



THE CORPORATION OF THE TOWNSHIP OF WILMOT

WILMOT WATER FINANCIAL PLAN

2011 – 2016

Endorsed by Township of Wilmot Council: May 31, 2010

Updated February 2011



Wilmot Water Financial Plan Overview:

Bill 195 – Ontario Safe Drinking Water Act (SDWA) requires that owners of a public water distribution system be licensed by the province. The purpose of the license is to ensure that the owners and operators of any public drinking water system are meeting safety and operational requirements to provide safe drinking water to the public.

Through this SDWA, the Township of Wilmot (Township) is required to maintain a Quality Management System (QMS) that complies with the 21 elements of the Act, which includes annual internal audits and periodic external audits coinciding with the reaccreditation process. The QMS is located at the Township's Public Works Yard, and is available for public viewing upon request.

Furthermore, this Act requires the Township to prepare a six year financial plan outlining the financial sustainability of the water system. This document contains the consolidated, projected financial statements for the Baden/New Hamburg, New Dundee and St. Agatha water systems, as required.

The Wilmot Water Financial Plan is considered a "living document" and is reviewed and updated annually as part of the Township's budgeting process.

For questions regarding the Wilmot Water Financial Plan, please contact the Township of Wilmot Finance Department.



Corporation of the Township of Wilmot - Wilmot Water

Projected Financial Operations

for the year ending December 31

	2011	2012	2013	2014	2015	2016
Revenues						
Water Rates	\$ 1,778,519	\$ 1,944,842	\$ 2,107,490	\$ 2,269,916	\$ 2,422,516	\$ 2,564,553
Other User Fees	\$ 17,273	\$ 17,273	\$ 17,273	\$ 17,273	\$ 17,273	\$ -
Other Revenues/Contributions	\$ 48,918	\$ 47,268	\$ 46,537	\$ 271,713	\$ 47,632	\$ 47,022
Interest Revenue	\$ -	\$ -	\$ 2,800	\$ 1,057	\$ 5,272	\$ 14,422
Total Revenue	\$ 1,844,710	\$ 2,009,383	\$ 2,174,100	\$ 2,559,959	\$ 2,492,693	\$ 2,625,997
Expenses						
Regional Supply Costs	\$ 960,227	\$ 1,040,882	\$ 1,128,468	\$ 1,214,246	\$ 1,294,737	\$ 1,367,909
Other Expenses	\$ 559,387	\$ 575,795	\$ 598,425	\$ 614,300	\$ 626,904	\$ 651,055
Amortization	\$ 307,959	\$ 314,255	\$ 318,351	\$ 326,818	\$ 333,015	\$ 333,832
Interest Expense	\$ 3,644	\$ 2,721	\$ 2,276	\$ 2,147	\$ 2,003	\$ 2,017
Total Expenses	\$ 1,831,217	\$ 1,933,653	\$ 2,047,520	\$ 2,157,511	\$ 2,256,659	\$ 2,354,813
Net Effect of Annual Operations	\$ 13,493	\$ 75,730	\$ 126,580	\$ 402,448	\$ 236,034	\$ 271,184
Beginning Accumulated Net Assets Balance	\$ 12,833,283	\$ 12,846,776	\$ 12,922,506	\$ 13,049,086	\$ 13,451,534	\$ 13,687,568
Net Effect of Annual Operations	\$ 13,493	\$ 75,730	\$ 126,580	\$ 402,448	\$ 236,034	\$ 271,184
Donated Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Accumulated Net Assets Balance	\$ 12,846,776	\$ 12,922,506	\$ 13,049,086	\$ 13,451,534	\$ 13,687,568	\$ 13,958,752



Corporation of the Township of Wilmot - Wilmot Water

Projected Financial Position

as of December 31

	2011	2012	2013	2014	2015	2016
Assets						
<i>Financial Assets</i>						
Cash & Cash Equivalents	\$ -	\$ 139,997	\$ 52,842	\$ 263,599	\$ 721,091	\$ 1,041,774
Accounts Receivable	\$ 160,067	\$ 175,036	\$ 189,674	\$ 204,292	\$ 218,026	\$ 230,810
	<u>\$ 160,067</u>	<u>\$ 315,033</u>	<u>\$ 242,516</u>	<u>\$ 467,891</u>	<u>\$ 939,117</u>	<u>\$ 1,272,584</u>
<i>Non Financial Assets</i>						
Inventory	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Tangible Capital Assets Under Construction (Note 1)	\$ -	\$ 16,500	\$ -	\$ 13,000	\$ 21,450	\$ 27,000
Tangible Capital Assets, net (Note 2)	\$ 12,911,936	\$ 12,800,981	\$ 13,017,667	\$ 13,181,911	\$ 12,945,895	\$ 12,888,955
	<u>\$ 12,926,936</u>	<u>\$ 12,832,481</u>	<u>\$ 13,032,667</u>	<u>\$ 13,209,911</u>	<u>\$ 12,982,345</u>	<u>\$ 12,930,955</u>
Total Assets	\$ 13,087,003	\$ 13,147,514	\$ 13,275,183	\$ 13,677,802	\$ 13,921,462	\$ 14,203,539
Liabilities						
<i>Other Liabilities</i>						
Accounts Payable	\$ 104,198	\$ 111,209	\$ 118,730	\$ 126,105	\$ 133,044	\$ 139,379
<i>Debt Charges</i>						
Operating Line of Credit	\$ 136,029	\$ 113,799	\$ 107,367	\$ 100,163	\$ 100,850	\$ 105,408
Total Liabilities	\$ 240,227	\$ 225,008	\$ 226,097	\$ 226,268	\$ 233,894	\$ 244,787
Accumulated Net Assets						
<i>Accumulated Net Assets</i>	\$ 12,846,776	\$ 12,922,506	\$ 13,049,086	\$ 13,451,534	\$ 13,687,568	\$ 13,958,752
Total Liabilities and Accumulated Net Assets	\$ 13,087,003	\$ 13,147,514	\$ 13,275,183	\$ 13,677,802	\$ 13,921,462	\$ 14,203,539



Corporation of the Township of Wilmot - Wilmot Water

Projected Cash Sources and Uses

for the year ending December 31

	2011	2012	2013	2014	2015	2016
Operating Activities						
Cash Collected From Revenues						
Revenue from Operations	\$ 1,842,302	\$ 2,007,052	\$ 2,169,024	\$ 2,331,755	\$ 2,485,418	\$ 2,609,558
Accounts Receivable	\$ 12,536	\$ (14,969)	\$ (14,638)	\$ (14,618)	\$ (13,734)	\$ (12,784)
	<u>\$ 1,854,838</u>	<u>\$ 1,992,083</u>	<u>\$ 2,154,386</u>	<u>\$ 2,317,137</u>	<u>\$ 2,471,684</u>	<u>\$ 2,596,774</u>
Cash Expended from Operations						
Operating Expenses	\$ (1,825,507)	\$ (1,930,932)	\$ (2,038,906)	\$ (2,150,176)	\$ (2,254,655)	\$ (2,347,238)
Inventory	\$ (2,906)	\$ -	\$ -	\$ -	\$ -	\$ -
Account Payable	\$ (17,200)	\$ 7,011	\$ 7,521	\$ 7,375	\$ 6,939	\$ 6,335
Amortization	\$ 307,959	\$ 314,255	\$ 318,351	\$ 326,818	\$ 333,015	\$ 333,832
	<u>\$ (1,537,654)</u>	<u>\$ (1,609,666)</u>	<u>\$ (1,713,034)</u>	<u>\$ (1,815,983)</u>	<u>\$ (1,914,701)</u>	<u>\$ (2,007,071)</u>
Cash Flow from Operating Activities	\$ 317,184	\$ 382,417	\$ 441,352	\$ 501,154	\$ 556,983	\$ 589,703
Capital Asset Activities						
Tangible Capital Assets Under Construction	\$ 10,130	\$ (16,500)	\$ 16,500	\$ (13,000)	\$ (8,450)	\$ (5,550)
Tangible Capital Assets	\$ (280,908)	\$ (203,300)	\$ (542,375)	\$ (497,250)	\$ (97,000)	\$ (283,450)
Proceeds from Disposals	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
	<u>\$ (269,778)</u>	<u>\$ (219,800)</u>	<u>\$ (524,875)</u>	<u>\$ (509,250)</u>	<u>\$ (105,450)</u>	<u>\$ (288,000)</u>
Cash Flow from Capital Asset Activities	\$ (269,778)	\$ (219,800)	\$ (524,875)	\$ (509,250)	\$ (105,450)	\$ (288,000)
Investing Activities						
Interest Revenue	\$ -	\$ -	\$ 2,800	\$ 1,057	\$ 5,272	\$ 14,422
Financing Activities						
Operating Line of Credit	\$ (46,170)	\$ (22,230)	\$ (6,432)	\$ (7,204)	\$ 687	\$ 4,558
Contributions from Government (<i>subject to approvals</i>)	\$ 2,408	\$ 2,331	\$ 2,276	\$ 227,147	\$ 2,003	\$ 2,017
Interest Expense	\$ (3,644)	\$ (2,721)	\$ (2,276)	\$ (2,147)	\$ (2,003)	\$ (2,017)
	<u>\$ (47,406)</u>	<u>\$ (22,620)</u>	<u>\$ (6,432)</u>	<u>\$ 217,796</u>	<u>\$ 687</u>	<u>\$ 4,558</u>
Cash Flow from Financing Activities	\$ (47,406)	\$ (22,620)	\$ (6,432)	\$ 217,796	\$ 687	\$ 4,558
Changes to Cash & Cash Equivalents	\$ -	\$ 139,997	\$ (87,155)	\$ 210,757	\$ 457,492	\$ 320,683
Beginning Cash & Cash Equivalents	\$ -	\$ -	\$ 139,997	\$ 52,842	\$ 263,599	\$ 721,091
Ending Cash & Cash Equivalents	\$ -	\$ 139,997	\$ 52,842	\$ 263,599	\$ 721,091	\$ 1,041,774



Corporation of the Township of Wilmot - Wilmot Water

Notes to Projected Financial Statements

for the year ending December 31

Note 1 - Tangible Capital Assets Under Construction

	2011	2012	2013	2014	2015	2016
January 1 Balance	\$ 10,130	\$ -	\$ 16,500	\$ -	\$ 13,000	\$ 21,450
Additions	\$ -	\$ 16,500	\$ -	\$ 13,000	\$ 21,450	\$ 27,000
Removals to Capital Assets	\$ 10,130	\$ -	\$ 16,500	\$ -	\$ 13,000	\$ 21,450
December 31 Balance	\$ -	\$ 16,500	\$ -	\$ 13,000	\$ 21,450	\$ 27,000

Note 2 - Tangible Capital Assets

	2011	2012	2013	2014	2015	2016
January 1 Balance, gross	\$ 17,287,213	\$ 17,512,210	\$ 17,703,643	\$ 18,194,069	\$ 18,645,612	\$ 18,738,811
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	\$ 280,908	\$ 203,300	\$ 542,375	\$ 497,250	\$ 97,000	\$ 283,450
Write Downs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposals	\$ 55,911	\$ 11,867	\$ 51,949	\$ 45,707	\$ 3,801	\$ 32,388
December 31 Balance, gross	\$ 17,512,210	\$ 17,703,643	\$ 18,194,069	\$ 18,645,612	\$ 18,738,811	\$ 18,989,873
January 1 Accumulated Amortization	\$ 4,345,795	\$ 4,600,274	\$ 4,902,662	\$ 5,176,402	\$ 5,463,701	\$ 5,792,916
Disposals	\$ (53,480)	\$ (11,867)	\$ (44,611)	\$ (39,519)	\$ (3,800)	\$ (25,830)
Annual Amortization*	\$ 307,959	\$ 314,255	\$ 318,351	\$ 326,818	\$ 333,015	\$ 333,832
December 31 Accumulated Amortization	\$ 4,600,274	\$ 4,902,662	\$ 5,176,402	\$ 5,463,701	\$ 5,792,916	\$ 6,100,918
December 31 Balance, net	\$ 12,911,936	\$ 12,800,981	\$ 13,017,667	\$ 13,181,911	\$ 12,945,895	\$ 12,888,955

*Amortization Periods (based on PSAB and GAAP Standards):

Machinery & Equipment = 10 years

Vehicles = 10 years

Water System = 60 years