



The Corporation of the
Township of Chatsworth

Financial Plan 241-301A
2015-2020

Municipal Drinking Water Licence

Chatsworth Drinking Water System #241-102

Walters Falls Drinking Water System #241-101

Endorsed by Township of Chatsworth Council: May 20, 2015

Overview

Ontario Regulation 453/07 under the Safe Drinking Water Act, 2002 requires all owners of municipal residential drinking water systems to prepare and submit a Financial Plan. The Financial Plan outlines the drinking water system's financial information, which applies for a period of at least six (6) years.

The Financial Plan must also include details of the extent to which financial information 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, under the Safe Drinking Water Act, 2002.

This document contains the consolidated, projected financial statements for the Chatsworth Drinking Water System and the Walters Falls Drinking Water System.

The Township of Chatsworth does not have a lead service pipe removal program in place for either water system, as both water systems pipe material is PVC in nature. As a result, there are no financial costs associated with lead pipe removal.

The Financial Plan is required as part of renewing the Municipal Drinking Water System Licences. The information contained within this document is intended to act as a guide for Council and staff in establishing water rates and associated water system infrastructure capital and operating budgets. This document is a "living document" and will continue to be reviewed and updated where substantial changes in process or operating procedure occur.

The Financial Plan is required to be updated as a condition of renewing the Chatsworth and Walters Falls Drinking Water Licences, which expire December 8, 2015.

The six (6) year Financial Plan for the years 2015-2020 provides a financially sustainable plan for the Chatsworth and Walters Falls Drinking Water Systems as required by the Safe Drinking Water Act, 2002, Ontario Regulation 453/07.

The Financial Plan was endorsed by the Council of the Township of Chatsworth on May 20, 2015 and a copy submitted to the Ministry of Municipal Affairs and Housing.

Projected Financial Operations

For the year ending December 31

	Actual						
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues:							
Water Rates - Operating	\$275,429	\$273,882	\$280,729	\$287,747	\$294,941	\$302,315	\$309,873
Water Rates - Capital Replacement	-	\$40,000	\$69,041	\$69,241	\$69,241	\$69,241	\$69,241
Government Grants	-	-	-	-	-	-	-
Other Revenues	\$11,060	\$7,470	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Interest Revenues	\$7,983	\$6,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Total Revenues	\$294,473	\$327,352	\$361,771	\$368,989	\$376,182	\$383,556	\$391,114
Expenses							
Water Supply Costs	\$288,478	\$287,352	\$293,099	\$298,961	\$304,940	\$311,039	\$317,260
Other Expenses	-	-	-	-	-	-	-
Amortization	\$69,041	\$69,041	\$69,041	\$69,241	\$69,241	\$69,241	\$69,241
Interest Expense	-	-	-	-	-	-	-
Total Expenses	\$357,519	\$356,393	\$362,140	\$368,202	\$374,181	\$380,280	\$386,501
Net Effect of Annual Operations	-\$63,047	-\$29,041	-\$370	\$786	\$2,001	\$3,276	\$4,613
Beginning Accumulated Net Assets Balance	\$2,233,778	\$2,176,726	\$2,147,685	\$2,152,315	\$2,153,102	\$2,155,103	\$2,158,379
*Net Effect of Annual Operations	-\$63,047	-\$29,041	-\$370	\$786	\$2,001	\$3,276	\$4,613
Purchased Assets	\$5,995	-	\$5,000	-	-	-	-
Ending Accumulated Net Assets Balance	\$2,176,726	\$2,147,685	\$2,152,315	\$2,153,102	\$2,155,103	\$2,158,379	\$2,162,991
Reserves							
Accumulated Reserves	\$311,733	\$351,733	\$420,405	\$490,433	\$561,675	\$634,192	\$708,046

Projected Financial Position

For the year ending December 31

	Actual						
Assets	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Financial Assets							
Cash & Cash Equivalents	-\$188	\$59,041	\$177,713	\$247,740	\$318,983	\$391,500	\$465,354
Accounts Receivable	\$69,229	\$50,000	\$0	\$0	\$0	\$0	\$0
	<u>\$69,041</u>	<u>\$109,041</u>	<u>\$177,713</u>	<u>\$247,740</u>	<u>\$318,983</u>	<u>\$391,500</u>	<u>\$465,354</u>
Non -Financial Assets							
Inventory	-	-	-	-	-	-	-
Net Tangible Capital Assets	\$2,107,685	\$2,038,644	\$1,974,603	\$1,905,361	\$1,836,120	\$1,766,879	\$1,697,638
	<u>\$2,107,685</u>	<u>\$2,038,644</u>	<u>\$1,974,603</u>	<u>\$1,905,361</u>	<u>\$1,836,120</u>	<u>\$1,766,879</u>	<u>\$1,697,638</u>
Total Assets	<u>\$2,176,726</u>	<u>\$2,147,685</u>	<u>\$2,152,315</u>	<u>\$2,153,102</u>	<u>\$2,155,103</u>	<u>\$2,158,379</u>	<u>\$2,162,991</u>
Liabilities							
Other Liabilities							
Accounts Payable	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Accumulated Net Assets							
Accumulated Net Assets	\$2,176,726	\$2,147,685	\$2,152,315	\$2,153,102	\$2,155,103	\$2,158,379	\$2,162,991
	<u>\$2,176,726</u>	<u>\$2,147,685</u>	<u>\$2,152,315</u>	<u>\$2,153,102</u>	<u>\$2,155,103</u>	<u>\$2,158,379</u>	<u>\$2,162,991</u>
Ending Accumulated Net Assets Balance	<u>\$2,176,726</u>	<u>\$2,147,685</u>	<u>\$2,152,315</u>	<u>\$2,153,102</u>	<u>\$2,155,103</u>	<u>\$2,158,379</u>	<u>\$2,162,991</u>

Projected Cash Sources and Uses

For the year ending December 31

	Actual						
	2014	2015	2016	2017	2018	2019	2020
Operating Activities							
Cash Collected From Revenues							
Revenue Collected From Operations	\$288,478	\$287,352	\$292,729	\$299,747	\$306,941	\$314,315	\$321,873
Contributions From Government	-	-	-	-	-	-	-
Accounts Receivable	-\$69,229	-\$50,000	-	-	-	-	-
	<u>\$219,249</u>	<u>\$237,352</u>	<u>\$292,729</u>	<u>\$299,747</u>	<u>\$306,941</u>	<u>\$314,315</u>	<u>\$321,873</u>
Cash Expended From Operations							
Operating Expenses	\$288,478	-\$287,352	-\$293,099	-\$298,961	-\$304,940	-\$311,039	-\$317,260
Accounts Payable	\$0	-	-	-	-	-	-
Amortization	\$69,041	\$69,041	\$69,041	\$69,241	\$69,241	\$69,241	\$69,241
	<u>\$219,437</u>	<u>-\$218,311</u>	<u>-\$224,058</u>	<u>-\$229,720</u>	<u>-\$235,699</u>	<u>-\$241,798</u>	<u>-\$248,019</u>
Cash Flow from Operating Activities	-\$188	\$19,041	\$68,671	\$70,028	\$71,242	\$72,517	\$73,854
Capital Asset Activities							
Capital Replacement Charge	-	\$40,000	\$69,041	\$69,241	\$69,241	\$69,241	\$69,241
New Capital Charge	\$5,995	-	\$5,000	-	-	-	-
Tangible Capital Assets Under Construction	-	-	-\$5,000	-	-	-	-
Tangible Capital Assets	-\$5,995	-	-	-	-	-	-
Proceeds from Disposal	-	-	-	-	-	-	-
Amortization Reserve	-	-\$69,041	-\$69,041	-\$69,241	-\$69,241	-\$69,241	-\$69,241
Cash Flow from Capital Asset Activities	\$0	-\$29,041	\$0	\$0	\$0	\$0	\$0
Cash Flow from Financing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Changes to Cash & Cash Equivalents		\$69,229	\$50,000	-	-	-	-
Beginning Cash & Cash Equivalents	\$0	-\$188	\$59,041	\$177,713	\$247,740	\$318,983	\$391,500
Ending Cash & Cash Equivalents	<u>-\$188</u>	<u>\$59,041</u>	<u>\$177,713</u>	<u>\$247,740</u>	<u>\$318,983</u>	<u>\$391,500</u>	<u>\$465,354</u>

