



THE CORPORATION OF THE TOWNSHIP OF ALNWICK/HALDIMAND

Municipal Drinking Water License Financial plan 2015-2024

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Introduction

Background

The Safe Drinking Water Act (SDWA) was passed in December, 2002 in order to address some of the recommendations made by the Walkerton Inquiry Part II report. One of the main requirements of the Act is the mandatory licensing of municipal water providers. In order to become licenced there are five main requirements as per section 44 (1) of the SDWA:

1. Obtain a drinking water works permit.
2. Acceptance of the operational plan for the system based on the Drinking Water Quality Management Standard.
3. Accreditation of the Operating Authority.
- 4. *Prepare and provide a financial plan.***
5. Obtain permit to take water.

As noted above, the preparation of the financial plan is a key requirement for licensing and must be completed by all water providers. The financial plan requires an in-depth analysis of capital and operating needs, a review of current and future demand versus supply, and consideration of available funding sources.

Financial Plan Requirements – License Renewal

The initial financial plan for the Grafton Communal Water System was submitted to the Ministry of the Environment in August, 2011.

The prescribed reporting requirements for Financial Plan – License Renewal are defined by Ontario Regulation 453/07:

- Financial plans must be approved by Council resolution (or governing body) indicating that the drinking water system is financially viable.
- Financial plans must include a statement that the financial impacts have been considered and apply for a minimum six year period (commencing when the system first serves the public).
- Financial plans must include projected financial position, projected financial operations, and projected cash flows itemized by specifics as identified within ON.Reg 453/07
- Financial plans are to be made available to the public upon request and at no charge.
- The owner of the drinking water system must give a copy to the Ministry of Municipal Affairs and Housing
- Notice of the availability of the financial plans is to be given to the public. Financial plan is to be submitted to the Ministry of Municipal Affairs and Housing.
- If a website is maintained, financial plans are to be made available to the public through publication on the Internet at no charge.

In addition, the components of the Financial Plan must be in conformance with the Public Sector Accounting Board (PSAB) Section 1200. Section 1200 indicates that the Financial Plan include a Statement of Financial Position, a Statement of Operations, a Statement of Change in Net Debt, and a Statement of Cash Flow.

Therefore, in order to prepare the Financial Plan in correct format, the information used from the Water Rate Study and Asset Management Plan needed to be converted in order to conform with PSAB 1200 and ON. Reg 453/07.

Water System Capital Needs

Asset Management Plan

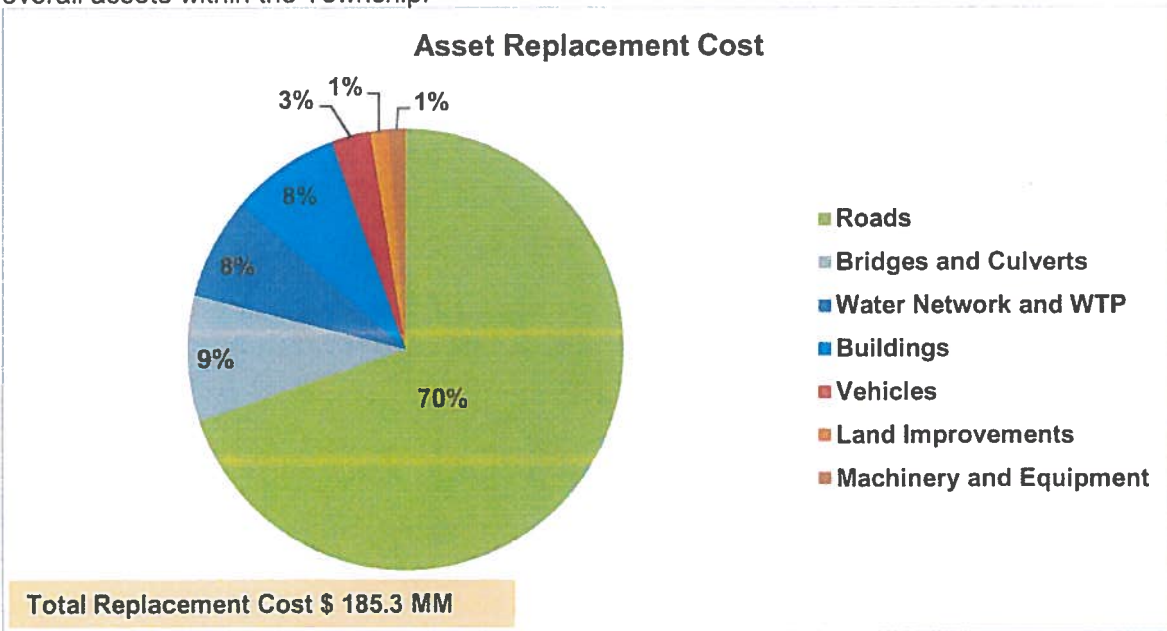
In 2014 the Township of Alnwick/Haldimand completed a comprehensive Asset Management Plan (AMP) that included the Grafton Communal Water Network. The AMP identified the state of the overall water network and the assets that needed to be replaced from 2014 to 2022.

The next step the Township took with regard to Asset Management was the creation of a formal Water Rate Study. The purpose of the study was to ensure that the Townships water rates were set at an appropriate level to ensure that capital assets were able to be replaced as required on a condition and age based analysis. The Water Rate Study took the AMP a step further by identifying the assets that needed to be replaced to the year 2093.

The aim of this section of the report is to provide the readers an overview of the State of the Infrastructure of the Grafton Communal Water System through an analysis of the available data on the condition and/or age of the Township's Water related assets. This data was pulled from the Asset Management Plan.

Inventory and Valuation of Water Assets

The below pie chart gives a breakdown of the replacement value of asset categories within the overall Township. It shows that the water network makes up 8% of the replacement value of the overall assets within the Township.



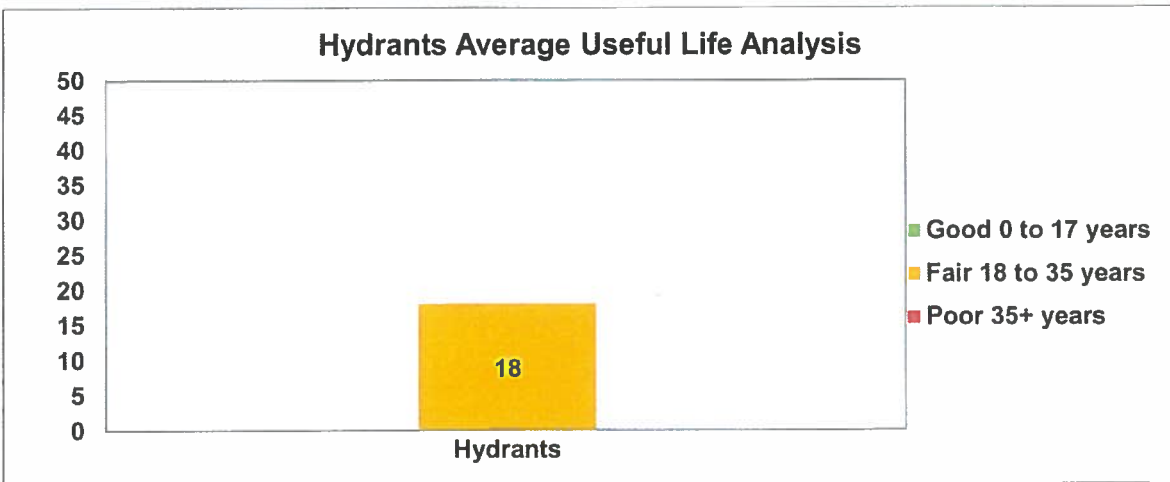
| Assets Type | Replacement Cost |
|------------------------------|----------------------|
| Roads | \$129,170,761 |
| Bridges and Culverts | \$17,162,057 |
| Buildings | \$14,935,234 |
| Water Network and WTP | \$13,736,859 |
| Vehicles | \$5,368,921 |
| Land Improvements | \$2,510,906 |
| Machinery and Equipment | \$2,420,105 |
| Total | \$185,304,843 |

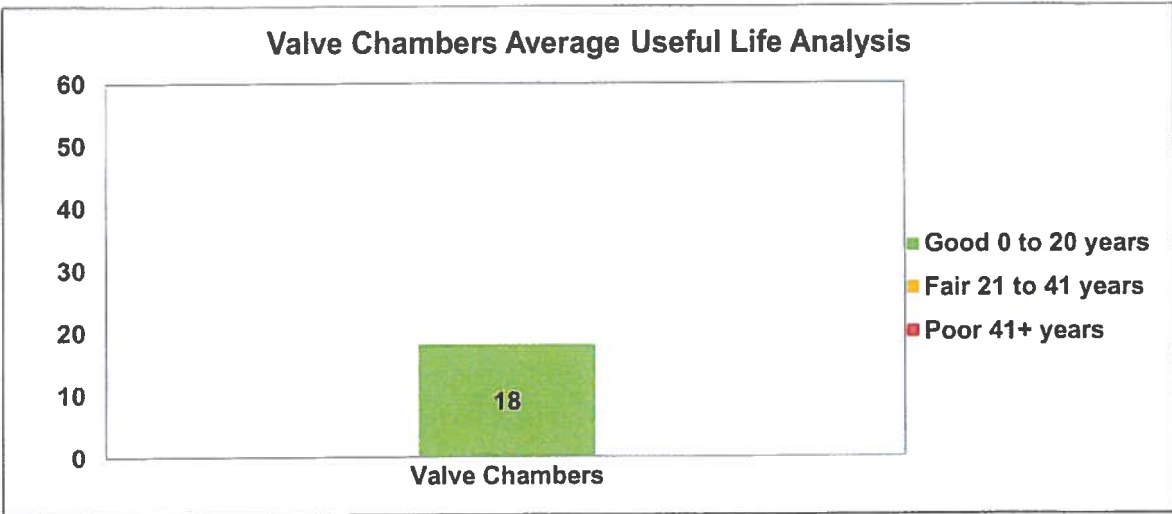
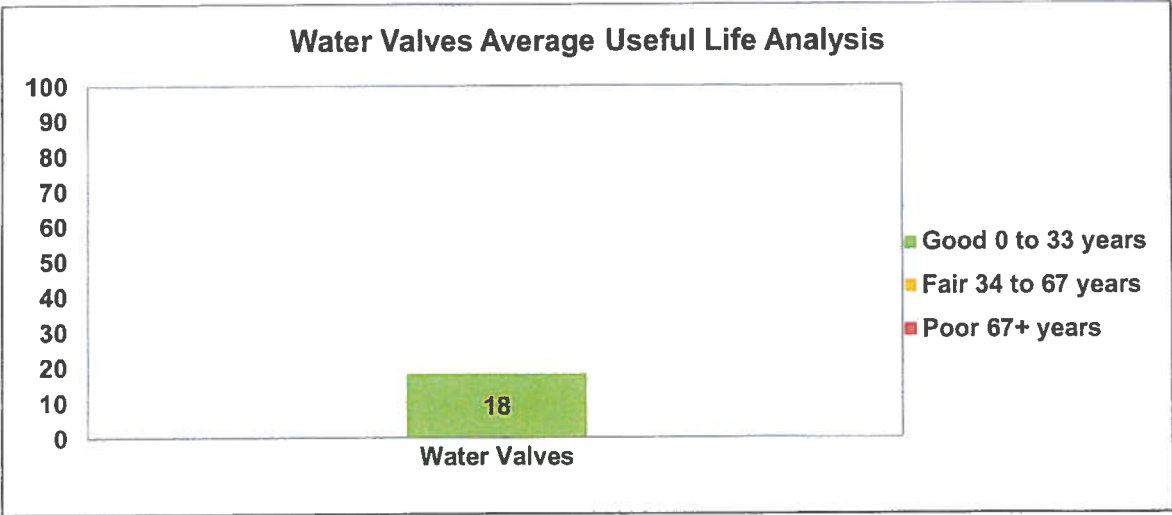
The Grafton Communal Water Network and WTP is made up of the following asset categories:

- Hydrants
- Water Valves includes Gate Valves, Plug Valves and Valve Chamber
- Water Meter
- Waterlines include contact mains of 14,097 meters in length
- Water Treatment Plant includes Water Plant Building, Electrical and Mechanical Water Equipment.

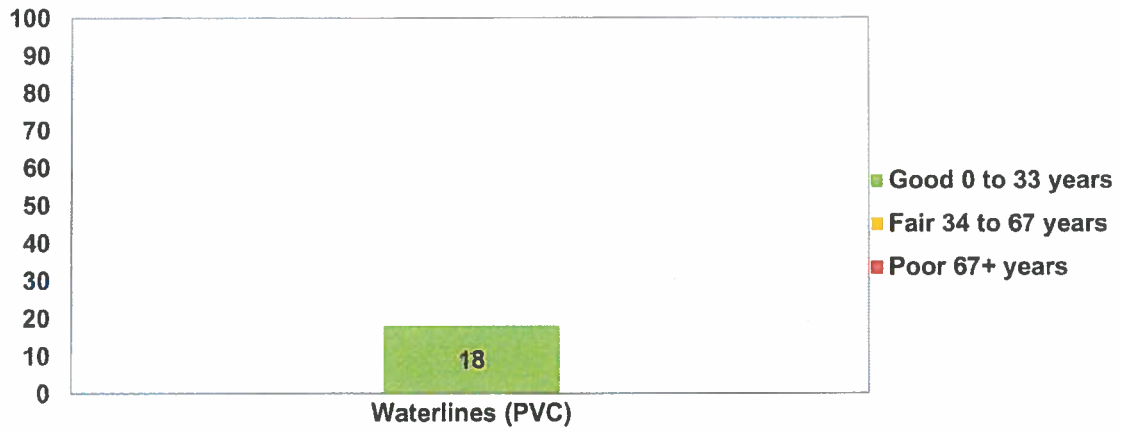
These asset categories are shown below in graph format as part of a Useful Life Analysis.

Grafton Communal Water Useful Life Analysis

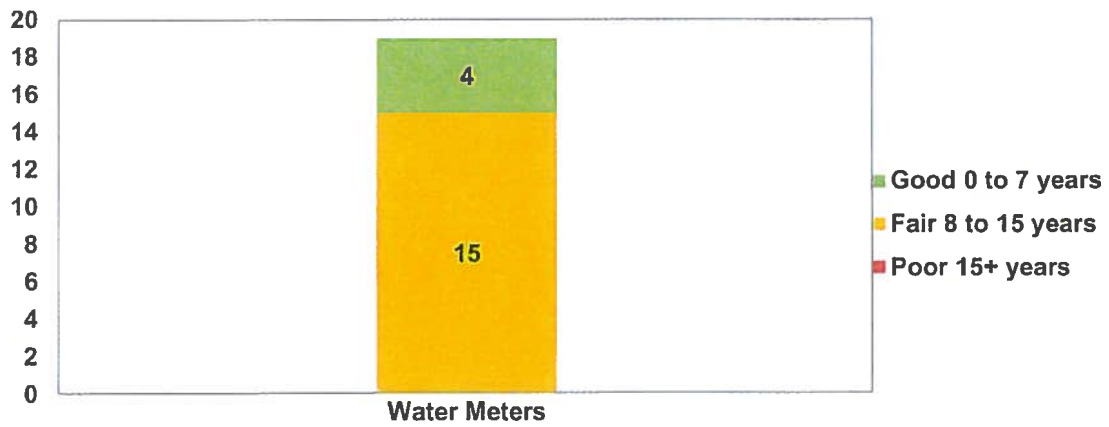


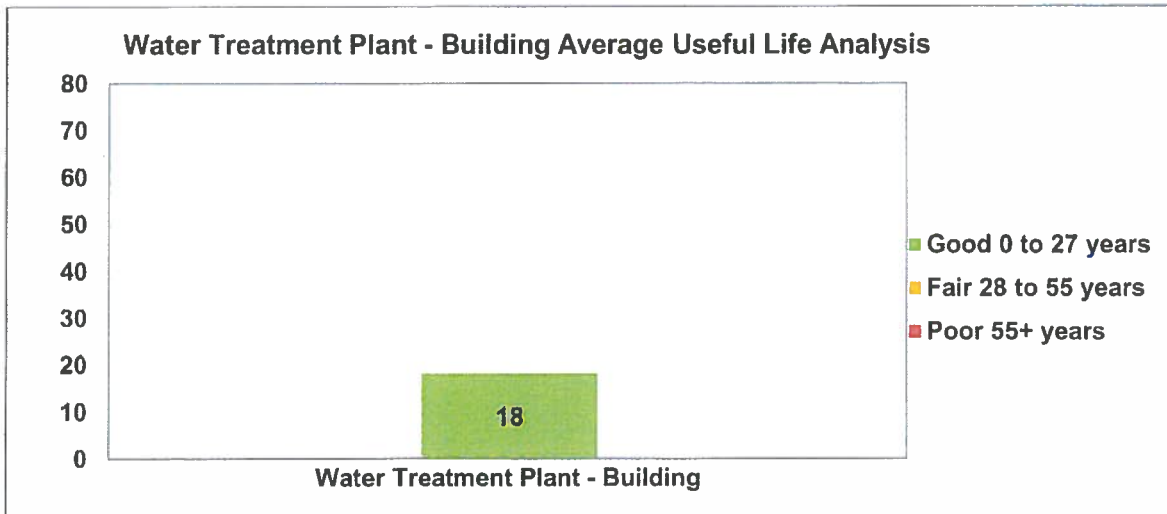


Waterlines (PVC) Average Useful Life Analysis



Water Meters Age Based Analysis





Asset Management Plan Conclusion

As highlighted in the graphs above, the current state of the water network infrastructure, based on available condition rating and age-based analysis, presents a picture of the Township's water network in good overall condition. It only identifies minimal capital asset replacement over the next 10 years.

The overall state of the water network infrastructure at the Township of Alnwick/Haldimand is in better condition than the vast majority of municipalities in this Province. Through the development of an AMP, a Water Rate Study, and the Water Financial Plan the Township will continue to be proactive in its strategies, so as to extend asset useful life and avoid major rehabilitation/reconstruction or replacement costs.

Capital asset information used within the Water Financial Plan were identified in the Township of Alnwick/Haldimand's comprehensive AMP and Water Rate Study to ensure cohesion among the three plans.

Financial Statements

Statement of Financial Position

The Statement of Financial Position provides information that describes the assets, liabilities, and accumulated surplus of the Township's water system. The net financial assets/(debt) is defined as the difference between financial assets and liabilities, this indicator provides an indication of the system's future revenue requirement. A net financial asset position is where financial assets are greater than liabilities and implies that the system has the resources to finance future operations. Appendix A indicates that from 2015 to 2024, the net financial asset position of the Township's water system is expected to increase each year, resulting in the net financial asset position of \$1,137,347 by the end of 2024.

The tangible capital asset balance is another important indicator. In general terms, an increase in the tangible capital asset balance indicates that assets may have been acquired either through purchase by the municipality or donation/contribution by a third party. A decrease in the tangible capital asset balance can indicate a disposal, write down, or use of assets. A use of assets is usually represented by an increase in accumulated amortization due to annual amortization expenses arising as a result of allocating the cost of the asset to operations over the asset's useful life. Appendix A illustrates tangible capital assets are expected to depreciate by \$910,681 over the 10-year forecast period.

Deferred revenue is made up of water development charge reserve fund balances which are considered to be a liability for financial reporting purposes. The use of these funds is governed by statute and must be used for capital items related growth for the water system.

There is no debt required during the forecast period of 2015 to 2024.

Statement of Operations

The Statement of Operations summarizes the revenues and expenses generated by the water system for a given period. 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. Table 2 (Appendix B) illustrates the annual deficit decreases from \$68,401 in 2015 to a surplus of \$22,544 in 2024 from a financial perspective once depreciation has been included. An annual surplus is beneficial to ensure funding is available to manage non-expense costs such as tangible capital asset acquisitions, reserve/reserve fund transfers and debt principal payments.

The accumulated surplus/deficit should indicate whether the available net resources are sufficient to provide future water services. An accumulated deficit indicates that resources may be insufficient to provide future services and that borrowing or rate increases are required to finance annual deficits. Appendix B indicates there is a decrease in the accumulated surplus by \$265,969, as a result of asset depreciation.

Schedule of Operating Expenses

Capital expenditures not meeting the definition of tangible capital assets are classified as operating expenses and are expensed in the year in which they occur. Appendix C utilized operating expenses that correspond to the Water Rate Study completed for the Grafton Communal Water System in 2015 in order to ensure cohesion among the two plans.

Statement of Change in Net Financial Assets/Debt

The Statement of Change in Net Financial Assets/Debt indicates whether revenue generated was sufficient to cover operating and non-financial asset costs (i.e. inventory supplies, prepaid expenses, tangible capital assets, etc.) and in so doing, explains the difference between the annual surplus/deficit and the change in net financial assets/debt for the period. Appendix D indicates that forecasted accumulated annual surpluses exceed tangible capital asset acquisitions (net of amortization) from 2015 to 2024, resulting in an overall increase in net financial assets over the forecast period. An increase in the net financial assets increases the opportunity for a long term plan of funding tangible capital asset acquisitions through accumulated surplus (i.e. reserves and reserve funds).

Statement of Cash Flows

The Statement of Cash Flow summarizes how the water system is expected to generate and use cash resources during the planning period. The transactions that provide/use cash are classified as operating, capital, investing, and financing activities as shown in Appendix E. This statement focuses on the cash aspect of these transactions and thus is the link between cash and accrual based reporting. Appendix E indicates that cash from operations will be used to fund capital transactions (i.e. tangible capital asset acquisitions), and build internal reserves and reserve funds over the forecast period. The financial plan, projects the cash position of the Township's water system to increase from a balance of \$43,173 at the beginning of 2015, to \$1,144,058 by the end of 2024. The increase in cash balance can be partially attributable to the proceeds from investments of \$524,574 that occurred 2015 to 2019, while there are no significant capital additions during 2015 to 2024 forecast period.

References

Township of Alnwick/Haldimand Asset Management Plan 2014
Township of Alnwick/Haldimand Water Rate Study 2014
Water Rate By-Laws
PSAB 1200
ON. Reg. 453/07

Appendix A – Statement of Financial Position

Appendix A
Township of Alnwick/Haldimand - Grafton Communal Water System
Statement of Financial Position
2015 - 2024 PLAN

| | Forecast | | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| Financial Assets | | | | | | | | | | | | |
| Cash | 43,173 | 170,879 | 297,547 | 453,155 | 567,489 | 744,285 | 824,878 | 913,769 | 1,011,490 | 1,026,968 | 1,144,058 | |
| Accounts Receivable | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | 8,096 | |
| Due from Federal Government - GST | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | 12,896 | |
| Due from Township | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | 134,554 | |
| Investments | 524,574 | 421,000 | 324,000 | 227,000 | 104,000 | - | - | - | - | - | - | |
| Total Financial Assets | 723,293 | 747,425 | 777,093 | 835,701 | 827,035 | 899,831 | 980,424 | 1,069,315 | 1,167,036 | 1,182,514 | 1,299,604 | |
| Liabilities | | | | | | | | | | | | |
| Accounts Payable | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | 37,291 | |
| Debt (principal only) | - | - | - | - | - | - | - | - | - | - | - | |
| Deferred revenue - obligatory reserves | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | 124,966 | |
| Deferred revenue - other | - | - | - | - | - | - | - | - | - | - | - | |
| Total Liabilities | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | 162,257 | |
| Net Financial Assets / (Debt) | 561,036 | 585,168 | 614,836 | 673,444 | 664,778 | 737,574 | 818,167 | 907,058 | 1,004,779 | 1,020,257 | 1,137,347 | |
| Non-Financial Assets | | | | | | | | | | | | |
| Tangible Capital Assets | 3,769,335 | 3,676,802 | 3,583,936 | 3,472,404 | 3,433,780 | 3,319,777 | 3,205,774 | 3,091,771 | 2,977,767 | 2,953,200 | 2,858,654 | |
| Inventory of Supplies | - | - | - | - | - | - | - | - | - | - | - | |
| Prepaid Expenses | - | - | - | - | - | - | - | - | - | - | - | |
| Total Non-Financial Assets | 3,769,335 | 3,676,802 | 3,583,936 | 3,472,404 | 3,433,780 | 3,319,777 | 3,205,774 | 3,091,771 | 2,977,767 | 2,953,200 | 2,858,654 | |
| Accumulated Surplus / (Deficit) | 4,330,371 | 4,261,970 | 4,198,771 | 4,145,848 | 4,098,557 | 4,057,351 | 4,023,940 | 3,998,829 | 3,982,546 | 3,973,456 | 3,996,001 | |
| Net Financial Assets / (Debt) for 2014 | 552,458 | | | | | | | | | | | |

| | |
|----------------------------------|--------|
| Accounts Receivable, ending 2014 | 20,991 |
| Accounts Payable, ending 2014 | 36,031 |

Appendix B – Statement of Operations & Accumulated Surplus

Appendix B
Township of Alnwick/Haldimand - Grafton Communal Water System
Statement of Operations
2015 - 2024 PLAN

| | Forecast | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Water Revenue | | | | | | | | | | |
| Water - Residential & General Service Revenue | 203,247 | 213,612 | 224,506 | 235,956 | 247,990 | 260,637 | 273,930 | 287,900 | 302,583 | 318,015 |
| Water - Bulk Customers | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 | 6,500 |
| Water - Exempted properties | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Water Permits | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Interest earned | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 | 12,250 |
| Earned Development Charge Reserves & Gas Tax Revenue | | | | | | | | | | |
| Total Revenues | 225,397 | 235,762 | 246,656 | 258,106 | 270,140 | 282,787 | 296,080 | 310,050 | 324,733 | 340,165 |
| Water Expenses | | | | | | | | | | |
| Operating Expenses | 181,265 | 186,094 | 188,048 | 192,629 | 197,343 | 202,195 | 207,188 | 212,329 | 217,623 | 223,075 |
| Interest on Debt | - | - | - | - | - | - | - | - | - | - |
| Amortization | 112,533 | 112,866 | 111,532 | 112,767 | 114,003 | 114,003 | 114,003 | 114,003 | 116,200 | 94,546 |
| Loss on Sale of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total Expenses | 293,798 | 298,960 | 299,579 | 305,397 | 311,346 | 316,198 | 321,191 | 326,332 | 333,823 | 317,621 |
| Annual Surplus / (Deficit) | -68,401 | -63,198 | -52,923 | -47,291 | -41,206 | -33,411 | -25,111 | -16,282 | -9,090 | 22,544 |
| Accumulated Surplus / (Deficit), beginning of year | 4,330,371 | 4,261,970 | 4,198,772 | 4,145,848 | 4,098,558 | 4,057,352 | 4,023,941 | 3,998,829 | 3,982,547 | 3,973,457 |
| Accumulated Surplus / (Deficit), end of year | 4,261,970 | 4,198,772 | 4,145,848 | 4,098,558 | 4,057,352 | 4,023,941 | 3,998,829 | 3,982,547 | 3,973,457 | 3,996,001 |
| Accumulated Surplus / Deficit is made up of: | | | | | | | | | | |
| Opening Reserve Balances | 8,578 | | | | | | | | | |
| Reserves: Reserve Funds as at December 31, 2014 | - | | | | | | | | | |
| Reserves: Gas Tax | 552,458 | | | | | | | | | |
| Reserves: Other as at December 31, 2014 | 561,036 | | | | | | | | | |
| Total Reserves Balance | 3,769,335 | | | | | | | | | |
| Less: Debt Obligations and Deferred Revenue | | | | | | | | | | |
| Add: Net Book Value of TCA | 4,330,371 | 4,261,970 | 4,198,772 | 4,145,848 | 4,098,558 | 4,057,352 | 4,023,941 | 3,998,829 | 3,982,547 | 3,973,457 |
| Total Opening Balance | 24,132 | 29,668 | 58,608.24 | 8,666.17 | 72,797 | 80,592 | 88,892 | 97,721 | 15,478 | 117,090 |
| Add: Contributions to/(from) reserves | 24,132 | 29,668 | 58,608 | (8,666) | 72,797 | 80,592 | 88,892 | 97,721 | 15,478 | 117,090 |
| Reserves | 20,000 | 20,000.00 | - | 74,143 | - | - | - | - | 91,632 | - |
| Add: Changes in TCA During the Year | 112,533 | 112,866 | 111,532 | 112,767 | 114,003 | 114,003 | 114,003 | 114,003 | 116,200 | 94,546 |
| Capital Assets Purchased (net of exception disposals) | (92,533) | -92,866 | (111,532) | (86,624) | (114,003) | (114,003) | (114,003) | (114,003) | (24,568) | (94,546) |
| Amortization of Capital Assets | | | | | | | | | | |
| Total Changes in TCA | | | | | | | | | | |
| Subtract Changes in Debt Position | | | | | | | | | | |
| New Debt | | | | | | | | | | |
| Debt Repayment | | | | | | | | | | |
| Total Change in Debt | | | | | | | | | | |
| Total Ending Balance | 4,261,970 | 4,198,772 | 4,145,848 | 4,098,558 | 4,057,352 | 4,023,941 | 3,998,829 | 3,982,547 | 3,973,457 | 3,996,001 |

Appendix C – Schedule of Operating Expenses

Appendix C
Township of Alnwick/Haldimand - Grafton Communal Water System

Schedule of Operating Expenses
2015 - 2024 PLAN

| | Forecast | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| Expenditures | | | | | | | | | | | |
| Operating Costs | | | | | | | | | | | |
| General Administration | 5,202 | 5,306 | 5,412 | 5,520 | 5,631 | 5,743 | 5,858 | 5,975 | 6,095 | 6,217 | |
| Hydro | 24,806 | 26,046 | 27,349 | 28,716 | 30,152 | 31,659 | 33,242 | 34,905 | 36,650 | 38,482 | |
| Telephone & Internet | 728 | 743 | 757 | 773 | 788 | 804 | 820 | 836 | 853 | 870 | |
| Routine Water Testing & Analysis | 3,537 | 3,608 | 3,680 | 3,753 | 3,829 | 3,905 | 3,983 | 4,063 | 4,144 | 4,227 | |
| Consulting Services | 5,202 | 5,306 | 5,412 | 5,520 | 5,631 | 5,743 | 5,858 | 5,975 | 6,095 | 6,217 | |
| Miscellaneous | 5,082 | 5,184 | 5,287 | 5,393 | 5,501 | 5,611 | 5,723 | 5,838 | 5,954 | 6,073 | |
| Water Treatment Maintenance | 19,951 | 20,350 | 20,757 | 21,172 | 21,596 | 22,028 | 22,468 | 22,917 | 23,376 | 23,843 | |
| Water Treatment Chemicals | 7,803 | 7,959 | 8,118 | 8,281 | 8,446 | 8,615 | 8,787 | 8,963 | 9,142 | 9,325 | |
| Water Distribution Maintenance | 2,601 | 2,653 | 2,706 | 2,760 | 2,815 | 2,872 | 2,929 | 2,988 | 3,047 | 3,108 | |
| Water Operation Costs (LUSI Contract) | 87,394 | 89,142 | 90,925 | 92,743 | 94,598 | 96,490 | 98,420 | 100,388 | 102,396 | 104,444 | |
| Insurance | 7,595 | 7,747 | 7,902 | 8,060 | 8,221 | 8,385 | 8,553 | 8,724 | 8,899 | 9,077 | |
| Non-Tangible Capital Assets: | | | | | | | | | | | |
| CAPITAL - DRINKING WATER QUALITY MANAGEMENT SYSTEM & LICENSING | 9,364 | 9,551 | 9,742 | 9,937 | 10,136 | 10,339 | 10,545 | 10,756 | 10,971 | 11,191 | |
| CAPITAL - SCADA UPGRADES | 2,000 | 2,500 | - | - | - | - | - | - | - | - | |
| TOTAL OPERATING EXPENSES | 181,265 | 186,094 | 188,048 | 192,629 | 197,343 | 202,195 | 207,188 | 212,329 | 217,623 | 223,075 | |

Appendix D – Statement of Change in Net Financial Assets/Debt

Appendix D
Township of Alnwick/Haldimand - Grafton Communal Water System
Statement of Changes in Net Financial Assets/(Debt)
2015 - 2024 PLAN

| | Forecast | | | | | | | | | |
|--|----------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Annual Surplus/(Deficit) | -68,401 | -63,198 | -52,923 | -47,291 | -41,206 | -33,411 | -25,111 | -16,282 | -9,090 | 22,544 |
| Less: Acquisition of Tangible Capital Assets | 20,000 | 20,000 | 0 | 74,143 | 0 | 0 | 0 | 0 | 91,632 | - |
| Add: Amortization of Tangible Capital Assets | 112,533 | 112,866 | 111,532 | 112,767 | 114,003 | 114,003 | 114,003 | 114,003 | 116,200 | 94,546 |
| (Gain)/Loss on disposal of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Add: Proceeds on sale of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Add: Write-downs of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | 24,132 | 29,668 | 58,608 | -8,666 | 72,797 | 80,592 | 88,892 | 97,721 | 15,478 | 117,090 |
| Less: Acquisition of supplies inventory | - | - | - | - | - | - | - | - | - | - |
| Less: Acquisition of prepaid expenses | - | - | - | - | - | - | - | - | - | - |
| Add: Consumption of supplies inventory | - | - | - | - | - | - | - | - | - | - |
| Add: Use of prepaid expenses | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | - | - | - | - | - | - | - | - | - | - |
| Increase/(Decrease) in Net Financial Assets/(Net Debt) | 24,132 | 29,668 | 58,608 | -8,666 | 72,797 | 80,592 | 88,892 | 97,721 | 15,478 | 117,090 |
| Net Financial Assets/(Net Debt), beginning of year | 552,458 | 585,168 | 614,836 | 673,444 | 664,778 | 737,574 | 818,167 | 907,058 | 1,004,779 | 1,020,257 |
| Net Financial Assets/(Net Debt), end of year | 585,168 | 614,836 | 673,444 | 664,778 | 737,574 | 818,167 | 907,058 | 1,004,779 | 1,020,257 | 1,137,347 |

| | |
|---|---------|
| Net Financial Assets/(Net Debt), end of year for 2014 | 552,458 |
|---|---------|

Appendix E – Statement of Cash Flows

Appendix E
Township of Alnwick/Haldimand - Grafton Communal Water System
Statement of Cash Flow
2015 - 2024 PLAN

| | Forecast | | | | | | | | | |
|--|----------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| Operating Transactions | | | | | | | | | | |
| Annual Surplus/Deficit | -68,401 | -63,198 | -52,923 | -47,291 | -41,206 | -33,411 | -25,111 | -16,282 | -9,090 | 22,544 |
| Add: Amortization of Tangible Capital Assets | 112,533 | 112,866 | 111,532 | 112,767 | 114,003 | 114,003 | 114,003 | 114,003 | 116,200 | 94,546 |
| Less: Earned Deferred Revenue | - | - | - | - | - | - | - | - | - | - |
| Add: Development Charge and Gas Tax Proceeds | - | - | - | - | - | - | - | - | - | - |
| Change in A/R (Increase)/Decrease | - | - | - | - | - | - | - | - | - | - |
| Change in A/P Increase/(Decrease) | - | - | - | - | - | - | - | - | - | - |
| (Gain)/Loss on Disposal of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Less: Interest Proceeds | - | - | - | - | - | - | - | - | - | - |
| Cash Provided by Operating Transactions | 44,132 | 49,668 | 58,608 | 65,477 | 72,797 | 80,592 | 88,892 | 97,721 | 107,110 | 117,090 |
| Capital Transactions | | | | | | | | | | |
| Proceeds on sale of Tangible Capital Assets | - | - | - | - | - | - | - | - | - | - |
| Less: Cash used to acquire Tangible Capital Assets | 20,000 | 20,000 | - | 74,143 | - | - | - | - | 91,632 | - |
| Cash Applied to Capital Transactions | 20,000 | 20,000 | - | 74,143 | - | - | - | - | 91,632 | - |
| Investing Transactions | | | | | | | | | | |
| Proceeds from investments | 103,574 | 97,000 | 97,000 | 123,000 | 104,000 | - | - | - | - | - |
| Less: Cash used to acquire investments | - | - | - | - | - | - | - | - | - | - |
| Cash provided by (applied to) investing transactions | 103,574 | 97,000 | 97,000 | 123,000 | 104,000 | - | - | - | - | - |
| Financing Transactions | | | | | | | | | | |
| Proceeds from Debt Issue | - | - | - | - | - | - | - | - | - | - |
| Less: Debt Repayment (principal only) | - | - | - | - | - | - | - | - | - | - |
| Cash Applied to Financing Transactions | - | - | - | - | - | - | - | - | - | - |
| Increase in Cash and Cash Equivalents | 127,706 | 126,668 | 155,608 | 114,334 | 176,797 | 80,592 | 88,892 | 97,721 | 15,478 | 117,090 |
| Cash and Cash Equivalents, beginning of year | 43,173 | 170,879 | 297,547 | 453,155 | 567,489 | 744,285 | 824,878 | 913,769 | 1,011,490 | 1,026,968 |
| Cash and Cash Equivalents, end of year | 170,879 | 297,547 | 453,155 | 567,489 | 744,285 | 824,878 | 913,769 | 1,011,490 | 1,026,968 | 1,144,058 |

| | |
|---|--------|
| Cash and Cash Equivalents, end of year 2014 | 43,173 |
|---|--------|

Appendix F – Statement of Balance of Tangible Capital Assets

Appendix F
Township of Alnwick/Haldimand - Grafton Communal Water System
Summary of Balance of Tangible Capital Assets
2015 - 2024 PLAN

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Opening TCA Balance (Historical Cost) | 5,695,972 | 5,696,522 | 5,698,022 | 5,698,022 | 5,727,148 | 5,727,148 | 5,727,148 | 5,727,148 | 5,727,148 | 5,779,646 |
| Acquisitions | 20,000 | 20,000 | - | 74,143 | - | - | - | - | 91,632 | - |
| Disposals | 19,450 | 18,500 | - | 45,017 | - | - | - | - | 39,134 | - |
| Closing TCA Balance Historical Cost | 5,696,522 | 5,698,022 | 5,698,022 | 5,727,148 | 5,727,148 | 5,727,148 | 5,727,148 | 5,727,148 | 5,779,646 | 5,779,646 |
| Opening Accumulated Amortization | 1,926,637 | 2,019,720 | 2,114,086 | 2,225,618 | 2,293,368 | 2,407,371 | 2,521,374 | 2,635,377 | 2,749,380 | 2,826,446 |
| Amortization Expense | 112,533 | 112,866 | 111,532 | 112,767 | 114,003 | 114,003 | 114,003 | 114,003 | 116,200 | 94,546 |
| Disposals | 19,450 | 18,500 | - | 45,017 | - | - | - | - | 39,134 | - |
| Ending Accumulated Amortization | 2,019,720 | 2,114,086 | 2,225,618 | 2,293,368 | 2,407,371 | 2,521,374 | 2,635,377 | 2,749,380 | 2,826,446 | 2,920,992 |
| Net Book Value | 3,676,802 | 3,583,936 | 3,472,404 | 3,433,780 | 3,319,777 | 3,205,774 | 3,091,771 | 2,977,767 | 2,953,200 | 2,858,654 |