-3200 Waterworks Distribution Rate	366,480	366,480	366,480	366,480	366,480	366,480
7000-4000 Hydrant Rental - Lakeshore	12,094	12,094	12,094	12,094	12,094	12,094
7000-6010 Water Service Connection	-	-	-	-	-	-
Whitechurch						
7003-3100 Water Service Rate - Whitechurch	18,858	19,198	19,543	19,895	20,253	20,618
7003-6010 Water Service Connection	-	-	-	-	-	-
Ripley						
7005-3100 Water Service Rate - Ripley	174,078	177,211	180,401	183,648	186,954	190,319
7005-3101 Metered Water - Ripley	12,216	12,436	12,660	12,888	13,120	13,356
7005-3200 Waterworks Distribution Rate - Ripley	66,195	67,387	68,600	69,835	71,092	72,371
7005-4000 Hydrant Rental - Ripley	1,832	1,832	1,832	1,832	1,832	1,832
7005-6000 Water Service Connection	-	-	-	-	-	-
Lucknow						
7007-3100 Water Service Rate - Lucknow	320,594	326,364	332,239	338,219	344,307	350,505
7007-3101 Metered Water - Lucknow	20,360	20,726	21,100	21,479	21,866	22,260
7007-3200 Waterworks Distribution Rate - Lucknow	114,296	116,353	118,448	120,580	122,750	124,960
7007-4000 Hydrant Rental - Lucknow	3,787	3,787	3,787	3,787	3,787	3,787
7007-6010 Water Service Connection	-	-	-	-	-	-
New Developments						
Assumed rate of growth is 25 units/year	17,942	36,530	55,782	75,715	96,347	117,697
Total REVENUE	2,393,054	2,447,479	2,503,212	2,560,283	2,618,722	2,678,560

EXPENSES						
Huron-Kinloss						
7000-7100 Salaries	35,700	36,414	37,142	37,885	38,643	39,416
7000-7200 Benefits	10,200	10,404	10,612	10,824	11,041	11,262
7000-7215 Drinking Water Quality Management Standard	-	-	-	-	-	-
7000-7220 Operation Contract	357,000	364,140	371,423	378,851	386,428	394,157
7000-7225 Adjustments/Writedowns	-	-	-	-	-	-
7000-7250 Office Supplies	510	520	531	541	552	563
7000-7259 Courier	-	-	-	-	-	-
7000-7260 Telephone	18,360	18,727	19,102	19,484	19,873	20,271
7000-7261 Advertising	2,040	2,081	2,122	2,165	2,208	2,252
7000-7265 Association Memberships	918	936	955	974	994	1,014
7000-7266 Insurance	14,790	15,086	15,388	15,695	16,009	16,329
7000-7267 Legal	5,100	5,202	5,306	5,412	5,520	5,631
7000-7269 Property Taxes	8,160	8,323	8,490	8,659	8,833	9,009
7000-7270 Meetings - Registration	255	260	265	271	276	282
7000-7271 Meetings - Travel	-	-	-	-	-	-
7000-7272 Meetings - Meals	-	-	-	-	-	-
7000-7275 Miscellaneous	-	-	-	-	-	-
7000-7276 Engineering - Provincial Orders	-	-	-	-	-	-
7000-7277 Chemicals	40,800	41,616	42,448	43,297	44,163	45,046
7000-7278 Engineering	51,000	52,020	53,060	54,122	55,204	56,308
7000-7279 Water Quality Analysis	30,600	31,212	31,836	32,473	33,122	33,785
7000-7285 Depreciation Expense	561,485	599,735	616,935	665,255	686,388	696,788
7000-7310 Scada System Repairs and Maintenance	20,400	20,808	21,224	21,649	22,082	22,523

7000-7312	Treatment Equipment Repairs and Maintenance	30,600	31,212	31,836	32,473	33,122	33,785
7000-7319	Energy Audit	-	-	-	-	-	-
7000-7320	Utilities - Hydro	126,000	132,300	138,915	145,861	153,154	160,811
7000-7346	Machinery Rental	510	520	531	541	552	563
7000-7350	Material and Supplies	10,200	10,404	10,612	10,824	11,041	11,262
7000-7351	Services	61,200	62,424	63,672	64,946	66,245	67,570
7000-7352	Lakeshore Area Shoreline Monitoring	12,240	12,485	12,734	12,989	13,249	13,514
7000-7353	Source Water Protection	15,025	15,325	15,632	15,944	16,263	16,588

Lakeshore Area

7000-7315	Watermain Repairs and Maintenance - Lake	25,500	26,010	26,530	27,061	27,602	28,154
7000-7318	Pump House Repairs and Maintenance - Lake	25,500	26,010	26,530	27,061	27,602	28,154
	Loss (Gain) on disposal of Capital Assets	-	-	-	-	-	-

Whitechurch

7003-7315	Watermain Repairs and Maintenance - Whitechurch	3,570	3,641	3,714	3,789	3,864	3,942
7003-7318	Pump House Repairs and Maintenance - Whitechurch	5,100	5,202	5,306	5,412	5,520	5,631
	Loss (Gain) on disposal of Capital Assets	-	-	-	-	-	-

Ripley

7005-7315	Watermain Repairs and Maintenance - Ripley	10,200	10,404	10,612	10,824	11,041	11,262
7005-7318	Pump House Repairs and Maintenance - Ripley	2,550	2,601	2,653	2,706	2,760	2,815
7005-8060	Elevated Tank Repairs and Maintenance - Ripley	10,200	10,404	10,612	10,824	11,041	11,262
	Loss (Gain) on disposal of Capital Assets	-	-	-	-	-	-

Lucknow

7007-7315	Watermain Repairs and Maintenance - Lucknow	20,400	20,808	21,224	21,649	22,082	22,523
7007-7318	Pump House Repairs and Maintenance - Lucknow	5,100	5,202	5,306	5,412	5,520	5,631
	Loss (Gain) on disposal of Capital Assets	-	-	-	-	-	-

Total EXPENSES	1,521,213	1,582,437	1,623,260	1,695,874	1,741,996	1,778,103
Net Revenue (Deficit) for the year	871,842	865,042	879,952	864,409	876,726	900,457

	2021	2022	2023	2024	2025	2026
CASH FLOW						
Operating Transactions						
Net revenue (deficit) for the year	871,842	865,042	879,952	864,409	876,726	900,457
Add back (deduct) non-cash expense:						
Add back Amortization of Capital Assets	561,485	599,735	616,935	665,255	686,388	696,788
Total OPERATING TRANSACTIONS	1,433,327	1,464,777	1,496,887	1,529,664	1,563,115	1,597,246
Capital Transactions						
Lakeshore Systems						
Growth related	-	-	-	-	-	-
Service enhancement (system upgrades)	-	-	-	-	-	-
Lead service reduction	-	-	-	-	-	-
Replacement of existing infrastructure	1,650,000	1,026,000	30,000	965,000	40,000	1,345,000
Whitechurch System						
Growth related	-	-	-	-	-	-
Service enhancement (system upgrades)	-	-	-	-	-	-
Lead service reduction	-	-	-	-	-	-
Replacement of existing infrastructure	-	-	-	-	-	-
Ripley System						
Growth related	-	-	-	-	-	-
Service enhancement (system upgrades)	-	-	-	-	-	-
Lead service reduction	-	-	-	-	-	-
Replacement of existing infrastructure	-	264,000	294,000	470,000	470,000	-
Lucknow System						
Growth related	-	-	-	-	-	-
Service enhancement (system upgrades)	-	-	-	-	-	-
Lead service reduction	-	-	-	-	-	-
Replacement of existing infrastructure	320,000	-	3,300,000	150,000	270,000	390,000
All Systems Combined						
Growth related	-	-	-	-	-	-
Service enhancement (system upgrades)	-	-	-	-	-	-
Lead service reduction	-	-	-	-	-	-
Replacement of existing infrastructure	225,000	-	-	-	-	-
Total CAPITAL TRANSACTIONS	(2,195,000)	(1,290,000)	(3,624,000)	(1,585,000)	(780,000)	(1,735,000)
Investing transactions						
Proceeds from portfolio investments	59,201	49,969	53,340	24,858	24,401	36,514
Purchase of portfolio investments	-	-	-	-	-	-
Total INVESTING TRANSACTIONS	59,201	49,969	53,340	24,858	24,401	36,514
Financing transactions						
Federal/Provincial grants	-	-	-	-	-	-
Transfer from other reserves	87,000	-	175,000	-	-	-
Total FINANCING TRANSACTIONS	87,000	-	175,000	-	-	-
Net Cash Receipts (Payments) for the year	(615,473)	224,746	(1,898,773)	(30,478)	807,516	(101,240)
Cash at beginning of year	3,946,717	3,331,244	3,555,990	1,657,216	1,626,739	2,434,255
Cash at end of year	3,331,244	3,555,990	1,657,216	1,626,739	2,434,255	2,333,014

Notes:

1. Financial plan assumes expenses increase at 2% per year (except hydro at 5%).
2. There are multiple reserve accounts. The Financial Plan does not distinguish which account is to be used for a particular capital project.
3. Revenue considers new growth at 25 units/year charged at base rate of \$230 + \$475 (2020 rate) inflated each year. Development charges were conservatively not factored in.