



**THE CORPORATION OF THE
TOWNSHIP OF WILMOT**

WILMOT WATER FINANCIAL PLAN

2010 – 2015

Endorsed by Township of Wilmot Council: May 31, 2010



Wilmot Water Financial Plan Overview:

Bill 195 – Ontario Safe Drinking Water Act 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.

Ontario Regulation 453/07 requires the owner of a public drinking water system to prepare a financial plan for the water system 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 by the regulation.

The Wilmot Water Financial Plan is considered a “living document” and will be reviewed and updated annually as part of the Township of Wilmot’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

	2010	2011	2012	2013	2014	2015
Revenues						
Water Rates	\$ 1,685,167	\$ 1,876,188	\$ 2,088,294	\$ 2,322,245	\$ 2,582,592	\$ 2,784,400
Other User Fees	\$ 17,361	\$ 17,361	\$ 17,361	\$ 17,361	\$ 17,361	\$ 17,361
Other Revenues/Contributions	\$ 65,535	\$ 417,838	\$ 42,493	\$ 41,891	\$ 42,163	\$ 43,108
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,518
Total Revenue	\$ 1,768,064	\$ 2,311,388	\$ 2,148,148	\$ 2,381,498	\$ 2,642,116	\$ 2,847,387
Expenses						
Regional Supply Costs	\$ 970,278	\$ 1,071,579	\$ 1,184,797	\$ 1,310,341	\$ 1,449,561	\$ 1,603,953
Other Expenses	\$ 566,248	\$ 584,893	\$ 596,875	\$ 620,586	\$ 636,420	\$ 655,002
Amortization	\$ 298,285	\$ 305,157	\$ 318,020	\$ 319,641	\$ 321,764	\$ 324,531
Interest Expense	\$ 12,197	\$ 7,810	\$ 15,010	\$ 11,746	\$ 7,274	\$ -
Total Expenses	\$ 1,847,008	\$ 1,969,439	\$ 2,114,703	\$ 2,262,313	\$ 2,415,019	\$ 2,583,487
Net Effect of Annual Operations	\$ (78,944)	\$ 341,949	\$ 33,446	\$ 119,185	\$ 227,098	\$ 263,901
Beginning Accumulated Net Assets Balance	\$ 12,594,364	\$ 12,515,420	\$ 12,857,369	\$ 12,890,815	\$ 13,010,000	\$ 13,237,097
Net Effect of Annual Operations	\$ (78,944)	\$ 341,949	\$ 33,446	\$ 119,185	\$ 227,098	\$ 263,901
Donated Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Accumulated Net Assets Balance	\$ 12,515,420	\$ 12,857,369	\$ 12,890,815	\$ 13,010,000	\$ 13,237,097	\$ 13,500,998



Corporation of the Township of Wilmot - Wilmot Water

Projected Financial Position

as of December 31

	2010	2011	2012	2013	2014	2015
Assets						
<i>Financial Assets</i>						
Cash & Cash Equivalents	\$ 538,015	\$ 535,745	\$ 526,418	\$ 522,644	\$ 639,325	\$ 1,152,350
Accounts Receivable	\$ 151,665	\$ 168,857	\$ 187,946	\$ 209,002	\$ 232,433	\$ 250,596
	<u>\$ 689,680</u>	<u>\$ 704,602</u>	<u>\$ 714,365</u>	<u>\$ 731,646</u>	<u>\$ 871,758</u>	<u>\$ 1,402,946</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)	\$ 92,701	\$ 45,201	\$ 15,750	\$ -	\$ 12,000	\$ 26,220
Tangible Capital Assets, net (Note 2)	\$ 12,212,568	\$ 12,955,480	\$ 12,855,062	\$ 12,759,837	\$ 12,483,039	\$ 12,214,640
	<u>\$ 12,320,269</u>	<u>\$ 13,015,681</u>	<u>\$ 12,885,812</u>	<u>\$ 12,774,837</u>	<u>\$ 12,510,039</u>	<u>\$ 12,255,860</u>
Total Assets	<u>\$ 13,009,949</u>	<u>\$ 13,720,283</u>	<u>\$ 13,600,177</u>	<u>\$ 13,506,482</u>	<u>\$ 13,381,797</u>	<u>\$ 13,658,805</u>
Liabilities						
<i>Other Liabilities</i>						
Accounts Payable	\$ 104,042	\$ 112,408	\$ 122,072	\$ 132,769	\$ 144,700	\$ 157,807
<i>Debt Charges</i>						
Operating Line of Credit	\$ 390,487	\$ 750,506	\$ 587,290	\$ 363,714	\$ -	\$ -
	<u>\$ 494,529</u>	<u>\$ 862,914</u>	<u>\$ 709,362</u>	<u>\$ 496,483</u>	<u>\$ 144,700</u>	<u>\$ 157,807</u>
Total Liabilities	<u>\$ 494,529</u>	<u>\$ 862,914</u>	<u>\$ 709,362</u>	<u>\$ 496,483</u>	<u>\$ 144,700</u>	<u>\$ 157,807</u>
Accumulated Net Assets						
<i>Accumulated Net Assets</i>	\$ 12,515,420	\$ 12,857,369	\$ 12,890,815	\$ 13,010,000	\$ 13,237,097	\$ 13,500,998
	<u>\$ 12,515,420</u>	<u>\$ 12,857,369</u>	<u>\$ 12,890,815</u>	<u>\$ 13,010,000</u>	<u>\$ 13,237,097</u>	<u>\$ 13,500,998</u>
Total Liabilities and Accumulated Net Assets	<u>\$ 13,009,949</u>	<u>\$ 13,720,283</u>	<u>\$ 13,600,177</u>	<u>\$ 13,506,482</u>	<u>\$ 13,381,797</u>	<u>\$ 13,658,805</u>



Corporation of the Township of Wilmot - Wilmot Water

Projected Cash Sources and Uses

for the year ending December 31

	2010	2011	2012	2013	2014	2015
Operating Activities						
Cash Collected From Revenues						
Revenue from Operations	\$ 1,744,314	\$ 1,934,863	\$ 2,148,148	\$ 2,381,498	\$ 2,642,116	\$ 2,844,869
Accounts Receivable	\$ (19,676)	\$ (17,192)	\$ (19,090)	\$ (21,056)	\$ (23,431)	\$ (18,163)
	<u>\$ 1,724,638</u>	<u>\$ 1,917,671</u>	<u>\$ 2,129,059</u>	<u>\$ 2,360,443</u>	<u>\$ 2,618,685</u>	<u>\$ 2,826,707</u>
Cash Expended from Operations						
Operating Expenses	\$ (1,834,811)	\$ (1,956,073)	\$ (2,099,594)	\$ (2,244,983)	\$ (2,406,461)	\$ (2,583,487)
Inventory	\$ 3,725	\$ -	\$ -	\$ -	\$ -	\$ -
Account Payable	\$ 7,515	\$ 8,366	\$ 9,664	\$ 10,696	\$ 11,932	\$ 13,107
Amortization	\$ 298,285	\$ 305,157	\$ 318,020	\$ 319,641	\$ 321,764	\$ 324,531
	<u>\$ (1,525,286)</u>	<u>\$ (1,642,550)</u>	<u>\$ (1,771,909)</u>	<u>\$ (1,914,646)</u>	<u>\$ (2,072,765)</u>	<u>\$ (2,245,849)</u>
Cash Flow from Operating Activities	\$ 199,351	\$ 275,121	\$ 357,150	\$ 445,797	\$ 545,920	\$ 580,858
Capital Asset Activities						
Tangible Capital Assets Under Construction	\$ 193,332	\$ 47,500	\$ 29,451	\$ 15,750	\$ (12,000)	\$ (14,220)
Tangible Capital Assets	\$ -	\$ (1,054,625)	\$ (217,701)	\$ (231,000)	\$ (47,250)	\$ (56,132)
Proceeds from Disposals	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -
Cash Flow from Capital Asset Activities	\$ 193,332	\$ (1,006,125)	\$ (188,250)	\$ (214,250)	\$ (58,250)	\$ (70,352)
Investing Activities						
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,518
Financing Activities						
Operating Line of Credit	\$ (219,341)	\$ 360,019	\$ (163,216)	\$ (223,576)	\$ (363,714)	\$ -
Contributions from Government <i>(subject to approvals)</i>	\$ 23,750	\$ 376,525	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ (12,197)	\$ (7,810)	\$ (15,010)	\$ (11,746)	\$ (7,274)	\$ -
Cash Flow from Financing Activities	\$ (207,788)	\$ 728,734	\$ (178,226)	\$ (235,322)	\$ (370,988)	\$ -
Changes to Cash & Cash Equivalents	\$ 184,896	\$ (2,270)	\$ (9,327)	\$ (3,775)	\$ 116,682	\$ 513,024
Beginning Cash & Cash Equivalents	\$ 353,120	\$ 538,015	\$ 535,745	\$ 526,418	\$ 522,644	\$ 639,325
Ending Cash & Cash Equivalents	\$ 538,015	\$ 535,745	\$ 526,418	\$ 522,644	\$ 639,325	\$ 1,152,350



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

	2010	2011	2012	2013	2014	2015
January 1 Balance	\$ -	\$ 92,701	\$ 45,201	\$ 15,750	\$ -	\$ 12,000
Additions	\$ 92,701	\$ -	\$ 15,750	\$ -	\$ 12,000	\$ 26,220
Removals to Capital Assets	\$ -	\$ 47,500	\$ 45,201	\$ 15,750	\$ -	\$ -
December 31 Balance	\$ 92,701	\$ 45,201	\$ 15,750	\$ -	\$ 12,000	\$ 26,220

Note 2 - Tangible Capital Assets

	2010	2011	2012	2013	2014	2015
January 1 Balance, gross	\$ 16,624,522	\$ 16,624,522	\$ 17,623,237	\$ 17,829,071	\$ 18,008,122	\$ 18,009,665
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	\$ -	\$ 1,054,625	\$ 217,701	\$ 231,000	\$ 47,250	\$ 56,132
Write Downs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disposals	\$ -	\$ 55,910	\$ 11,867	\$ 51,949	\$ 45,707	\$ 3,801
December 31 Balance, gross	\$ 16,624,522	\$ 17,623,237	\$ 17,829,071	\$ 18,008,122	\$ 18,009,665	\$ 18,061,996
January 1 Accumulated Amortization	\$ 4,113,669	\$ 4,411,954	\$ 4,667,757	\$ 4,974,009	\$ 5,248,285	\$ 5,526,626
Disposals	\$ -	\$ 49,355	\$ 11,768	\$ 45,365	\$ 43,423	\$ 3,801
Annual Amortization*	\$ 298,285	\$ 305,157	\$ 318,020	\$ 319,641	\$ 321,764	\$ 324,531
December 31 Accumulated Amortization	\$ 4,411,954	\$ 4,667,757	\$ 4,974,009	\$ 5,248,285	\$ 5,526,626	\$ 5,847,356
December 31 Balance, net	\$ 12,212,568	\$ 12,955,480	\$ 12,855,062	\$ 12,759,837	\$ 12,483,039	\$ 12,214,640

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

Machinery & Equipment = 10 years

Vehicles = 10 years

Water System = 60 years