

CORPORATION OF THE TOWNSHIP OF ORO-  
MEDONTE

# Water Financial Plan

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Prepared in accordance with Ontario Regulation 453/07:  
Financial Plans

October 28, 2019

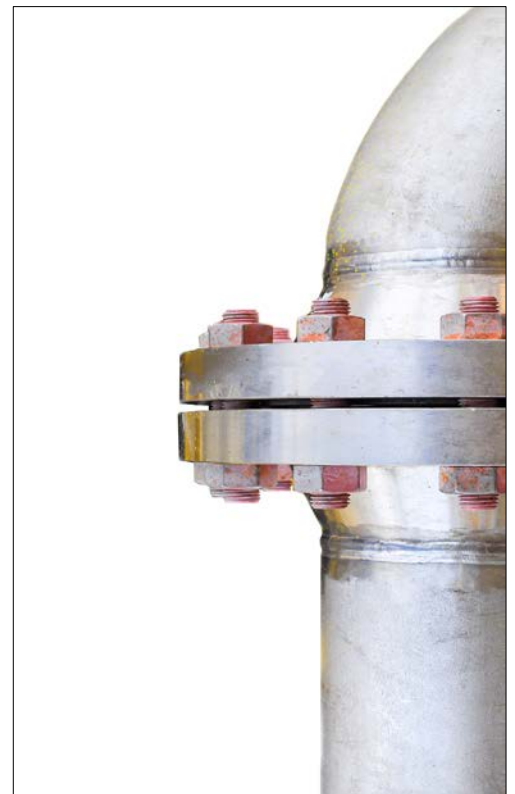
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Enterprise



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# Introduction

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## PROVINCIAL REPORTING REQUIREMENTS

Pursuant to Section 31(1) of the *Safe Drinking Water Act, 2002* (the “SDWA”), Provincial licenses are required for the operation of municipal drinking water systems in Ontario. In obtaining these licenses, the Township of Oro-Medonte (the “Township”) is required to meet five conditions under Section 44(1) of the SDWA, including the preparation of a financial plan for the water system. The form and content of financial plans for municipal water systems are prescribed under Ontario Regulation 453/07 (the “Regulation”). Under the terms of the Regulation, the Township is required to prepare a financial plan that:

- i. Is approved through a Council resolution that indicates that the drinking water system is financially viable
- ii. Extends over a minimum of six years and include a statement that the financial impacts of the drinking water system have been considered
- iii. For each year of the financial plan, includes details of the proposed or projected financial operations of the system itemized by:
  - Total revenues, further broken down into water rates, user charges and other revenues
  - Total expenses, further broken down into amortization expenses, interest expenses and other expenses
  - Annual surplus or deficit
  - Accumulated surplus or deficit
- iv. Includes details of the proposed or projected financial position of the system, itemized by:
  - Total financial assets
  - Total liabilities
  - Net debt
  - Non-financial assets
  - Changes in tangible capital assets
- v. Details the proposed or projected gross cash receipts and cash payments itemized by:
  - Operating transactions
  - Capital transactions
  - Investing transactions
  - Financing transactions
  - Changes in cash and cash equivalents during the year
  - Cash and cash equivalents at the beginning and end of year

The disclosure requirements prescribed in the Regulation are consistent with financial statement requirements as outlined in the Public Sector Accounting Handbook of the Canadian Institute of Chartered Accountants, which comprise:

- A statement of operating results
- A statement of financial position
- A statement of cash flows
- A statement of changes in net financial assets

The Regulation requires a six year financial plan for water. However to be consistent with the Township's general approach to financial planning for environmental services, the financial plan considers a 10-year planning horizon.

In connection with its financial plan, the Township is also required to ensure an appropriate level of public communication by:

- Making the financial plan available, on request, to members of the public at no charge
- Making the financial plan available to members of the public at no charge through the internet (if the municipality maintains a website)
- Providing notice as deemed appropriate to advise the public of the availability of the financial plan

## FINANCIAL PLAN METHODOLOGY

In order to assist municipalities with the preparation of financial plans required under the SDWA, the Ministry of the Environment released a document entitled *Toward Financially Sustainable Drinking-Water and Wastewater Systems* (the "Ministry Document") that outlines suggested principles of financial sustainability for water and wastewater systems as well as possible approaches to implementing these principles.

### SUSTAINABILITY PRINCIPLES

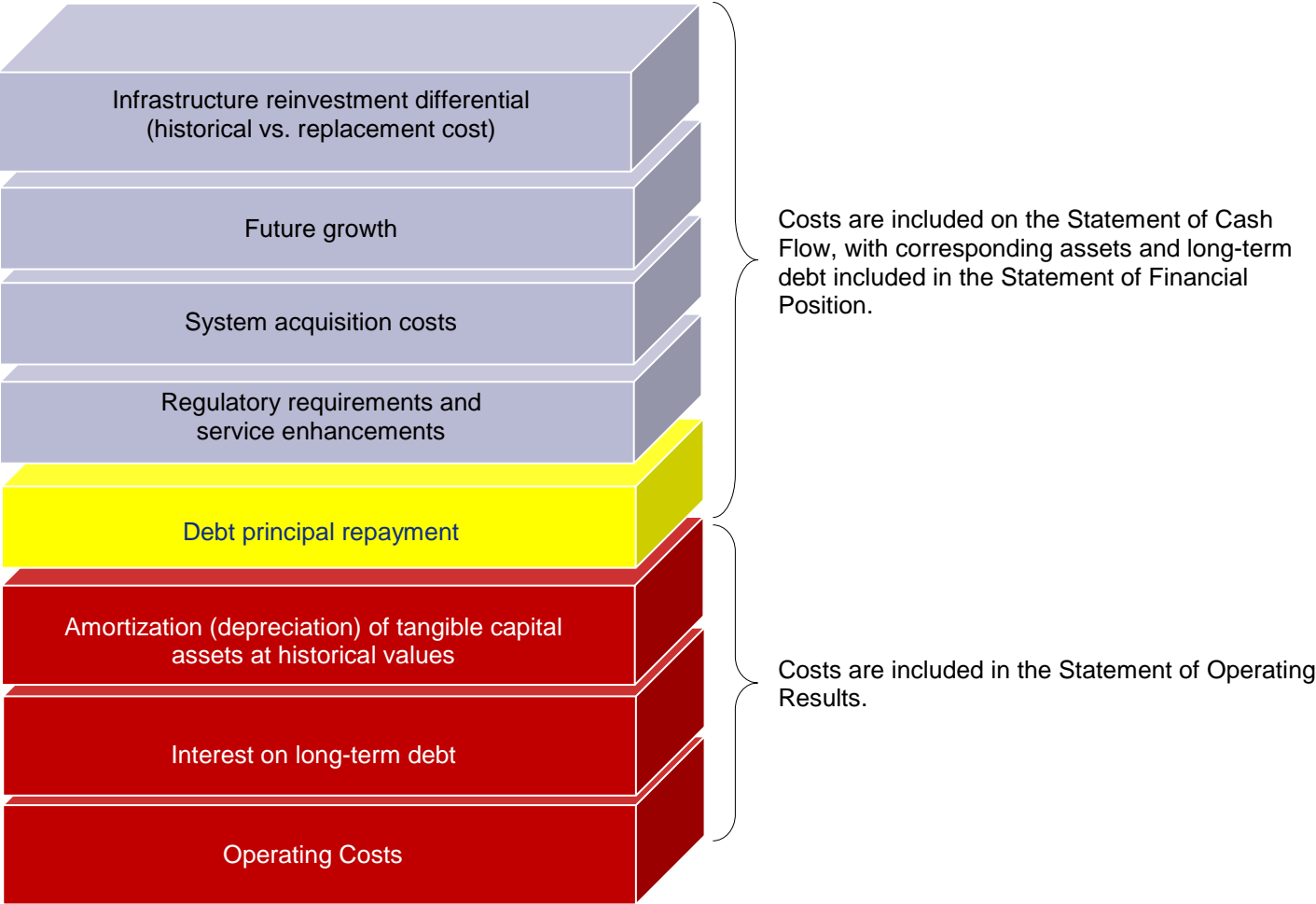
As outlined in the Ministry Document, financial sustainability for water and wastewater systems is intended to ensure that residents enjoy safe drinking water that is provided on a reliable basis over the long-term in a manner that maintains environmental protection. The attainment of financial sustainability, which the Ministry Document recognizes does not necessarily need to occur at once but rather can involve a transition, can be supported by the adoption of nine principles that can be used to inform financial plans.

1. Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
2. An integrated approach to planning among water, wastewater and storm water systems is desirable given the inherent relationship among these services.
3. Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
4. Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all.
5. An asset management plan is a key input to the development of a financial plan.
6. A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
7. Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
8. Financial plans are "living" documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.
9. Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff and municipal council.

The financial plan developed by the Township incorporates each of these principles, as further discussed in Section entitled "Congruence with Sustainability Principles."

**APPROACH TO THE FINANCIAL PLAN**

In developing the financial plan, the Township has adopted the so-called "building-block" approach outlined in the Ministry Document, which considers both the current and anticipated operating and capital funding requirements for water services. A graphical depiction of the building-block approach utilized in the development of the Township's plan is provided below.



## NOTICE TO READER

The financial plan outlined in this report represents a forecast of the financial performance of the Township's water services under a series of assumptions that are documented within the plan. The financial plan (which has been prepared for the purposes of meeting regulatory requirements established by the Ministry) does not represent a formal, multi-year budget for water and wastewater services. The approval of operating and capital budgets for water services is undertaken as part of the Township's overall annual budgeting process. Accordingly, the financial performance outlined in this document is subject to change based on future decisions of Council with respect to operating and capital costs, rate increases, consumption changes and unforeseen revenues and expenses.

The information contained in this report has been compiled from information provided by the Township. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that this information may not be appropriate for their purposes.

We reserve the right (but will be under no obligation) to amend this report and advise accordingly in the event that, in our opinion, new material information comes to our attention that may be contrary to or different from that which is set out in this document. Comments in this report should not be interpreted to be legal advice or opinion. The contents of this report reflect our understanding of the facts derived from the examination of documents provided to us.

This report includes or makes reference to future oriented financial information. We have not audited or otherwise reviewed the financial information or supporting assumptions and as such, express no opinion as to the reasonableness of the information provided.

The individuals that prepared this report did so to the best of their knowledge, acting independently and objectively. KPMG LLP's compensation is not contingent on any action or event resulting from the use of this report.

This report, including the attached appendices, must be considered in its entirety by the reader.

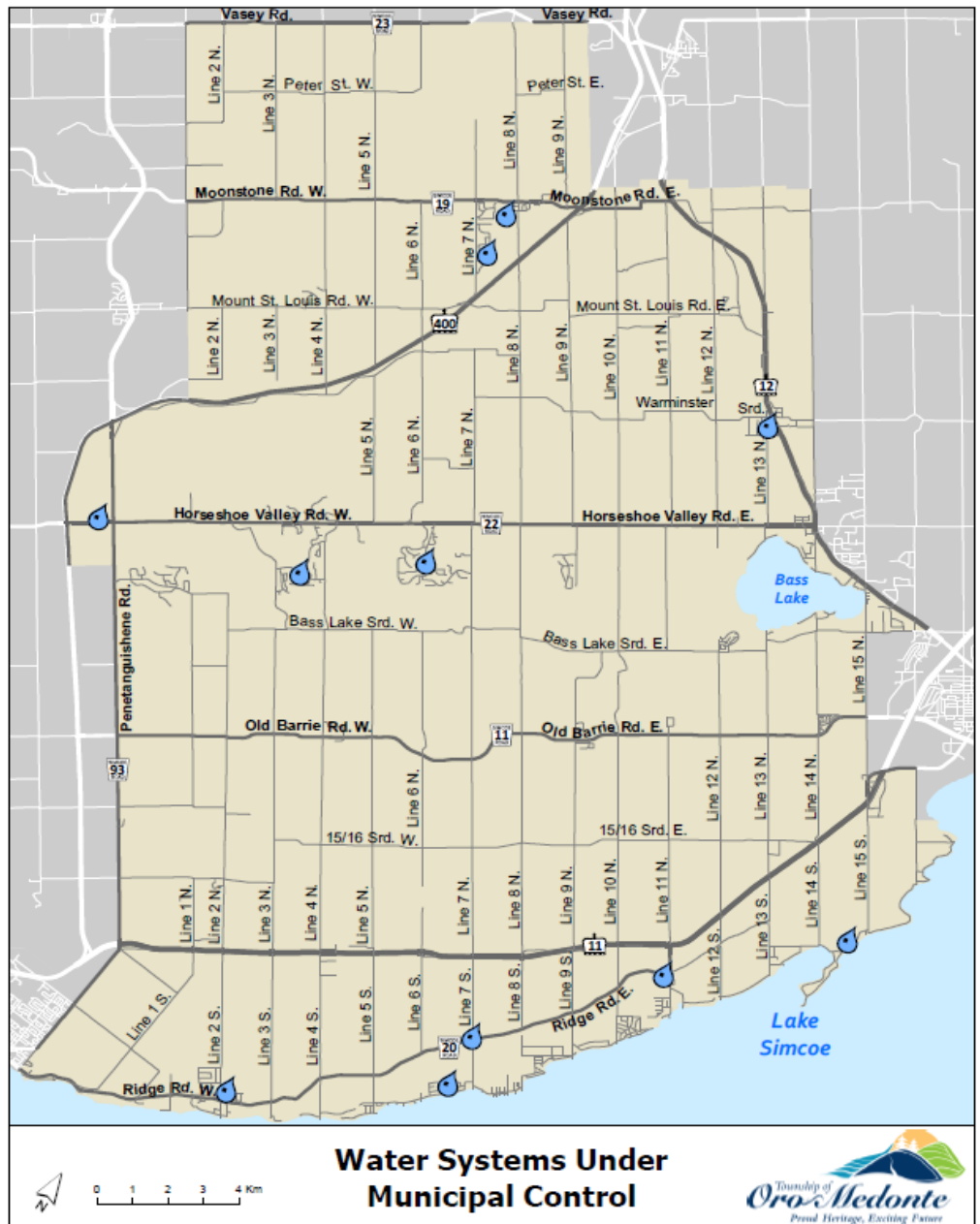
# Overview of the Oro-Medonte Water System

## WATER TREATMENT

The Township currently provides potable water to approximately 2,400 households through the operation of 11 Township-owned water systems, with an additional three private systems operated by the Township under contract. During the period January to December 2018, the Township treated just over 506,000 m<sup>3</sup> of water for distribution to customers from its 11 municipally owned water systems.

The Township's water transmission and distribution infrastructure is comprised of:

- Over 89 kilometers of distribution mains;
- Three booster stations;
- One elevated water storage tank; and
- Thirteen water reservoirs.



*Annual Water Production by Township-owned System (2018)*

System	Total Water Production (m3)	Percentage of Total
Canterbury	3,157	0.6%
Cedarbrook	5,084	1.0%
Craighurst	11,485	2.3%
Harbourwood	24,302	4.8%
Horseshoe Highlands	168,178	33.2%
Maplewood	9,464	1.9%
Medonte Hills	27,556	5.4%
Robincrest	57,664	11.4%
Shanty Bay	72,868	14.4%
Sugarbush	55,135	10.9%
Warminster	71,382	14.1%
Total	506,275	100.0%

## WATER RATES

The Township has adopted a full-cost recovery approach for water services, whereby direct operating costs are recovered through user fees, with no municipal taxation support for water services. Water customers are also charged a quarterly infrastructure charge that is intended to fund the Township's capital reserve for water.

Effective July 1, 2017, the Township implemented a new billing structure for water rates that includes:

- A fixed operating charge intended to fund a portion of fixed costs associated with the operation of the water system. The fixed operating charge has increased over 2018 and 2019, with the intention of ultimately recovering approximately 50% of fixed costs in 2019.
- A variable operating charge based on the level of water consumed. Effective January 1, 2018, the Township implemented a two-tiered variable rate structure, with water consumption in excess of 75 m<sup>3</sup> per quarter being charged a higher variable rate as a means of encouraging conservation.
- A fixed quarterly infrastructure charge, increasing annually in order to provide sufficient funding for sustainable capital reinvestment in its water infrastructure.



# Key Assumptions

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The preparation of the financial plan for water services necessarily requires the use of assumptions concerning future events, with the more salient assumptions listed below.

## SYSTEMS IN OPERATION

The financial plan reflects the projected assumption of two private water systems:

- Acquisition of the Braestone private water system in 2020. The Township currently operates this system on behalf of the private owner through provisions in a Subdivision Agreement; and
- Staged integration of the Horseshoe Valley Zone 1 private water systems starting in 2020. The Township is not currently involved in the operation of this systems.

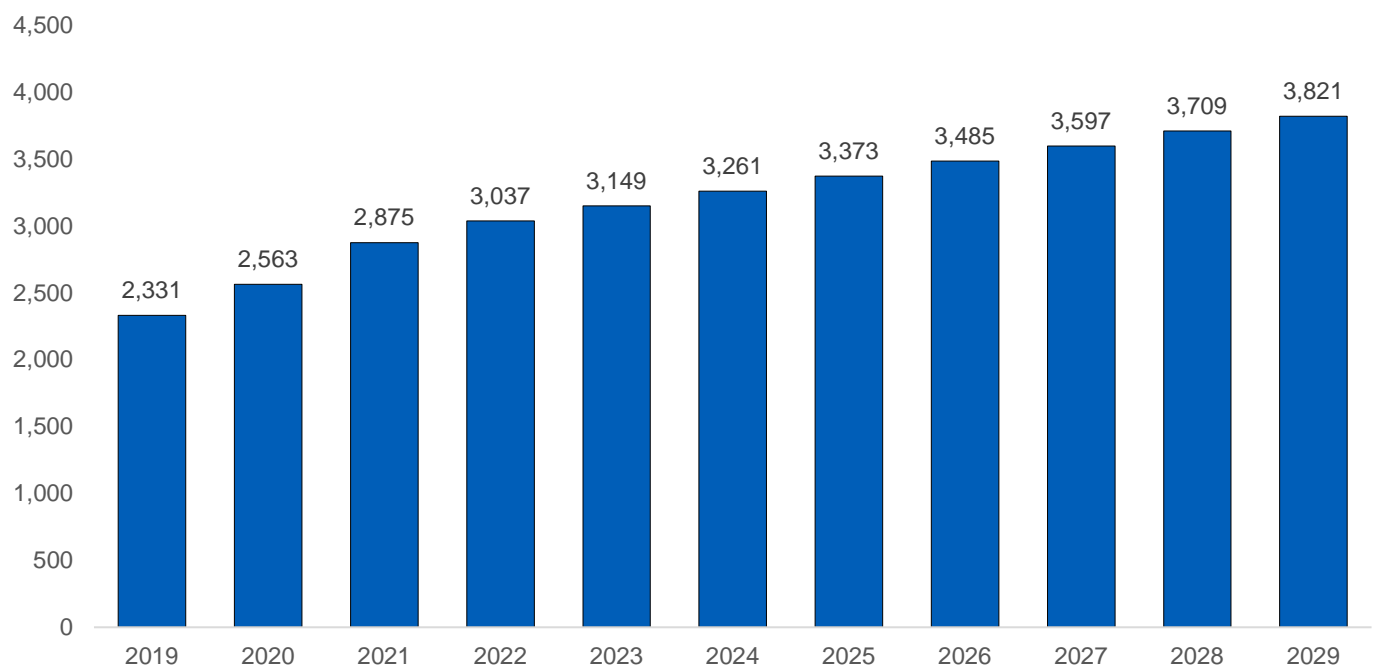
## CUSTOMER AND CONSUMPTION LEVELS

Customer levels are anticipated to increase over the 10-year planning period due to a combination of:

- New customers assumed through the acquisition of private water systems; and
- Continued population and household growth in areas serviced by the Township's water systems.

Over the ten year projection period, the financial plan anticipates an increase in the number of water connections from the current level of approximately 2,300 to 3,800 customers.

*Projected number of water customers*



## CONSUMPTION

Projected consumption levels reflect the estimated average consumption per resident during 2018 (194 m<sup>3</sup> annually or 49 m<sup>3</sup> per quarterly), with no adjustment for price elasticity, conservation or other changes.

## OPERATING COSTS

Projected operating costs are comprised of both variable and fixed costs, with variable costs increasing commensurate with the number of customers while fixed costs remain constant. For the purposes of the financial plan, all operating costs are projected to increase at a rate of 2% per year due to inflation, with variable costs also increasing in line with increases in customer levels.

## CAPITAL COSTS

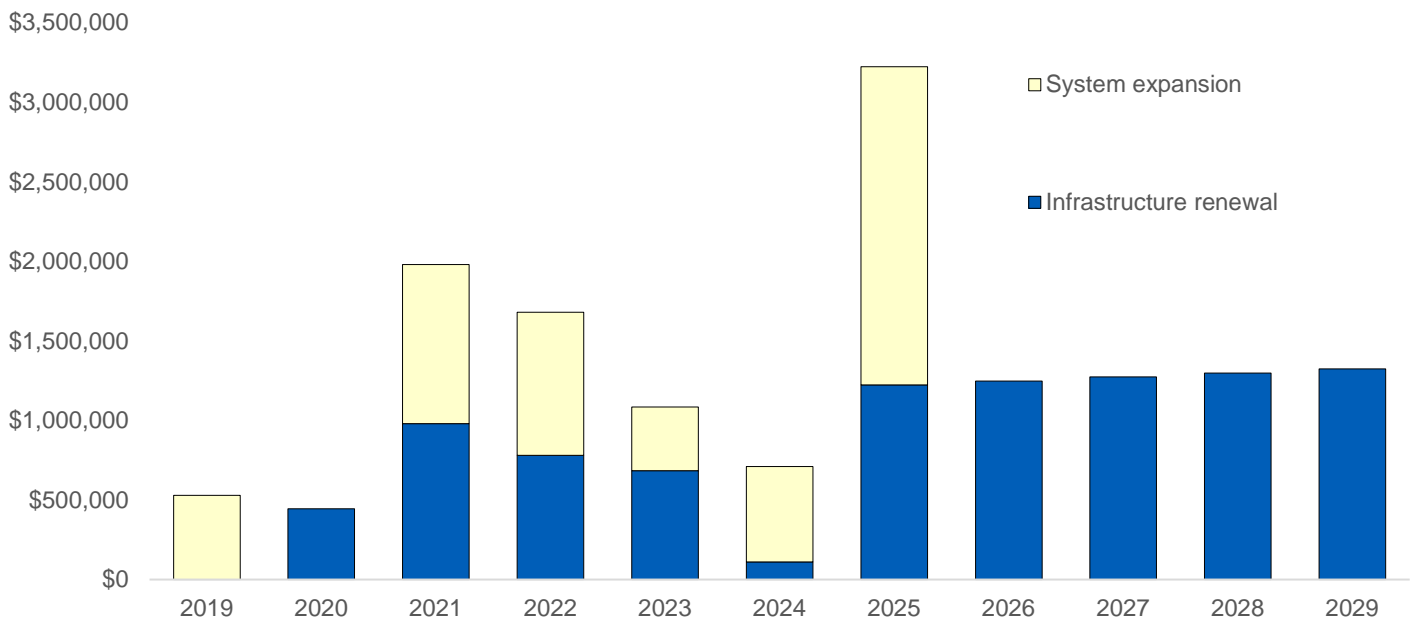
Projected capital expenditures reflect ongoing costs associated with (i) ongoing upgrades to the Township's existing distribution system infrastructure; (ii) increasing its water storage capacity; and (iii) integrating private systems acquired by the Township. The financial plan incorporates the forecasted capital expenditures identified by the Township.

Consistent with Public Sector Accounting Guidelines for financial reporting, the financial plan reflects capital revenues and expenditures as follows:

- Capital revenues, including the quarterly fixed infrastructure fee charged to customers and senior government grants, are recorded in the Statement of Operations as revenue in the year that the funds are received/earned;
- Capital expenditures are recorded as tangible capital asset additions and are reflected as such in the Statement of Financial Position; and
- Amortization of tangible capital assets is recorded as an expense in the Statement of Operation.
- Contributions to reserves are not specifically identified in either the Statement of Operations or the Statement of Financial Position as these represent an appropriation of the Township's annual operating surplus, which is a component of its Accumulated Surplus. In order to provide information as to the amount of the Township's capital reserve for water, the financial plan includes a separate schedule disclosing reserve transactions.

A graphical depiction of the projected capital expenditures is provided below.

*Projected capital expenditures*



## CAPITAL FINANCING

The primary source of funding for future capital expenditures is the quarterly fixed infrastructure fee, which is projected to increase at a rate of \$7.00 per quarter over the projection period, reflecting the Township's strategy of increasing capital funding to address its infrastructure investment requirements. The financial plan does not consider other funding sources, including senior government grants or debt financing.

In addition to the quarterly fixed infrastructure fee, the financial plan also reflects the adoption of development charges in 2020, which will be used to fund eligible capital projects and associated debt servicing costs.

Consistent with Public Sector Accounting Guidelines for financial reporting, the financial plan reflects capital revenues (including amounts collected through the fixed quarterly infrastructure charge) in the Statement of Operations as revenue in the year that the funds are received/earned. For internal purposes, however, the fixed quarterly infrastructure charge is transferred to the Township's water renewal reserve, with transfers from the reserve used to finance capital expenditures.

## CONTINGENCIES

In addition to the key assumptions noted above, there are a number of other variables that have not been reflected in the financial plan which, in the event that these materialize (whether in whole or in part), may have a significant impact (either positive or negative) on the projected financial plan.

Contingencies that were identified but not incorporated into the financial plan due to uncertainty as to quantum or probability of occurrence include:

- The acquisition of one or more of the third-party water systems other than those noted earlier in our report.
- The potential for amalgamation, either of the Township's water system or the municipality as a whole, in light of the Province's review of upper and lower tier governance.
- The potential discontinuance of existing services provided by Skyline or other third-party operators of water systems within the Township.
- Potential operating savings resulting from the projected increase in capital spending. For example, the frequency and cost of repairing water main breaks may decrease as capital funding increases (which would reduce the overall age of the water main system).
- Potential operating savings related to on-going process reviews and technology enhancements.
- Senior government grant revenues (including Federal Gas Tax revenue) for operating and/or capital purposes above the level of grant revenue noted in the financial plan.
- Unforeseen capital expenditure projects such as water service extensions, system enhancements and/or development cost sharing initiatives that exceed the financial resources identified in this plan.
- New Ministry regulations that would have a significant impact on operating costs.

# Financial Plan Highlights

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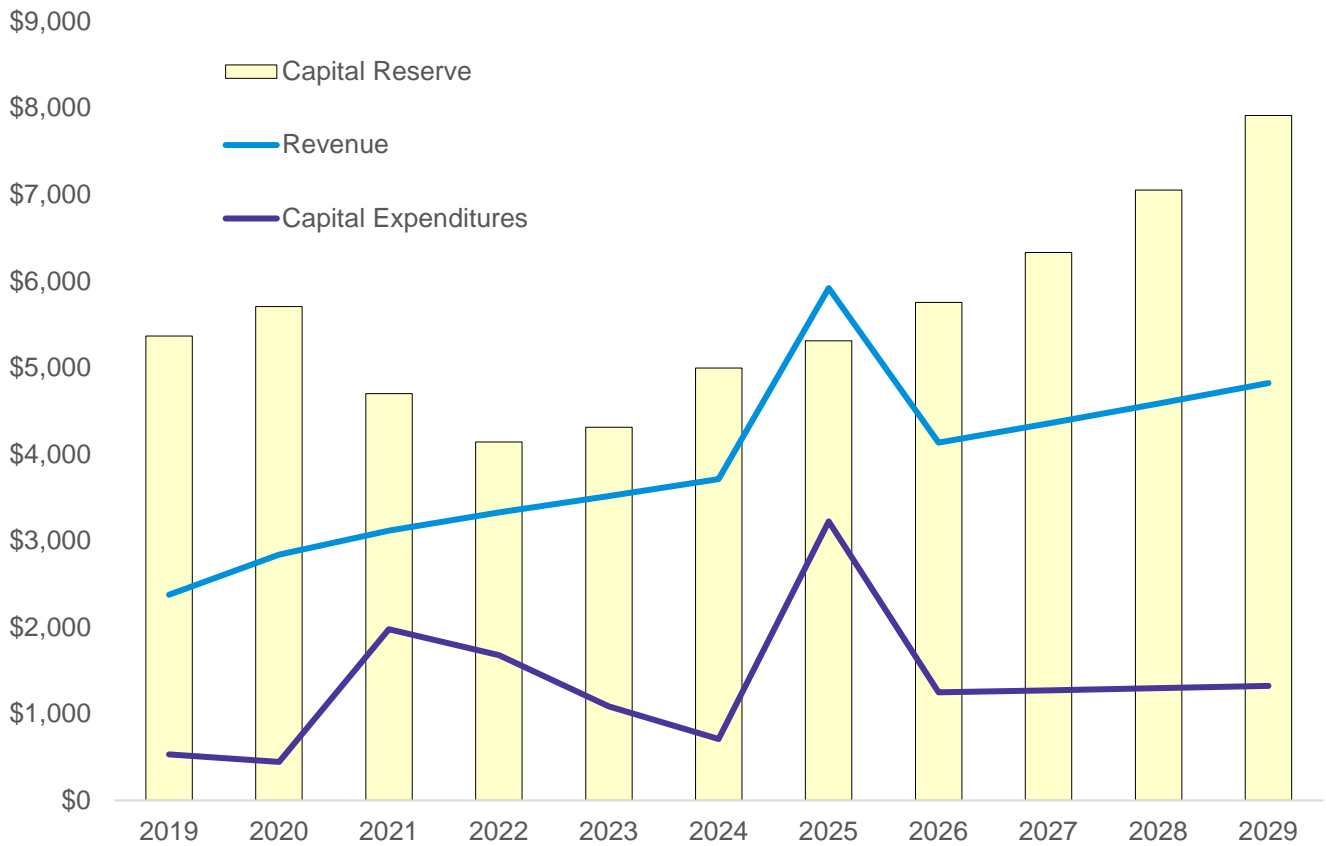
Included as Appendix A is the financial plan for water services, which provides a financial forecast of water revenues and expenditures for the period 2019 to 2029. The financial plan is comprised of:

- A Statement of Projected Operations and Accumulated Surplus
- A Statement of Projected Financial Position
- A Statement of Changes in Net Financial Assets
- A Statement of Cash Flow

In addition to these statements, the financial plan also includes continuity schedules for development charge reserves, long-term debt, tangible capital assets and the Township's water-related reserves.

As noted in the financial plan, total revenues are projected to increase from the 2019 budget of \$2.4 million to \$4.8 million, reflecting the combined effects of inflationary increases, higher capital funding and higher customer levels as a result of the integration of private systems and continued development within the Township. During the same period, a total of \$14.3 million is projected to be invested in water infrastructure.

*Projected Financial Performance (in thousands)*



## PROJECTED WATER RATES

Based on the financial plan, we have summarized below the Township’s calculated water rates for each of the years 2020 to 2029. These rates reflect the anticipated total cost of water services, other revenue sources and projected levels of customers and consumption, as well as the continuation of the Township’s past policies with respect to annual increases in capital financing.

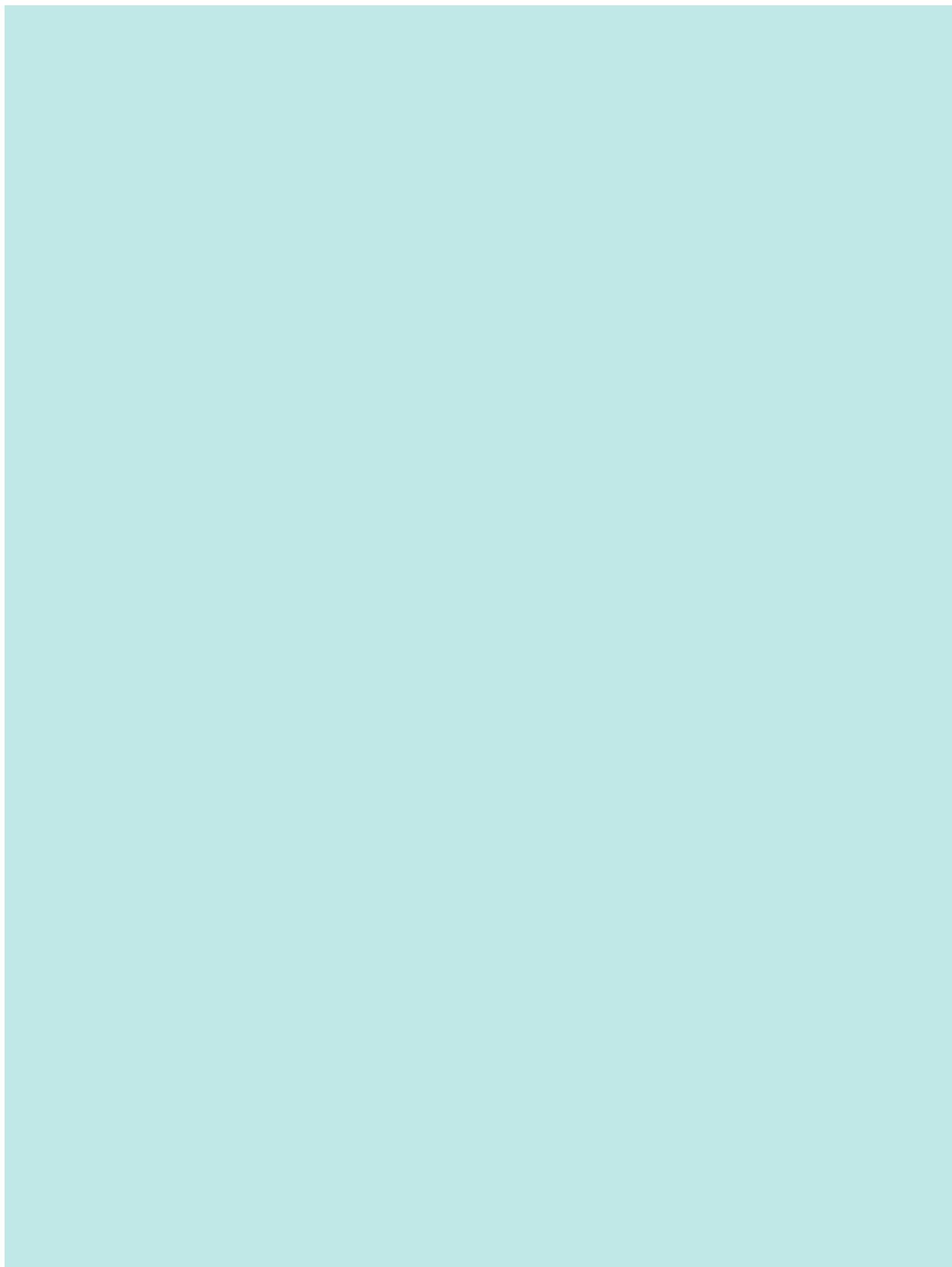
The financial plan forecasts annual decreases in the fixed and variable operating rates, which reflects increased cost economies of scale from the addition of new customers through development and the integration of private systems. The quarterly infrastructure charge is projected to continue to increase at a rate of \$7.00 per year, reflecting the continuation of the Township’s current strategy to increase funding for capital investment.

Year	Operating Rates			Quarterly Infrastructure Charge (Capital)	Projected Average Annual Cost (50 m <sup>3</sup> per Quarter)
	Fixed Quarterly	Variable			
		<75 m <sup>3</sup> per Quarter	>75 m <sup>3</sup> per Quarter		
2019	\$85.96	\$1.45	\$2.20	\$80.00	\$953.84
2020	\$84.20	\$1.45	\$2.20	\$87.00	\$974.80
2021	\$82.47	\$1.45	\$2.20	\$94.00	\$995.88
2022	\$80.78	\$1.45	\$2.20	\$101.00	\$1,017.12
2023	\$79.12	\$1.45	\$2.20	\$108.00	\$1,038.48
2024	\$77.50	\$1.45	\$2.20	\$115.00	\$1,060.00
2025	\$75.91	\$1.45	\$2.20	\$122.00	\$1,081.64
2026	\$74.35	\$1.45	\$2.20	\$129.00	\$1,103.40
2027	\$72.83	\$1.45	\$2.20	\$136.00	\$1,125.32
2028	\$71.34	\$1.45	\$2.20	\$143.00	\$1,147.36
2029	\$69.88	\$1.45	\$2.20	\$150.00	\$1,169.52

As indicated earlier in the document, the financial plan (which has been prepared for the purposes of meeting regulatory requirements established by the Ministry) does not represent a formal, multi-year budget for water services. The approval of operating and capital budgets for water services is undertaken as part of the Township's overall annual budgeting process. Accordingly, the financial performance outlined in this document is subject to change based on future decisions of Council with respect to operating and capital costs, rate increases, consumption changes and unforeseen revenues and expenses.

# Congruence With Sustainability Principles

Principle	How Addressed	Conclusion
1. Public engagement and transparency	<ul style="list-style-type: none"> <li>Financial plan will be presented at public council meeting</li> <li>Public access to financial plan will be provided consistent with the Regulation</li> </ul>	Achieved
2. Integrated approach to planning	<ul style="list-style-type: none"> <li>Future planning will incorporate wastewater services once these are assumed by the Township</li> </ul>	Achieved
3. Revenues should be used to meet water and wastewater needs	<ul style="list-style-type: none"> <li>Financial model is full user pay with no excess cash flow beyond infrastructure renewal reserve</li> </ul>	Achieved
4. Life cycle planning with mid-course corrections is preferable	<ul style="list-style-type: none"> <li>Planning considers ongoing infrastructure replacement</li> </ul>	Achieved
5. Asset management plan is a key input	<ul style="list-style-type: none"> <li>The Township is commencing asset management planning with consideration given to the useful life of assets</li> </ul>	Achieved
6. Sustainable level of revenue considers operating and capital requirements	<ul style="list-style-type: none"> <li>Revenue is sufficient to fund all operating costs as well as ongoing capital asset replacement, growth and regulatory changes</li> </ul>	Achieved
7. Users pay for services they receive	<ul style="list-style-type: none"> <li>No subsidization of water services by non-users</li> </ul>	Achieved
8. Financial plans are living documents	<ul style="list-style-type: none"> <li>Township intends to update financial plan to reflect major changes to operations</li> </ul>	Achieved
9. Financial plans benefit from close collaboration	<ul style="list-style-type: none"> <li>Preparation included involvement from infrastructure and finance groups, as well as external advisors</li> </ul>	Achieved





# TOWNSHIP OF ORO-MEDONTE

## Statement of Projected Financial Position For the Years Ending December 31

	January 1	December 31										
	2019	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Financial assets:</b>												
Intra-Township balance	\$ 5,586,000	5,448,000	5,789,000	4,784,000	4,225,000	4,394,000	5,078,000	5,394,000	5,838,000	6,416,000	7,134,000	7,997,000
<b>Financial liabilities:</b>												
Development charges reserve	-	-	389,000	778,000	1,167,000	1,556,000	1,945,000	334,000	723,000	1,112,000	1,501,000	1,890,000
Long-term debt	5,000,000	4,826,000	4,646,000	4,460,000	4,266,000	4,065,000	3,857,000	3,642,000	3,418,000	3,186,000	2,946,000	2,697,000
	5,000,000	4,826,000	5,035,000	5,238,000	5,433,000	5,621,000	5,802,000	3,976,000	4,141,000	4,298,000	4,447,000	4,587,000
Net financial assets (debt)	586,000	622,000	1,143,000	324,000	(41,000)	329,000	1,221,000	1,752,000	2,420,000	3,230,000	4,188,000	5,300,000
<b>Non-financial assets:</b>												
Tangible capital assets	18,210,000	18,346,000	18,287,000	19,724,000	20,830,000	21,328,000	21,447,000	24,010,000	24,581,000	25,161,000	25,750,000	26,348,000
Accumulated surplus	\$ 18,796,000	\$ 18,968,000	\$ 19,430,000	\$ 20,048,000	\$ 20,789,000	\$ 21,657,000	\$ 22,668,000	\$ 25,762,000	\$ 27,001,000	\$ 28,391,000	\$ 29,938,000	\$ 31,648,000
Accumulated surplus is comprised of:												
Investment in tangible capital assets	\$ 18,210,000	18,346,000	18,287,000	19,724,000	20,830,000	21,328,000	21,447,000	24,010,000	24,581,000	25,161,000	25,750,000	26,348,000
Amounts to be recovered in future periods	(5,000,000)	(4,826,000)	(4,646,000)	(4,460,000)	(4,266,000)	(4,065,000)	(3,857,000)	(3,642,000)	(3,418,000)	(3,186,000)	(2,946,000)	(2,697,000)
Water capital reserve	5,504,000	5,366,000	5,707,000	4,702,000	4,143,000	4,312,000	4,996,000	5,312,000	5,756,000	6,334,000	7,052,000	7,915,000
Water operating reserve	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
	\$ 18,796,000	\$ 18,968,000	\$ 19,430,000	\$ 20,048,000	\$ 20,789,000	\$ 21,657,000	\$ 22,668,000	\$ 25,762,000	\$ 27,001,000	\$ 28,391,000	\$ 29,938,000	\$ 31,648,000

# TOWNSHIP OF ORO-MEDONTE

## Statement of Projected Operations and Accumulated Surplus For the Years Ending December 31

	Budget	Projected									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>Revenue:</b>											
User fees:											
Variable operating rate	\$ 756,000	790,000	832,000	863,000	890,000	918,000	946,000	975,000	1,005,000	1,036,000	1,068,000
Variable fixed rate	756,000	790,000	833,000	864,000	891,000	918,000	947,000	976,000	1,006,000	1,036,000	1,068,000
Fixed water rate - capital	746,000	892,000	1,081,000	1,227,000	1,360,000	1,500,000	1,646,000	1,798,000	1,957,000	2,122,000	2,293,000
Total user fees	2,258,000	2,472,000	2,746,000	2,954,000	3,141,000	3,336,000	3,539,000	3,749,000	3,968,000	4,194,000	4,429,000
Development charges	-	248,000	248,000	248,000	248,000	248,000	2,248,000	248,000	248,000	248,000	248,000
Senior government grants	-	-	-	-	-	-	-	-	-	-	-
Other revenue	119,000	121,000	123,000	125,000	128,000	131,000	134,000	137,000	140,000	143,000	146,000
	2,377,000	2,841,000	3,117,000	3,327,000	3,517,000	3,715,000	5,921,000	4,134,000	4,356,000	4,585,000	4,823,000
<b>Expenses:</b>											
Variable operating costs	377,000	422,000	483,000	521,000	551,000	582,000	614,000	647,000	681,000	716,000	753,000
Fixed operating costs	1,254,000	1,279,000	1,305,000	1,331,000	1,358,000	1,385,000	1,413,000	1,441,000	1,470,000	1,499,000	1,529,000
	1,631,000	1,701,000	1,788,000	1,852,000	1,909,000	1,967,000	2,027,000	2,088,000	2,151,000	2,215,000	2,282,000
Surplus (deficit) before undernoted notes	746,000	1,140,000	1,329,000	1,475,000	1,608,000	1,748,000	3,894,000	2,046,000	2,205,000	2,370,000	2,541,000
Amortization	394,000	504,000	543,000	574,000	587,000	591,000	661,000	677,000	693,000	709,000	726,000
Interest on long-term debt	180,000	174,000	168,000	160,000	153,000	146,000	139,000	130,000	122,000	114,000	105,000
Annual surplus (deficit)	172,000	462,000	618,000	741,000	868,000	1,011,000	3,094,000	1,239,000	1,390,000	1,547,000	1,710,000
Accumulated surplus, beginning of year	18,796,000	18,968,000	19,430,000	20,048,000	20,789,000	21,657,000	22,668,000	25,762,000	27,001,000	28,391,000	29,938,000
Accumulated surplus, end of year	\$ 18,968,000	19,430,000	20,048,000	20,789,000	21,657,000	22,668,000	25,762,000	27,001,000	28,391,000	29,938,000	31,648,000

## TOWNSHIP OF ORO-MEDONTE

### Statement of Projected Changes in Net Financial Assets (Debt) For the Years Ending December 31

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Annual surplus (deficit):	\$ 172,000	462,000	618,000	741,000	868,000	1,011,000	3,094,000	1,239,000	1,390,000	1,547,000	1,710,000
Acquisition of tangible capital assets	(530,000)	(445,000)	(1,980,000)	(1,680,000)	(1,085,000)	(710,000)	(3,224,000)	(1,248,000)	(1,273,000)	(1,298,000)	(1,324,000)
Amortization of tangible capital assets	394,000	504,000	543,000	574,000	587,000	591,000	661,000	677,000	693,000	709,000	726,000
	(136,000)	59,000	(1,437,000)	(1,106,000)	(498,000)	(119,000)	(2,563,000)	(571,000)	(580,000)	(589,000)	(598,000)
Change in net financial assets (debt)	36,000	521,000	(819,000)	(365,000)	370,000	892,000	531,000	668,000	810,000	958,000	1,112,000
Net financial assets (debt), beginning of year	586,000	622,000	1,143,000	324,000	(41,000)	329,000	1,221,000	1,752,000	2,420,000	3,230,000	4,188,000
Net financial assets (debt), end of year	\$ 622,000	1,143,000	324,000	(41,000)	329,000	1,221,000	1,752,000	2,420,000	3,230,000	4,188,000	5,300,000

# TOWNSHIP OF ORO-MEDONTE

## Statement of Projected Cash Flows For the Years Ending December 31

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Cash provided by (used in):											
Operating activities:											
Annual surplus (deficit)	\$ 172,000	462,000	618,000	741,000	868,000	1,011,000	3,094,000	1,239,000	1,390,000	1,547,000	1,710,000
Amortization of tangible capital assets	394,000	504,000	543,000	574,000	587,000	591,000	661,000	677,000	693,000	709,000	726,000
Net change in cash from operating activities	566,000	966,000	1,161,000	1,315,000	1,455,000	1,602,000	3,755,000	1,916,000	2,083,000	2,256,000	2,436,000
Capital activities:											
Acquisition of tangible capital assets	(530,000)	(445,000)	(1,980,000)	(1,680,000)	(1,085,000)	(710,000)	(3,224,000)	(1,248,000)	(1,273,000)	(1,298,000)	(1,324,000)
	(530,000)	(445,000)	(1,980,000)	(1,680,000)	(1,085,000)	(710,000)	(3,224,000)	(1,248,000)	(1,273,000)	(1,298,000)	(1,324,000)
Financing activities:											
Proceeds on issuance of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Repayment of long-term debt	(174,000)	(180,000)	(186,000)	(194,000)	(201,000)	(208,000)	(215,000)	(224,000)	(232,000)	(240,000)	(249,000)
	(174,000)	(180,000)	(186,000)	(194,000)	(201,000)	(208,000)	(215,000)	(224,000)	(232,000)	(240,000)	(249,000)
Net change in cash and cash equivalents	(138,000)	341,000	(1,005,000)	(559,000)	169,000	684,000	316,000	444,000	578,000	718,000	863,000
Cash and cash equivalents, beginning of year	5,586,000	5,448,000	5,789,000	4,784,000	4,225,000	4,394,000	5,078,000	5,394,000	5,838,000	6,416,000	7,134,000
Cash and cash equivalents, end of year	\$ 5,448,000	5,789,000	4,784,000	4,225,000	4,394,000	5,078,000	5,394,000	5,838,000	6,416,000	7,134,000	7,997,000
Net change in cash and cash equivalents consists of:											
Change in capital reserve	\$ (138,000)	341,000	(1,005,000)	(559,000)	169,000	684,000	316,000	444,000	578,000	718,000	863,000
Operating surplus (deficit)	-	-	-	-	-	-	-	-	-	-	-
	\$ (138,000)	341,000	(1,005,000)	(559,000)	169,000	684,000	316,000	444,000	578,000	718,000	863,000

Cash and cash equivalents consist of funds held by the Township in connection with water services (Intra-Township balance).