



The Corporation of the Township of Perth South
Drinking Water Systems

FINANCIAL PLAN

O. Reg. 453/07 under Safe Drinking Water Act, 2002

This Financial Plan was approved by Perth South Council
on September 1, 2020

Prepared By Rebecca Clothier, Administrator/Treasurer
Township of Perth South

This Financial Plan is available at www.perthsouth.ca and is also available for pick up free of charge at the Township Office at 3191 Road 122, St. Pauls, Ontario N0K 1V0 519-271-0619

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Introduction

The Township of Perth South, like many other municipalities, owns two separate drinking water systems which supply water to the water system users. These systems are regulated through the Ontario Ministry of the Environment, Conservation and Parks to ensure water safety and quality. Their oversight includes the registering of all municipal drinking systems, licencing system owners/operators, authorizing operators to run and maintain drinking water systems, and issuing drinking water works permits to modify, repair or extend drinking water systems.

Every owner and operator of a drinking water system must ensure that the system's water meets Ontario Drinking Water Quality Standards, that anyone who operates or works on their system is properly trained and licenced, that drinking water tests are done by licenced, accredited laboratories, and that adverse test results are reported to the Ministry of the Environment and the local medical officer of health. The Provincial standards for water quality have been established and are set out in the *Safe Drinking Water Act, 2002* and its associated regulations.

Legislation

In 2007, the Ministry of the Environment (MOE) issued Ontario Regulation 453/07 Financial Plans under the *Safe Drinking Water Act, 2002* (SDWA). The regulation and accompanying guideline prescribes the requirements for Financial Plans to be prepared as part of the Municipal Drinking Water Licensing Program set out in Part V of the SDWA. This regulation was designed by the MOE in response to Justice Dennis O'Connor's Walkerton Inquiry recommendations. The intent is to ensure that municipalities plan for long-term financial sustainability of their drinking water systems and ensure the safety of their drinking water systems into the future. This report has been created to comply with the requirements of O. Reg. 453/07 and covers Township of Perth South's water systems which include all pipes, valves, treatment systems and wells. The financial statements included in this report project 6 years into the future as required.

The Financial Plan outlined in this document, and its associated appendices and reference reports, will maintain a safe, secure, and reliable water supply for this and future generations of water system users through sound financial planning.

This Financial Plan is a summary of various capital and operational programs already approved by Council for the current budget year (2020) with projected revenues and expenditures to 2026.

Previous Financial Plans were approved in 2010 and 2015. This plan update is part of the Water Operating Authority's licence renewal requirements.

This Financial Plan will be published on the Township website and will be submitted to the Ministry of Municipal Affairs and Housing, as required by the legislation. Hardcopies of the Plan will be available free of charge at the Township office upon request.

Perth South Water Systems

The Township of Perth South operates two drinking water systems: Sebringville Water System and St. Pauls Water System. Both systems are classified as small residential systems that are well based and unmetered. The Sebringville Water System serves 33 users and the St. Pauls system serves 35 users. The Township does not operate any wastewater systems.

Water Rate Type and Historical Rates

A flat rate is used for billing users in both water systems as neither of the systems are metered. The installation of meters has previously been investigated; however, due to the high cost, it was decided that the flat rate billing should remain in place.

The historical annual Sebringville Water System rates per user are as follows:

Year	2015	2016	2017	2018	2019	2020
Rate (\$)	1,460	1,482	1,504	1,527	1,549	1,573
Increase (\$)	24	22	22	22.64	22.36	23.73
Increase (%)	1.67	1.51	1.48	1.51	1.51	1.46

The historical annual St. Pauls Water System rates per user are as follows:

Year	2015	2016	2017	2018	2019	2020
Rate (\$)	1,378	1,399	1,420	1,441	1,462	1,484
Increase (\$)	47.00	21.00	21.00	20.84	21.16	22.37
Increase (%)	3.53	1.52	1.50	1.47	1.47	1.53

Operating Plan

Operating Expenses

Operating costs are generally those costs that relate to the operational issues of the supply, treatment and distribution of water including staff, supplies and other costs. It is generally accepted that due to the

immediate benefit and short term impact of operating expenditures, they will be funded through the collection of user rates within the year the costs are incurred.

The annual budgets for operating costs are typically driven by inflation and in some cases changes in operations. An annual inflation factor of 2% was used for all operating expenses.

Debt

There are currently no long-term debt on the Sebringville or St. Pauls Water Systems. No long-term debt repayment expenses have been included in the plan during the period 2021-2026.

Lead Replacement

No funds have been set aside for lead abatement as there is no lead present in either of the water systems.

Capital Investment Plan

A Capital Investment Plan that encompasses the entire life cycle of the water system's assets has been prepared. The asset information that makes up the water system infrastructure was obtained from the Township's accounting system. This information was originally provided by R. J. Burnside & Associates in 2009. Additional information was obtained from the water system's operators Ontario Clean Water Agency (OCWA).

Capital costs have been inflated using an annual inflation factor of 1% per year. The Financial Plan includes the replacement of assets requiring replacement during the period 2021-2026. The required funding for these asset replacements will be available within each water system.

All assets have been given an estimated "useful life" when acquired based on information from engineers. The Capital Investment Plan assumes that the asset will be replaced at the end of its useful life. It is inevitable that some assets may fail prior to this date, or that others may remain in service after this date; however, the replacement at end of life provides a fairly accurate estimate over the lifecycle time frame. Annual adjustments are made to compensate for changes in useful life based on condition or when a useful life has been exceeded.

It is important to note that a Capital Investment Plan should be seen as a living document. Due to the long planning horizon required to incorporate the asset's lifecycle, it is inevitable that changes will be required from year to year. In order to ensure that the assumptions and information used in the preparation of the

Capital Investment Plan remain up-to-date, the Capital Investment Plan will be reviewed annually during the municipality's budget process.

The Capital Investment Plan for the St. Pauls Drinking Water System has been attached as Appendix A and the Capital Investment Plan for the Sebringville Drinking Water System has been attached as Appendix B.

Funding Plan

The funding plan addresses how the water system will raise the necessary funds required to meet its projected operating and capital needs.

A sustainable water system is one that can adequately cover current operating costs, maintain and repair its existing asset base, replace assets when appropriate, fund future growth and service enhancements, and account for inflation and changes in technology.¹

Government Grant

The Township previously received a grant under the Ontario Small Water Works Assistance Program (OSWWAP) to help reduce the cost of operating water systems with a small number of users. This grant program was cancelled effective 2013.

In 2017 the Township received funding from the Clean Water and Wastewater Fund (CWWF). The Sebringville and St. Pauls Water Systems received \$37,500 each for infrastructure investment. This funding improved the financial position of the water systems and was used to fund the replacement of infrastructure that required replacement.

Debt

There are no debt proceeds included in the Financial Plan as there is no anticipated need to incur debt to finance operating or capital during the period 2021-2026.

User Fees

The Financial Plan approved by Council in 2010 had projected 2016 increases of 1.66% (\$22.86) for the Sebringville Water System and 3.50% (\$48.23) for the St. Pauls Water System. These increases were reviewed as part of the 2016-2021 Financial Plan update and were adjusted to reflect an annual water rate increase of 1.5% for both water systems. This same level of increase has been included in the 2021-

¹ Towards Financially Sustainable Drinking – Water and Wastewater Systems – Ministry of the Environment, August 2007

2026 Financial Plan for both systems. During the period 2021-2026 this increase will result in an average annual increase of \$24.49 per user on the Sebringville Water System and \$23.12 per user on the St. Pauls Water System. All users are charged on a flat rate basis.

Proposed water rates are shown in the table below:

Sebringville Water System	2018	2019	2020	2021	2022	2023	2024	2025	2026
ANNUAL RATE PER USER									
Water system revenue	50,379	51,117	51,900	52,679	53,469	54,271	55,085	55,911	56,750
Total number of USERS	33	33	33	33	33	33	33	33	33
Water system rate per user	1,527	1,549	1,573	1,596	1,620	1,645	1,669	1,694	1,720
\$ increase	22.64	22.36	23.73	23.59	23.94	24.30	24.67	25.04	25.41
% increase	1.51%	1.46%	1.53%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

St. Pauls Water System	2018	2019	2020	2021	2022	2023	2024	2025	2026
ANNUAL RATE PER USER									
Water system revenue	50,429	51,170	51,953	52,732	53,523	54,326	55,141	55,968	56,808
Total number of users	35	35	35	35	35	35	35	35	35
Water system rate per user	1,441	1,462	1,484	1,507	1,529	1,552	1,575	1,599	1,623
\$ increase	20.84	21.16	22.37	22.27	22.60	22.94	23.28	23.63	23.99
% increase	1.47%	1.47%	1.53%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

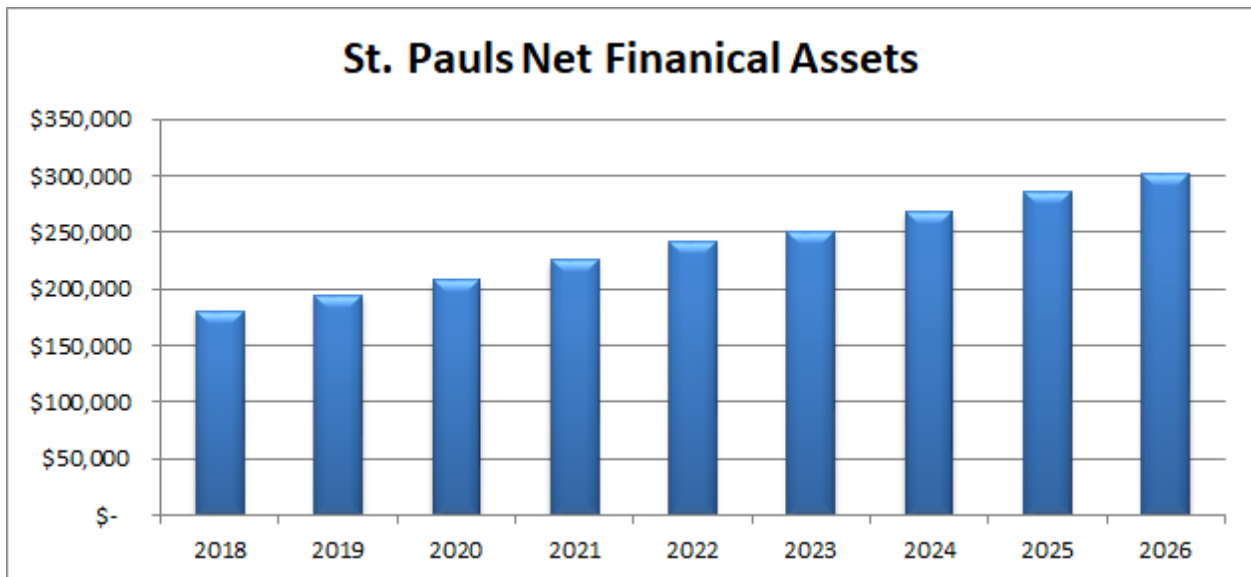
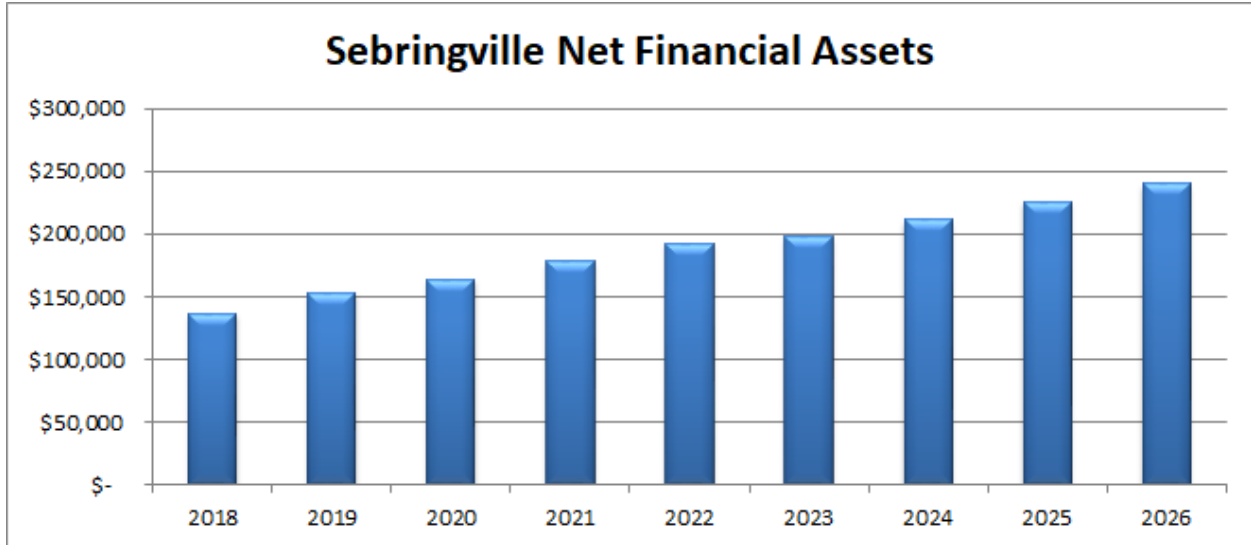
Water System Financial Plan Statements

Forecasted Statement of Financial Position

The Statement of Financial Position provides information that describes the assets, liabilities, net financial assets, and tangible capital assets of the water systems. The Forecasted Statements of Financial Position for the Sebringville and St. Pauls Water Systems are provided in Table 1 and Table 5 respectively.

The net financial assets represent the assets on hand (cash) which can provide resources to finance future operations. The following graphs illustrate the funds available in each water system. The Sebringville Water System has an upward trend which shows that surpluses, through funds invested in reserves, are being accumulated for future reinvestment in water system assets.

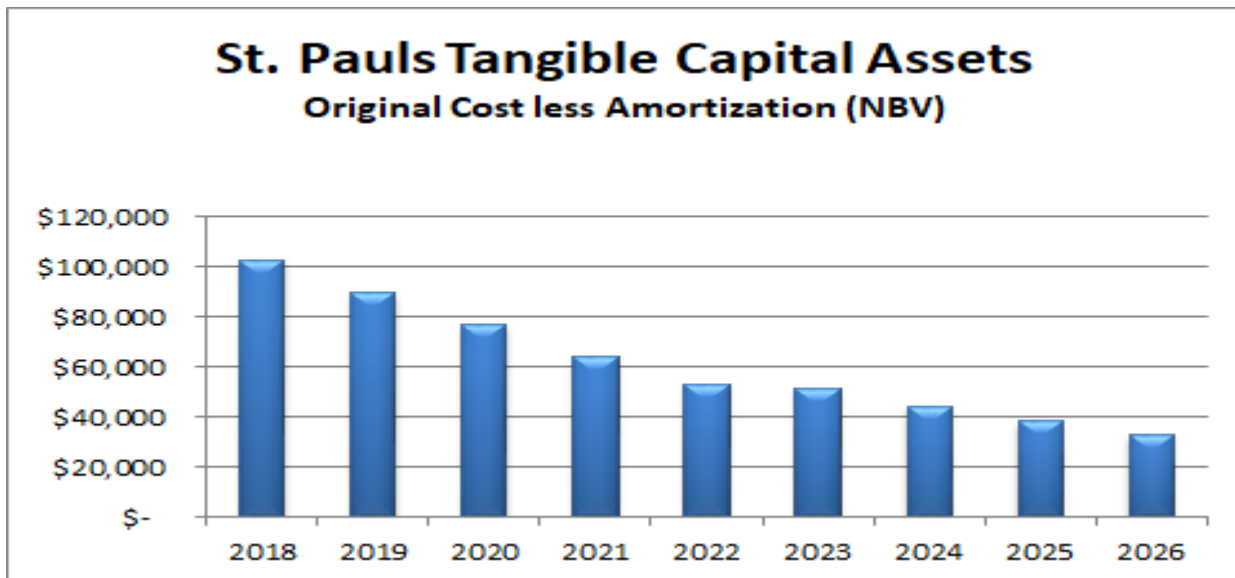
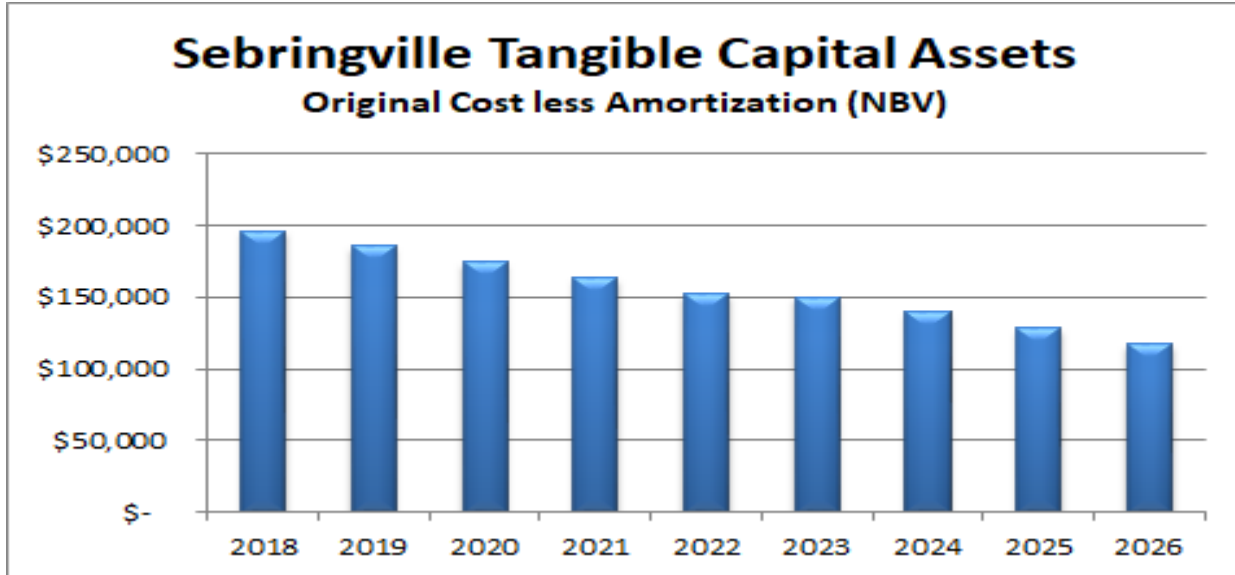
The St. Pauls Water System also has an upward trend where surpluses are being accumulated for future reinvestment in water system assets.



Based on the review of infrastructure and financial information compiled in the financial plan, the Township of Perth South is of the opinion that both systems are financially viable and will be able to fund infrastructure projects when required.

Water Systems require a significant investment in assets to build the infrastructure necessary to provide water services. Identifying and valuing these assets was a requirement adopted by the Public Sector Accounting Board (PSAB) in 2009. These assets are constantly decreasing in value each year as they are amortized over their useful life. Increases in the net book value (NBV) of a water system are an indication that funds have been invested into infrastructure.

The follow graphs illustrate the annual decreasing value as the assets are consumed while providing services as well as the investment into new infrastructure.

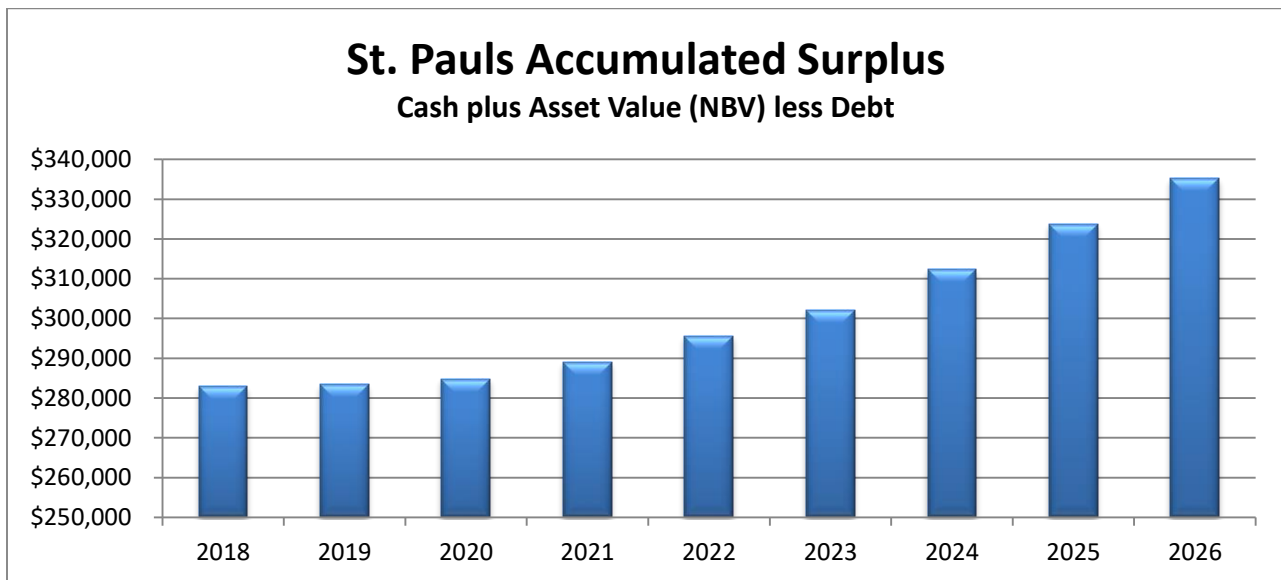
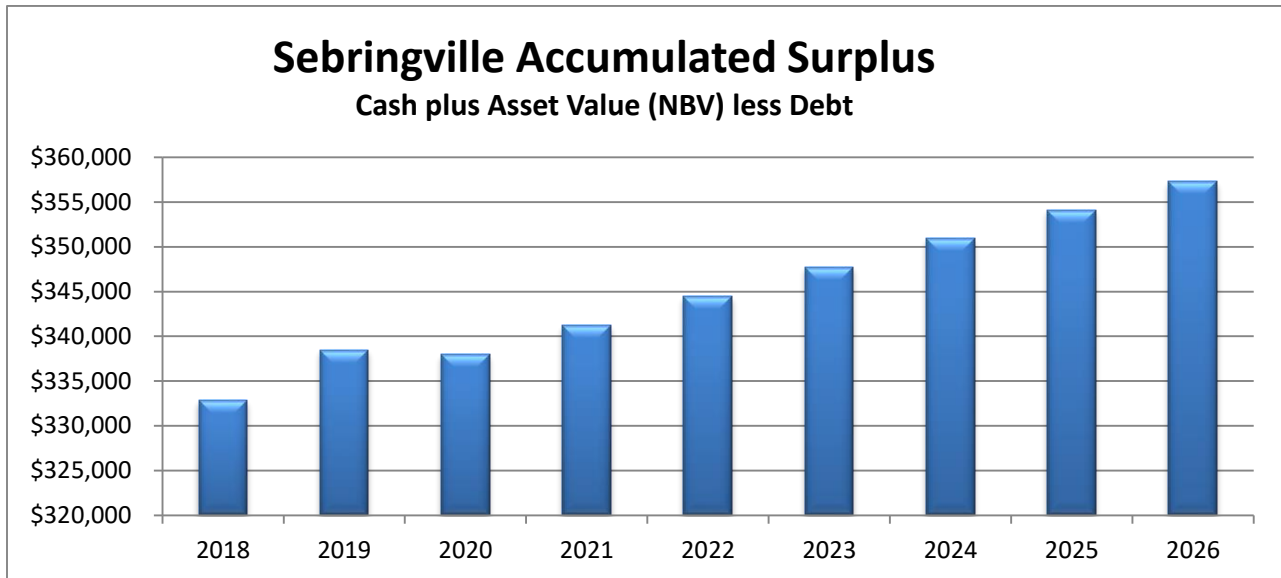


The St. Pauls Water System is an older system and the graph above highlights the fact that the assets are almost fully amortized. This would typically mean that they are at the end of their useful life; however, this is not the case. Some of the assets have been fully amortized on a cost basis in accordance with accounting standards and principals, but, based on current condition, the assets have many more years of remaining life. In order to evaluate the assets in terms of condition and remaining life, discussion will take place with Township staff and OCWA to determine how best to review the assets and provide a condition rating basis in future financial reports.

The accumulated surplus of the water systems represents the cash on hand plus the net book value of assets less debt. This is the total resources available to finance future operations.

There is an increasing trend in the accumulation of resources available in the Sebringville Water System. This is a reflection of the fact that the Sebringville Water System is a newer system and funds are being

accumulated for future investment. The St. Pauls Water System shows larger increases in the accumulation of resources due to the fact that this is an older system and funds will be needed sooner for the replacement of the infrastructure as it reaches the end of its useful life.



Forecasted Statement of Operations

The Forecasted Statement of Operations projects revenues and expenses. The annual surplus / (deficit) measures whether the revenues generated were sufficient to cover the expenses incurred and in turn, whether net financial assets have been maintained or depleted. An annual surplus is required to ensure funding is available to cover asset acquisition costs, reserve fund transfers and debt principal payments.

The Forecasted Statement of Operations for the Sebringville and St. Pauls Water Systems is provided in Table 2 and Table 6 respectively.

Forecasted Statement of Changes in Net Financial Assets

The Forecasted Statement of Changes in Net Financial Assets illustrates the extent to which the expenditures are met by revenues in the period. The Forecasted Statement of Changes in Net Financial Assets for the Sebringville and St. Pauls Water Systems is provided in Table 3 and Table 7 respectively.

Forecasted Statement of Cash Flow

The Forecasted Statement of Cash Flow projects how cash will be generated and used. The transactions that provide/use cash are classified as operating, capital, investing and financing activities. The Forecasted Statement of Cash Flow for the Sebringville and St. Pauls Water Systems is provided in Table 4 and Table 8 respectively.

TABLE 1

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM

Forecasted Statement of Financial Position - Sebringville Water System

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Financial Assets									
Cash & Cash Equivalents	\$ 136,464	\$ 153,140	\$ 163,675	\$ 177,973	\$ 192,271	\$ 197,418	\$ 211,716	\$ 226,014	\$ 240,312
Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Financial Assets	\$ 136,464	\$ 153,140	\$ 163,675	\$ 177,973	\$ 192,271	\$ 197,418	\$ 211,716	\$ 226,014	\$ 240,312
Liabilities									
Accounts Payable (Capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Principal/Working Deficit	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tangible Capital Assets Under Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Financial Asset (Debt)	\$ 136,464	\$ 153,140	\$ 163,675	\$ 177,973	\$ 192,271	\$ 197,418	\$ 211,716	\$ 226,014	\$ 240,312
Non Financial Assets									
Tangible Capital Asset Cost	\$ 405,791	\$ 405,791	\$ 405,791	\$ 405,791	\$ 405,791	\$ 405,791	\$ 414,942	\$ 414,942	\$ 414,942
Additions to Tangible Capital Assets - Cost	-	-	-	-	-	9,151	-	-	-
Tangible Capital Assets Under Construction	-	-	-	-	-	-	-	-	-
Accumulated Amortization including Additions	209,421	220,456	231,491	242,525	253,560	264,638	275,715	286,833	297,950
Total Non Financial Assets	\$ 196,370	\$ 185,335	\$ 174,300	\$ 163,266	\$ 152,231	\$ 150,304	\$ 139,227	\$ 128,109	\$ 116,991
Accumulated Surplus/(Deficit)	\$ 332,834	\$ 338,475	\$ 337,975	\$ 341,238	\$ 344,501	\$ 347,722	\$ 350,942	\$ 354,123	\$ 357,303

Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.

TABLE 2

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM

Forecasted Statement of Financial Operations - Sebringville Water System

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue									
User Fees	\$ 50,379	\$ 51,117	\$ 51,900	\$ 52,679	\$ 53,469	\$ 54,271	\$ 55,085	\$ 55,911	\$ 56,750
Federal/Provincial Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Late Payment Charges	\$ 219	\$ 124	\$ 250	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Source Water Protection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 50,598	\$ 51,241	\$ 52,150	\$ 52,859	\$ 53,649	\$ 54,451	\$ 55,265	\$ 56,091	\$ 56,930
Expenses									
Operating	\$ 30,692	\$ 34,566	\$ 41,615	\$ 38,561	\$ 39,351	\$ 40,153	\$ 40,967	\$ 41,793	\$ 42,632
Debt Interest									
Amortization	\$ 11,574	\$ 11,035	\$ 11,035	\$ 11,035	\$ 11,035	\$ 11,078	\$ 11,118	\$ 11,118	\$ 11,118
Gain (Loss) on Asset Disposal									
Total Expenses	\$ 42,266	\$ 45,600	\$ 52,650	\$ 49,595	\$ 50,385	\$ 51,230	\$ 52,084	\$ 52,911	\$ 53,749
Excess of Revenues over Expenses before Other Expenses	\$ 8,332	\$ 5,641	\$ 500	\$ 3,263	\$ 3,263	\$ 3,220	\$ 3,180	\$ 3,180	\$ 3,180
Other									
Government Transfers Related to Capital Developer In Kind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of Revenues over Expenses	\$ 8,332	\$ 5,641	\$ 500	\$ 3,263	\$ 3,263	\$ 3,220	\$ 3,180	\$ 3,180	\$ 3,180
Accumulated Surplus/(Deficit) Beginning of year	\$ 324,500	\$ 332,832	\$ 338,473	\$ 337,973	\$ 341,236	\$ 344,500	\$ 347,720	\$ 350,901	\$ 354,081
Accumulated Surplus/(Deficit) End of year	\$ 332,832	\$ 338,473	\$ 337,973	\$ 341,236	\$ 344,500	\$ 347,720	\$ 350,901	\$ 354,081	\$ 357,261

Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.

TABLE 3

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM

Forecasted Statement of Change in Net Financial Assets - Sebringville Water System

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Excess Revenues over Expenditures	\$ 8,332	\$ 5,641	\$ 500	\$ 3,263	\$ 3,263	\$ 3,220	\$ 3,180	\$ 3,180	\$ 3,180
Amortization of Tangible Capital Assets (TCA)	\$ 11,574	\$ 11,035	\$ 11,035	\$ 11,035	\$ 11,035	\$ 11,078	\$ 11,118	\$ 11,118	\$ 11,118
Proceeds on the Disposal of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in inventories, prepaid expenses and deferred charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss (gain) on the sale of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) in Net Financial Assets	\$ 19,906	\$ 16,676	\$ 10,535	\$ 14,298	\$ 14,298	\$ 5,147	\$ 14,298	\$ 14,298	\$ 14,298
Net Financial Assets, Beginning of Year	\$ 116,557	\$ 136,464	\$ 153,139	\$ 163,674	\$ 177,972	\$ 192,270	\$ 197,417	\$ 211,715	\$ 226,013
Net Financial Assets, End of Year	\$ 136,464	\$ 153,139	\$ 163,674	\$ 177,972	\$ 192,270	\$ 197,417	\$ 211,715	\$ 226,013	\$ 240,311

Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.

Note: Details regarding acquisitions can be found on Appendix A.

TABLE 4

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM
Forecasted Statement of Change in Cash Flow - Sebringville Water System

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Operating Transactions									
Total Operating Revenues	50,598	51,241	52,150	52,859	53,649	54,451	55,265	56,091	56,930
Cash Paid for Operating	42,266	45,600	52,650	49,595	50,385	51,230	52,084	52,911	53,749
Cash Paid for Financing									
Excess of Revenues Over Expenses	\$ 8,332	\$ 5,641	\$ 500	\$ 3,263	\$ 3,263	\$ 3,220	\$ 3,180	\$ 3,180	\$ 3,180
Deduct Non Cash Charges to Operations									
Amortization	11,574	11,035	11,035	11,035	11,035	11,078	11,118	11,118	11,118
Others	-	-	-	-	-	-	-	-	-
Total	11,574	11,035	11,035	11,035	11,035	11,078	11,118	11,118	11,118
Working Capital Items									
Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash provided/used in Operating Transactions	\$ 19,906	\$ 16,676	\$ 10,535	\$ 14,298	\$ 14,298	\$ 14,298	\$ 14,298	\$ 14,298	\$ 14,298
Capital Transactions									
Acquisition of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -
Proceeds on Disposition of TCA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Provided/used in Capital Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -
Investing Transactions									
Proceeds from Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Provided (Used in) by Investing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Provided / (Used) in Investing Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Financing Transactions									
Proceeds from Debentures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment of Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Provided by/used in Financing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) in Cash Equivalents	\$ 19,906	\$ 16,676	\$ 10,535	\$ 14,298	\$ 14,298	\$ 5,147	\$ 14,298	\$ 14,298	\$ 14,298
Cash and Cash Equivalents at the Beginning of the Year	\$ 116,558	\$ 136,464	\$ 153,140	\$ 163,675	\$ 177,973	\$ 192,271	\$ 197,418	\$ 211,716	\$ 226,014
Cash and Cash Equivalents at the End of the Year	\$ 136,464	\$ 153,140	\$ 163,675	\$ 177,973	\$ 192,271	\$ 197,418	\$ 211,716	\$ 226,014	\$ 240,312

Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.
Note: Details regarding acquisitions can be found on Appendix A.

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM										Table 5
Forecasted Statement of Financial Position - St. Pauls Water System										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Financial Assets										
Cash & Cash Equivalents	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 302,514	
Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Financial Assets	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 302,514	
Liabilities										
Accounts Payable (Capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Principal/Working Deficit	-	-	-	-	-	-	-	-	-	
Other liabilities	-	-	-	-	-	-	-	-	-	
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Tangible Capital Assets Under Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Financial Asset (Debt)	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 302,514	
Non Financial Assets										
Tangible Capital Asset Cost	\$ 545,496	\$ 545,496	\$ 545,496	\$ 545,496	\$ 545,496	\$ 545,496	\$ 554,647	\$ 554,647	\$ 554,647	
Additions to Tangible Capital Assets - Cost	-	-	-	-	-	9,151	-	-	-	
Tangible Capital Assets Under Construction	-	-	-	-	-	-	-	-	-	
Accumulated Amortization including Additions	442,732	455,677	468,622	481,567	492,319	503,072	510,221	516,108	521,995	
Total Non Financial Assets	\$ 102,764	\$ 89,819	\$ 76,874	\$ 63,929	\$ 53,177	\$ 51,575	\$ 44,426	\$ 38,539	\$ 32,652	
Accumulated Surplus/(Deficit)	\$ 282,952	\$ 283,466	\$ 284,703	\$ 289,064	\$ 295,618	\$ 302,172	\$ 312,328	\$ 323,747	\$ 335,167	
<i>Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.</i>										

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM												Table 6
Forecasted Statement of Financial Operations - St. Pauls Water System												
	2018	2019	2020	2021	2022	2023	2024	2025	2026			
Revenue												
User Fees	\$ 50,429	\$ 51,170	\$ 51,953	\$ 52,732	\$ 53,523	\$ 54,326	\$ 55,141	\$ 55,968	\$ 56,808			
Operating Grants (OSWAP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Late Payment Charges	\$ 536	\$ 302	\$ 500	\$ 484	\$ 493	\$ 503	\$ 513	\$ 524	\$ 534			
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Lead Abatement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Source Water Protection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total Revenues	\$ 50,966	\$ 51,472	\$ 52,453	\$ 53,216	\$ 54,017	\$ 54,829	\$ 55,654	\$ 56,492	\$ 57,342			
Expenses												
Operating	\$ 31,391	\$ 38,013	\$ 38,270	\$ 35,910	\$ 36,711	\$ 37,523	\$ 38,348	\$ 39,186	\$ 40,036			
Debt Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Amortization	\$ 13,648	\$ 12,945	\$ 12,945	\$ 12,945	\$ 10,752	\$ 10,752	\$ 7,150	\$ 5,887	\$ 5,887			
Gain (Loss) on Asset Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Total Expenses	\$ 45,039	\$ 50,958	\$ 51,215	\$ 48,855	\$ 47,463	\$ 48,276	\$ 45,498	\$ 45,072	\$ 45,922			
Excess of Revenues over Expenses before Other Expenses	\$ 5,927	\$ 513	\$ 1,238	\$ 4,361	\$ 6,554	\$ 6,554	\$ 10,156	\$ 11,419	\$ 11,419			
Other												
Government Transfers Related to Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Developer In Kind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Excess of Revenues over Expenses	\$ 5,927	\$ 513	\$ 1,238	\$ 4,361	\$ 6,554	\$ 6,554	\$ 10,156	\$ 11,419	\$ 11,419			
Accumulated Surplus/(Deficit) Beginning of year	\$ 277,025	\$ 282,952	\$ 283,465	\$ 284,703	\$ 289,064	\$ 295,618	\$ 302,171	\$ 312,328	\$ 323,747			
Accumulated Surplus/(Deficit) End of year	\$ 282,952	\$ 283,465	\$ 284,703	\$ 289,064	\$ 295,618	\$ 302,171	\$ 312,328	\$ 323,747	\$ 335,166			

Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM										Table 7
Forecasted Statement of Change in Net Financial Assets - St. Pauls Water System										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Excess Revenues over Expenditures	\$ 5,927	\$ 513	\$ 1,238	\$ 4,361	\$ 6,554	\$ 6,554	\$ 10,156	\$ 11,419	\$ 11,419	\$ 11,419
Amortization of Tangible Capital Assets (TCA)	\$ 13,648	\$ 12,945	\$ 12,945	\$ 12,945	\$ 10,752	\$ 10,752	\$ 7,150	\$ 5,887	\$ 5,887	\$ 5,887
Proceeds on the Disposal of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Change in inventories, prepaid expenses and deferred charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss (gain) on the sale of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase (Decrease) in Net Financial Assets	\$ 19,575	\$ 13,458	\$ 14,183	\$ 17,306	\$ 17,306	\$ 8,155	\$ 17,306	\$ 17,306	\$ 17,306	\$ 17,306
Net Financial Assets, Beginning of Year	\$ 160,613	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 285,208
Net Financial Assets, End of Year	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 302,514	\$ 302,514
<i>Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.</i>										
<i>Note: Details regarding acquisitions can be found on Appendix B.</i>										

TOWNSHIP OF PERTH SOUTH DRINKING WATER SYSTEM												Table 8
Forecasted Statement of Change in Cash Flow - St. Pauls Water System												
	2018	2019	2020	2021	2022	2023	2024	2025	2026			
Operating Transactions												
Total Operating Revenues	\$ 50,966	\$ 51,472	\$ 52,453	\$ 53,216	\$ 54,017	\$ 54,829	\$ 55,654	\$ 56,492	\$ 57,342			
Cash Paid for Operating	\$ 45,039	\$ 50,958	\$ 51,215	\$ 48,855	\$ 47,463	\$ 48,276	\$ 45,498	\$ 45,072	\$ 45,922			
Cash Paid for Financing												
Excess of Revenues Over Expenses	\$ 5,927	\$ 513	\$ 1,238	\$ 4,361	\$ 6,554	\$ 6,554	\$ 10,156	\$ 11,419	\$ 11,419			
Deduct Non Cash Charges to Operations												
Amortization	\$ 13,648	\$ 12,945	\$ 12,945	\$ 12,945	\$ 10,752	\$ 10,752	\$ 7,150	\$ 5,887	\$ 5,887			
Others												
Total	\$ 13,648	\$ 12,945	\$ 12,945	\$ 12,945	\$ 10,752	\$ 10,752	\$ 7,150	\$ 5,887	\$ 5,887			
Working Capital Items												
Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Capital Work in Progress	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Cash provided/used in Operating Transactions	\$ 19,575	\$ 13,458	\$ 14,183	\$ 17,306	\$ 17,306	\$ 17,306	\$ 17,306	\$ 17,306	\$ 17,306			
Capital Transactions												
Acquisition of TCAs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -			
Proceeds on Disposition of TCA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Cash Provided/used in Capital Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -			
Investing Transactions												
Proceeds from Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Cash Provided (Used in) by Investing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Cash Provided / (Used) in Investing Transactions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Financing Transactions												
Proceeds from Debentures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Repayment of Long Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Cash Provided by/used in Financing Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Increase (Decrease) in Cash Equivalents	\$ 19,575	\$ 13,458	\$ 14,183	\$ 17,306	\$ 17,306	\$ 8,155	\$ 17,306	\$ 17,306	\$ 17,306			
Cash and Cash Equivalents at the Beginning of the Year	\$ 160,613	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208			
Cash and Cash Equivalents at the End of the Year	\$ 180,188	\$ 193,646	\$ 207,829	\$ 225,135	\$ 242,441	\$ 250,596	\$ 267,902	\$ 285,208	\$ 302,514			
<i>Note: Unaudited for planning purposes only - actual results will differ from the above and these differences could be material in nature.</i>												
<i>Note: Details regarding acquisitions can be found on Appendix B.</i>												

APPENDIX A
CAPITAL INVESTMENT PLAN
Sebringville Water System - 78 Year Capital Projection

Inflation 1.00%

Asset Group	Asset Description	Historical Cost	Useful Life	Year to Replace	2020	2021	2022	2023	2024	2025	2026	2027-2041	2042-2055	2056-2069	2070-2083	2084-2097	Total
Primary Disinfection System		\$ 21,000	15	2018	-	-	-	-	-	-	-	30,185	35,044	40,685	47,234	54,837	207,986
Secondary Disinfection System		\$ 5,000	10	2020	-	-	-	-	-	-	-	13,949	8,087	18,801	10,900	25,341	77,078
Well Supply System	FC Valve	\$ 2,500	25	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Well	\$ 40,000	50	2041	-	-	-	-	-	-	-	65,785	-	-	108,193	-	173,978
	Pump	\$ 6,607	15	2029	-	-	-	-	-	-	-	7,671	8,905	10,339	12,003	13,935	52,852
	Chlorine Analyzer	\$ 10,000	10	2020	-	-	-	-	-	-	-	27,898	16,174	37,602	21,800	50,682	154,156
Controls and Instruments	Meter	\$ 5,000	15	2018	-	-	-	-	-	-	-	5,805	6,739	7,824	9,083	10,546	39,997
	Pressure Transmitter	\$ 1,500	15	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dialer	\$ 2,000	10	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	UPS	\$ 500	10	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Logger	\$ 5,424	15	2030	-	-	-	-	-	-	-	6,297	7,311	8,488	9,854	11,440	43,389
Pressure Supply System	Tanks	\$ 7,500	20	2023	-	-	-	9,151	-	-	-	-	11,166	13,625	16,625	-	50,568
Pump house Building	Services	\$ 75,000	100	2103	-	-	-	-	-	-	-	-	-	-	158,185	-	158,185
	Plumbing	\$ 15,000	25	2028	-	-	-	-	-	-	-	19,236	24,669	-	31,637	-	75,543
	Mechanical / Electrical	\$ 2,000	25	2028	-	-	-	-	-	-	-	2,565	3,289	-	4,218	-	10,072
Generator		\$ 23,531	25	2034	-	-	-	-	-	-	-	30,177	-	38,700	-	49,630	118,507
		\$ 222,562			-	-	-	9,151	-	-	-	209,588	121,386	176,064	429,733	216,411	1,162,312
Water Distribution System																	
Water main	Pump house to Lot 8	\$ 46,080	100	2091	-	-	-	-	-	-	-	-	-	-	-	124,638	124,638
	Lot 1 to 7	\$ 30,600	100	2092	-	-	-	-	-	-	-	-	-	-	-	82,767	82,767
Service Connections		\$ 49,500	100	2091	-	-	-	-	-	-	-	-	-	-	-	133,888	133,888
Blow offs		\$ 1,500	50	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
Valves and Boxes		\$ 3,000	50	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Water System Distribution As	\$ 130,680			-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Water Systems Infrastructure	\$ 353,242			-	-	-	-	-	-	-	-	-	-	-	341,293	341,293
					\$ -	\$ -	\$ -	\$ 9,151	\$ -	\$ -	\$ -	\$ 209,588	\$ 121,386	\$ 176,064	\$ 429,733	\$ 557,704	\$ 1,503,605

1.) Water mains have a useful life of 50 years in Keystone. This was determined to be on the low side for water mains and was extended to 75 years for the purposes of the Capital Asset Plan.
 2.) Items with a cost of less than \$5,000 have been listed as "Do not replace (DNR)" as they do not meet the capitalization threshold established in the Township's Capital Asset Policy. These items will be funded through operations.

APPENDIX B
CAPITAL INVESTMENT PLAN
St. Pauls Water System - 78 Year Capital Projection
 Inflation 1%

Water System Supply Asset Group	Asset Description	Historical Cost	Useful Life	Year to Replace	2020	2021	2022	2023	2024	2025	2026	2027-2041	2042-2055	2056-2069	2070-2083	2084-2097	Totals
Primary Disinfection System		\$ 21,000	15	2018	-	-	-	-	-	-	-	30,185	35,044	40,685	47,234	54,837	207,986
Secondary Disinfection System		\$ 5,000	10	2020	-	-	-	-	-	-	-	13,949	8,087	18,801	10,900	25,341	77,078
Well Supply System	FC Valve	\$ 5,000	10	2020	-	-	-	-	-	-	8,285	9,151	10,109	23,501	13,625	31,676	96,347
	Well	\$ 2,500	25	DNR	-	-	-	-	-	-	82,232	-	-	-	135,241	-	217,472
	Pump	\$ 40,000	50	2024	-	-	-	-	-	-	8,707	10,109	-	11,736	13,625	15,818	59,996
	Chlorine Analyzer	\$ 6,607	15	2029	-	-	-	-	-	-	-	-	-	-	-	-	-
		\$ 10,000	10	2020	-	-	-	-	-	-	-	27,898	16,174	37,602	21,800	50,682	154,156
Controls and Instruments	Meter Pres	\$ 5,000	15	2018	-	-	-	-	-	-	5,805	6,739	-	7,824	9,083	10,546	39,997
	Transmitter	\$ 1,500	15	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Dialer	\$ 2,000	10	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	UPS	\$ 500	10	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Logger	\$ 5,424	15	2030	-	-	-	-	-	-	9,288	10,783	12,518	31,407	16,873	42,331	123,200
Pressure Supply System	Tanks	\$ 7,500	20	2023	-	-	-	9,151	-	-	-	-	11,166	13,625	16,625	-	50,568
Pump house Building	Services	\$ 37,500	100	2074	-	-	-	-	-	-	-	-	-	-	101,431	-	101,431
	Plumbing	\$ 10,000	25	2028	-	-	-	-	-	-	-	19,236	24,669	-	31,637	-	75,543
	Mechanical/ Electrical	\$ 5,000	25	2028	-	-	-	-	-	-	-	12,824	16,446	-	21,091	-	50,362
Generator		\$ 21,970	25	2034	-	-	-	-	-	-	-	28,175	-	36,132	-	46,337	110,643
		\$ 186,501			-	-	-	9,151	-	-	114,316	169,049	134,215	221,313	439,166	277,568	1,364,780
Water Distribution System																	
Water main	Perth Line 20																
	Water Main Road 122	\$ 75,200	75	2048	-	-	-	-	-	-	-	-	158,606	-	-	-	158,606
Service Connections	Water Main	\$ 104,000	75	2048	-	-	-	-	-	-	-	-	219,349	-	-	-	219,349
Service Connections		\$ 49,500	75	2048	-	-	-	-	-	-	-	-	104,402	-	-	-	104,402
Blow offs	Service Connections	\$ 4,500	75	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
Valves and Boxes	Blow offs	\$ 1,500	50	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Valves and Boxes	\$ 3,600	50	DNR	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Water System Distribution As:	\$ 238,300			-	-	-	-	-	-	-	-	-	-	-	-	482,358
	Total Water Systems Infrastructure:	\$ 424,801			-	-	-	9,151	-	-	\$114,316	\$ 616,573	\$ 221,313	\$ 439,166	\$ 277,568	\$ 1,847,137	

1.) Water mains have a useful life of 50 years in Keystone. This was determined to be on the low side for water mains and was extended to 75 years for the purposes of the Capital Asset Plan.
 2.) Items with a cost of less than \$5,000 have been listed as "Do not replace" (DNR) as they do not meet the capitalization threshold established in the Township's Capital Asset Policy. These items will be funded through operations.

Appendix C – Ontario Regulation 453/07**Safe Drinking Water Act, 2002****ONTARIO REGULATION 453/07
FINANCIAL PLANS**

Consolidation Period: From April 1, 2008 to the e-Laws currency date.

Last amendment: O. Reg. 69/08.

Requirement to prepare financial plans

1. (1) A person who makes an application under clause 32 (1) (b) of the Act for a municipal drinking water licence shall, before making the application, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 2. O. Reg. 453/07, s. 1 (1).

(2) A person who makes an application under subsection 32 (4) of the Act for the renewal of a municipal drinking water licence shall, before making the application, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (2).

(3) As a condition in a municipal drinking water licence that is issued in response to an application made under section 33 of the Act for a municipal drinking water licence, the Director shall include a requirement that the owner of the drinking water system, by the later of July 1, 2010 and the date that is six months after the date the first licence for the system is issued, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (3).

(4) The Director shall include, as a condition in a municipal drinking water licence, the requirement set out in subsection (3) in any amendments to a license made after the application, if the condition is not satisfied at the time when the amendment is made. O. Reg. 453/07, s. 1 (4).

Financial plan requirements; new systems

2. For the purposes of clause (b) of the definition of “financial plans” in subsection 30 (1) of the Act, the following requirements are prescribed for financial plans that are required by subsection 1 (1) to satisfy the requirements of this section:

1. The financial plans must be approved by a resolution that indicates that the drinking water system is financially viable and that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.

2. The financial plans,
 - i. must include a statement that the financial impacts of the drinking water system have been considered, and
 - ii. must apply for a period of at least six years.
3. The first year to which the financial plan must apply is the year in which the drinking water system is expected to first serve the public.
4. For each year in which the financial plans apply, the financial plans must include details of the proposed or projected financial operations of the drinking water system itemized by,
 - i. total revenues, further itemized by water rates, user charges and other revenues,
 - ii. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - iii. annual surplus or deficit, and
 - iv. accumulated surplus or deficit.
5. The owner of the drinking water system must,
 - i. make the financial plans available, on request, to members of the public who are served by the drinking water system without charge,
 - 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.
6. The owner of the drinking water system must give a copy of the financial plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 2.

Financial plan requirements; licence renewal

3. (1) For the purposes of clause (b) of the definition of “financial plans” in subsection 30 (1) of the Act, the following requirements are prescribed for financial plans that are required by subsection 1 (2) or a condition that is included in a municipal drinking water licence under subsection 1 (3) to satisfy the requirements of this section:

1. The financial plans must be approved by a resolution that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.
2. The financial plans must apply to a period of at least six years.

3. The first year to which the financial plans must apply must be the year determined in accordance with the following rules:
 - i. If the financial plans are required by subsection 1 (2), the first year to which the financial plans must apply must be the year in which the drinking water system's existing municipal drinking water licence would otherwise expire.
 - ii. If the financial plans are required by a condition that was included in a municipal drinking water licence under subsection 1 (3), the first year to which the financial plans must apply must be the later of 2010 and the year in which the first licence for the system was issued.
4. Subject to subsection (2), for each year to which the financial plans apply, the financial plans must include the following:
 - i. Details of the proposed or projected financial position of the drinking water system itemized by,
 - A. total financial assets,
 - B. total liabilities,
 - C. net debt,
 - D. non-financial assets that are tangible capital assets, tangible capital assets under construction, inventories of supplies and prepaid expenses, and
 - E. changes in tangible capital assets that are additions, donations, write downs and disposals.
 - ii. Details of the proposed or projected financial operations of the drinking water system itemized by,
 - A. total revenues, further itemized by water rates, user charges and other revenues,
 - B. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - C. annual surplus or deficit, and
 - D. accumulated surplus or deficit.
 - iii. Details of the drinking water system's proposed or projected gross cash receipts and gross cash payments itemized by,
 - A. operating transactions that are cash received from revenues, cash paid for operating expenses and finance charges,
 - B. capital transactions that are proceeds on the sale of tangible capital assets and cash used to acquire capital assets,
 - C. investing transactions that are acquisitions and disposal of investments,

- D. financing transactions that are proceeds from the issuance of debt and debt repayment,
 - E. changes in cash and cash equivalents during the year, and
 - F. cash and cash equivalents at the beginning and end of the year.
- iv. Details of the extent to which the information described in subparagraphs i, ii and iii relates directly to the replacement of lead service pipes as defined in section 15.1- 3 of Schedule 15.1 to Ontario Regulation 170/03 (Drinking Water Systems), made under the Act.
5. The owner of the drinking water system must,
- i. make the financial plans available, on request, to members of the public who are served by the drinking water system without charge,
 - 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.
6. The owner of the drinking water system must give a copy of the financial plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 3 (1).

(2) Each of the following sub-subparagraphs applies only if the information referred to in the sub-subparagraph is known to the owner at the time the financial plans are prepared:

1. Sub-subparagraphs 4 i A, B and C of subsection (1).
2. Sub-subparagraphs 4 iii A, C, E and F of subsection (1). O. Reg. 453/07, s. 3 (2).

Alternative requirements for two or more drinking water systems

4. If section 3 applies to the financial plans of two or more drinking water systems that are solely owned by the same owner, the requirements prescribed by the section may, as an alternative, be satisfied by financial plans that comply with the section but treat those systems as if they were one drinking water system. O. Reg. 453/07, s. 4.

Amendment of financial plans

5. Sections 2 and 3 do not prevent financial plans from being amended. O. Reg. 453/07, s. 5.

Additional information

6. The requirements of this Regulation do not prevent a person from providing additional information in financial plans prepared for the purpose of meeting the requirements of the Act. O. Reg. 453/07, s. 6.

7. Omitted (provides for coming into force of provisions of this Regulation).
O. Reg. 453/07, s. 7.