

**Township of South Frontenac  
Statement of Financial Operations - Water**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Rate revenues	234,278	293,362	361,132	368,389	375,775	383,289	390,883
Rent	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Debt payment from users	20,358	19,450	18,489	17,471	16,393	15,255	14,069
Miscellaneous revenues	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>Total Revenues</b>	<b>258,536</b>	<b>316,712</b>	<b>383,521</b>	<b>389,761</b>	<b>396,068</b>	<b>402,444</b>	<b>408,852</b>
Materials/Supplies	612	624	637	649	662	676	689
Communications	7,961	8,200	8,446	8,700	8,961	9,229	9,506
Utilities	32,074	32,876	33,698	34,540	35,404	36,289	37,196
Professional and Consulting	6,456	6,585	6,716	6,851	6,988	7,127	7,270
Contracted Services	130,050	132,651	135,304	138,010	140,770	143,586	146,457
Insurance	25,781	26,296	26,822	27,359	27,906	28,464	29,033
<b>Total Operating Expenses</b>	<b>202,934</b>	<b>207,232</b>	<b>211,623</b>	<b>216,109</b>	<b>220,691</b>	<b>225,371</b>	<b>230,152</b>
Debt Charges-interest payments	20,358	19,450	18,489	17,471	16,393	15,255	14,069
Amortization Expense	165,423	165,423	165,949	166,298	166,626	166,931	167,213
<b>Total Expenses</b>	<b>388,715</b>	<b>392,105</b>	<b>396,061</b>	<b>399,878</b>	<b>403,709</b>	<b>407,557</b>	<b>411,434</b>
<b>Annual Surplus/(Deficit)</b>	<b>-130,179</b>	<b>-75,393</b>	<b>-12,540</b>	<b>-10,118</b>	<b>-7,642</b>	<b>-5,113</b>	<b>-2,582</b>

The annual deficit decreases from 130,179 in 2014 to 4,445 in 2020

In late 2013, a rate review was undertaken and new rates were put into effect as of June 2014. Historically, revenues were not covering operating costs and reserves were being drawn rather than set aside for future capital needs. The new rates were established to gradually increase rate revenues to bring the plant in a position to set aside funds for future capital needs gradually to move towards the yearly depreciation of the assets.

**Township of South Frontenac  
Statement of Cash Flow/Cash Receipts - Water**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Total Revenues</b>	258,536	316,712	383,521	389,761	396,068	402,444	408,852
<b>Cash Paid For</b>							
Operating Costs	202,934	207,232	211,623	216,109	220,691	225,371	230,152
Debt Repayment - interest	20,358	19,450	18,489	17,471	16,393	15,255	14,069
<b>Cash Provided From Operating Transactions</b>	<b>35,244</b>	<b>90,030</b>	<b>153,409</b>	<b>156,181</b>	<b>158,985</b>	<b>161,818</b>	<b>164,631</b>
<b>Capital Transactions</b>							
Acquisition of TCA	3,500	7,700	26,300	31,680	11,860	102,800	10,000
<b>Increase/(Decrease) in Cash Equivalents</b>	<b>31,744</b>	<b>82,330</b>	<b>127,109</b>	<b>124,501</b>	<b>147,125</b>	<b>59,018</b>	<b>154,631</b>
<b>Cash and Cash Equivalents at Beginning Balance</b>	<b>321,822</b>	<b>353,566</b>	<b>435,896</b>	<b>563,005</b>	<b>687,506</b>	<b>834,630</b>	<b>893,648</b>
<b>Cash and Cash Equivalents at Ending Balance</b>	<b>353,566</b>	<b>435,896</b>	<b>563,005</b>	<b>687,506</b>	<b>834,630</b>	<b>893,648</b>	<b>1,048,279</b>

The reserve year end balance has increased over the forecast period from 321,822 to 1.05 million to reduce the operating deficit and increase the reserve balance to fund future capital asset needs.

**Township of South Frontenac  
Statement of Financial Position - Water**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b><u>Financial Assets</u></b>							
Cash	353,566	435,896	563,005	687,506	834,630	893,648	1,048,279
Accounts Receivable	342,322	325,840	308,397	289,937	270,400	249,724	227,841
Liabilities							
Debt- Principal Outstanding	342,322	325,840	308,397	289,937	270,400	249,724	227,841
<b>Net Financial Assets</b>	<b>353,566</b>	<b>435,896</b>	<b>563,005</b>	<b>687,506</b>	<b>834,630</b>	<b>893,648</b>	<b>1,048,279</b>
<b><u>Non-Financial Assets</u></b>							
Tangible Capital Assets	8,130,917	8,135,117	8,153,191	8,158,222	8,138,074	8,228,709	8,135,627
<b>Accumulated Surplus/Deficit</b>	<b>8,484,483</b>	<b>8,571,013</b>	<b>8,716,196</b>	<b>8,845,727</b>	<b>8,972,704</b>	<b>9,122,357</b>	<b>9,183,906</b>
Cash as a % of Net Fixed Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Debt as a % of Net Fixed Assets	96.8%	74.8%	54.8%	42.2%	32.4%	27.9%	21.7%