



The Municipality of Greenstone

Drinking Water Systems

Financial Plan # 225-301A

October 21, 2013

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1. Introduction

The Municipality of Greenstone (the Municipality) has retained the Ontario Clean Water Agency (OCWA) to develop a financial plan for the Municipality’s Drinking Water Systems in order to comply with the financial plan regulation (O. Reg. 453/07) made under the Safe Drinking Water Act.

The Municipality of Greenstone owns separate drinking water systems in five of the six wards that make up the Municipality. This financial plan covers the combined financial information for all of the drinking water systems and includes the drinking water systems in Beardmore, Caramat, Geraldton, Longlac and Nakina.

The financial plan contained herein has been prepared in accordance with O. Reg. 453/07, as well as the provisions of the financial planning guidelines published by the Ministry of the Environment (MOE) in August, 2007 entitled “Toward Financially Sustainable Drinking-Water and Wastewater Systems”.

The financial plan was prepared for Greenstone’s Drinking Water Systems, based on information supplied by the Municipality, including, future capital and major maintenance projects, water system financial information, as well as tangible capital asset information that the Municipality generated in accordance with the Public Sector Accounting Board (PSAB) standard PS 3150 requirements.

The information supplied by the Municipality was used to generate a financial operating plan which documented annual expenditure requirements from the year 2011 through to 2022. A revenue plan, relying mostly on user fees was generated to support the expenditure requirements outlined in the operating plan. The information generated in the operating and revenue plans along with the tangible capital asset information was used to develop a financial plan for Greenstone’s Drinking Water Systems covering the period from 2011 to 2017.

1.1 Legislative Context to Financial Planning

There have been a number of legislative initiatives affecting water system management and operations over the past decade. These initiatives were a result of the water borne illness tragedy in Walkerton in 2000. Following this event, the Government of Ontario established a public inquiry chaired by the Honourable Dennis O’Connor to look into the tragedy. The Inquiry Report recommended a comprehensive approach to the delivery of safe drinking water in Ontario.

The MOE has responded to the Inquiry recommendations by making legislative changes. One change directly related to the development of this Financial Plan was the passage of the Safe Drinking Water Act, 2002 (SDWA). It requires owners of a municipal drinking water system to apply for and obtain a Municipal Drinking Water Licence. There are five elements that must be in place in order for the owner of a drinking water system to obtain a licence:

- 1) A Drinking Water Works Permit to establish or alter a drinking-water system.

- 2) An accepted Operational Plan. The Drinking Water Quality Management Standard (DWQMS) is the standard upon which operational plans are based. The plan documents an operating authority's quality management system (QMS).
- 3) An Accredited Operating Authority. A third party audit of an operating authority's QMS will be the basis for accreditation.
- 4) A Permit to Take Water.
- 5) A Financial Plan that must be prepared and approved in accordance with the prescribed requirements in the Financial Plans Regulation.

Under section 30 of the SDWA, the Financial Plan element of the licence program must either be prepared in accordance with the Sustainable Water and Sewage System Act, 2002 (SWSSA) or in accordance with the requirements set by the Minister of the Environment. SWSSA regulations have not been published. Accordingly, the requirements set by the Minister of Environment apply as per the 2007 MOE guidelines.

Regulation 453/07 of the Safe Drinking Water Act was passed in 2007 and contains two key provisions that apply to an existing water system:

1. A person who makes an application under 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 of Reg. 453/07. O. Reg. 453/07, S. 1(1).
2. 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 Reg. 453/07. O. Reg. 453, S. 1(3).

Several other provisions are also set out in the regulation that must be met by a municipality operating a water system:

- The financial plan must be approved by a resolution that is passed by the Council of the municipality.
- The financial plan must apply to a period of at least six years.
- The first year to which the financial plan must apply must be the later of 2010 and the year in which the first licence for the system was issued.

- The financial plan must be available, upon request, to members of the public at no charge and posted on the internet (if the municipality maintains a website).
- The municipality must provide notice as deemed appropriate to advise the public of the availability of the financial plan.

Once a system is licensed, the municipality's Financial Plan is required to be updated every 5 years, in conjunction with every application for license renewal. A full documentation of the financial plan regulation, O.Reg. 453/07 can be found in Attachment 1.

1.2 Recent Accounting and Policy Changes

In June 2006, the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered accountants approved new municipal financial accounting and reporting standards requiring that tangible capital assets (TCA), including the assets of drinking water systems, be included in municipal financial statements. Stat 3150 came into effect on January 1, 2009.

The Clean Water Act, 2006 targets the protection of drinking water supplies through the development of collaborative, locally driven, science and watershed based source protection plans. According to the MOE financial planning guidelines, Financial Plans should include source water protection costs related to the provision of water services. Utilities are encouraged to have, at minimum, estimates of any current source protection costs as a separate cost item by the time that their Financial Plans are required in order to effectively align with the anticipated approval timelines for source protection plans (2010-2012).

In June 2007, the government of Ontario proposed a lead action plan. The Financial Plans regulation requires municipalities' Financial Plans to include the costs associated with replacing lead service pipes that are part of their drinking water system.

1.3 Municipality of Greenstone – Drinking Water Systems

The Municipality of Greenstone is located in northwestern Ontario, approximately 270 km northeast of Thunder Bay. The Municipality is comprised of six (6) wards, five (5) of which have municipal drinking water systems (DWS); Beardmore, Caramat, Geraldton, Longlac and Nakina. The five (5) drinking water systems are not connected and each system consists of a water treatment plant (WTP) and a distribution system. The Municipality owns all buildings, facilities and equipment that are part of the DWS and all of the DWS are operated by the Ontario Clean Water Agency. A description of each of the systems can be found below.

1.3.1 Beardmore

The Beardmore Drinking Water System (DWS) consists of a surface water sourced package treatment plant, including intake, SCADA (Supervisory Control and Data Acquisition) system, backwash system, low and high lift works, on-site storage, emergency power and chemical addition.

The intake consists of an intake crib with a design capacity of 1360 m³/day and an intake pipe. Water is drawn from the Blackwater River. The low lift works consist of two (2), 10 HP, 4 stage vertical turbine pumps, each rated at 15.8 L/s at a total dynamic head of 26.5 m.

The pumps deliver raw water to a package plant with a capacity of 1363 m³/day. The plant contains a draft tube flocculator, solids contact clarifier with tube settlers and a two (2) compartment dual media rapid sand filter (sand/anthracite). The plant is accompanied by an automatic backwash system with a total volume of 12 m³. The backwash system also has a 27 m³ waste water storage tank that pumps waste water with a 1.5 HP sewage pump to the sanitary sewer system.

The SCADA system includes monitoring of two (2) turbidity meters, one (1) pH monitor, one (1) chlorine analyzer and one (1) chlorine residual recorder.

The Beardmore distribution system is comprised of 100 mm and 150 mm diameter Polyvinyl Chloride (PVC) pipes.

1.3.2 Caramat

The Caramat Drinking Water System consists of a 61 m intake pipe from inlet bell to wet well drawing water from Caramat Lake. There are two (2) low lift pumps that are each rated at 0.87 L/s at a total dynamic head of 40.5 m.

The low lift pumps provide water to a filtration system consisting of two trains each equipped with a roughing filter, slow sand filter and Granular Activated Carbon (GAC) contactor. Each filter is rated at 0.43 L/s. The water receives primary chlorination from two sodium hypochlorite metering pumps, capable of pumping 0.4 L/hr. The water has ozone applied from six (6) ozone generators in two ozone contactors each with a volume of 145 L.

The treated water enters the clearwell which is comprised of two (2) concrete tanks with a total volume of 57 m³. Two (2) high lift pumps (duty/standby) each rated at 2.48 L/s pump water to the distribution system. The finished water is chlorinated again prior to distribution.

The SCADA system in Caramat consists of the monitoring of an online chlorine analyzer, a magnetic flow meter, and oxygen sensors.

The Caramat distribution system is primarily comprised of 150 mm diameter PVC pipes.

1.3.3 Geraldton

The Geraldton Water Treatment plant draws water from an intake structure in Cecile Lake. There are three (3) high lift pumps each rated at 34.7 L/s at a total dynamic head of 12.95 m, each equipped with a 10 HP motor.

The raw water is treated in two treatment units in parallel consisting of flocculation tanks, settling chambers equipped with tube settlers, and a mixed media filter tank.

The plant is also equipped with backwash pumps and a backwash storage tank that holds process water before a sludge transfer pump transfers the waste water to a lagoon for settling.

Disinfection occurs from two gas chlorinators complete with 22.7 kg/day capacity rotameters. Water is stored in a 556 m³ reservoir consisting of two clearwell compartments. Three (3) high lift pumps distribute the water to the distribution system. Each pump is rated at 34.7 L/s at a total dynamic head of 52.43 m with 40 HP motors.

The monitoring equipment at the Geraldton WTP consists of two (2) continuous turbidimeters, one (1) continuous online free chlorine residual analyzer, and three flow meters measuring the in-plant domestic use, the flow to the distribution system and the raw water flow rate.

The Geraldton distribution system is comprised of approximately 19 km of Cast Iron pipes, 5 to 6 km of Ductile Iron Pipes, and a small amount of PVC pipes.

1.3.4 Longlac

The Longlac Drinking Water System consists of an intake crib, found in Long Lake, containing a 2.4 m pre-cast concrete pipe with a capacity of 6050 m³/day. Three (3) single stage vertical turbine pumps, each rated at 34 L/s at a total dynamic head of 12.92 m and 10 HP motors pump the raw water to the water treatment plant. Alum, a polymer and orthophosphate are added to the stream to aid in the filtration/coagulation process.

The Longlac WTP contains a package plant with a capacity of 4050 m³/day, with flocculation, a solids contact clarifier with tube settlers and two (2) compartment dual media rapid sand filter.

The plant is equipped with a 16 m³ backwash storage tank along with a wastewater tank that stores the process waste until it is pumped by waste transfer pumps to the sanitary sewer system.

The monitoring equipment at the Longlac WTP consists of two (2) continuous online monitoring turbidimeters, a continuous online chlorine analyzer, a phosphate analyzer and three (3) flow meters for the influent flow, in plant domestic use and the effluent flow.

The distribution system in Longlac comprises of approximately 5 km of PVC and 11 km of Ductile Iron pipes.

1.3.5 Nakina

The Nakina WTP draws its raw water from one of two wells, each capable of 18.9 L/s at a total dynamic head of 27.4 m. The wells are equipped with 15 HP vertical turbine pumps. Sodium hypochlorite is added as the primary and secondary disinfectant, each one comprising of a 0.59 L/hr duty metering pump and 3.6 L/hr standby metering pump.

Water is stored in a 1592 m³ twin celled reservoir. Four (4) high lift pumps pump the water from the clearwell to the distribution system. Three (3) of the pumps are rated at 18.9 L/s at a total dynamic head

of 52.43 m with 25 HP motors and one pump is rated at 99.6 L/s at a total dynamic head of 41.45 m with a 75 HP motor.

The Nakina WTP is also equipped with turbidity meter, on-line chlorine residual analyzer, as well as raw water and treated water flow meters.

The Nakina distribution system contains approximately 10 km of pipes, consisting primarily of PVC.

2. Financial Operating Plan

The financial operating plan includes the costs of operating the Greenstone DWS on an ongoing basis and includes capital investments, operating costs, maintenance costs, administration costs, debt repayment and interest charges.

A financial operating plan for the Greenstone DWS was developed using historical financial information and projecting the information forward to forecast the annual expenditure requirements, while taking into account capital and major maintenance needs, inflation and any growth forecast.

2.1 Operating Expenses

Recurring operating expenses for the Greenstone DWS consists of contracted operating services provided by OCWA, hydro cost and other operating expenses such as materials, supplies, major maintenance and repair. All operating costs are projected to increase on an annual basis at a rate of 3% per year, except for hydro costs, which are projected to increase at a rate of 5% per year. The total operating expenses (before amortization and interest) for the Greenstone Drinking Water Systems are forecasted to be approximately \$1,358,374 in 2011 and increase annually to approximately \$1,602,938 by year 2017.

2.2 Capital Costs

Although ongoing yearly maintenance and rehabilitation of the Greenstone Drinking Water Systems is forecasted, many of the costs associated with these works will be considered an expense, based on the Municipality's policy for tangible capital asset accounting. There are several items in each year throughout the study period that are recorded as capital upgrades or additions. Some of these capital items include pumps, diesel generators, PLC upgrades, upgrades to filters, relining of cast iron pipes and water tower recoating.

2.3 Debt and Deficit Management

The Greenstone Drinking Water Systems had a debt principle of approximately \$981,738 at year end 2012. The debt principle is forecasted to increase to \$1,633,921 by year end 2013. In 2013 a loan of \$680,000 is required to cover the municipal share of the costs of capital improvements to the DWS.

At year end 2013, any remaining deficit that was not covered by the \$680,400 loan and the grant of approximately \$1,600,000, will be covered by general revenue and revenue from the wastewater systems. As well, shortfalls or deficits forecasted in future years will be covered in a similar manner. The current plan forecasts deficits of \$157,755, and \$63,526 for year ending 2013 and 2014, respectively, to be covered from general and wastewater revenue.

The requirement for major capital upgrades have been forecasted in each of the remaining years of the study period. If no senior government funding is available to cover the costs of these upgrades, including the relining the cast iron water mains in Geraldton, then additional long term loans will be required and have been included in the current financial plan. Although these additional debts are forecasted, it is recognized that if funding become available or if these projects are deferred or scaled back, loans that have been included the plan may not be required.

2.4 Lead Pipe Replacement Costs

Future lead sampling has been forecasted in the year 2017 in Geraldton for a price of \$3000. These costs are accounted for in the financial operating plan, however there are no costs forecasted for lead pipe replacement costs.

2.5 Source Water Protection Costs

There are no costs associated with source water protection forecasted for the Greenstone DWS during the study period.

3. Funding Plan

A funding plan was developed to ensure that the annual expenditures forecasted in the financial operating plan can be sustained over the study period. The funding plan relies on operating revenues from the direct users of the drinking water system through water rates in combination with government grants to cover certain capital costs. A government grant through the Municipal Infrastructure Investment Initiative (MIII) Capital Program was received in the year 2013 in the amount of approximately \$1,600,000. Long terms loans have been included in the funding plan to cover the costs of future capital upgrades. In addition, contributions from general revenue and the wastewater system will be required to offset funding shortfalls.

3.1 Water Rates

The Greenstone Drinking Water Systems currently services approximately 1971 flat rate residential customers, 52 flat rate commercial customers and 174 metered commercial customers. The flat rate customers of the Greenstone DWS are charged a quarterly flat rate for water used. The metered rate is applied to metered commercial customers only. The proposed water rates charged to residential consumers can be found in figure 1.1a based on the type of unit. Figure 1.1c shows the flat rates proposed for commercial consumers based on the type of unit. Commercial units are also metered and charged \$2.24/m³ (2013) of water used.

The flat rates for each type of unit (residential and commercial) were increased by 5.0% in 2012 and 10.0% in 2013. These rates are projected to increase further by 20%, 15%, 10% and 5% in the years 2014, 2015, 2016 and 2017, respectively. The metered rate increases by the same amount as the flat rate on an annual basis. As the metered rate increases, it is assumed that the water use would experience some decrease. We have planned for metered water usage to decrease by 20% in 2014, another 10 % in 2015 and stabilize thereafter. For this financial plan, an average commercial water customer’s water usage was established at 930L/day (0.93m³/day) in 2013. The decreases of 20% and 15% were applied to the 930 L/day usage. The metered rate and consumption are shown in Figure 1.1b and Graph 1.1, respectively.

Revenue from the forecasted rates were developed with the assumption that there will be no change in the current number of customers.

Figure 1.1a – Water Rate Charge per Quarter - Residential

Type of Unit	Water Rate per Quarter/ % increase over previous year						
	2011	2012	2013	2014	2015	2016	2017
<i>G1 Residential Flat Rate</i>	\$134.22	\$140.94	\$155.03	\$186.04	\$213.95	\$235.34	\$247.11
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%
<i>G2 Senior Flat Rate</i>	\$120.81	\$126.84	\$139.52	\$167.43	\$192.54	\$211.80	\$222.39
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%
<i>G3 Residential Flat Rate (water only)</i>	\$134.22	\$140.94	\$155.03	\$186.04	\$213.95	\$235.34	\$247.11
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%
<i>G4 Senior Flat Rate (water only)</i>	\$120.81	\$126.84	\$139.52	\$167.43	\$192.54	\$211.80	\$222.39
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%
<i>G9 Residential Double Water Single Sewer</i>	\$255.03	\$267.78	\$294.56	\$353.47	\$406.49	\$447.14	\$469.50
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%

Figure 1.1b – Metered Rate - Commercial

Type of Unit	Water Rate per m ³ / % increase over previous year						
	2011	2012	2013	2014	2015	2016	2017
Commercial	\$1.94	\$2.03	\$2.24	\$2.69	\$3.10	\$3.41	\$3.58
	5.0%	5.0%	10.0%	20.0%	15.0%	10.0%	5.0%

Graph 1.1 – Average Water Consumption by a Commercial User per day

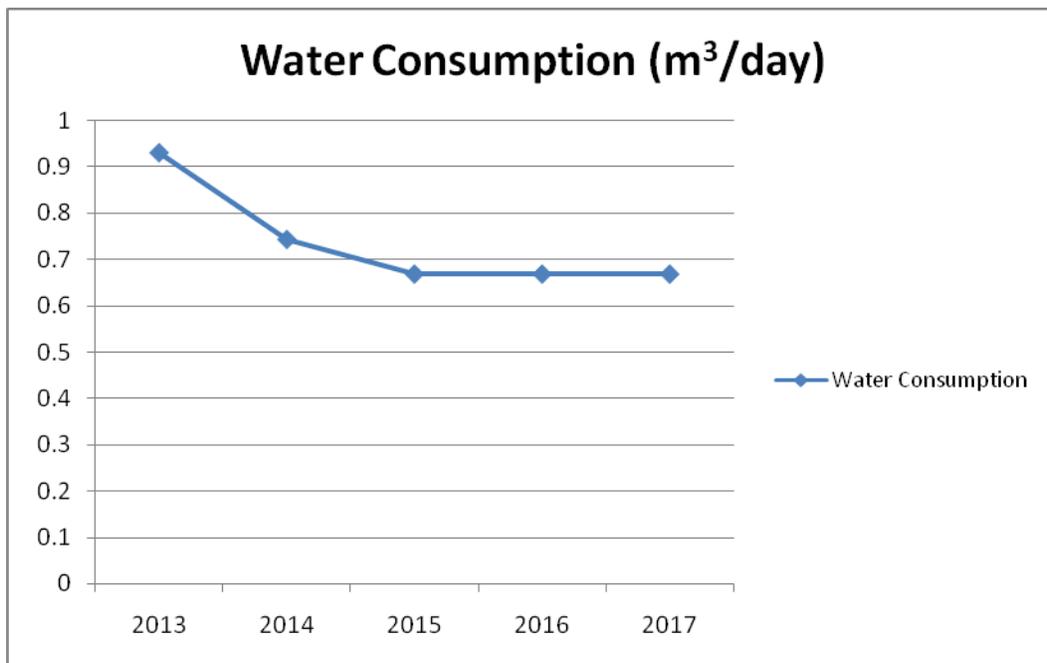


Figure 1.1c - Water Rate Charge per Quarter - Commercial

Type of Unit	Water Rate per Quarter/ % increase over previous year					
	2012	2013	2014	2015	2016	2017
04 Bakery Pizza House, Offices	\$224.65 5.0%	\$247.12 10.0%	\$296.54 20.0%	\$341.02 15.0%	\$375.12 10.0%	\$393.88 5.0%
05 Retail Stores/Offices	\$179.63 5.0%	\$197.59 10.0%	\$237.11 20.0%	\$272.68 15.0%	\$299.95 10.0%	\$314.94 5.0%
06 Service Station no car wash	\$246.35 5.0%	\$270.99 10.0%	\$325.18 20.0%	\$373.96 15.0%	\$411.36 10.0%	\$431.92 5.0%
07 Drycleaner-Laundromat	\$370.52 5.0%	\$407.57 10.0%	\$489.09 20.0%	\$562.45 15.0%	\$618.69 10.0%	\$649.63 5.0%
16 Geraldton Post Office/Gym	\$359.26 5.0%	\$395.19 10.0%	\$474.22 20.0%	\$545.36 15.0%	\$599.89 10.0%	\$629.89 5.0%
29 Nurse's Residence	\$471.81 5.0%	\$518.99 10.0%	\$622.79 20.0%	\$716.21 15.0%	\$787.83 10.0%	\$827.22 5.0%
30 Ontario Realty Corporation/Service	\$651.36 5.0%	\$716.50 10.0%	\$859.80 20.0%	\$988.76 15.0%	\$1087.64 10.0%	\$1142.02 5.0%
31 Clarkim Enterprises/ Silver	\$411.80 5.0%	\$452.98 10.0%	\$543.58 20.0%	\$625.11 15.0%	\$687.62 10.0%	\$722.00 5.0%
39 Legion/Canada Post	\$140.94 5.0%	\$155.03 10.0%	\$186.04 20.0%	\$213.95 15.0%	\$235.34 10.0%	\$247.11 5.0%
45 – Hydro One, MTO (no sewer)	\$280.53 5.0%	\$308.58 10.0%	\$370.30 20.0%	\$425.84 15.0%	\$468.43 10.0%	\$491.85 5.0%
47 – Dan's Business (no sewer)	\$172.77 5.0%	\$190.05 10.0%	\$228.06 20.0%	\$262.26 15.0%	\$288.49 10.0%	\$302.92 5.0%
56 Carwash (no sewer)	\$356.33 5.0%	\$391.96 10.0%	\$470.36 20.0%	\$540.91 15.0%	\$595.00 10.0%	\$624.75 5.0%
67 Eagle Logging Inc.	\$591.10 5.0%	\$650.21 10.0%	\$780.25 20.0%	\$897.29 15.0%	\$987.02 10.0%	\$1036.37 5.0%
71 Long Lake Forest Products	\$881.70 5.0%	\$969.87 10.0%	\$1163.84 20.0%	\$1338.42 15.0%	\$1472.26 10.0%	\$1545.88 5.0%
81 Beardmore/Bank /Health Centre/LCB	\$227.10 5.0%	\$249.81 10.0%	\$299.77 20.0%	\$344.74 15.0%	\$379.21 10.0%	\$398.17 5.0%
82 Beardmore Superior Greenstone	\$1450.25 5.0%	\$1595.28 10.0%	\$1914.33 20.0%	\$2201.49 15.0%	\$2421.63 10.0%	\$2542.71 5.0%
83 Beardmore Commercial	\$325.61 5.0%	\$358.17 10.0%	\$429.81 20.0%	\$494.28 15.0%	\$543.70 10.0%	\$570.89 5.0%
84 Crest Wind Hotel – Roxy 1	\$370.31 5.0%	\$407.34 10.0%	\$488.81 20.0%	\$562.13 15.0%	\$618.34 10.0%	\$649.26 5.0%
85 Crest Wind Hotel – Roxy 2	\$741.87 5.0%	\$816.08 10.0%	\$979.29 20.0%	\$1126.19 15.0%	\$1238.81 10.0%	\$1300.75 5.0%
87 Beardmore Shell Station	\$454.16 5.0%	\$499.58 10.0%	\$599.49 20.0%	\$689.41 15.0%	\$758.36 10.0%	\$796.27 5.0%
BR Nakina Tavern	\$268.25 5.0%	\$295.08 10.0%	\$354.09 20.0%	\$407.20 15.0%	\$447.92 10.0%	\$470.32 5.0%
BT Nakina Bed & Breakfast	\$223.55 5.0%	\$245.91 10.0%	\$295.09 20.0%	\$339.35 15.0%	\$373.28 10.0%	\$391.95 5.0%
C1 Commercial/ Retail – Flat Rate	\$140.94 5.0%	\$155.03 10.0%	\$186.04 20.0%	\$213.95 15.0%	\$235.34 10.0%	\$247.11 5.0%
C2 Northwest Company	\$447.05 5.0%	\$491.76 10.0%	\$590.11 20.0%	\$678.62 15.0%	\$746.48 10.0%	\$783.81 5.0%
LM Laundromat/ Variety Store	\$312.92 5.0%	\$344.21 10.0%	\$413.05 20.0%	\$475.01 15.0%	\$522.51 10.0%	\$548.64 5.0%
NA Nakina Ambulance	\$154.18 5.0%	\$169.60 10.0%	\$203.52 20.0%	\$234.05 15.0%	\$257.45 10.0%	\$270.32 5.0%

3.2 Debt and Cash Reserves

The current revenue forecasted for the study period will not be sufficient to support the required expenditures needed to fund the upgrades to the water system as laid out in the current plan. Therefore, there will be a requirement to raise additional funds through borrowing and/or senior government grants.

By year end 2013, a loan of \$680,400 will be taken out to partially cover the costs of the cast iron relining project and the filter-to-waste project in Geraldton. This will bring the total outstanding debt principal to approximately \$1,633,921 at year end 2013.

In the years 2014, 2015, 2016, and 2017 additional long term loans of \$1,048,784, \$946,987, \$825,948 and \$623,348 are projected in the current financial plan. These loans will be required if plans for the cast iron relining projects and other capital upgrades continue as projected and government funding is not available.

However, it is anticipated that if funding is not available, the relining projects could be downscaled or deferred. This would result in much smaller loan amounts or no loans at all if the wastewater revenue and general revenue can be used to cover any water system deficits. The long term loans are 25 year loans, compounded annually.

There is currently no water system reserve fund. Based on the projected annual future expenditure requirements, building of a reserve fund during the study period is not anticipated.

3.3 Government Grant

The Municipality has received funding through the MIII Capital Program. This funding was received in 2013 in the amount of approximately \$1,600,000. The total project cost is anticipated to be approximately \$2,100,000 and includes relining of ductile iron pipe in Geraldton's distribution system.

Currently the Municipality of Greenstone has capital projects planned in each of the future years of the study period. Although the Municipality plans to take advantage of any funding opportunities that may become available to offset the costs of these projects, no senior government grant commitments are in place and none have been included in the current plan.

4. Financial Plan Summary – Greenstone

This section provides a summary of principal features concerning the current and projected future state of the Greenstone Drinking Water Systems. The financial information is contained in financial statements covering the minimum 6 years (2011-2017) as outlined in O. Reg. 453. The detailed financial

statements are set out in tabular form in Section 4. The notes regarding the financial statements Plan are presented at the end of the financial statement section of this report.

4.1 Statement of Financial Position (Table 1.1)

An important feature of a water system is its net financial assets. A positive net financial asset indicates that the system has some resources to deal with future capital and other needs. A negative number indicates that past capital and other investments must be financed from future revenues. The Greenstone Drinking Water Systems’ net financial assets are shown in Figure 2.1.

Figure 2.1 – Greenstone Net Financial Assets

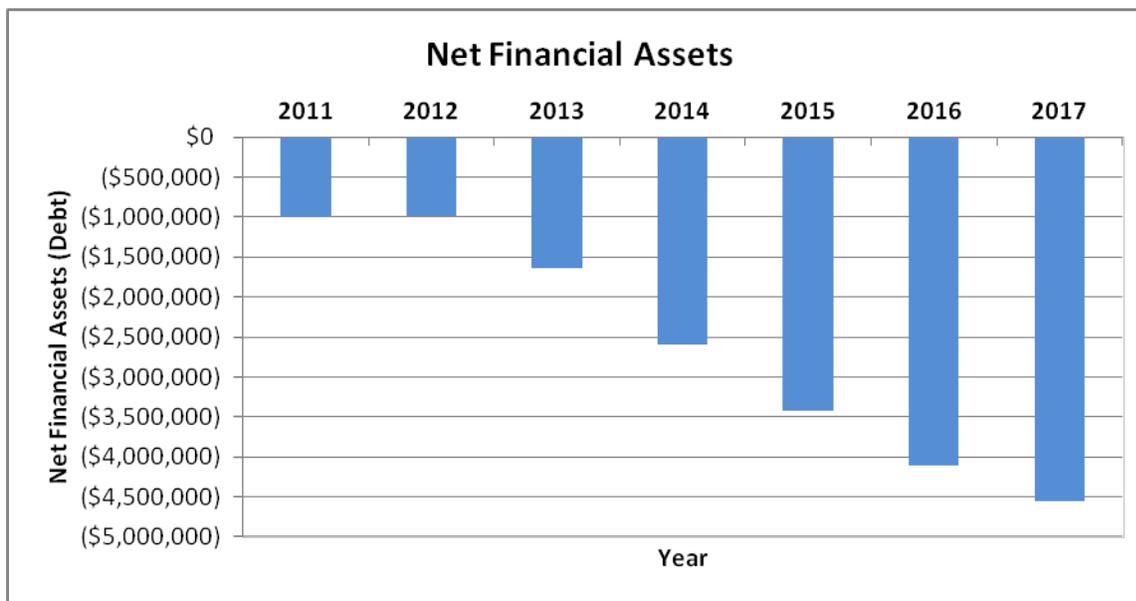


Figure 2.1 shows that the net financial assets projected over the study period are decreasing with each year throughout the study period.

A second feature is the total value of the water system tangible capital assets (Plant equipment, watermains). Consideration of the value of tangible capital assets is part of PSAB compliance. The current value of the capital assets is termed net book value (NBV). It is the difference between the original cost of an asset less the accumulated amortization.

Water systems have a great deal of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. Tangible capital assets, once installed, are being used, and are decreasing in value. An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value of the assets is set out in Figure 2.2. The net book value for the Tangible Capital Assets of the Greenstone Drinking Water Systems increases each year, starting in 2011. There are several capital

renewal projects forecasted in the Municipality that will result in an increase of the overall NBV of the tangible capital assets.

Figure 2.2 – Greenstone Tangible Capital Assets

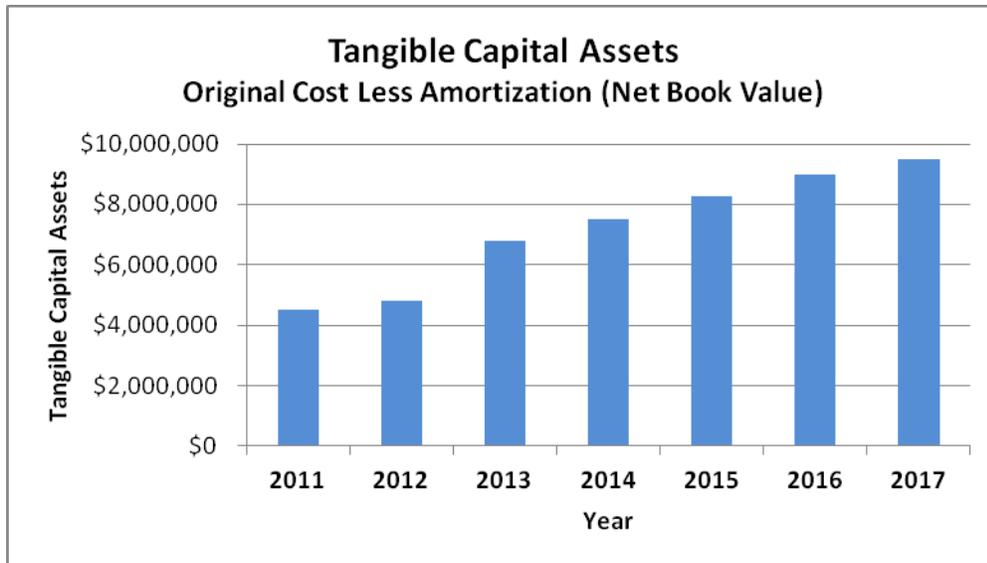
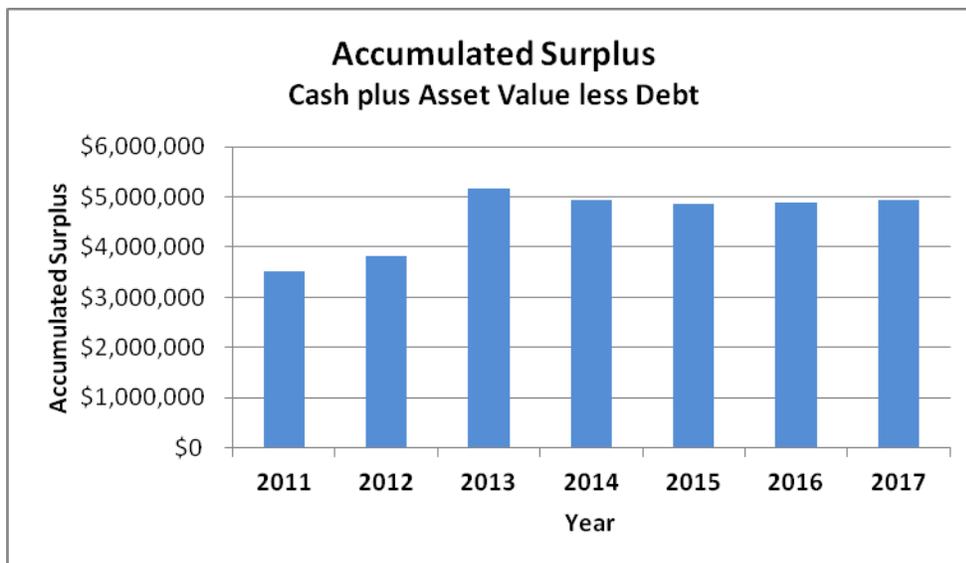


Figure 2.3 sets out the accumulated surplus. It represents cash on hand plus the net book value of tangible capital assets less debt. The water system is projected to show an increase in accumulated surplus from 2011 to 2013. This is showing that the combined cash and asset position is strengthening over this period. However, without any plans for senior government funding support, there is only a minimal increase in the accumulated surplus forecasted between the years 2014 and 2017.

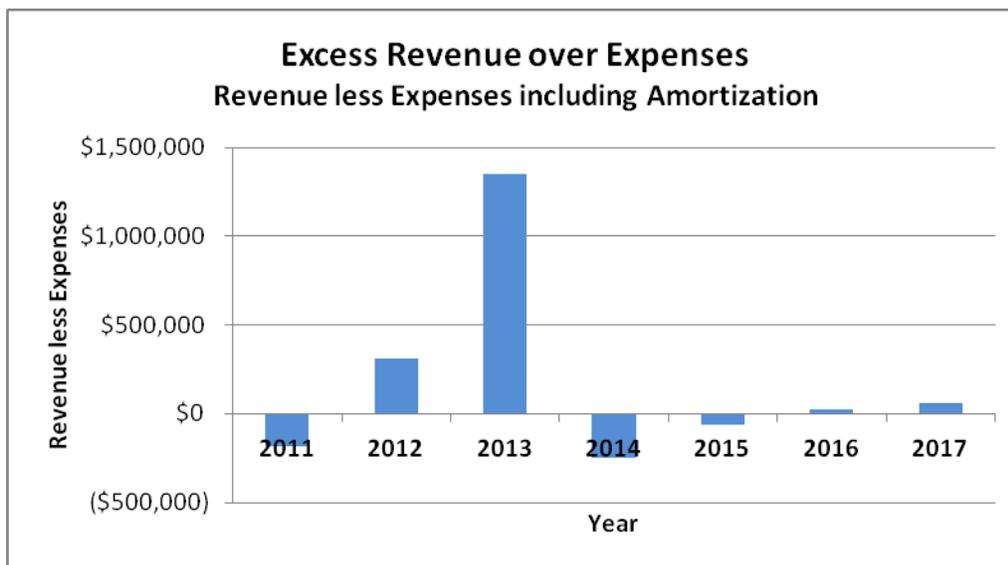
Figure 2.3 – Greenstone Accumulated Surplus



4.2 Statement of Operations (Table 1.2)

This statement summarizes revenues and expenditures. The revenue includes revenues from connected users, any interest earned and government grants. The expenditures include ongoing operating costs and asset amortization. Figure 2.4 projects that the system’s excess of revenues over expenses, including amortization, is mostly negative throughout the study period. In 2012 and 2013, there were large contributions from general revenue and a provincial grant respectively. Therefore in these years, the excess of revenue over expenses is positive. However, in 2014 and 2015, the expenses and amortization are greater than the revenues, followed by 2 years where the revenues are slightly greater than the expenses. This indicates that although the annual revenues may adequately fund ongoing operating costs over the study period, the revenues at times are unable to fully cover the yearly amortization expenses of the system.

Figure 2.4 – Greenstone Excess Revenue over Expenses



4.3 Continuous Improvement

The Financial Plan regulation requires the preparation and approval of a financial plan for drinking water systems before making an application for renewal of a Drinking Water License. Each Financial Plan created for a drinking water system will require updating at a frequency of at least every five years. The process of updating the financial plans will allow the assumptions made in previous plans to be revisited and adjusted as necessary. This on-going update will assist in revisiting and re-assessing the need for capital renewal and major maintenance expenditures.

4.4 Conclusion

The Greenstone Drinking Water Systems are currently not financially self sustaining in that it relies heavily on wastewater revenue, general revenue, grants and loans to fund a significant portion of the ongoing operating and capital costs. There are many capital and major maintenance needs that will be

addressed each of the future years from 2014 to 2017 that will necessitate water rate increases and the requirement for senior government grants and possibly more loans.

In reviewing these statements, it is important to keep in mind that a number of assumptions have been made concerning inflation, interest rates, and growth projections. Actual numbers may significantly deviate from these over time. In addition, capital and major maintenance cost estimates and schedule may vary from current projections. There is a need to monitor the progress of this plan and make adjustments as needed.

The detailed financial statements are set out in tabular form in the following section and were the basis for the above summary.

5. Financial Statements

The detailed financial statements are set out in the following tables followed by the notes that correspond to the numbers on the right side of the tables.

Table 1.1 – Statement of Financial Position

Statement of Financial Position	2011	2012	2013	2014	2015	2016	2017	Notes
Financial Assets								
Cash/Cash Equivalents								
System Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	8
other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cash/Cash Equivalents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Investments								
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Financial Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Liabilities								
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Debt Principle	\$1,008,594.64	\$981,738.13	\$1,633,920.59	\$2,594,222.89	\$3,424,165.73	\$4,105,807.63	\$4,559,402.86	1
Working Deficit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Liabilities	\$1,008,595	\$981,738	\$1,633,921	\$2,594,223	\$3,424,166	\$4,105,808	\$4,559,403	
Net Financial Assets (Debt)	(\$1,008,595)	(\$981,738)	(\$1,633,921)	(\$2,594,223)	(\$3,424,166)	(\$4,105,808)	(\$4,559,403)	
Non Financial Assets								
Tangible Capital Asset Cost (Closing)	\$11,256,192	\$11,747,382	\$14,038,232	\$14,891,240	\$16,021,692	\$17,121,695	\$18,041,957	2
Changes in Tangible Capital Assets - Additions/Betterments	\$0	\$509,900	\$2,305,950	\$1,049,408	\$1,145,552	\$1,126,323	\$969,263	3,4
Tangible Capital Asset - Disposal	\$0	\$18,710	\$15,100	\$196,400	\$15,100	\$26,320	\$49,000	3
Accumulated Amortization (closing)	\$6,738,805	\$6,945,856	\$7,231,698	\$7,371,080	\$7,736,366	\$8,130,993	\$8,537,738	3
Total Non Financial Assets	\$4,517,387	\$4,801,526	\$6,806,534	\$7,520,159	\$8,285,325	\$8,990,702	\$9,504,219	
Accumulated Surplus(deficit)	\$3,508,792	\$3,819,788	\$5,172,613	\$4,925,937	\$4,861,160	\$4,884,894	\$4,944,816	

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these difference would be material

Table 1.2 – Statement of Financial Operation

Statement of Financial Operations		2011	2012	2013	2014	2015	2016	2017	
Revenues	User Revenues								
	User Fees	\$1,153,084	\$1,178,192	\$1,296,011	\$1,569,541	\$1,862,455	\$2,048,700	\$2,151,135	5
	W/S Interest/Penalties	\$59,967	\$61,331	\$67,464	\$0	\$0	\$0	\$0	
	Ginoogaming/Res #58 W/S	\$48,000	\$48,000	\$48,000	\$0	\$0	\$0	\$0	
	Ginoogaming Metered Water	\$31,909	\$28,202	\$31,023	\$0	\$0	\$0	\$0	
	Reserve #58 Metered Water	\$48,484	\$51,228	\$56,351	\$0	\$0	\$0	\$0	
	Water Disc./Connect Charges	\$2,670	\$7,267	\$7,993	\$0	\$0	\$0	\$0	
	Water Frontage	\$1,566	\$1,566	\$1,722	\$0	\$0	\$0	\$0	
	Ginoogaming Reserve Contribution	\$0	\$0	\$0	\$53,000	\$53,000	\$53,000	\$53,000	6
	Reserve 58 Contribution	\$0	\$0	\$0	\$82,900	\$82,900	\$82,900	\$82,900	7
	Total Revenue from Users	\$1,345,680	\$1,375,786	\$1,508,564	\$1,705,441	\$1,998,355	\$2,184,600	\$2,287,035	
	Other								
	Contribution from General Revenue	\$89,714	\$672,547	\$157,755	\$63,526	\$0	\$0	\$0	
	Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	MIII Capital Program Grant	\$0	\$0	\$1,600,000	\$0	\$0	\$0	\$0	9
	Total Revenues	\$1,435,394	\$2,048,333	\$3,266,319	\$1,768,967	\$1,998,355	\$2,184,600	\$2,287,035	
Expenses	OCWA Expenses	\$1,274,114	\$1,339,873	\$1,212,981	\$1,198,838	\$1,234,803	\$1,271,847	\$1,310,002	10
	Waterworks Expenses	\$58,061	\$112,263	\$90,500	\$29,870	\$30,766	\$31,689	\$32,640	11
	OCWA (Greenstone) Expenses	\$3,707	\$4,000	\$4,125	\$4,249	\$4,376	\$4,507	\$4,643	12
	Waterworks (Greenstone) Expenses	\$22,492	\$5,277	\$6,625	\$6,824	\$7,028	\$7,239	\$7,456	12
	Major Maintenance	\$0	\$0	\$249,518	\$371,004	\$298,123	\$283,630	\$248,197	13
	Contribution to General Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Expenses before interest and amortization	\$1,358,374	\$1,461,413	\$1,563,749	\$1,610,784	\$1,575,096	\$1,598,913	\$1,602,938	
	Debt Interest	\$51,459	\$50,163	\$48,802	\$69,077	\$107,649	\$141,006	\$168,430	1, 14
	Amortization	\$208,467	\$225,761	\$300,942	\$335,782	\$380,386	\$420,947	\$455,746	3
	Total Expenses	\$1,618,300	\$1,737,337	\$1,913,494	\$2,015,644	\$2,063,131	\$2,160,866	\$2,227,113	
	Excess of Revenues over Expenses before Other	(\$182,906)	\$310,996	\$1,352,825	(\$246,677)	(\$64,777)	\$23,734	\$59,922	
	Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Excess of Revenues over Expenses	(\$182,906)	\$310,996	\$1,352,825	(\$246,677)	(\$64,777)	\$23,734	\$59,922	
	Annual Surplus (Deficit) Beginning of year	\$3,691,698	\$3,508,792	\$3,819,788	\$5,172,613	\$4,925,936	\$4,861,159	\$4,884,894	
	Accumulated Surplus (Deficit) End of Year	\$3,508,792	\$3,819,788	\$5,172,613	\$4,925,936	\$4,861,159	\$4,884,894	\$4,944,816	

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these difference would be material

Table 1.3 – Statement of Change in Cash Flow

Statement of Cash Flow	2011	2012	2013	2014	2015	2016	2017	
Operating Transactions								
Cash received from Revenues	\$1,435,394	\$2,048,333	\$3,266,319	\$1,768,967	\$1,998,355	\$2,184,600	\$2,287,035	
Cash paid for Operating Expenses	\$1,358,374	\$1,461,413	\$1,563,749	\$1,610,784	\$1,575,096	\$1,598,913	\$1,602,938	
Cash paid for Financing Charges (Debt Interest)	\$51,459	\$50,163	\$48,802	\$69,077	\$107,649	\$141,006	\$168,430	
Excess of Operating Revenues Over Operating Expenses	\$25,561	\$536,757	\$1,653,768	\$89,105	\$315,609	\$444,681	\$515,668	
Working Capital Items								
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Capital Work in Progress	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cash provided by Operating Transactions	\$25,561	\$536,757	\$1,653,768	\$89,105	\$315,609	\$444,681	\$515,668	
Capital								
Acquisition of TCAs	\$0	(\$509,900)	(\$2,305,950)	(\$1,049,408)	(\$1,145,552)	(\$1,126,323)	(\$969,263)	4
Proceeds on Disposal of TCA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cash used in Capital Transactions	\$0	(\$509,900)	(\$2,305,950)	(\$1,049,408)	(\$1,145,552)	(\$1,126,323)	(\$969,263)	
Investing								
Cash (used in)/Provided by Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Increase (decrease) Cash Provided by Investing Activities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Financing								
Loan to cover capital projects	\$0	\$0	\$680,400	\$1,048,784	\$946,987	\$825,948	\$623,348	1, 14
Repayment of Long Term Debt (principal)	(\$25,561)	(\$26,857)	(\$28,218)	(\$88,482)	(\$117,044)	(\$144,306)	(\$169,753)	14
Interim Financing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Cash Provided by (used) in Financing Activities	(\$25,561)	(\$26,857)	\$652,182	\$960,302	\$829,943	\$681,642	\$453,595	
Increase (decrease) in Cash Equivalents	\$0	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	
Cash and Cash Equivalents at the beginning of the Year	\$0.00	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	
Cash and Cash Equivalents at the End of the Year	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these difference would be material

6. Notes on the Financial Plan for the Greenstone Drinking Water Systems

The Greenstone Drinking Water Systems (DWS) Financial Plan represents a forecast of the financial performance of the drinking water systems over a study period starting in the year 2011 through to the year 2017. The following notes are intended to document and/or clarify some of the assumptions made in generating the financial information contained in the tables. The reader is cautioned that the financial plan contains un-audited financial information and is subject to change.

1. The Greenstone Drinking Water Systems had a debt principle of approximately \$1,008,595 at year end 2011. The debt principle decreased in 2012 to \$981,738 but is forecasted to increase to \$1,633,921 by year end 2013. In 2013 a loan of \$680,000 is required to cover the municipal share of the costs of capital improvements to the DWS. In 2013, any remaining deficit that was not covered by the \$680,400 loan and the \$1,600,000 grant, will be covered by general revenue and revenue from the wastewater systems. As well, shortfalls or deficits forecasted in future years will be covered in a similar manner. The current plan forecasts operating deficits of \$154,155, and \$63,526 for year ending 2013 and 2014, respectively, to be covered from general and wastewater revenue. The requirement for major capital upgrades have been forecasted in each of the remaining years of the study period. If no senior government funding is available to cover the costs of these upgrades, including the relining the cast iron watermain in Geraldton, then additional long term loans will be required and have been included in the current financial plan. Although these additional debts are forecasted, it is recognized that if funding is received or if these projects are deferred or scaled back, loans that have been included the plan may not be required.
2. Tangible Capital Assets Cost (Closing) includes changes (additions, disposals, write-downs) in tangible capital assets during the year.
3. Tangible Capital Assets (TCA) are assumed to have no residual value when they have reached the end of their projected useful life. The projected future costs of capital items include a 15% contingency. Amortization was determined using the straight line method. The calculation of Amortization begins the year after an asset is put into service.
4. Changes in Tangible Capital Assets – Additions/Betterments – All capital projects that are categorized as additions or betterment are included in this section. Items recorded as capital betterments or additions include pumps, diesel generators, PLC upgrades, upgrades to filters, relining of cast iron pipe and tower recoating.
5. User Fees – Greenstone residential and commercial are charged a quarterly flat rate for water used. Commercial units are also metered and charged \$2.24/m³ (2013) of water used. The flat rates for each type of unit (residential and commercial) increased by 10.0% in 2012, 3.0% in 2013 and are projected to increase by 20%, 15%, 10% and 3% in the years 2014, 2015, 2016 and

- 2017, respectively. The metered rate increases by the same amount as the flat rate on an annual basis.
6. Ginoogaming Reserve Contribution – Annual revenue is generated from the contribution made by the Ginoogaming First Nation community which is connected to the Longlac Drinking Water System.
 7. Reserve 58 Contribution – Annual revenue is generated from the contribution made by the Reserve 58 First Nation community which is connected to the Longlac Drinking Water System.
 8. There is no Greenstone DWS reserve fund at the start of the study period and no build up of the reserve fund during the study period is forecasted.
 9. MIII Capital Program Grant – In 2013, the Municipality received approximately \$1,600,000 from a government grant to aid in the funding of relining Cast Iron watermain in the ward of Geraldton. The total project cost is estimated to be approximately \$2,100,000.
 10. OCWA Expenses – Includes operating charges, maintenance/repairs to the plants and buildings, and utility costs.
 11. Waterworks Expenses – Incorporates recurring costs such as contractor costs, equipment repairs and maintenance, telephone bills and other utilities.
 12. OCWA and Waterworks Expenses (Greenstone) – These are items that are applied to Greenstone as a whole and include items such as insurance, equipment rentals, licenses/permits and environmental compliance costs.
 13. Major Maintenance – Major maintenance items are non routine items of significant costs that may fall below the capital threshold and/or can be considered operational and maintenance activities. Some of these include flow meters, analyzers, media replacement etc.
 14. Repayment of Long Term Debt (principal and interest) – Payment of debt and interest are being made each year of the study period. Caramat had an existing debt at the beginning of the study period. Additional debt is planned for in the years 2014, 2015, 2016 and 2017. New debt is assumed to be 25 year loans, compounded annually.

Attachment 1

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.

This is the English version of a bilingual regulation.

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.